

# KANAWHA INSURANCE COMPANY

POST OFFICE BOX 610, 210 SOUTH WHITE STREET  
LANCASTER, SOUTH CAROLINA 29721-0610

TELEPHONE: 1-877-378-1505

GROUP POLICY NUMBER: 9001002000 7209383000

ISSUED TO POLICYHOLDER: Barnes Group Inc

EFFECTIVE DATE: JANUARY 1, 2011

POLICY ANNIVERSARIES occur on JANUARY 1 and on the same day of each year thereafter.

STATE OF DELIVERY: PENNSYLVANIA

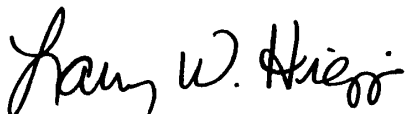
This Policy is a legal contract and has been issued to the Policyholder.

Through this Policy, Kanawha insures certain persons. Kanawha promises to pay the Benefits as stated in this Policy. Kanawha Insurance Company, a subsidiary or another person or entity contracted with either of them will collect Premiums, pay Claims and perform other acts as required by the terms of this Policy.

Coverage of persons insured by this Policy stays in force if Premiums are paid on time. Kanawha, however, can cancel this Policy, under the terms stated in this Policy.

This Policy is issued and is governed by the laws of the State of Delivery.

Signed for Kanawha Insurance Company at its Home Office in Lancaster, South Carolina, as of the Effective Date stated above.



Secretary



President

GROUP LIMITED BENEFIT ACCIDENT INSURANCE POLICY  
Non-Participating

# TABLE OF CONTENTS

TABLE OF CONTENTS.....	3
SCHEDULE.....	4
Benefit Information .....	4
Maximums .....	4
Eligibility .....	5
DEFINITIONS.....	6
ELIGIBILITY AND EFFECTIVE DATE PROVISIONS .....	11
Eligibility.....	11
New Hires.....	12
Effective Date.....	12
Coverage of Eligible Dependents.....	12
TERMINATION OF ELIGIBILITY .....	13
CONTINUATION .....	13
Continuation During Periods of Employer-Certified Disability.....	13
Continuation During Family and Medical Leave .....	14
Continuation of Employees On Military Leave .....	14
PORTABILITY .....	14
TERMINATION OF INSURANCE FOR COVERED PERSONS .....	15
BENEFIT PROVISIONS .....	16
Accident Medical Expense Benefits.....	16
Ambulance Benefits .....	16
Hospital Indemnity Benefit .....	16
Accidental Death, Dismemberment and Loss of Sight (AD&D) Benefits.....	17
Total Disability Premium Waiver Benefit (Employee Only).....	17
OPTIONAL BENEFIT PROVISIONS.....	18
Optional On-The-Job Coverage Benefit.....	18
Optional Accident Total Disability Benefit (Employee Only).....	18
Optional Hospital Intensive Care Unit Benefit.....	19
Optional Fracture and Dislocation Benefits .....	20
LIMITATIONS AND EXCLUSIONS .....	21
CLAIM PROVISIONS .....	22
Notice of Claim .....	22
Claim Forms .....	22
Proofs of Loss.....	22
Payment of Claims.....	23
Time of Payment of Claims.....	23
Examination.....	23
Legal Proceedings.....	23
Workers' Compensation.....	23
RENEWAL AMENDMENT AND TERMINATION OF POLICY .....	24
Renewal.....	24
Amendment of this Policy.....	24
Termination of this Policy.....	24
Voluntary Employee Termination.....	24
PREMIUM PROVISIONS .....	24
Premiums .....	24
Premium Payments .....	25
Change In Premium.....	25
GENERAL PROVISIONS .....	25

# SCHEDULE

<b>Benefit Information</b>	<b>Maximums</b>
Accident Medical Expense Benefits	\$1,500 per Accident. \$50 Emergency Room Deductible
Ambulance Benefits	\$750 per Accident
Hospital Indemnity Benefit	\$225 per day. Maximum Period 30-days per Accident
Accidental Death and Dismemberment Benefits	\$15,000 for Accidental Loss of Life. See Benefit provision regarding other losses.
Total Disability Waiver of Premium Benefit (Covered Employee Only)	For 12 months if Total Disability Begins Prior to Attained Age 67
Optional Benefits (if any)	See Optional Benefit
Optional Hospital Intensive Care Unit Benefit	\$300 per day. Maximum Period 30-days per Accident
Optional Fracture and Dislocation Benefits	\$1,500 maximum based on Injury sustained. See Optional Benefit for Details

## **Eligibility**

### **1. Enrollment**

Employees between the Attained Ages established by each Subscriber's Plan are eligible persons who may Enroll subject to the Eligibility and Effective Date Provisions.

Minimum Number of Hours Required for Active Employment as established by each Subscriber's Plan

Spouses between the Attained Ages established by each Subscriber's Plan are eligible and may Enroll subject to the Eligibility and Effective Date Provisions.

Children of a Covered Employee and Spouse are eligible to Enroll as established by each Subscriber's Plan subject to the Eligibility and Effective Date Provisions.

### **2. Qualification Period**

Salaried Exempt and Nonexempt Employees – as established by each Subscriber's Plan

Wage and Hour Nonexempt Employees – Eligible as established by each Subscriber's Plan

### **3. Maximum Renewal Age**

Covered Employee to Attained Age 70

Covered Spouse to Attained Age 70

Covered Children      to Attained Age 18 unless a full-time student  
                                 to Attained Age 25 if a full-time student  
                                 None, so long as the Child is and remains unmarried, incapable of self-sustaining  
                                 employment due to mental incapacity or physical handicap and chiefly dependent on You  
                                 or Your Spouse for support

# DEFINITIONS

**Accident** means unintended or unforeseen bodily Injuries accidentally sustained by a Covered Person that occur while this Policy and the Covered Person's Certificate are in force. Accident does not include:

- Sickness;
- Bodily or mental infirmity;
- Any condition covered by a Workers' Compensation or occupational disease law.

**Active Employment** means the Employee must be working:

- A. for an Employer and paid regular earnings; and
- B. at least the minimum number of hours shown in the Schedule for Active Employment; and either:
  - 1. at the Employer's usual place of business; or
  - 2. at a location to which the Employer's business requires the Employee to travel; and
  - 3. in a Job Classification that We have agreed to insure under this Policy.

An Employee will be in Active Employment on:

- 1. each day of a normal paid vacation; or
- 2. a normal non-working day if:
  - a. the Employee is not totally disabled; and
  - b. the Employee was in Active Employment on the last normal workday immediately preceding the non-working day.

**Adopted Children** means:

- Children for whom a decree of adoption has been entered; or
- Children with respect to whom adoption proceedings have been instituted within 31 days after the birth of the Child and the Employee or Spouse has temporary custody of the Child; or
- Children placed with the Employee or Spouse in anticipation of adoption and for whom the Employee or Spouse has assumed a legal obligation for total or partial support of the Child.

Adoption proceedings must be completed and the decree of adoption entered within one year from the institution of proceedings. However, the one-year period may be extended by order of the court by reason of the special needs of the Child.

**Age** means the Age of the Covered Person as of his or her last birthday on the Date of Certificate.

For a person later added, Age means the person's Age as of his or her last birthday when coverage starts.

**Ambulance** means a vehicle or aircraft equipped for transporting wounded, injured, or sick persons and licensed to provide such services, if licensing is required by the state.

The term “Ambulance” does not include vehicles or aircraft operating outside of the United States, its territories or Canada unless used to transport a Covered Person into the United States, its territories or Canada.

**Attained Age** means the Age of a Covered Person on the Date of Certificate plus one year on each Certificate anniversary.

For a person later added, Attained Age means the person’s Age as of his or her last birthday when coverage starts, plus one year on each Certificate anniversary.

**Beneficiary** means the person the Employee named as Beneficiary in his or her Enrollment form or in a later Change of Beneficiary.

**Certificate of Insurance (Certificate)** means the document We issue for delivery to each Covered Employee stating the protection to which that person is entitled, to whom Benefits are payable and a statement of any family member’s or Dependent’s coverage.

**Child or Children** means:

- The Employee’s Children; and
- Children of the Employee’s Spouse; and
- Adopted Children of the Employee or Spouse.

**Claim** means any request for a Policy Benefit, made by the Covered Employee, a Claimant or by an authorized representative of either, that complies with this Policy’s procedures for making Benefit Claims. A communication regarding Benefits that is not in accordance with these procedures will not be treated as a Claim.

**Claimant** means a Covered Person who makes a Claim under this Policy.

**Class** means a group of Employees that are categorized together for rating purposes. The basis for the establishment of such Classes may include any of the following:

- the Benefit or Benefits elected; or
- a Job Classification that exhibits a trait or traits affecting the likelihood of Claims; or
- those persons who are Members of the Group of Insured Persons.

**Covered Charges** mean those expenses for which this Policy provides Benefits, or would provide Benefits but for any Deductible.

**Covered Employee** means the Eligible Employee, when covered by this Policy. The Covered Employee’s name is shown in the Certificate.

**Covered Person** means an Employee or Eligible Dependent who is covered under this Policy.

**Deductible** means first dollar charges for Emergency Room services that a Covered Person must pay. The Accident Medical Expense Benefits for Emergency Room will be paid after satisfaction of the Deductible. The

Deductible does not apply to Physician's services covered by the Accident Medical Expense Benefits or to any other Benefits of this Policy.

**Dislocation** means a displacement resulting from Injuries suffered in an Accident that completely separates the surfaces of a joint and that a Physician treats by surgery, external manipulation, casting or splinting.

**Eligible Dependents** means a Spouse, his or her Children and the Children of an Eligible Employee.

- We must approve Eligibility of Spouses and Children of an Employee.
- Each such person must meet the Eligibility requirements shown in the Schedule.

If a Child is covered by this Policy, the Child's Eligibility will not end if the Child is and remains:

- unmarried; and
- incapable of self-sustaining employment due to mental incapacity or physical handicap; and
- chiefly dependent on the Employee or Spouse for support.

However, in no event will Eligibility or coverage of any Child continue beyond the date that the Employee's coverage ends.

The Employee must furnish Us with proof of physical or mental incapacity within 31 days after the Child's Eligibility would otherwise end. Thereafter, We may require proof, but not more frequently than annually.

Premiums for Children's coverage must be paid.

**Eligible Employee** means a person who:

- is in Active Employment of an Employer that is a Subscriber; and
- meets the Enrollment Eligibility, Qualification Period and Maximum Renewal Age Provisions shown in the Schedule.

**Elimination Period** means the number of days that a Covered Employee must be Totally Disabled before Benefits are payable under the Optional Accident Total Disability Benefit. The Elimination Period is shown in the Schedule.

**Emergency Room** means a designated area in a Hospital that is called an Emergency Room. It must be:

- staffed and equipped to handle acute Injury or illness; and
- under the supervision of and staffed by Physicians; and
- be available to provide care 24 hours per day and seven days a week year round.

An Emergency Room is not a room located outside the United States, its territories or Canada.

**Employee** means a person who is in Active Employment with an Employer that is a Subscriber.

**Employer** means an entity that:

- is a Subscriber; and
- employs a workforce of persons in Active Employment.



Employer includes any division, subsidiary or affiliated company named in the Master Application.

**Enroll** means apply for coverage. Coverage begins on the Date of Certificate when the Employee and any Eligible Dependents meet the requirements of the Eligibility and Effective Date Provisions and the first Premium is paid.

**Fracture** means a break in a bone resulting from Injuries suffered in an Accident. The Fracture must be seen in an x-ray and Physician-treated by surgery, external manipulation, casting or splinting.

Fracture does not include a chip Fracture. Chip Fracture means a small piece of bone that has flaked from the major part of the bone

**Home Office** means the Executive Offices of Kanawha Insurance Company at 210 South White Street, Lancaster, South Carolina 29720.

**Hospital** means a place which:

- is licensed by the state as a Hospital; and
- is operated in a lawful manner on a full-time basis; and
- provides overnight care of injured and sick people; and
- is supervised by a Physician; and
- has full-time nurses supervised by a registered nurse; and
- has at its location or uses on a prearranged basis, x-ray equipment, a laboratory and an operating room where surgical operations take place.

A Hospital is not:

- a nursing home; or
- an extended care facility; or
- a hospice; or
- a rest home or home for the aged; or
- a rehabilitation center; or
- a place for alcoholics or drug addicts; or
- a part of a Hospital that operates as one of the above; or
- a facility located outside of the United States, its territories or Canada.

**Injury** means trauma or damage to some part of a Covered Person's body caused by an Accident that occurs while this Policy and the Covered Person's Certificate are in force.

**Intensive Care Unit (ICU)** means a designated area in a Hospital that is called an Intensive Care Unit. The ICU must:

- be limited to persons who are critically injured or ill and require the highest level of care; and
- be permanently equipped with specialized lifesaving equipment for the care and treatment of critically injured or ill persons; and
- be staffed 24 hours per day by specially trained nursing staff; and
- be supervised 24 hours per day by a Physician.

Intensive Care Unit also means a designated area in a Hospital that is licensed by a state as an ICU or accredited as an ICU by a nationally recognized Hospital accreditation organization.

An Intensive Care Unit does not include:

- rooms, beds and wards customarily used for non-critical patient care; or
- surgical suites and recovery rooms; or
- Hospital Sub-Acute Intensive Care Units; or
- a Hospital Observation Unit; or
- a unit located outside of the United States, its territories or Canada.

**Job Classification** means a group of Employees categorized by:

- pay scale; or
- job title; or
- exempt/nonexempt status; or
- other criteria to which We agree.

**Loss of Finger** means actual permanent severance through or complete amputation of a metacarpal phalanx.

**Loss of Foot** means total and irrecoverable loss of use of the foot.

**Loss of Hand** means total and irrecoverable loss of use of at least four fingers entirely on one hand.

**Loss of Sight** means total and irrecoverable Loss of Sight of one eye.

**Loss of Toe** means actual permanent severance through or complete amputation of a metatarsal phalanx.

**Physician** means a person providing Proofs of Loss for a Claim under this Policy who is a:

- Medical Doctor (M.D.); or
- Doctor of Osteopathy (D.O.); or
- Doctor of Chiropractic (D.C.); or
- Doctor of Dental Surgery (D.D.S.); or
- other person recognized by law or regulation in the Covered Person's state of residence as a Physician.

The term "Physician" does not include a person practicing outside of the United States, its territories or Canada.

**Policy** means the group Policy issued to the Policyholder.

**Policy Year** means the period of time used for purposes of maintaining Policy fiscal records. The face page of this Policy shows Policy Anniversaries.

**Policyholder** means the entity identified as the Policyholder on the face page of this Policy.

**Qualification Period** means the continuous time immediately before the Employee's date of Eligibility during which he or she must be in an eligible Job Classification and Actively Employed. The Qualification Period is shown in the Schedule.

**Regular Occupation** means the occupation or profession that the Employee was performing immediately before Total Disability began.

**Schedule** means pages so labeled in this Policy.

**Spouse** means the person recognized as the Employee's husband or wife under the laws of the state where the Employee lives. We may require documentation proving a legal marital relationship. Spouse does not include a former divorced husband or wife except by court order.

**Subscriber** means an Employer that participates in the Trust established by Kanawha Insurance Company and the Policyholder named on the face page of this Policy.

**Total Disability** means a disability that prevents the Covered Employee from performing an occupation for compensation or profit. During the first 12 months of disability, an occupation means the Covered Employee's job or profession at the time disability began. After 12 months, an occupation means any job or profession for which the Covered Employee is or becomes reasonably fitted by reason of education, training, or experience.

**We, Us, and Our** refer to Kanawha Insurance Company.

**You or Your** means the Covered Employee.

## **ELIGIBILITY AND EFFECTIVE DATE PROVISIONS**

### **Eligibility**

The Employee and Eligible Dependents are eligible for coverage after the Employee completes the Qualification Period shown in the Schedule if the Employee is then:

- an active Employee reported by the Employer for Social Security purposes and is not a temporary Employee; and
- working at least the number of hours shown in the Schedule for Active Employment at the Employer's regular place of business; and
- between the Attained Ages shown in the Enrollment Eligibility section of the Schedule; and
- not over the Maximum Renewal Age shown in the Schedule; and
- not in a Job Classification ineligible for insurance as stated in the Employer's application.

A terminated Employee who is rehired will be treated as a new hire. He or she must satisfy all Eligibility and Enrollment requirements. This is subject to the following:

- an exclusion or Waiting Period will not be imposed in connection with the reinstatement of coverage of an Employee returning from military service, if one would not have been imposed had coverage not been terminated because of service; and
- an exclusion or Waiting Period may be imposed for coverage of any Illness or Injury determined by the Secretary of Veterans Affairs to have been incurred in, or aggravated during, the performance of uniformed service.

## **New Hires**

After Eligible Employees of an Employer are first Enrolled, newly Eligible Employees may from time to time Enroll.

## **Effective Date**

A Covered Employee's insurance will be effective on the Date of Certificate when he or she:

- meets the Eligibility requirements stated in the Schedule; and
- Enrolls providing any evidence of insurability that We require; and
- is accepted by Us for coverage; and
- the first Premium is paid.

Kanawha may agree that completion of Enrollment Forms by Eligible Employees is not required or may agree on a different method for determining the Effective Date that will result in an earlier or later Effective Date. Any agreements regarding the Effective Date or Enrollment Forms must be in advance and in writing.

## **Coverage of Eligible Dependents**

With Our agreement, this Policy offers coverage for Spouse and Children.

If the Employee Enrolls Eligible Dependents:

- within 31 days of the date that the Employee is first eligible under this Policy; and
- provides any evidence of insurability that We require; and
- the proper Premium is paid;

all such Eligible Dependents are covered as of the Date of Certificate unless excluded by Us.

If a Covered Employee applies for coverage for Spouse and/or Child(ren) more than 31 days after the date the Employee is first eligible under this Policy:

- We may require evidence of insurability; and
- coverage will be effective on the date that We establish, subject to payment of the first Premium.

All such Eligible Dependents are covered unless excluded by Us.

A Child born to a Covered Employee is covered from the moment of birth for the same Benefits and under the same terms and conditions applicable to Children. Newborn Children are covered from birth for 31 days during which time the Premium for Children's coverage must be paid to continue coverage. Newborn Children shall include Adopted Children of the Employee and Spouse.

Adopted Children are covered from placement for the same Benefits and under the same terms and conditions applicable to Children. Adopted Children are covered from placement for 31 days during which time the Premium for Children's coverage must be paid to continue coverage.

Upon showing evidence of good health on the forms We provide, We will cover a new Spouse and that new Spouse's dependent Children. In such event, coverage will begin on the date that We establish.

## **TERMINATION OF ELIGIBILITY**

Except as may be required or allowed by the Continuation and Portability Provisions, Eligibility of Covered Employees to continue insurance will end at midnight on the day when any of the following occurs:

- Active Employment with the Employer ceases; or
- the Employee enters a Job Classification ineligible for insurance as stated in the Employer's Application; or
- the Employee's Job Classification is no longer included for insurance; or
- We cancel this Policy; or
- the Employee's Employer ceases to be a Subscriber to the Trust; or
- Premiums are not paid during the Grace Period; or
- the Employee reaches the Maximum Renewal Age shown in the Schedule; or
- the Employee dies.

Eligibility of other Covered Persons to continue insurance will end on the earliest of the following dates:

- when Eligibility of the Employee ends; or
- when the Continuation and Portability Provisions no longer require Eligibility; or
- for a Spouse, when the Employee and Spouse divorce, subject to any court-imposed requirement for continuation of the coverage; or
- for each Eligible Dependent, when he or she reaches the Maximum Renewal Age shown in the Schedule; or
- for a Child placed for adoption, when the court rejects the adoption request.

Eligibility of a physically or mentally incapacitated Child will also end when:

- the Child becomes capable of self-sustaining employment; or
- marries; or
- is not chiefly dependent upon the Employee or Spouse for support; or
- We request and do not receive proof of the Child's continued Eligibility.

## **CONTINUATION**

### **Continuation During Periods of Employer-Certified Disability**

An Employee may remain eligible for a limited time if Active Employment ceases due to disability. This continuance will end on the date the Employer ends the continuance. The Employer must allow continuance on a non-discriminatory basis.

While continued, coverage will be that which was in force on the last day of Active Employment. However, if Benefits reduce or terminate for others in the Job Classification, they will also reduce or terminate for the continued person.

## **Continuation During Family and Medical Leave**

Regardless of the established leave policies mentioned above, the Employer shall at all times comply with the Family and Medical Leave Act of 1993 as promulgated in regulations issued by the Department of Labor.

During any leave taken under the Family and Medical Leave Act, the Employer will maintain coverage under this Policy on the same conditions as coverage would have been provided if the Covered Employee had been continuously employed during the entire leave period.

If Policy coverage terminates during the FMLA leave, coverage will be reinstated for the Employee and his or her covered Dependents if the Employee returns to work in accordance with the terms of the FMLA leave. Coverage will be reinstated only if the person(s) had coverage under this Policy when the FMLA leave started, and will be reinstated to the same extent that it was in force when that coverage terminated. For example, Pre-Existing Conditions limitations and other Waiting Periods will not be imposed unless they were in effect for the Employee and/or his or her Dependents when Policy coverage terminated.

## **Continuation of Employees On Military Leave**

Employees going into or returning from military service may elect to continue Policy coverage as mandated by the Uniformed Services Employment and Reemployment Rights Act under the following circumstances. These rights apply only to Employees and their Dependents covered under this Policy before leaving for military service.

The maximum period of coverage of a person under such an election shall be the lesser of:

- The 18 month period beginning on the date on which the person's absence begins; or
- The day after the date on which the person was required to apply for or return to a position or employment and fails to do so.

A person who elects to continue health plan coverage may be required to pay up to 102% of the full contribution under this Policy, except a person on active duty for 30 days or less cannot be required to pay more than the Employee's share, if any, for the coverage.

An exclusion or Waiting Period may not be imposed in connection with the reinstatement of coverage upon reemployment if one would not have been imposed had coverage not been terminated because of service. However, an exclusion or Waiting Period may be imposed for coverage of any Injury determined by the Secretary of Veterans Affairs to have been incurred in, or aggravated during, the performance of uniformed service.

## **PORTABILITY**

When Eligibility of a Covered Employee ends the Employee may continue the coverage stated in his or her Certificate:

- by providing Us, if We request it, with evidence of Insurability within 31 days after Eligibility ends; and
- paying Premiums when due.

This Portability Benefit is not available if or when:

- the Covered Employee reaches the Maximum Renewal Age; or
- the Covered Employee dies.

Portability is not available to Spouse and/or Children unless the Employee is and remains covered by the Certificate.

Employees continuing coverage under the Portability Provision will become Members of a Group of Insured Persons.

Portability is subject to Our right to terminate coverage for all Members of the Group of Insured Persons as stated in the Termination of Insurance for Covered Persons Provision.

## **TERMINATION OF INSURANCE FOR COVERED PERSONS**

Except as may be required by the Continuation and Portability Provisions, an Employee and any covered Eligible Dependents will cease to be insured on the earliest of the following dates:

- the date on which the Employee requests termination; or
- the date on which this Policy is terminated by Us; or
- the Employee's Employer ceases to be a Subscriber to the Trust; or
- when We terminate coverage for all Members of the Group of Insured Persons, if the Employee has continued coverage under the Portability Provision; or
- the date on which the Employee is no longer in an eligible Job Classification; or
- the date on which the Employee's Job Classification is no longer included for insurance; or
- the end of the period for which the last required contribution for the Employee's insurance has been paid; or
- the date on which Active Employment with the Employer ends; or
- when the Employee reaches the Maximum Renewal Age shown in the Schedule; or
- the Employee's Death.

A covered Spouse will also cease to be insured when:

- divorced from the Employee, subject to any court-imposed requirement for continuation of the coverage; or
- he or she reaches the Maximum Renewal Age shown in the Schedule.

A Covered Eligible Dependent Child will also cease to be insured when:

- he or she reaches the Maximum Renewal Age shown in the Schedule.

A Child who has remained covered because of mental or physical incapacity will also cease to be insured when:

- the Child becomes capable of self-sustaining employment; or
- marries; or
- is not chiefly dependent upon the Employee or Spouse for support; or
- We request and do not receive proof of the Child's continued Eligibility.

A Covered Adopted Child will also cease to be insured when the court rejects the adoption request.

Termination of Employee insurance is without prejudice to any Claim that occurred prior to the date of such termination.

## **BENEFIT PROVISIONS**

The Schedule shows Benefits agreed to by Kanawha. Benefits selected by each Eligible Employee are shown on his or her Enrollment Form and, if approved by Us, in the Certificate.

Benefits are payable only for Injuries resulting from covered Accidents that occur while this Policy and the Employee's Certificate are in force. Unless stated, Covered expense, event or loss must occur within 30 days after the Accident and while the Employee's Certificate is in force.

### **Accident Medical Expense Benefits**

We will pay actual expenses if an Injury to a Covered Person requires treatment:

- by a Physician; or
- in an Emergency Room.

Payment will not exceed the amount shown in the Certificate for any one Accident. Treatment in an Emergency Room is subject to the Deductible shown in the Certificate.

### **Ambulance Benefits**

We will pay actual ground Ambulance charges if an Injury to a Covered Person requires ground Ambulance transportation:

- to a Hospital within a 100-mile radius; or
- from a Hospital to the Covered Person's home.

We will pay actual ground or air Ambulance charges if an Injury to a Covered Person requires such transportation on an emergency basis:

- in the opinion of the Covered Person's attending Physician and;
- to a Hospital outside of a 100-mile radius from the Covered Person's location.

The total Benefits payable for all ground and/or air Ambulance services in connection with any one Accident will not exceed the amount shown in the Certificate.

### **Hospital Indemnity Benefit**

We will pay the Hospital Indemnity Benefit shown in the Schedule if Injury to a Covered Person requires inpatient Hospital confinement and incurs a room charge.

If a Covered Person is discharged from the Hospital and readmitted because of the same Accident, We will pay additional Benefits when the readmission:

- starts within 30 days of the Accident; or
- starts within seven days following the end of a prior Hospitalization; and
- starts while the Employee's Certificate is in force.



All confinements for any one Accident are subject to the Maximum Period limitation shown in the Schedule.

We will pay a Hospital Indemnity Benefit of one day if a Hospitalization lasts 18 or more hours but less than 24 hours and there is no room and board charge.

### **Accidental Death, Dismemberment and Loss of Sight (AD&D) Benefits**

We will pay a percentage of the AD&D Benefits shown in the Schedule if, within 90 days of an Accident and while the Employee's Certificate is in force, Injuries cause a Covered Person to suffer one of the losses shown below.

<u>Accidental Loss of</u>	<u>Percentage Payable</u>
Life	100%
Any combination of two or more Hands, Feet, or Sight of Eyes	100%
Single Hand, Foot or Sight of Eye	50%
Multiple Fingers and/or Toes	10%
Single Finger or Toe	5%

We will provide the Benefit for the larger or largest such loss if an Accident results in two or more losses covered by this Benefit.

### **Total Disability Premium Waiver Benefit (Employee Only)**

We will waive Premiums due after Total Disability starts if a Covered Employee is Totally Disabled:

- continuously for six months; and
- starting while the Employee's Certificate is in force; and
- starting prior to Attained Age 67; and
- as the result of Injuries suffered in a covered Accident.

We will waive Premiums:

- due after Total Disability begins; and
- using the mode of payment in effect when Total Disability started.

If Total Disability ends and then begins again:

- within seven days; and
- because of the same Accident;

We will reinstate waiver of Premiums from the date that Total Disability begins again.

For any one Accident, We will waive Premiums for the Maximum Period shown in the Schedule. However, if the Employee is Totally Disabled as a result of a sprained, strained or lame back, or any intervertebral disk conditions, Premiums will not be waived.

## **OPTIONAL BENEFIT PROVISIONS**

Optional Benefits selected by each Eligible Employee are shown on his or her Enrollment Form and, if approved by Us, in the Certificate.

Optional Benefits are payable only for Injuries resulting from covered Accidents that occur while this Policy and the Employee's Certificate are in force. Unless stated, Covered Loss must occur within 30 days after the Accident and while the Employee's Certificate is in force.

The following Optional Benefits are available to eligible Employees if agreed to by Kanawha.

### **Optional On-The-Job Coverage Benefit**

Benefits of this Policy are extended to provide coverage for accidental Injuries that are covered by Workers' Compensation or occupational disease law.

When this Optional Benefit is provided under a Covered Employee's Certificate, the following is deleted from the Accident Definition in this Policy:

“Accident does not include . . . any condition covered by a Workers' Compensation or occupational disease law.”

When this Optional Benefit is provided under a Covered Employee's Certificate, the following is deleted from the Limitations and Exclusions in this Policy:

“No Benefits of this Policy are payable when loss is caused or contributed to by . . . any condition covered by a Workers' Compensation or occupational disease law.”

Other than as stated above, Limitations and Exclusions of this Policy apply to this Optional Benefit.

### **Optional Accident Total Disability Benefit (Employee Only)**

We will pay the Total Disability Benefit shown in the Certificate if the Covered Employee is Totally Disabled. A covered Total Disability is one that starts while this Optional Benefit is in force and within 30 days of the Accident.

- This Benefit will be paid after the Elimination Period.
- Periods of Total Disability of less than a full month will be prorated based on a 30-day month.
- Payment will not exceed the Maximum Period shown in the Schedule for any one Accident.

A covered Total Disability is also one that begins:

- while a Covered Employee's Certificate is in force; and

- within seven days after a prior period of covered Total Disability due to the same Accident; and
- before We have paid the Maximum Period.

We will not apply a new Elimination Period to recurrent Total Disability resulting from any one Accident that begins within seven (7) days of a prior covered Total Disability.

Payment of this Benefit is subject to the following.

- For all Total Disabilities from any one Accident, We will pay up to one Maximum Period for all combined.
- For Total Disabilities at the same time from more than one Accident, We will pay up to one Maximum Period for all combined.
- When one Total Disability follows another, We will pay up to one Maximum Period for all combined. However, if the Employee works at his or her Regular Occupation for at least 30 consecutive working days between the Total Disabilities, We will pay up to the Maximum Period again.

The Maximum Period is shown in the Schedule. However, if the Employee is Totally Disabled as a result of a sprained, strained or lame back, or any intervertebral disk conditions, this Optional Benefit will be payable for an aggregate maximum of three (3) months in connection with any one Accident.

Total Disability must be certified by a Physician who is treating or has treated You during Total Disability.

Limitations and Exclusions of this Policy apply to this Optional Benefit.

### **Optional Hospital Intensive Care Unit Benefit**

We will pay the Intensive Care Unit Benefit shown in the Certificate if a Covered Person is confined to a Hospital ICU due to Injuries sustained in an Accident. A covered ICU confinement is one that begins while this Optional Benefit is in force and within 30 days after the Accident.

A covered ICU confinement is also one that begins:

- while this Optional Benefit is in force; and
- within seven days after a prior period of covered ICU confinement due to the same Accident; and
- before We have paid the ICU Maximum Period shown in the Schedule.

We will pay up to the ICU Maximum Period shown in the Certificate for any one Accident.

Limitations and Exclusions of this Policy apply to this Optional Benefit.

## Optional Fracture and Dislocation Benefits

We will pay a Benefit if a Covered Person suffers a Fracture or Dislocation. Covered Fractures and Dislocations are shown below. Payment will be the Fracture and Dislocation Maximum Benefit multiplied by the percentage shown.

This Optional Benefit is payable in addition to other Benefits and Optional Benefits of this Policy.

### SPECIFIC INJURY BENEFITS SCHEDULE

<b>Fractures</b>	
	100%
Hip Bone or femur	
Vertebrae	75%
Skull (depressed or ping-pong fracture)	65%
Leg (tibia or fibula)	50%
Bones of the Foot or Ankle, Kneecap (patella)	40%
Bones of the Hand, or Wrist,	40%
Forearm (Radius or Ulna)	40%
Lower Jaw, Shoulder Blade, Collar Bone	35%
Upper Arm, Upper Jaw,	25%
Skull (Simple, non-depressed fracture)	25%
Facial Bones (or Nose)	20%
Finger, Toe, Rib, Coccyx	6%

<b>Dislocations</b>	
	100%
Hip	
Knee (Does not include Dislocation of patella)	50%
Foot (Does not include Dislocation of toes)	35%
Ankle, Shoulder	35%
Hand, (Does not include Dislocation of fingers)	20%
Lower Jaw	20%
Wrist, Elbow	20%
Finger, Toe	6%

Covered Fractures and Dislocations are those that:

- are listed in the Specific Injury Benefits Schedule; and
- are first diagnosed by a Physician within 30 days after the date of the Accident; and
- a Physician has reduced or treated by surgery, external manipulation, casting or splinting.

If any one Accident causes two or more Fractures and/or Dislocations, We will pay 150% of the larger or largest Benefits applicable to the Injuries sustained.

Limitations and Exclusions of this Policy apply to this Optional Benefit.

# LIMITATIONS AND EXCLUSIONS

When the optional On-the-Job Coverage Benefit is purchased:

- the first Limitation and Exclusion listed below for loss caused or contributed to by “any condition covered by a Workers' Compensation or occupational disease law” is deleted; and
- the definition of Accident is expanded to include conditions covered by Workers' Compensation or occupational disease law.

No Benefits of the Policy are payable when a Covered Person's loss is caused or contributed to by:

- any condition covered by a Workers' Compensation or occupational disease law; or
- suicide, while sane or insane, or attempted suicide; or
- intentionally self-inflicted Injury; or
- any act of war whether or not declared; or
- participation in a riot, or insurrection; or
- Injury sustained while on full-time active duty (other than for two months or less training) in any military, naval or air force. When the Employee gives Us written notice, any unearned Premium will be refunded pro-rata for any period not covered by the Policy due to this exclusion; or
- Injury occurring prior to the Employee's Date of Certificate; or
- voluntary inhalation of gas or fumes or asphyxiation therefrom; or
- voluntary taking of poison; or
- Injury while engaged in an illegal occupation; or
- aviation, except flight in a regularly scheduled passenger aircraft; or
- being intoxicated in accordance with the laws of his or her state of residence; or
- alcoholism; or
- being under the influence of any narcotic, drug or sedative unless administered and used in accordance with the instructions of a Physician; or
- participation in a felony; or
- dental care or treatment unless caused by Injury to natural teeth; or
- all sicknesses including pregnancy, illness, mental illness or emotional disorders, bodily infirmity, rest cure, convalescent care or rehabilitation. Complications of pregnancy that are the result of accidental Injury are covered; or
- Injury while practicing for or being part of organized or competitive football; or
- Injury while practicing for or participating in competitive rodeo; or
- Injury while sky diving, hang gliding, parachuting, or scuba diving; or
- driving in any race or speed test or while testing an automobile or vehicle on any racetrack or speedway; or
- hernia, carpal tunnel syndrome or any complication therefrom; or
- any bacterial infection (except pyogenic infections which shall occur with and through an accidental cut or wound).

If the Employee is Totally Disabled as a result of a sprained, strained or lame back, or any intervertebral disk conditions:

- Premiums will not be waived under the Total Disability Waiver of Premium Benefit; and
- the Optional Total Disability Benefit, if provided by the Policy and this Certificate, will be payable for an aggregate maximum of three (3) months in connection with any one Accident.

Accidental death, dismemberment or loss of sight must:

- result directly from accidental bodily Injury and independently of disease or bodily infirmity or any other cause; and
- occur within 90 days from the date of such Injury and;
- occur while the Policy and the Employee's Certificate are in force.

For Accidental Death and Dismemberment, We will provide the Benefit for the larger or largest such loss if an Accident results in two or more losses covered by this Benefit.

If the optional Fracture and Dislocation Benefit is purchased and any one Accident causes two or more Fractures and/or Dislocations, We will pay 150% of the larger or largest Benefits applicable to the Injuries sustained.

The Policy does not provide the:

- Accident Medical Expense Benefits; or
- Ambulance Benefits; or
- Hospital Indemnity Benefit; or
- Optional Intensive Care Unit Benefit;

for services rendered or charges incurred outside of the United States, its territories or Canada.

## **CLAIM PROVISIONS**

The Employee, the Claimant or an authorized representative of either may submit Claims under this Policy.

### **Notice of Claim**

Written Notice of Claim must be given to Us within 30 days after the loss occurs or begins. We will not reject or reduce any Claim if it was not reasonably possible to provide notice within the 30-day period. If notice is not provided within 30 days, it must be given as soon as it is reasonably possible to do so.

### **Claim Forms**

When We receive written Notice of Claim, We will send Claim Forms unless the Employer has already provided them. If the Claim Forms are not furnished within 15 days after the notice is sent, written proof of Claim can be sent to Us without waiting for the forms. Written proof must include the occurrence, character and extent of the loss.

### **Proofs of Loss**

Proofs of Loss must be given to Us within 90 days after the loss occurs or begins.

If it is not possible to give proof within this time limit, it must be given as soon as reasonably possible. Proofs of Loss may not be given later than one year after the time proof is otherwise required, except if the individual is legally unable to provide Proofs of Loss.

If a Claim is based on Total Disability, written proof of the Total Disability must be given to Us at intervals that We reasonably require, but not more frequently than monthly.

Proofs of Loss include a Claim Form or other documentation satisfactory to Us completed by the Claimant, the Covered Person or the authorized representative of either and the attending Physician documenting:

- for Benefits paid on an expense incurred basis, the amount of expense incurred; and
- the nature of the loss; and
- the date, or inclusive dates, of loss; and
- the cause of loss.

### **Payment of Claims**

Benefits will be paid to the Covered Employee. If the Covered Employee does not live to receive payment, any Benefit will be paid to his or her Beneficiary, if one is named, or to the estate.

If Benefits are payable to the Covered Employee's estate or to a Beneficiary who cannot execute a valid release, We can pay up to \$1,000 to someone related to the Employee, by blood or marriage, whom We find is justly entitled to payment. Such a payment made in good faith will discharge Kanawha to the extent of the amount paid.

The Employee may assign proceeds of a Claim. Assignment of a Certificate as collateral security is not allowed.

### **Time of Payment of Claims**

Benefits will be paid as soon as We receive Proofs of Loss acceptable to Us but not later than 67 days after receipt of Proofs of Loss.

### **Examination**

Kanawha, at its own expense, will have the right and opportunity to have a Claimant examined by a Physician of its choice. This right may be exercised as often as reasonably required.

### **Legal Proceedings**

An Employee or the Employee's authorized representative cannot commence any legal action until 67 days after proof of Claim has been given. Legal action may not commence more than three years (six years in South Carolina) after the time that Proofs of Loss must be given.

Kanawha Insurance Company's agent for service of legal process is its General Counsel at the Kanawha Insurance Company address shown on the face page of this Policy.

### **Workers' Compensation**

This Policy does not take the place of and does not affect any requirement for coverage by Workers' Compensation insurance.

# **RENEWAL AMENDMENT AND TERMINATION OF POLICY**

Insurance of persons covered by this Policy shall terminate if Premiums are not paid before the end of the Grace Period. Termination of insurance is without prejudice to Claims that occur prior to the date of termination.

## **Renewal**

We will renew this Policy on the Policy Anniversary subject to Our right to non-renew it as stated in the Termination of Policy provision.

## **Amendment of this Policy**

We may amend this Policy to add, modify or delete Benefits or other provisions by providing the Policyholder and Employers with at least 31-days advance notice of any such change.

Deletion or reduction of a Benefit or Benefits is without prejudice to any Claims that occurred prior to the date on which the Benefit was deleted or reduced.

Addition, modification or deletion of Benefits may increase or decrease the Premiums charged for coverage under this Policy.

## **Termination of this Policy**

An Employer may terminate its participation as a Subscriber in the Trust on the first Premium due date following a 31-day written notice to Kanawha and the Trustee. Subject to the Portability provision, insurance for Covered Employees of the Employer will end at midnight local time on the date preceding the Premium due date.

Kanawha has the right to cancel this Policy on any Policy Anniversary Date or any Premium due date. We will provide written notice of cancellation to the Trustee and Employers at least 31 days before this Policy is to end.

Kanawha has the right to cancel coverage of the Members of the Group of Insured Persons who have exercised the Portability Provision. We will give Members of the Group of Insured Persons at least a 31-day advance notification of Policy cancellation.

## **Voluntary Employee Termination**

We must receive notification of voluntary terminations. The date of termination will be the last day of the Premium period in which the termination occurred. If the Employer fails to report the Employee's termination, Our liability shall be limited to a return of Premium retroactive to the date on which insurance should have been terminated, less any Claims paid during this period.

# **PREMIUM PROVISIONS**

## **Premiums**

Kanawha actuarially determines Premiums. We reserve the right to change the Premiums as stated in the Change In Premium Provision.



## **Premium Payments**

Premiums for the insurance under this Policy shall be payable to Us.

- Kanawha and the Employer will determine how Premiums are remitted to Us; except that
- if an Employee exercises the Portability Provision, the Employee must remit the Premiums to Us.

Payment of any Premium shall not maintain coverage in force beyond the due date of the next Premium, except as provided under the Grace Period Provision.

The first Premium for each Certificate is due on the Date of Certificate and subsequent Premiums shall become due on each Premium due date so long as this Policy and the Certificate remain in effect in accordance with Policy terms.

Upon written request approved by Us, the manner of Premium payment may be changed.

## **Change In Premium**

We may change the Premium rates:

- as of the first day of any Premium period after 45 days written notice to the Trustee, Employers and Members of the Group of Insured Persons; or
- whenever the terms or conditions of this Policy are modified.

The Change in Premium rates may affect:

- all persons insured under this Policy; or
- one or more Classes insured under this Policy.

# **GENERAL PROVISIONS**

## **Agreements**

All agreements made by Us with respect to this Policy must be signed by an executive officer. Our executive officers are Our President, Vice Presidents and Secretary. Neither the Trustee, nor any insurance producer or other person except an executive officer is authorized to modify or waive any of the terms of this Policy or make any agreements concerning it that are binding upon Us.

No change in this Policy shall be valid unless made by endorsement or amendment signed by Our executive officer.

## **Clerical Error**

Clerical Error by the Employer in furnishing information to Us pertaining to the insurance of any Employee shall not invalidate insurance otherwise validly in force nor continue insurance otherwise validly terminated. In the event of such Clerical Error, a Premium adjustment shall be computed on the basis of the Premium rates then in effect, less any Benefits paid.

## **Data Required**

The Employer shall furnish Us with all information and proofs, which We may reasonably require with regard to any matters pertaining to this Policy or the Employee. The Employer's payroll and any personnel records which may have a bearing on the insurance shall be open for inspection by Us at all reasonable times.

## **Entire Contract**

This Policy, the Application by the Trustee (if any), Applications of Employers, Enrollment Forms, and any endorsements shall make up the Entire Contract.

The application, if any, of the Trustee will be attached to this Policy when issued.

## **Grace Period**

A Grace Period of 31 days is allowed for payment of any Premium other than the first. Insurance shall remain in force during the Grace Period, unless the Employer has previously given Us written notice that coverage is to be terminated prior to the expiration of the Grace Period. If any Premium is not paid prior to the end of the Grace Period, coverage of any Covered Persons whose Premiums are unpaid shall terminate.

## **Incontestability**

We will not contest the validity of this Policy after it has been in force for two years from its date of issue.

All statements made by an Employer or by the individual Employees shall be deemed representations and not warranties.

No statements made by an Employee when applying for insurance will be used to contest the validity of that insurance or to reduce or deny any Claim:

- after that insurance has been continuously in force for two years during an Employee's lifetime; and
- unless those statements are contained in a written instrument signed by the Employee and a copy of the instrument is or has been given to:
  - the Employee; or
  - the Employee's Beneficiary or personal representative.

This does not preclude assertion at any time of defenses based upon a person's ineligibility under this Policy or upon other provisions of this Policy.

## **Individual Certificate of Insurance**

We will issue each Covered Employee, a Certificate setting out the insurance protection to which the Employee is entitled, to whom the insurance Benefits are payable, and who this Policy covers.

### **Individual Evidence of Insurability**

We will require Individual Evidence of Insurability at Enrollment consisting of:

- health history material to the insurance Benefits applied for; and
- documentation that the Employee is Actively at Work.

We may waive either of these requirements when We determine that either is not necessary based on the insurability of an employee group proposed for coverage under this Policy.

### **Misstatement Of Age**

If the Age of a Covered Person has been misstated and if the amount of Premium is based on Age, an adjustment of Premiums shall be made based on true Age. If Age is a factor in determining Eligibility or amount of insurance and there has been a Misstatement of Age, the insurance coverages or amounts of Benefits, or both, shall be adjusted in accordance with true Age. Any such Misstatement of Age shall neither continue insurance otherwise validly terminated nor terminate insurance otherwise validly in force.

### **Conformity With State Statutes**

Any provision of this Policy which, on its effective date, is in conflict with the statutes of the State of Delivery on such date is hereby amended to conform to the minimum requirements of such statutes.