

**HOSPITAL CONFINEMENT INDEMNITY POLICY
PREMIUMS SUBJECT TO CHANGE BY CLASS UPON ANY RENEWAL DATE**

THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY AND IF THE EMPLOYER IS A NON-SUBSCRIBER, THE EMPLOYER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKERS' COMPENSATION LAWS. THE EMPLOYER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.

THIS IS A SUPPLEMENT TO HEALTH INSURANCE AND IS NOT A SUBSTITUTE FOR MAJOR MEDICAL COVERAGE. LACK OF MAJOR MEDICAL COVERAGE (OR OTHER MINIMUM ESSENTIAL COVERAGE) MAY RESULT IN AN ADDITIONAL PAYMENT WITH YOUR TAXES.

NOTICE TO BUYER: This is a hospital confinement indemnity policy providing limited benefits. Benefits provided are supplemental and are not intended to cover all medical expenses. Read your policy carefully with the Outline of Coverage, if applicable.

The Named Insured shown in the Policy Schedule will be referred to as "you," "your," or "yours." American Family Life Assurance Company of Columbus, a stock company, will be referred to as "we," "our," "us," or "Aflac."

THIS POLICY IS GUARANTEED-RENEWABLE FOR YOUR LIFETIME, SUBJECT TO AFLAC'S RIGHT TO CHANGE PREMIUMS BY CLASS UPON ANY RENEWAL DATE.

We agree that this policy will never be restricted by the addition of any rider without your consent, nor will renewal be refused because of any change in any Covered Person's health or physical condition. You are guaranteed the right to renew this policy for your lifetime by the timely payment of premiums at the rate in effect at the beginning of each term, except that we may discontinue or terminate the policy if you have performed an act or practice that constitutes fraud, or have made an intentional misrepresentation of material fact relating in any way to the policy, including claims for benefits under the policy.

Aflac may change the established premium rate, but only if the rate is changed for all policies of this class. While this policy is in force, no change will be made in your class because of the age, sex, or physical condition of any Covered Person. "Class" means all policies of this form number and premium classification in the state where this policy was issued that are then in force. If the established premium rate changes, Aflac will notify you in writing at your last known address, as shown in our records, at least 30 days before the change becomes effective.

CONSIDERATION

This policy is issued in consideration of statements made in your application and the payment of the premium shown in the Policy Schedule. A copy of your application is attached and is a part of this policy. The following paragraphs set forth the definitions of terms, the limitations and exclusions, the insurance benefits, and other provisions.

YOUR RIGHT TO EXAMINE THIS POLICY

It is important to us that you are satisfied with this policy. If you are not satisfied, you may return it within 30 days after you receive it. Send it to Aflac Worldwide Headquarters, 1932 Wynnton Road, Columbus, Georgia 31999. You will receive a full refund of all premiums paid (less any benefits paid), and your policy will be void from its Effective Date. If you return this policy, please note in writing: "This policy is returned for cancellation and refund of premium."

IMPORTANT NOTICE

Please read your application attached to this policy. This policy is issued on the basis that the information shown on the application is correct and complete. Statements made in the application are deemed representations and not warranties. Carefully check the application. Write to us within 30 days of the date you receive this policy if any information on the application is not correct or complete. A material misrepresentation may result in the denial of claims or voiding of the policy. No associate (duly licensed agent) may change this policy or waive any of its provisions.

**American Family Life Assurance Company of Columbus
Worldwide Headquarters • 1932 Wynnton Road • Columbus, Georgia 31999
For assistance or information about this policy, call 1.800.99.AFLAC (1.800.992.3522).
For claim forms, visit our website at aflac.com.**

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In witness whereof, Aflac's president and secretary signed this policy in Columbus, Georgia, as of the policy Effective Date shown in the Policy Schedule.



Paul S. Amos II, President



J. Matthew Loudermilk, Secretary

For Training Purposes Only

Policy Schedule

NAMED INSURED: [John A. Doe]		
TYPE OF COVERAGE: [Individual]	POLICY NUMBER: [111-2222]	
MODE OF PAYMENT: [Monthly]	PREMIUMS: \$[XX.xx]	
COVERAGE: [XXXXXX]	EFFECTIVE DATES: [XX/XX/XX]	\$[XX.xx]
[AAABBB]	[XX/XX/XX]	[\$XX.xx]
[BABBBC]	[XX/XX/XX]	[\$XX.xx]
[CABBBB]	[XX/XX/XX]	[\$XX.xx]

MESSAGES:

[XXXXXX] HOSPITAL CONFINEMENT INDEMNITY POLICY
[AAABBB] [EXTENDED BENEFITS RIDER]
[BABBBC] [HOSPITAL STAY AND SURGICAL CARE RIDER]
[CABBBB] [LUMP SUM CRITICAL ILLNESS BENEFIT RIDER]

PRE-EXISTING CONDITION LIMITATIONS

A "Pre-existing Condition" is an illness, disease, infection, disorder, condition, or injury for which, within the 12-month period before the Effective Date of coverage, prescription medication was taken or medical testing, advice, consultation, or treatment was recommended or received, or for which symptoms existed that would ordinarily cause a prudent person to seek diagnosis, care, or treatment. Care or treatment caused by a Pre-existing Condition, including deliveries for children if the pregnancy is in existence on the Effective Date of coverage, or reinjuries to a Pre-existing Condition will not be covered unless it begins more than 12 months after the Effective Date of coverage (or begins 6 months from the Effective Date for insureds who were issued the policy at age 65 or over).

This policy is a legal contract between you and Aflac.
READ YOUR POLICY CAREFULLY.

Part 1 BENEFITS

Aflac will pay the following benefits, as applicable, for a covered Sickness or Injury that occurs while coverage is in force, subject to the Pre-existing Condition Limitations, Limitations and Exclusions, and all other policy provisions, unless indicated otherwise. The term "Hospital Confinement" does not include emergency rooms. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable.

- A. HOSPITAL CONFINEMENT BENEFIT:** Aflac will pay \$[500 - 5,000] when a Covered Person requires Hospital Confinement for 23 or more hours for a covered Sickness or Injury and a room charge is incurred. This benefit is payable once per Calendar Year, per Covered Person. No lifetime maximum.

The Hospital Confinement Benefit and the Rehabilitation Facility Benefit are not payable on the same day. The highest eligible benefit will be paid.

- B. REHABILITATION FACILITY BENEFIT:** Aflac will pay \$100 per day when a Covered Person is confined in a Hospital and is transferred to a room in a Rehabilitation Facility for treatment of a covered Sickness or Injury and a charge is incurred each day for such treatment. This benefit is limited to 15 days per Period of Hospital Confinement and is limited to a Calendar Year maximum of 30 days, per Covered Person. No lifetime maximum.

The Rehabilitation Facility Benefit and the Hospital Confinement Benefit are not payable on the same day. The highest eligible benefit will be paid.

- C. HOSPITAL EMERGENCY ROOM BENEFIT:** Aflac will pay \$100 when a Covered Person receives treatment for a covered Sickness or Injury in a Hospital Emergency Room, including triage, and a charge is incurred for such treatment. This benefit is payable twice per Calendar Year, per Covered Person. No lifetime maximum.

The Hospital Emergency Room Benefit and the Hospital Short-Stay Benefit are not payable on the same day.

- D. HOSPITAL SHORT-STAY BENEFIT:** Aflac will pay \$100 when a Covered Person receives treatment for a covered Sickness or Injury in a Hospital, including an observation room, or an Ambulatory Surgical Center, for a period of less than 23 hours and a charge is incurred for such treatment. This benefit is not payable for treatment received in a Hospital Emergency Room or Urgent Care Center. This benefit is payable twice per Calendar Year, per policy. No lifetime maximum.

The Hospital Short-Stay Benefit and the Hospital Emergency Room Benefit are not payable on the same day.

- E. WAIVER OF PREMIUM BENEFIT:** Upon written notice, Aflac will waive from month to month any premium(s) falling due during a continued Period of Hospital Confinement for the Named Insured only. This benefit will begin after the Period of Hospital Confinement for the Named Insured has exceeded 30 consecutive days. When such continued Period of Hospital Confinement has ended, premium payments must be resumed. Once premium payments are resumed, any new Period of Hospital Confinement must again satisfy the 30-day continued confinement for premiums to be waived.

If you die and your Spouse becomes the new Named Insured, premiums will start again at the appropriate rate and will be due on the first premium due date after the change. The new Named Insured will then be eligible for this benefit if the need arises.

- F. CONTINUATION OF COVERAGE BENEFIT:** Aflac will waive all monthly premiums due for this policy and riders, if any, for up to two months if you meet all of the following conditions:

1. Your policy has been in force for at least six months;
2. We have received premiums for at least six consecutive months;
3. Your premiums have been paid through payroll deduction and you leave your employer for any reason;
4. You or your employer notifies us in writing within 30 days of the date your premium payments cease because of your leaving employment; and
5. You re-establish premium payments through:
 - (a) Your new employer's payroll deduction process or
 - (b) Direct payment to Aflac.

You will again become eligible to receive this benefit after:

1. You re-establish your premium payments through payroll deduction for a period of at least six months, and
2. We receive premiums for at least six consecutive months.

“Payroll deduction” means your premium is remitted to Aflac for you by your employer through a payroll deduction process or any other method agreed to by Aflac and the employer.

Part 2 **DEFINITIONS**

- A. AMBULATORY SURGICAL CENTER:** a facility licensed to provide surgical services in an operating room environment on an outpatient basis. This does not include a Physician's or dentist's office, a clinic, or other such location.
- B. CALENDAR YEAR:** January 1 through December 31 of the same year.
- C. COMPLICATIONS OF PREGNANCY:** a health complication that in the absence of immediate medical attention will result in placing the life of the mother in jeopardy including: (1) conditions requiring medical treatment prior to or subsequent to the termination of a pregnancy whose diagnoses are distinct from pregnancy but that are adversely affected by pregnancy or caused by pregnancy, such as nonelective cesarean deliveries, acute nephritis; nephrosis; cardiac decompensation; missed abortion; disease of the vascular, hemopoietic, nervous, or endocrine systems; and similar medical and surgical conditions of comparable severity; (2) hyperemesis gravidarum and pre-eclampsia requiring Hospital

Confinement, ectopic pregnancy that is terminated, and spontaneous termination of pregnancy that occurs during a period of gestation in which a viable birth is not possible.

Complications of Pregnancy do not include any of the following: premature delivery, multiple gestation pregnancy, false labor, occasional spotting, prescribed rest during pregnancy, morning sickness, and similar conditions associated with the management of a difficult pregnancy not constituting a classifiably distinct pregnancy complication. Elective cesarean deliveries are not considered Complications of Pregnancy.

- D. COVERED PERSON:** persons covered under Individual, Named Insured/Spouse Only, One-Parent Family, or Two-Parent Family coverage. See Type of Coverage definition.
- E. DEPENDENT CHILDREN:** your natural children, stepchildren, grandchildren, or legally adopted children who are under age 26. Coverage of a Dependent Child will terminate on the child's 26th birthday. Coverage provided under any One-Parent or Two-Parent Family policy will include any other Dependent Child, regardless of age, who is incapable of self-sustaining employment by reason of mental or physical disability, and who became so disabled prior to age 26 and while covered under this policy. You must furnish proof of such disability and dependency to Aflac within 31 days of the Dependent Child's 26th birthday. You must furnish proof of continuing disability and dependency at Aflac's request, but not more often than annually, after the two-year period following the Dependent Child's 26th birthday. Children for whom you must provide medical support under a court order are also covered under the terms of the policy.
- F. EFFECTIVE DATE:** the date(s) coverage begins as shown in the Policy Schedule or any attached endorsements or riders. The Effective Date **is not** the date you signed the application for coverage.
- G. HOSPITAL:** a licensed institution operated pursuant to law and is primarily engaged in providing or operating, either on its premises or in facilities available to it, on a contractual, prearranged basis and under the supervision of a staff of one or more duly licensed Physicians, all of the following: (1) medical, diagnostic, and major surgical facilities for the medical care and treatment of sick or injured persons on an inpatient basis for which a charge is made; (2) a 24-hour-a-day nursing service by or under the supervision of registered graduate professional nurse (RN); (3) a minimum of five beds; (4) X-ray and laboratory facilities; and (5) permanent medical history records. The term "Hospital" also includes Ambulatory Surgical Centers. The term "Hospital" does not include a Rehabilitation Facility that is not accredited by the Joint Commission on the Accreditation of Hospitals, American Osteopathic Association, or the Commission on Accreditation of Rehabilitation Facilities; convalescent homes; convalescent, rest, or nursing facilities; homes or facilities primarily for the aged, drug addicts, or alcoholics; facilities primarily affording custodial or educational care; or facilities primarily affording care for mental and nervous disorders. **Benefits for confinement in a Rehabilitation Facility are payable under the Rehabilitation Facility Benefit.**
- H. HOSPITAL CONFINEMENT:** a stay of a Covered Person confined to a bed in a Hospital for 23 or more hours for which a room charge is made. The Hospital Confinement must be on the advice of a Physician, Medically Necessary, and the result of a covered Sickness or Injury. Treatment or confinement in a U.S. government Hospital does not require a charge for benefits to be payable.
- I. HOSPITAL EMERGENCY ROOM:** a unit of a Hospital dedicated to providing rapid and varied treatment 24 hours a day to victims of sudden illness or trauma with an assigned doctor trained in emergency medicine on duty at all times. The term "Hospital Emergency Room" does not include Urgent Care Centers.

- J. IMMEDIATE FAMILY:** anyone related to you in the following manner: spouse; brothers or sisters (includes stepbrothers and stepsisters); children (includes stepchildren); parents (includes stepparents); grandchildren (includes step-grandchildren); grandparents (includes step-grandparents); father- or mother-in-law; brothers- or sisters-in-law; and spouses, as applicable, of any of these.
- K. INJURY:** a bodily injury caused directly by an accident, independent of Sickness, disease, bodily infirmity, or any other cause. **An Injury must occur on or after the Effective Date of coverage and while coverage is in force for benefits to be payable.** See the Limitations and Exclusions section for Injuries not covered by this policy.
- L. MEDICALLY NECESSARY:** treatment, services, or supplies necessary and appropriate for the diagnosis or treatment of Sickness or Injury based upon generally accepted medical practice.
- M. PERIOD OF HOSPITAL CONFINEMENT:** the number of days a Covered Person is assigned to and incurs a charge for a room in a Hospital. Confinements must begin while coverage under this policy is in force. Hospitalization that begins prior to the end of one Calendar Year and continues into the next Calendar Year will be considered one confinement.
- N. PHYSICIAN:** a person legally qualified to practice medicine, other than you or a member of your Immediate Family, who is licensed as a Physician by the state where treatment is received to treat the type of condition for which a claim is made.
- O. REHABILITATION FACILITY:** a licensed facility or a unit of a Hospital providing coordinated multidisciplinary physical restorative services to inpatients under the direction of a Physician knowledgeable and experienced in rehabilitative medicine. If a unit of a Hospital, beds must be set up and staffed in an area specifically designated for this service. The term "Rehabilitation Facility" does not include a hospice unit, including any bed designated as a hospice or a swing bed; a convalescent home; a rest or nursing facility; a psychiatric unit; an extended-care facility; a skilled nursing facility; or a facility primarily affording custodial or educational care, care or treatment for persons suffering from mental disease or disorders, care for the aged, or care for persons addicted to drugs or alcohol.
- P. SICKNESS:** an illness, disease, infection, disorder, or condition not caused by an Injury, medically evaluated, diagnosed or treated by a Physician more than 30 days after the Effective Date of coverage and while coverage is in force. **Benefits are not payable for any illness, disease, infection, disorder, or condition that is medically evaluated, diagnosed, or treated by a Physician before coverage has been in force 30 days from the Effective Date, unless the loss begins more than 12 months after the Effective Date of coverage.**
- Q. TYPE OF COVERAGE:** see your Policy Schedule to determine the Type of Coverage issued: Individual, Named Insured/Spouse Only, One-Parent Family, or Two-Parent Family.
- 1. Individual:** coverage for only you (the Named Insured listed in the Policy Schedule).
 - 2. Named Insured/Spouse Only:** coverage for you (the Named Insured) and your Spouse. Your "Spouse" is defined as the person to whom you are legally married and who is listed on your application.

3. **One-Parent Family:** coverage for you (the Named Insured) and all your Dependent Children.
4. **Two-Parent Family:** coverage for you (the Named Insured), your Spouse, and all your Dependent Children (or those of your Spouse).

Any One-Parent Family or Two-Parent Family member specifically excluded by name from coverage is not included in the One-Parent Family or Two-Parent Family definition. Any person who becomes a family member after the Effective Date of this policy, except a newborn or adopted child as explained below, must be added by endorsement. Persons added as family members by endorsement will be covered for only that Sickness diagnosed on or after the 30th day following the Effective Date of their endorsement.

Newborn children are automatically covered under the terms of this policy for 30 days from the moment of birth. Adopted children are automatically covered for 30 days from the date the petition is filed. **If you desire uninterrupted coverage for a newborn or adopted child beyond the first 30 days and Individual or Named Insured/Spouse Only coverage is in force, you must notify Aflac within 31 days of the child's birth or the date the petition is filed for adoption of the child.** Upon notification, Aflac will convert this policy to One-Parent Family or Two-Parent Family coverage and advise you of the additional premium due, if any. If One-Parent Family or Two-Parent Family coverage is already in force, it is not necessary for you to notify Aflac of the birth of your child or the date the petition is filed for adoption of a child, and an additional premium payment will not be required. **Newborn children will not be covered for routine nursing or well-baby care. We will pay policy benefits for their Sickness or Injury, including congenital anomaly (See Limitations and Exclusions).**

If you desire any other person to be covered after the Effective Date of this policy, you must apply for such coverage, and that person must be added by endorsement. The added person(s) will be subject to a Pre-existing Conditions provision and a 30-day waiting period for Sickness that will begin on the Effective Date of the endorsement. If Two-Parent Family coverage is already in force, an additional premium will not be required. Insurance for persons added by endorsement becomes effective on the date specified on the endorsement.

The insurance on any Dependent Child will terminate on the Dependent Child's 26th birthday (for continuation of coverage information, see Right of Conversion). Termination will be without prejudice to any claim originating prior to the date of termination. Aflac's acceptance of premium after such date will be considered as premium for only the remaining persons who qualify as Covered Persons under this policy. When coverage on all Dependent Children terminates, you must notify Aflac and elect whether to continue this policy on an Individual or Named Insured/Spouse Only basis. After such notice, Aflac will arrange for the payment of the appropriate premium due, including returning any unearned premium. Coverage provided under any One-Parent Family or Two-Parent Family policy will continue to include any other Dependent Child, regardless of age, who is incapable of self-sustaining employment by reason of mental or physical disability, and who became so disabled prior to age 26 and while covered under this policy. You must furnish proof of such disability and dependency to Aflac within 31 days of the Dependent Child's 26th birthday. You must furnish proof of continuing disability and dependency at Aflac's request, but not more often than annually, after the two-year period following the Dependent Child's 26th birthday.

- R. URGENT CARE CENTER:** a walk-in clinic focused primarily on providing outpatient treatment of Sickness or Injury requiring immediate medical attention in a dedicated medical facility outside of a traditional Hospital Emergency Room. Treatment must be provided under the supervision of a licensed Physician. The term “Urgent Care Center” includes acute care centers, but it does not include Hospital Emergency Rooms.

Part 3

LIMITATIONS AND EXCLUSIONS

- A.** Aflac will not pay benefits for care or treatment that is: (1) caused by a Pre-existing Condition, unless it begins more than 12 months after the Effective Date of coverage (or begins 6 months from the Effective Date for insureds who were issued the policy at age 65 or over), or (2) received prior to the Effective Date of coverage.
- B.** Aflac will not pay benefits for any illness, disease, infection, disorder, or condition that is medically evaluated, diagnosed, or treated by a Physician before coverage has been in force 30 days, unless the loss begins more than 12 months after the Effective Date of coverage.
- C.** Benefits for a covered Sickness for all persons added to this policy (excluding newborns) are subject to a 30-day waiting period.
- D.** Aflac will not pay benefits whenever coverage provided by this policy is in violation of any U.S. economic or trade sanctions. If the coverage violates U.S. economic or trade sanctions, such coverage shall be null and void.
- E.** Aflac will not pay benefits whenever fraud is committed in making a claim under this coverage. If you have received benefits that were not contractually due under this coverage, then Aflac reserves the right to offset any benefits payable under this coverage up to the amount of benefits you received that were not contractually due.
- F. This policy does not cover losses caused by or resulting from:**
1. Pregnancy or childbirth if the pregnancy is in existence on the Effective Date of this policy (complications of such pregnancy are covered to the same extent as a Sickness);
 2. Receiving routine nursing or routine well-baby care for a newborn child;
 3. Using any drug, narcotic, hallucinogen, or chemical substance (unless administered by a Physician and taken according to the Physician’s instructions), or voluntarily taking any type of poison or inhaling any type of gas or fumes;
 4. Participating in any illegal activity that is defined as a felony (“felony” is as defined by the law of the jurisdiction in which the activity takes place); or being detained in any detention facility or penal institution;
 5. Being intoxicated or under the influence of alcohol, drugs, or any narcotic, unless administered on the advice of a Physician and taken according to the Physician’s instructions (the term “intoxicated” refers to that condition as defined by the law of the jurisdiction in which the cause of the loss occurred);
 6. Intentionally self-inflicting a bodily injury, or committing or attempting suicide, while sane or insane;
 7. Having dental treatment, except as a result of Injury;
 8. Having cosmetic surgery that is not Medically Necessary;

9. Having elective surgery that is not Medically Necessary within the first 12 months of the Effective Date of coverage;
10. Being exposed to war or any act of war, declared or undeclared, or actively serving in any of the armed forces, or units auxiliary thereto, including the National Guard or Reserve;
11. Actively participating in a riot, insurrection, or terrorist activity;
12. Donating an organ within the first 12 months of the Effective Date of coverage; or
13. Having mental or emotional disorders without demonstrable organic disease, including but not limited to the following: bipolar affective disorder (manic-depressive syndrome), delusional (paranoid) disorders, psychotic disorders, somatoform disorders (psychosomatic illness), eating disorders, schizophrenia, anxiety disorders, bereavement, situational depression, depression, stress, or post-partum depression. This policy will pay, however, for covered losses resulting from Alzheimer's disease, or similar forms of senility or senile dementia, first manifested while coverage is in force.

Part 4
RIGHT OF CONVERSION

- A. DISSOLUTION OF MARRIAGE:** If you and your Spouse dissolve your marriage by a valid decree of dissolution and your ex-Spouse was covered under a Named Insured/Spouse Only or a Two-Parent Family policy, your ex-Spouse will be issued, without evidence of insurability and without interruption in coverage, a policy providing equivalent coverage at the then-applicable premium rate. Aflac must be notified within 60 days following the effective date of the divorce and your ex-Spouse must pay the appropriate premium for the policy to be issued. No waiting period is required except to the extent that such period has not been satisfied under this policy. If such dissolution occurs, the Named Insured under this policy at the time of the dissolution will retain that status and all benefits for losses occurring prior to the effective date of the divorce will be paid to the Named Insured. Any Dependent Children may be covered under either policy, but not both.
- B. DEATH:** Upon notification of your death, your Spouse, if alive and covered under this policy, will become the Named Insured. All benefits accrued prior to your death will be paid to your estate. No waiting period is required except to the extent that such period has not been satisfied by that person under this policy.
- C. TERMINATION OF DEPENDENCY:** A Dependent Child whose dependency has terminated and who desires to continue coverage as a Named Insured under a separate policy may do so by notifying Aflac of the request in writing. Provided Aflac receives written notification of the request within 31 days following the date he or she is no longer considered a Dependent Child, such person may then apply for and receive, without evidence of insurability and without interruption in coverage, an Individual policy providing equivalent coverage for him or herself at the then-applicable premium rate. No waiting period is required for such person unless the waiting period under this policy has not been satisfied.

Part 5
UNIFORM PROVISIONS

- A. ENTIRE CONTRACT; CHANGES:** This policy, together with the application, endorsements, benefit agreements, riders, and attached papers, if any, constitutes the entire contract of insurance. No change in this policy is valid until approved in writing by the president and the secretary of Aflac at our worldwide headquarters. Any such change must

be noted hereon or attached hereto. No associate (duly licensed agent) has the authority to change this policy or to waive any of its provisions.

- B. TIME LIMIT ON CERTAIN DEFENSES:** After two years from the Effective Date of coverage, no misstatements, except fraudulent misstatements, made by you in the application shall be used to void this policy or to deny a claim for loss incurred after the expiration of such two-year period. No claim for loss commencing after 12 months from the Effective Date of coverage (or begins 6 months from the Effective Date for insureds who were issued the policy at age 65 or over) will be reduced or denied on the grounds that a disease or physical condition, not excluded from coverage by name or specific description, had existed prior to such Effective Date.
- C. TERM:** The term of this policy begins at midnight, standard time, at the place where you reside on the Effective Date shown in the Policy Schedule. It ends at midnight, at the same standard time, on the first renewal date. Each renewal term ends at midnight, at the same standard time, on the next following renewal date. Renewal dates are determined by the mode of payment. The mode of payment for the original term of this policy is shown in the Policy Schedule. An annual premium will maintain this policy in force for 12 months, semiannual for six months, quarterly for three months, and monthly for one month. Premium for a term is due on the first day of that term. **If you fail to pay your premium by the end of the grace period, coverage under this policy will terminate.**
- D. GRACE PERIOD:** A grace period of 31 days will be granted for the payment of each premium falling due after the first premium. During the grace period, this policy will continue in force.
- E. REINSTATEMENT:** You may request reinstatement of your policy from Aflac or from your associate (duly licensed agent). If your policy has lapsed for nonpayment of premium and we accept a later payment without requiring an application, your policy will be reinstated. If we require a written application and provide you with a conditional receipt, your policy will be reinstated upon our approval of the application. If we do not notify you of our disapproval in writing within 45 days of the date your application is received at our worldwide headquarters, your policy will be deemed reinstated. The reinstated policy will cover loss resulting from accidental Injury sustained on or after the date of reinstatement and loss resulting from Sickness that begins more than ten days after the date of reinstatement. In all other respects you and Aflac will have the same rights as provided under the policy immediately before the due date of the defaulted premium, subject to any provisions added in connection with the reinstatement. Any premium accepted in connection with a reinstatement will be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.
- F. NOTICE OF CLAIM:** Written notice of claim must be given within 60 days after a covered loss starts or as soon as reasonably possible. The notice can be given to Aflac at our worldwide headquarters, [1932 Wynnton Road, Columbus, Georgia 31999,] or to your associate (duly licensed agent). The notice of claim should include the name of the Covered Person, the policy number, and an additional piece of information that is sufficient to identify the Named Insured, such as address or date of birth.
- G. CLAIM FORMS:** When we receive a notice of claim, we will send you forms for filing proof of loss. If the forms are not sent to you within ten working days after such notice is given, you will meet the proof-of-loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated in the Proof of Loss provision.

H. PROOF OF LOSS: Written proof of loss (claim forms, medical bills, medical authorizations, or other reasonable evidence of the claim that is ordinarily required) must be furnished to Aflac at our worldwide headquarters before the 91st day after the date of such loss. Failure to furnish such proof within the time required shall not invalidate or reduce any claim if it was not reasonably possible to give proof within such time. However, such proof must be furnished as soon as reasonably possible and in no event (except in the absence of legal capacity) later than 15 months from the time proof is otherwise required.

I. TIME OF PAYMENT OF CLAIMS: All benefits payable under this policy will be paid immediately upon receipt of due written proof of loss.

J. PAYMENT OF CLAIMS: All benefits will be payable to you unless assigned by you or by operation of law. Any accrued benefits unpaid at your death will be paid to your estate.

Any premium due and unpaid may be deducted from a claim payment. If a Covered Person under this policy is eligible for and receives medical assistance from the Texas Department of Human Resources, the benefits payable under this policy shall be paid to that agency. The amount of the benefits payable to the Texas Department of Human Resources shall be the actual medical expenses paid by the agency on behalf of the insured, subject to any benefit limitations provided by the policy. The payments will be made after receipt by Aflac, or a notice of assignment of benefits from the Texas Department of Human Resources.

All benefits paid on behalf of the child or children under the policy must be paid to the Texas Department of Human Resources whenever: (1) the Texas Department of Human Services is paying benefits under the Human Resources code, Chapter 31 or 32, and (2) the parent who purchased the individual policy has possession or access to the child pursuant to a court order, or is entitled to access or possession of the child and is required by a court order to pay child support.

K. LEGAL ACTIONS: No legal action may be brought to recover on this policy within 60 days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action may be brought after three years from the time written proof of loss is required to be furnished.

L. CONFORMITY WITH STATE STATUTES: Any provision of this policy that, on its Effective Date, is in conflict with the statutes of the state in which the Named Insured resides on the Effective Date is by this clause effectively amended to conform to the minimum requirements of that state's statutes.

M. OTHER INSURANCE WITH AFLAC: Insurance effective at any one time on the Named Insured under the same type of policy or policies with Aflac is limited to the one policy elected by the Named Insured, the Named Insured's beneficiary, or the Named Insured's estate, as the case may be, and Aflac will return all premiums paid for all other policies of the same type.

N. CANCELLATION: You have the right to cancel this policy at any time, by notifying Aflac in writing. The effective date of the cancellation will be the date of receipt, or a later date if specified in the request. Aflac will return the unearned portion of any premium paid.

O. MISSTATEMENT OF AGE: If an age has been misstated on the application, the benefits will be those the premium paid would have purchased at the correct age. Aflac will refund all unearned premiums paid if the misstated age at the time of application was outside the age limits for this policy.