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**Name of Policyholder: J M SMITH CORPORATION, INC.**

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**Policy Number:**  
GLT/GL-675643

**Effective Date:**  
January 1, 2006

**Place of Delivery:**  
South Carolina

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**Anniversary Dates:**  
January 1 of each year, beginning in 2007.

**Premium Due Dates:**  
Monthly, on the first day of each policy month.

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**HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY**

200 Hopmeadow Street, Simsbury, Connecticut 06089

(A stock insurance company, herein called Hartford Life)

Agrees with the Policyholder to insure certain persons who are entitled to the insurance provided by this policy. This policy is issued in consideration of the application of the Policyholder, and the payment of the first premium. The first premium is due and payable on the effective date of the policy. Subject to the policy's grace period provision, all premiums after the first must be paid when or before they are due.

Signed for Hartford Life:

**Richard G. Costello, Secretary**

**Thomas M. Marra, President**

Countersigned by \_\_\_\_\_  
Licensed Resident Agent

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## **PARTICIPANT EMPLOYERS**

An employer may be included as a Participant Employer if the Policyholder and Hartford Life so agree. Hartford Life will keep a list of accepted Participant Employers and the effective dates of coverage for each.

The Policyholder may act for or on behalf of all Participant Employers in all matters of the policy. The following will be binding on all Participant Employers:

- all agreements between Hartford Life and the Policyholder;
- all notices from Hartford Life to the Policyholder; and
- all notices from the Policyholder to Hartford Life.

An employee of a Participant Employer will be deemed to be an employee of the Policyholder for insurance purposes.

Coverage for a Participant Employer will terminate on the first to occur of:

- the date his premium is due, but not paid; or
- the date on which the Policyholder wants the employer to be removed from the policy. Such date must be stated in written notice to Hartford Life, and must be after the date of the notice.

## INCORPORATION PROVISION

### **Booklet-Certificate**

The Booklet-certificate(s), and the endorsement form(s) enclosed therein, attached to this Policy are hereby incorporated in, and made a part of, this policy.

Booklet Form(s):

GBD-1100 A.1 (675643) GL 1.2 (FNC)  
GBD-1200 A.1 (675643) GLT 1.2 (FNC)

Endorsement Form(s):

GBD RIDER A (675643) 1.1 (FNC)

The terms found in the Booklet-certificate(s) will control:

- the benefit plan provisions;
- the eligibility and effective date of insurance rules;
- the termination of insurance rules;
- exclusions; and
- other general policy provisions pertaining to state insurance law requirements.

## **SCHEDULE OF INSURANCE**

### **Schedule of Insurance**

The Schedule(s) of Insurance for Group Insurance Policy GLT/GL-675643 listed below:

- Basic Life Insurance
- Accidental Death, Dismemberment and Loss of Sight Benefit
- Basic Dependent Life Insurance
- Long Term Disability Insurance
- Supplemental Life Insurance
- Supplemental Dependent Life Insurance

are shown in Booklet-certificate(s) GBD-1100 A.1 (675643) GL 1.2 (FNC) and GBD-1200 A.1 (675643) GLT 1.2 (FNC).

The Schedule(s) of Insurance will control the:

- benefit amounts and maximum limits;
- eligibility and effective date rules; and
- other schedule amounts and limits,

which apply to the employees of the Policyholder.

## PREMIUMS

### **Initial Monthly Premium Rates**

The initial monthly premium rates to be charged for employee Coverage and/or child/spouse coverage, if applicable, will be:

Long Term Disability Benefits: \$ .78 per \$100 of covered payroll

Basic Life Insurance: \$ .18 per \$1,000

Supplemental Life Insurance: for each \$1,000 of Supplemental Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Employee Age</b>	<b>Rate</b>
Less than 25	\$.06
25 - 29	\$.06
30 - 34	\$.07
35 - 39	\$.09
40 - 44	\$.16
45 - 49	\$.30
50 - 54	\$.47
55 - 59	\$.77
60 - 64	\$1.10
65 - 69	\$1.90
70 - 74	\$2.84
75 or over	\$2.84

Basic Dependent Life Insurance: \$1.28 per Dependent unit

Supplemental Dependent Life Insurance:

Spouse:

for each \$1,000 of Supplemental Dependent Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Employee Age</b>	<b>Rate</b>
Less than 25	\$.06
25 - 29	\$.06
30 - 34	\$.07
35 - 39	\$.09
40 - 44	\$.16
45 - 49	\$.30
50 - 54	\$.47
55 - 59	\$.77
60 - 64	\$1.10
65 - 69	\$1.90
70 - 74	\$2.84
75 or over	\$2.84

Child(ren):

for each child unit of Supplemental Dependent Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Benefit Amount</b>	<b>Rate</b>
2500	\$.40
5000	\$.80
7500	\$1.20
10000	\$1.60

Basic Accidental Death & Dismemberment and Loss of Sight Benefit:      \$.02 per \$1,000

For Long Term Disability Benefits, the amount of an employee's Earnings which is disregarded in determining his Monthly Benefit because of the Maximum Monthly Benefit limitation will also be disregarded in determining the amount of the total insured payroll.

Hartford Life reserves the right to terminate Dependent Life Insurance Benefits on any premium due date on which:

- there are fewer than 10 persons insured for Dependent Coverage; or
- less than 75% of the persons eligible for Dependent Coverage on a Contributory Basis are insured.

Hartford Life shall give the Policyholder 31 days notice of its intent to terminate the Dependent Life Insurance Benefit.

The Initial Monthly Premium Rates may be converted as follows:

To Convert Rates to:	Use a Conversion Factor of:
-- annual rates	11.8227
-- semi-annual rates	5.9557
-- quarterly rates	2.9852

**PREMIUMS**  
**(Continued)**

**Change in Monthly Premium Rates**

Initial Monthly Premium rates are guaranteed as follows:

<u>Long Term Disability Benefits</u>	until January 1, 2009
<u>Basic Life Insurance</u>	until January 1, 2009
<u>Supplemental Life Insurance</u>	until January 1, 2009
<u>Basic Dependent Life Insurance</u>	until January 1, 2009
<u>Supplemental Dependent Life Insurance</u>	until January 1, 2009
<u>Accidental Death, Dismemberment and Loss of Sight Benefit</u>	until January 1, 2009

Subject to the Rate Guarantee period shown above, Hartford Life has the right to change premium rates on any premium due date if:

- written notice is delivered to the Policyholder's last address on record; and
- the change is effective at least 31 days after the date of notice.

The rate guarantee described above (the "Rate Guarantee") supersedes only those provisions appearing elsewhere in this policy which give Hartford Life the right to change the premium rates, and then, only for the period of time stated for the Rate Guarantee. However, Hartford Life may change the premium rates during the Rate Guarantee period if there is a change in the group policy, or if there is a 10% increase or decrease in the number of insured employees, or if the Policyholder adds or deletes a subsidiary or affiliated business entity. Hartford Life may also change the premium rates during the Guarantee Period if there has been a material misstatement in the reported experience during the pre-sale process. The Rate Guarantee in no way affects, amends or supersedes any other provision in this policy.

**Calculation**

Premiums may be calculated by multiplying the rate times the applicable number of units of coverage.

If any insurance is added, increased or becomes effective after the policy is in force, the premium charges will begin:

- the day the coverage is effective, if it is also the first day of a policy month; or if not
- the first day of the next policy month.

For insurance which is terminated, premium charges will stop as of the first day of the next policy month.

With respect to Dependent Life Insurance only, the premium rate per Dependent Unit or per \$1,000 of insurance, whichever is applicable, will be based on actuarial assumptions, due to the difficulty in obtaining the ages of all Dependents who are covered under this benefit. The actuarial assumptions will produce, in the opinion of Hartford Life, the same total amount of premium as would be obtained by the use of the actual ages of the Dependents covered.

Premiums may be calculated by any other method which both Hartford Life and the Policyholder agree to in writing.

**PREMIUMS**  
**(Continued)**

**Premium Payments**

Premium payments are due and payable in full to a place designated by Hartford Life or, with respect to the initial premium payment, premium payments may be made to an authorized agent of Hartford Life.

Payment of premiums for a period before it is due will not guarantee the insurance for that period.

**Experience Rating**

If the policy is experience rated, any credit amount due the Policyholder will be allowed him on the Policy Anniversary Date and, at the Policyholder's request, will be:

- paid to him in cash;
- used to reduce his premiums; or
- used to provide additional insurance for Covered Persons.

Any credit amount shall be determined by the rating plan or plans used by Hartford Life.



## POLICY PROVISIONS

### **Entire Contract**

The contract between the parties consists of:

- the policy;
- the application of the Policyholder, a copy of which is attached to and made a part of the policy when issued; and
- the applications, if any, of each insured person.

All statements made by the Policyholder, Participant Employers, and persons insured under the policy are true and complete to the best of the knowledge and belief of the person(s) making them. No statement will be used in any contest unless it is in writing and a copy of it is given to the person who made it, or to his beneficiary.

### **Incontestability**

Except for non-payment of premium, the insurance provided by the policy cannot be contested after such insurance has been in effect for a period of 2 years.

### **Change in The Policy**

No change may be made unless approved in writing by the President; or a Vice President; an Assistant Vice President; a Secretary; or an Assistant Secretary of Hartford Life. No other person may change or waive any part of the policy. Any approved change shall be added to the policy in writing.

If any change to state or federal law, including but not limited to the Federal Social Security Act, affects Hartford Life's liability under the policy, Hartford Life may change the policy, the premiums or both. Such change:

- will be effective as of the date of the change to the state or federal law;
- will not be made until Hartford Life gives the Policyholder 31 days notice.

### **Right to Amend**

Notwithstanding the above, after the policy has been in force for 12 months, Hartford Life may change any or all of the provisions of this contract by notifying the Policyholder. Hartford Life must give the Policyholder at least 31 days advance written notice of any change.

### **Grace Period**

Hartford Life will allow the Policyholder a 45 day grace period for the payment of all premiums after the first. During this 45 day period, the policy will stay in force. If the owed premium is not paid by the 45th day, the policy will automatically terminate. If the Policyholder gives Hartford Life written advance notice of an earlier cancellation date, the policy will terminate on the earlier date. Premium is due for each day the policy is in force.

**POLICY PROVISIONS**  
**(Continued)**

**Termination of Policy**

Hartford Life may terminate the policy for the following reasons by giving the Policyholder 31 days written notice:

- The Policyholder fails to furnish any information which Hartford Life may reasonably require;
- The Policyholder fails to perform any of his other obligations pertaining to this policy;
- Less than 100% of the persons eligible for coverage on a Non-contributory Basis are insured; or
- Less than 75% of the persons eligible for coverage on a Contributory Basis are insured.
- Fewer than 10 persons are insured.

In addition, Hartford Life may terminate this policy on any premium due date after the policy has been in force for 12 months.

**Certificate**

Hartford Life will give the Policyholder an individual Booklet-certificate for each insured employee. The Booklet-certificate is part of the policy, and will explain the important features of the policy.

**Misstatement of Age**

If the age of an insured person has been misstated, his or her benefit amount will:

- not change, if the benefit amount does not depend on age; or
- be adjusted to reflect the correct benefit amount.

**Data To Be Furnished**

The Policyholder will give Hartford Life all information Hartford Life needs regarding matters pertaining to the insurance. At any reasonable time while the policy is in force and for 1 year after that, Hartford Life may inspect any of the Policyholder's documents, books, or records which may affect the insurance or premiums of this policy.

If the Policyholder gives Hartford Life any incorrect information, the relevant facts will be determined to establish if insurance is in effect and in what amount.

No person will be deprived of insurance to which he is otherwise entitled or have insurance to which he is not entitled, because of any misstatement of fact by the Policyholder. Any required adjustment may be made in premiums or benefits.

**No Replacement for Workers' Compensation**

The policy does not replace Workers' Compensation or affect any requirement for Workers' Compensation coverage.

**Time Period**

All periods begin and end at 12:01 A.M., standard time, at the Policyholder's address.

**Jurisdiction**

This policy is governed by the laws of the state where it is delivered.