

BIG SKY LIFE INSURANCE COMPANY

Home Office: 314 Last Chance Gulch, Suite 305, Helena, MT 59601

Administrative Office: P.O. BOX 40 Brownwood, TX 76804

For Policyowner Service or Claim Information call 1-800-321-5264

ACCIDENT ONLY DISABILITY INCOME INSURANCE POLICY

Ready Your policy carefully! This policy is a legal contract between You and Us. The consideration for this policy is the application and the premium You paid.

CHECK YOUR APPLICATION

Caution: We issued this policy based on Your responses to the questions in Your application. A copy of Your application is attached to and made part of this policy. If Your answers are incomplete, incorrect, or untrue, We may have the right to rescind Your policy and deny benefits. The best time to clear up any questions is now, before a claim arises. If any of Your answers are incorrect, please contact Us.

10-DAY RIGHT TO REVIEW POLICY

You have 10 days from the date of delivery to review this policy. If during that time You are not satisfied with it, You may return this policy to Us or Your agent for a prompt refund of all premiums paid. The policy will then be considered never to have been issued.

NONCANCELLABLE TO AGE 26

You are guaranteed the right to continue Your coverage until the policy anniversary after Your attainment of age 26. During that time, We cannot cancel Your policy or change Your premium as long as You pay the required premium when it is due.

**READ YOUR POLICY CAREFULLY.
YOUR POLICY CONTAINS A PRE-EXISTING CONDITION LIMITATION.
THIS POLICY COVERS ACCIDENTS ONLY
IT DOES NOT PAY BENEFITS FOR LOSS RESULTING FROM SICKNESS.
THIS POLICY IS NON-PARTICIPATING. NO DIVIDENDS WILL BE PAID.**

**FOR CUSTOMER SERVICE OR QUESTIONS ABOUT COVERAGE
YOU MAY CALL US TOLL-FREE AT: 1-800-321-5264
OR VISIT US THROUGH OUR WEBSITE: WWW.BIGSKYLIFEINSURANCE.COM**

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SCHEDULE OF BENEFITS AND PREMIUMS

		<u>Modal Premiums</u>	<u>Direct Bill</u>	<u>Bank Draft</u>
Policy Number	[123456789]	Monthly	N/A	[\$66.38]
Effective Date	[01/01/2022]	Quarterly	[\$201.04]	N/A
Expiry Date	[01/01/2032]	Semi-Annual	[\$394.51]	N/A
Initial Premium	[\$66.38]	Annual	[\$758.68]	N/A
Initial Premium Mode	[Monthly]			
Insured	[John Smith]			
Issue Age	[15]			

POLICY BENEFITS

Total Disability Benefit.....	[\$100,000]
Loss of Scholarship Benefit.....	[\$100,000]
Non-Enrollment Benefit	[\$75,000]

DEFINITIONS

Beneficiary means the person(s) or legal entity You name in the application to receive any benefits under this policy in the event of Your death.

Blindness means the permanent and uncorrectable loss of sight in both eyes. In order for blindness to be covered, Your corrected vision acuity must be worse than 20/200 in both eyes, or Your field of vision must be less than 20 degrees in both eyes. The physician making the diagnosis of blindness must be a board-certified ophthalmologist.

Class means persons with the same policy form, benefit period, elimination period, issue age, optional coverage, and issue state as Yours.

Deafness means a permanent loss of hearing in both ears with an auditory threshold of more than 90 decibels in each ear. The physician making the diagnosis of deafness must be a board-certified otolaryngologist.

Disability means:

- (a) a condition that results in an Injury as defined herein,
- (b) the Injury occurs while this Policy is in force, and
- (c) the Insured is under the regular medical care of a qualified Physician.

Elimination Period means the first 12 months following the date the Injury resulted in Total Disability.

Formal Request means a written request that is signed by You, dated, and received by Us via US Mail, email, or express delivery at Our designated administrative office. The request must be on a form We supply or be in a form and content acceptable to Us.

Injury means bodily harm to You which:

- (a) is the direct result of an accident or trauma that occurs while Your policy is in force,
- (b) is independent of sickness or any other cause (except sickness caused by the injury); and
- (c) is not excluded from coverage.

Institution of Higher Education means (a) an educational institution that admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (b) is legally authorized to provide a program of education beyond secondary education, and (c) provides an educational program for which the institution awards a bachelor's degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree, or awards a degree that is acceptable for admission to a graduate or professional degree program. It will also include career and technical colleges, vocational schools, and trade schools so long as they provide at least a 2-year program.

Issue Age means Your age on the anniversary of the policy effective date shown on the Schedule of Benefits and Premiums that coincides with or immediately follows Your most recent birthday.

Physician means a person legally licensed to practice medicine or psychology or a health care provider who is legally licensed to diagnose and treat an injury causing Your disability. He or she must be providing services within the scope of his or her license, and be Board Certified in field of practice relative to the nature of the Injury. The physician must be a person other than You, an immediate member of Your family, or anyone with whom You share a significant business interest.

Policy effective date means the date coverage is effective under this policy as shown on the Schedule of Benefits and Premiums.

Premium due date means the month and day Your policy's premium payment is due. The premium due date can vary depending on whether the premiums are paid monthly, quarterly, semiannually, annually, or by any other interval that might be available in the future.

Pre-existing condition means a condition:

- (a) for which medical advice, diagnosis, care, or treatment was recommended, prescribed by or received from a physician within a two-year period prior to the policy effective date; or
- (b) for which symptoms existed that would cause an ordinarily prudent person to seek diagnosis, care, or treatment provided or prescribed by a physician within a one-year period prior to the policy effective date.

A pre-existing condition does not include a condition that was disclosed on Your application and not excluded from coverage by name or specific description as of the date of loss.

Regular medical care means treatment, consultations, and diagnostic services provided or prescribed by a Physician whose specialty is suitable for Your medical condition. Such care must be received in person at a frequency that is appropriate for Your disability according to generally accepted medical standards.

Total Disability or Totally Disabled means the occurrence of one or more of the following conditions:

- traumatic brain injury with persistence of neurologic symptoms for greater than four weeks after Injury
- amputation or loss of neurologic function of any limb
- cervical spine fracture
- failed anterior cruciate ligament (ACL) repair
- failed shoulder stabilization procedure
- non-union of fracture any limb
- malunion of fracture any limb
- complete and irrecoverable loss of speech, Deafness, or Blindness
- Thoracic or lumbar vertebral fracture with persistent instability or non-union, with or without related neurologic symptoms
- Traumatic or post-traumatic amputation or loss of neurologic function of two or more digits from a single hand or foot
- Unilateral irrecoverable loss of vision
- Traumatic, persistent loss of renal function requiring dialysis

We, Us or Our means the Big Sky Life Insurance Company.

You or Your means the person named as the Insured on the Schedule of Benefits and Premiums.

DISABILITY BENEFITS

Total Disability Benefit

If You become Totally Disabled, We will pay the Total Disability benefit shown on the Schedule of Benefits and Premiums. The benefits will be paid in four (4) equal annual installments beginning at the later of (a) attainment of age 18 or (b) completion of the Elimination Period. Proof of initial enrollment in an Institution of Higher Education is also required to receive this benefit.

Loss of Scholarship Benefit

If You become Totally Disabled and lose a scholarship due to Your Injury, We will pay the additional Loss of Scholarship benefit shown on the Schedule of Benefits and Premiums. The benefits will be paid in four (4) equal annual installments beginning at the later of (a) attainment of age 18 or (b) completion of the Elimination Period. Proof of initial enrollment in an Institution of Higher Education is also required to receive this benefit. We may require proof of scholarship offer and acceptance as well as enrollment.

If Total Disability occurs after the Insured receives any scholarship funds, this benefit, as well as the benefit payment period, will be reduced pro-rata based upon the number years the Insured has received those scholarship funds. For example, if the Insured becomes Totally Disabled after receiving one year of scholarship funds, the benefit would be reduced to 75% of the original amount, paid out over three (3) years.

Non-Enrollment Benefit

If You choose not to continuously enroll in an institution of higher education, We will pay the Non-Enrollment benefit shown on the Schedule of Benefits and Premiums in lieu of the Total Disability benefit. This benefit will be paid in one lump sum upon the later of (a) the attainment of age 21 or (b) completion of the Elimination Period.

TERMINATION

This policy will terminate on the earliest of:

- (a) the date We receive Your written request to cancel the policy or any future date that You may request (in which case the grace period will not apply);
- (b) the date of Your death;
- (c) the premium due date, if the premium was not paid before the end of the grace period;
- (d) the date of Your policy anniversary after attainment of age 26

In the event of cancellation or death, We will promptly return the unearned portion of any premium paid.

EXCLUSIONS AND LIMITATIONS

The following exclusions and limitations apply both to this policy and any riders that may be attached. We will not pay benefits for disability or other loss that:

- (a) begins while Your policy is not in force;
- (b) is due to a condition not listed in the definition of “Total Disability”
- (c) results from an act of declared or undeclared war;
- (d) is caused by attempted suicide or intentionally self-inflicted injury;
- (e) results from the commission or attempted commission of a crime or loss resulting from engagement in an illegal occupation; or
- (f) results from Your being legally intoxicated or impaired as defined by state law in the state where the loss occurs.

We will not pay benefits for any period during Your disability while You are incarcerated in a penal or correctional institution for a period of 30 consecutive days or longer.

PRE-EXISTING CONDITION LIMITATION

We will not pay benefits for a disability or loss resulting from a pre-existing condition, unless such disability or loss begins 12 months or more after the policy effective date.

CLAIM PROVISIONS

NOTICE OF CLAIM

Notice of a claim must be given to Us within 20 days after Your disability or loss begins, or as soon as is reasonably possible. Such notice can be given to Us at (1) Our home office in Helena, Montana, (2) Our administrative office in Brownwood, Texas, or (3) to any of Our authorized agents. Delay in giving notice will not impair Your right to benefits which would otherwise have accrued before the date on which notice is actually given. You may give Us the required notice or someone else may do it for You. The notice should include Your name and policy number as shown on the Schedule of Benefits and Premiums.

CLAIM FORMS

When We receive Your notice of a claim, We will send forms for filing proof of loss. If We do not send You these forms within 15 days after the sending of such notice, You can meet the proof of loss requirement by giving Us a written statement of Your claim. We must receive this statement within the time specified for filing in the Proof of Loss provision.

PROOF OF LOSS

Written proof of loss must be given to Us within 90 days after the date of such loss. You should send such written proof to Our Helena, Montana home office address shown on the face page of this policy. If it was not reasonably possible to give Us written proof within the required time, We will not reduce or deny the claim for this reason if the proof is supplied as soon as reasonably possible. In any case, proof must be furnished no later than 12 months from the time otherwise specified, unless You were legally incapacitated.

If You are filing a claim under the Loss of Scholarship Clause, We will additionally require written proof of offered and accepted scholarship, either sports or performance, and documentation that such scholarship support was rescinded due to Your injury.

RESPONSIBILITY TO COOPERATE

You have the responsibility to cooperate with Us and submit all required forms and documentation for claims and continued benefits. You also have the responsibility to obtain regular medical care for Your disability or loss for which You are claiming benefits.

TIME PAYMENT OF CLAIMS

We shall approve or deny a claim within 30 days after receipt of a Proof of Loss unless We make a reasonable request for additional information or documents in order to evaluate the claim. If We make a reasonable request for additional information or documents, We shall approve or deny the claim within 60 days of receiving the Proof of Loss unless We have notified You, Your assignee, or the claimant of the reasons for failure to approve the claim in full or unless We have a reasonable belief that insurance fraud has been committed and We have reported the possible insurance fraud to the commissioner. This clause does not eliminate Our right to conduct a thorough investigation of all the facts necessary to determine payment of a claim.

If We fail to comply with this clause and We are liable for payment of the claim, We shall pay an amount equal to the amount of the claim due plus 10% annual interest calculated from the date on which the claim was due. For purposes of calculating the amount of interest, a claim is considered due 30 days after Our receipt of the Proof of Loss or 60 days after receipt of the Proof of Loss if We made a reasonable request for information or documents. Interest payments must be made to the person who receives the claims payment. Interest is payable under this clause only if the amount of interest due on a claim exceeds \$5.

APPEALS

If You wish to appeal Our determination, You must submit a formal request to Us within 180 days after You receive notice of Our denial. The request for appeal must state why You feel You are entitled to a benefit under Your policy. We will review Your request and respond with acceptance, denial, or request for additional information within 30 days of Our receipt of Your formal request. You have a right to review, upon Your request and free of charge, copies of all documents, records and other information related to Your claim for benefits.

PAYMENT OF CLAIMS

We will pay all benefits to You, if living. If You are deceased, We will pay the remaining benefits unpaid upon Your death to Your designated beneficiary. In the event no beneficiary is name or living, We will pay the benefits:

- (a) to Your surviving spouse; if none, then
- (b) equally to Your surviving natural and adopted children; if none, then
- (c) equally to Your surviving parent(s); if none, then
- (d) to Your estate.

Payment made in good faith will fully discharge Us to the extent of the payment.

OVERPAYMENT OF BENEFITS

If an overpayment of benefits should occur, We can require reimbursement from You within 60 days from the time We issued the payment for the amount that has been overpaid. We also have the right to recoup the overpayment from future claim benefits.

POLICY PROVISIONS

ENTIRE CONTRACT AND CHANGES

Your policy is a contract between You and Us. The entire contract consists of:

- (a) Your policy;
- (b) the attached signed application;
- (c) any supplemental applications made part of the policy;
- (d) any benefit riders and amendment riders, if any
- (e) any endorsements.

No change in Your policy will be effective until approved by an executive officer of the company. This approval must be noted on or attached to the policy. No agent can change the contract of insurance in any way. Any rider, endorsement, or application added after the policy effective date which reduces or eliminates coverage under this policy will require Your signed acceptance in order to be valid.

TIME LIMIT ON CERTAIN DEFENSES

After two years from the date, You become covered under this policy, only fraudulent misstatements in Your application can be Used to void coverage or deny a claim for disability or loss incurred that starts after the two-year period.

No claim for disability or loss incurred that starts after two years from the policy effective date will be reduced or denied on the grounds that an injury, not excluded from coverage by name or specific description, existed prior to the policy effective date, except in the instance of fraud.

If this policy is reinstated, the time period in this provision will be measured from the date of reinstatement as to the statements contained in the reinstatement application. After two years from the date that the policy is reinstated, only fraudulent misstatement in Your reinstatement application can be Used to void coverage or deny a claim for loss incurred or disability that starts after the two-year period.

PAYMENT OF PREMIUMS

You must pay premiums to Us to keep Your policy in force. Premium is considered paid when We receive it. Your first premium is due on the policy effective date. Subsequent premiums are due on each policy due date.

The frequency of payment is called the premium mode. You chose Your premium mode on Your application and it is shown on the Schedule of Benefits and Premiums. You may change Your premium mode by giving Us written or verbal notice at least 30 days before the next policy due date.

GRACE PERIOD

Your policy premium must be paid on or before the date it is due or during the 31-day grace period that follows. Your policy will stay in force during the grace period as long as You pay the premium due before the end of the grace period. If the premium due is not paid by the end of the grace period, the policy will terminate as of the last premium due date and will be considered to have not been in force during the grace period.

REINSTATEMENT

Your policy will lapse if You do not pay Your policy premium before the end of the grace period. We may or may not reinstate Your policy at Our option. If We accept a late premium without requiring You to complete an application for reinstatement, Your policy will be reinstated as though no coverage lapse had occurred.

If You do not pay a premium that is overdue, or if We do not accept an overdue premium, You may still request that We reinstate Your policy. Your request for reinstatement must be received by Us no longer than 180 days from the lapse date (the date that the last premium was due). We may require You to complete an application for reinstatement, and may also require additional medical underwriting.

If We approve the application, We will reinstate Your policy as of that date. If We do not approve Your application within 45 days of the date that We receive the application and the reinstatement premium, We will reinstate Your policy unless We have previously given You written notice of Our disapproval of Your request for reinstatement.

Your reinstated policy will only cover loss due to an Injury sustained on or after the date of reinstatement. In all other respects, Your rights and Our rights will remain the same as before the policy lapsed, subject to any provisions noted on or attached to the reinstated policy.

EXAMINATIONS

We have the right to have You examined, at Our expense, and when We reasonably require to validate a claim under this policy or while a claim is pending.

CHANGE OF BENEFICIARY

Only the owner has the right to change the beneficiary. Consent of the beneficiary is not required:

- (a) for any change of beneficiary;
- (b) to cancel this policy; or
- (c) to make any other change in this policy.

A formal request must be made to change the beneficiary. When We record and acknowledge that request, the change will be effective as of the date the request was submitted, unless otherwise specified. The change will not apply to any payments made or other action taken by Us before recording the change.

MISSTATEMENT OF AGE

If You misstated Your age on Your application, We will adjust all benefits payable to those which the premium paid would have purchased at the correct age. If coverage would not have been available at Your correct age, We will refund all premiums paid minus any benefits paid and Your policy will terminate.

LEGAL ACTIONS

No legal action can be brought to recover under this policy until at least 60 days after We have been given satisfactory proof of loss. Legal action cannot be brought after the expiration of three years from the date proof of loss is required.

UNPAID PREMIUM

When benefits are paid under this policy, any premium then due and unpaid may be deducted from the benefits payable.

ELIGIBILITY

Your eligibility for this policy is based on Your satisfaction of Our medical underwriting requirements as of the policy date.