

American Foreign Service Protective Association (AFSPA)

Member Term Life Coverage

Dependents Term Life Coverage



Disclosure Notice

FOR ARKANSAS RESIDENTS

Prudential's Customer Service Office:

The Prudential Insurance Company of America
Prudential Group Life Claim Division
P.O. Box 8517
Philadelphia, PA 19176
1-800-524-0542

If Prudential fails to provide you with reasonable and adequate service, you may contact:

Arkansas Insurance Department
Consumer Services Division
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-800-852-5494

FOR FLORIDA RESIDENTS

The benefits of the policy providing your coverage are governed by the law of a state other than Florida.

FOR INDIANA RESIDENTS

Questions regarding your policy or coverage should be directed to:

**The Prudential Insurance Company of America
(800) 524-0542**

If you (a) need the assistance of the governmental agency that regulates insurance; or (b) have a complaint you have been unable to resolve with your insurer you may contact the Department of Insurance by mail, telephone or e-mail:

State of Indiana Department of Insurance
Consumer Services Division
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204

Consumer Hotline: (800) 622-4461; (317) 232-2395

Complaints can be filed electronically at www.in.gov/idoi.

FOR MARYLAND RESIDENTS

The Group Insurance Contract providing coverage under this Certificate was issued in a jurisdiction other than Maryland and may not provide all of the benefits required by Maryland law.

FOR TEXAS RESIDENTS

THE INSURANCE POLICY UNDER WHICH THIS CERTIFICATE IS ISSUED IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. YOU SHOULD CONSULT YOUR EMPLOYER TO DETERMINE WHETHER YOUR EMPLOYER IS A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM.

FOR WISCONSIN RESIDENTS

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

Problems with Your Insurance? – If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.

Prudential's Customer Service Office:

**The Prudential Insurance Company of America
Prudential Group Life Claim Division
P.O. Box 8517
Philadelphia, PA 19176
1-800-524-0542**

You can also contact the Office of the Commissioner of Insurance, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the Office of the Commissioner of Insurance by contacting:

Office of the Commissioner of Insurance
Complaints Department
P.O. Box 7873
Madison, WI 53707-7873
1-800-236-8517
608-266-0103

THIS NOTICE IS FOR TEXAS RESIDENTS ONLY

IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 490-1007

Web: <http://www.tdi.texas.gov>

Email: consumerprotection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Prudential first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener información o para someter una queja:

Puede comunicarse con el Departamento de Seguros de Texas para obtener información acerca de compañías, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax: (512) 490-1007

Web: <http://www.tdi.texas.gov>

Email: consumerprotection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con Prudential primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es sólo para propósito de información y no se convierte en parte o condición del documento adjunto.

Disclosure Notice

Note:

- **Any payment made under this option may be taxable. You are advised to seek the help of a professional tax advisor for assistance with any questions that you may have.**
- **If you elect this option, your eligibility for Medicaid or other government programs may be affected. You are advised to seek the help of a professional legal advisor for assistance with any questions that you may have.**

Option to Accelerate Payment of Death Benefits: Your Group Life plan includes an option to give you flexibility in how your group life insurance benefits will be paid. If you become terminally ill, this option may allow you to have part of your life insurance benefits, which would otherwise be paid at your death, to be paid in advance to you while you are alive.

Eligibility: To be eligible to elect this option, you must furnish proof satisfactory to Prudential that your life expectancy is 9 months or less, including certification by a qualified doctor. Election of this option is also subject to the Conditions below.

Amount of Benefit: The amount to be paid under this option is 50% of the amount of your life insurance benefits, but not more than \$50,000. You may elect to have the money in one sum or 9 equal monthly payments.

Effect of Option: If you elect this option, the amount of your life insurance benefits payable to your beneficiary on your death will be reduced by the advanced payment. Also, if you are contributing for your life insurance benefits, the amount of your contribution will be adjusted based on the amount of insurance remaining in force.

Conditions: You cannot elect this option if your life insurance benefits are assigned. This option is available to you on a voluntary basis only; you are not eligible for it if (1) you are required to use it to meet the claims of creditors, whether in bankruptcy or otherwise or (2) you are required by a government agency to use it in order to apply for, get or keep a government benefit or entitlement. You can elect this option only once.

Premium for Accelerated Death Benefits: There is no additional charge for this benefit.

Administrative Expense Charge: There is no administrative expense charge to you; the administrative expense charge is paid by the group contract holder.

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Certificate of Coverage

Prudential certifies that insurance is provided according to the Group Contract(s) for each Insured Member. Your Booklet's Schedule of Benefits shows the Contract Holder and the Group Contract Number(s).

Insured Member: You are eligible to become insured under the Group Contract if you are in the Covered Classes of the Booklet's Schedule of Benefits and meet the requirements in the Booklet's Who is Eligible section. The When You Become Insured section of the Booklet states how and when you may become insured for each Coverage. Your insurance will end when the rules in the When Your Insurance Ends section so provide. Your Booklet and this Certificate of Coverage together form your Group Insurance Certificate.

Beneficiary for Member Death Benefits: See the Booklet's Beneficiary Rules.

Coverages and Amounts: The available Coverages and the amounts of insurance are described in the Booklet.

If you are insured, your Booklet and this Certificate of Coverage form your Group Insurance Certificate. Together they replace any older booklets and certificates issued to you for the Coverages in the Booklet's Schedule of Benefits. All Benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate.

The Prudential Insurance Company of America
751 Broad Street
Newark, New Jersey 07102

Foreword

We are pleased to present you with this Booklet. It describes the Program of benefits we have arranged for you and what you have to do to be covered for these benefits.

We believe this Program provides worthwhile protection for you and your family.

Please read this Booklet carefully. If you have any questions about the Program, we will be happy to answer them.

IMPORTANT NOTICE: *This Booklet is an important document and should be kept in a safe place. This Booklet and the Certificate of Coverage made a part of this Booklet together form your Group Insurance Certificate.*

IMPORTANT INFORMATION FOR RESIDENTS OF CERTAIN STATES: *There are state-specific requirements that may change the provisions under the Coverage(s) described in this Group Insurance Certificate. If you live in a state that has such requirements, those requirements will apply to your Coverage(s) and are made a part of your Group Insurance Certificate. Prudential has a website that describes these state-specific requirements. You may access the website at www.prudential.com/etonline. When you access the website, you will be asked to enter your state of residence and your Access Code. **Your Access Code is 42001.***

If you are unable to access this website, want to receive a printed copy of these requirements or have any questions, call Prudential at 1-866-439-9026.

Table of Contents

CERTIFICATE OF COVERAGE	1
FOREWORD	2
SCHEDULE OF BENEFITS	4
WHO IS ELIGIBLE TO BECOME INSURED.....	8
WHEN YOU BECOME INSURED.....	9
DELAY OF EFFECTIVE DATE.....	11
OPTIONAL MEMBER TERM LIFE COVERAGE	12
OPTION TO ACCELERATE PAYMENT OF DEATH BENEFITS	14
OPTIONAL DEPENDENTS TERM LIFE COVERAGE.....	16
GENERAL INFORMATION.....	18
WHEN YOUR INSURANCE ENDS.....	23

Schedule of Benefits

Covered Classes: All active, eligible Principal Members of AFSPA who are less than age 70 and are members in good standing as reported to Prudential by the Contract Holder, including United States citizens and Expatriates.

Program Date: September 1, 2016. This Booklet describes the benefits under the Group Program as of the Program Date.

- This Booklet and the Certificate of Coverage together form your Group Insurance Certificate. The Coverages in this Booklet are insured under a Group Contract issued by Prudential. All benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate. It alone forms the agreement under which payment of insurance is made.

OPTIONAL MEMBER TERM LIFE COVERAGE

You may enroll for one of the options below. The option for which you enroll will be recorded by the Contract Holder and reported to Prudential.

BENEFIT AMOUNTS:

Amount For Each Benefit Class:

Benefit Classes	Amount of Insurance
All Members	Any multiple of \$10,000. Minimum Amount: \$20,000. Maximum Amount: \$600,000.

Non-medical Limit on Amount of Insurance: There is a limit on the amount for which you may be insured without submitting evidence of insurability. This is called the Non-medical Limit.

If the amount of insurance for your Class and age at any time is more than the Non-medical Limit, you must give evidence of insurability satisfactory to Prudential before the part over the Limit can become effective.

This requirement applies: if you are a Principal Member and you apply within 60 days of your date of hire; when your Class changes; if you request an increase in your Amount of Insurance; or if the amount for your Class is changed by an amendment to the Group Contract. Even if you are insured for an amount over the Limit, you will still have to meet this evidence requirement before any increase in your amount of insurance can become effective. The amount of your insurance will be increased to the amount for your Class and age when Prudential decides the evidence is satisfactory and you meet the Active Member Requirement.

Non-medical Limit: \$200,000. If the Amount Limit for this Coverage applies at any time to your amount of insurance, that Limit will also apply to the Non-medical Limit as if it were an amount of insurance.

The Delay of Effective Date section does not apply to this Non-medical Limit on Amount of Insurance provision.

Note: The Non-medical Limit does not apply to any amount of insurance for which you were insured under another group contract providing term life coverage for Members of the Association on the day prior to the Program Date.

Increases and Decreases: You may elect to have your amount of insurance under the Coverage changed within 60 days of a Life Event. You must do this on a form approved by Prudential and agree to make any required contributions.

If you request an increase, you must give evidence of insurability. The amount of your insurance will be increased when Prudential decides the evidence is satisfactory and you meet the Active Member Requirement.

If you request a decrease, the amount of your insurance will be decreased on the date of your written request.

The "Definitions" section explains what "Life Event" means.

Amount Limit Due to Age: When you are age 60 or more, your amount of insurance is limited. It is the Limited Percent (for that Age) of the amount for which you would then be insured if there were no limitation. Each Age and the Limited Percent for that Age are shown below.

Age	Limited Percent
60	70
65 or more, but less than 70	50

The Member Term Life Coverage, for which you are insured, terminates when you attain age 80.

The Limited Percent for an Age takes effect on the day you become insured if you are then that Age.

The Delay of Effective Date section does not apply to this Amount Limit Due to Age provision.

Effect of Option to Accelerate Payment of Death Benefits: Your amount of insurance (as determined in the absence of this provision) will be reduced by the amount of any Terminal Illness Proceeds paid under the Option to Accelerate Payment of Death Benefits.

DEPENDENTS TERM LIFE COVERAGE

The amount of insurance is the amount for your Benefit Class. You may enroll your Qualified Dependents for the plan shown below. Your Benefit Class is determined by the classification of your dependents and the Member's attained age as shown in these tables.

Qualified Dependents Classification	Member's attained age	Amount of Insurance
Your Spouse	Less than 40	\$15,000
	40 or more but less than 50	11,250
	50 or more but less than 60	7,500
	60 or more but less than 65	6,250
	65 or more but less than 70	5,000
	70 or more but less than 75	4,000
	75 or more but less than 80	2,500

The Dependents Term Life Coverage for which you are insured with respect to your spouse terminates when you attain age 80.

The Delay of Effective Date section does not apply to this provision.

Qualified Dependents Classification	Member's attained age	Amount of Insurance
Your children, according to attained age:		
Less than 2 weeks	Less than 80	\$ 500
2 weeks or over but less than 2 years	Less than 40	\$3,000
	40 or more but less than 50	2,250
	50 or more but less than 60	1,500
	60 or more but less than 65	1,250
	65 or more but less than 80	1,000
2 years or over but less than 5 years	Less than 40	\$6,000
	40 or more but less than 50	4,500
	50 or more but less than 60	3,000
	60 or more but less than 65	2,500
	65 or more but less than 80	2,000
5 years or over	Less than 40	\$7,500
	40 or more but less than 50	5,625
	50 or more but less than 60	3,750
	60 or more but less than 65	3,125
	65 or more but less than 80	2,500

The Dependents Term Life Coverage for which you are insured with respect to your children terminates when you attain age 80.

The Delay of Effective Date section does not apply to this provision.

OTHER INFORMATION

Contract Holder: AMERICAN FOREIGN SERVICE PROTECTIVE ASSOCIATION (AFSPA)

Group Contract No.: G-42001-DC-2

Cost of Insurance: The insurance in this Booklet is Contributory Insurance. You will be informed of the amount of your contribution when you enroll. Any contribution due but unpaid at your death will be deducted from the death benefit.

Prudential's Address:

The Prudential Insurance Company of America
80 Livingston Avenue
Roseland, New Jersey 07068

WHEN YOU HAVE A CLAIM

Each time a claim is made, it should be made without delay. Use a claim form, and follow the instructions on the form.

If you do not have a claim form, contact the Contract Holder.

Who is Eligible to Become Insured

FOR MEMBER INSURANCE

You are eligible to become insured for Member Insurance while:

- You are an active Member in good standing as reported to Prudential by the Contract Holder; and
- You are in a Covered Class.

Your class is determined by the Contract Holder. This will be done under its rules, on dates it sets. The Contract Holder must not discriminate among persons in like situations. You cannot belong to more than one class for insurance on each basis, Contributory or Non-contributory Insurance, under a Coverage. "Class" means Covered Class, Benefit Class or anything related to work, such as position or Earnings, which affects the insurance available.

The rules for obtaining Member Insurance are in the When You Become Insured section.

FOR DEPENDENTS INSURANCE

You are eligible to become insured for Dependents Insurance while:

- You are eligible for Member Insurance; and
- You have a Qualified Dependent.

Qualified Dependents:

These are the persons for whom you may obtain Dependents Insurance:

- Your spouse or Registered Domestic Partner.

"Registered Domestic Partner" means a person whose domestic partnership with you has been validly registered by the government of the District of Columbia. In addition, government-sanctioned same-sex relationships (other than marriage) validly established under the laws of other jurisdictions that provide substantially all of the rights and benefits of marriage are recognized as registered domestic partnerships.

Either a spouse or a Registered Domestic Partner may be a Qualified Dependent under the Program at any one time, but not both at the same time.

- Your unmarried children from live birth to 26 years old.

Your children include your legally adopted children, children placed with you for adoption prior to legal adoption, and each of your stepchildren, Registered Domestic Partner's children and foster children. A child placed with you for adoption prior to legal adoption is considered your Qualified Dependent from the date of placement for adoption, and is treated as though the child were a newborn child born to you.

Exceptions:

Your spouse, Registered Domestic Partner or child is not your Qualified Dependent while:

- (1) on active duty in the armed forces of any country; or
- (2) insured under any Member Term Life Coverage of the Group Contract; or
- (3) the spouse, Registered Domestic Partner or child has protection under any Member Term Life Coverage of the Group Contract after the spouse's or Registered Domestic Partner's or child's insurance under that Coverage ends.

A child will not be considered the Qualified Dependent of more than one Member. If this would otherwise be the case, the child will be considered the Qualified Dependent of the Member named in a written agreement of all such Members filed with the Contract Holder. If there is no written agreement, the child will be considered the Qualified Dependent of:

- (1) the Member who became insured under the Group Contract with respect to the child, while the child was a Qualified Dependent of only that Member; and otherwise
- (2) the Member who has the longest continuous service with AFSPA, based on the Contract Holder's records.

The rules for obtaining Dependents Insurance are in the When You Become Insured section.

When You Become Insured

FOR MEMBER INSURANCE

Your Member Insurance under a Coverage will begin the first day on which:

- You have enrolled, if the Coverage is Contributory; and
- You are eligible for Member Insurance; and
- You are in a Covered Class for that insurance; and
- You have met any evidence requirement for Member Insurance; and
- Your insurance is not being delayed under the Delay of Effective Date section below; and
- That Coverage is part of the Group Contract.

For Contributory Insurance, you must enroll on a form approved by Prudential and agree to pay the required contributions. You may enroll for Contributory Insurance within 60 days of when you could first be covered, or within 60 days of a Life Event. The Contract Holder will tell you whether contributions are required and the amount of any contribution when you enroll.

At any time, the benefits for which you are insured are those for your class, unless otherwise stated.

The "Definitions" section explains what "Life Event" means.

When evidence is required: In any of these situations, you must give evidence of insurability. This requirement will be met when Prudential decides the evidence is satisfactory.

- (1) For Contributory Insurance, you enroll more than 60 days after you could first be covered.
- (2) You enroll after any of your insurance under the Group Contract ends because you did not pay a required contribution.
- (3) You wish to become insured for life insurance and have an individual life insurance contract which you obtained by converting your insurance under a Coverage of the Group Contract.
- (4) You have not met a previous evidence requirement to become insured under any Prudential group contract covering Members of the Association.

FOR DEPENDENTS INSURANCE

Your Dependents Insurance under a Coverage for a person will begin the first day on which all of these conditions are met:

- You have enrolled for Dependents Insurance under the Coverage, if the Coverage is Contributory.
- The person is your Qualified Dependent.
- You are in a Covered Class for that insurance.
- To be insured for a Qualified Dependent under the Dependents Term Life Coverage, you must be insured under the Optional Member Term Life Coverage of the Group Contract.
- You have met any evidence requirement for that Qualified Dependent.
- Your insurance for that Qualified Dependent is not being delayed under the Delay of Effective Date section below.
- Dependents Insurance under that Coverage is part of the Group Contract.

For Contributory Insurance, you must enroll on a form approved by Prudential and agree to pay the required contributions. The Contract Holder will tell you whether contributions are required and the amount of any contribution when you enroll.

At any time, the Dependents Insurance benefits for which you are insured are those for your class, unless otherwise stated.

When evidence is required: In any of these situations, you must give evidence of insurability for a Qualified Dependent spouse or Registered Domestic Partner. This requirement will be met when Prudential decides the evidence is satisfactory. Evidence is not required for a Qualified Dependent child.

- (1) For Contributory Insurance, you enroll for Dependents Insurance under a Coverage more than 60 days after you are first eligible for Dependents Insurance.
- (2) You enroll for Dependents Insurance after any insurance under the Group Contract ends because you did not pay a required contribution.
- (3) The Qualified Dependent is a person for whom a previous requirement for evidence of insurability has not been met. The evidence was required for that person to become covered for an insurance, as a dependent or a Member. That insurance is or was under any Prudential group contract for Members of the Association.

Change in Family Status: It is important that you inform the Contract Holder promptly when you first acquire a Qualified Dependent. You should also inform the Contract Holder if your Dependents Insurance status changes from one to another of these categories:

- No Qualified Dependents.
- Qualified Dependent spouse or Registered Domestic Partner only.
- Qualified Dependent spouse or Registered Domestic Partner and children.
- Qualified Dependent children only.

If you are insured under a Coverage for one or more children, you need not report additional children.

Forms are available for reporting these changes.

Delay of Effective Date

FOR MEMBER INSURANCE

Your Member Insurance under a Coverage will be delayed if you do not meet the Active Member Requirement on the day your insurance would otherwise begin. Instead, it will begin on the first day you meet the Active Member Requirement and the other requirements for the insurance. The same delay rule will apply to any change in your insurance that is subject to this section.

FOR DEPENDENTS TERM LIFE COVERAGE

A Qualified Dependent may be confined for medical care or treatment, at home or elsewhere. If a Qualified Dependent is so confined on the day that your Dependents Insurance under a Coverage for that Qualified Dependent, or any change in that insurance that is subject to this section, would take effect, it will not then take effect. The insurance or change will take effect upon the Qualified Dependent's final medical release from all such confinement. The other requirements for the insurance or change must also be met.

Newborn Child Exception: This section does not apply to a child of yours if the child is born to you and either:

- (1) is your first Qualified Dependent; or
- (2) becomes a Qualified Dependent while you are insured for Dependents Insurance under that Coverage for any other Qualified Dependent.

Also, this section does not apply to any age increase in the amount of insurance for a child under the Dependents Term Life Coverage.

Optional Member Term Life Coverage

FOR YOU ONLY

A. DEATH BENEFIT WHILE A COVERED PERSON.

If you die while a Covered Person, the amount of your Member Term Life Insurance under this Coverage is payable when Prudential receives written proof of death.

B. DEATH BENEFIT DURING CONVERSION PERIOD.

A death benefit is payable under this Section B if you die:

- (1) within 31 days after you cease to be a Covered Person; and
- (2) while entitled (under Section C) to convert your Member Term Life Insurance under this Coverage to an individual contract.

The amount of the benefit is equal to the amount of Member Term Life Insurance under this Coverage you were entitled to convert. It is payable even if you did not apply for conversion. It is payable when Prudential receives written proof of death.

C. CONVERSION PRIVILEGE.

If you cease to be insured for the Member Term Life Insurance of the Group Contract for one of the reasons stated below, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. The reasons are:

- (1) You transfer out of a Covered Class.
- (2) All term life insurance of the Group Contract for your class ends by amendment or otherwise. But, on the date it ends, you must have been insured for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

Availability: You must apply for the individual contract and pay the first premium by the later of:

- (1) the thirty-first day after you cease to be insured for the Member Term Life Insurance; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may you convert the insurance to an individual contract if you do not apply for the contract and pay the first premium prior to the ninety-second day after you cease to be insured for the Member Term Life Insurance.

Individual Contract Rules: The individual contract must conform to the following:

Amount: Not more than your Member Term Life Insurance under this Coverage when your insurance ends. But, if it ends because all term life insurance of the Group Contract for your class ends, the total amount of individual insurance which you may get in place of all your life insurance then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your life insurance then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible within the next 31 days.
- (2) \$10,000.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

Premium: Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

Effective Date: The end of the 31 day period after you cease to be insured for the Member Term Life Insurance.

Any death benefit provided under a section of this Coverage is payable according to that section and the Beneficiary and Mode of Settlement Rules.

Option to Accelerate Payment of Death Benefits

The following is added to the Member Term Life Coverage provision:

Definitions

- **Terminally Ill Member:** A Member whose life expectancy is 9 months or less.
- **Terminal Illness Proceeds:** The amount of Member Term Life Insurance that you may elect to place under this option. The Terminal Illness Proceeds are equal to 50% of the amount in force on your life on the date Prudential receives the proof that you are a Terminally Ill Member, but not more than \$50,000. However, the Terminal Illness Proceeds may be reduced if, within 9 months after the date Prudential receives such proof, a reduction on account of age would have applied to the amount of your Member Term Life Insurance. In that case, the amount of the Terminal Illness Proceeds may not exceed the amount of such Insurance after applying the reduction.

Option: If you become a Terminally Ill Member while insured under the Member Term Life Insurance provision or while your death benefit protection is being extended under the Member Term Life Coverage provision, you may elect to have the Terminal Illness Proceeds placed under this option. That election is subject to the conditions set forth below.

Payment of Terminal Illness Proceeds: If you elect this option, Prudential will pay the Terminal Illness Proceeds you place under this option in one sum when it receives proof that you are a Terminally Ill Member.

If you do not want the Terminal Illness Proceeds in one sum, you may elect to have them paid in 9 equal monthly installments. The first monthly payment will be due when Prudential receives proof that you are a Terminally Ill Member. The other payments are due on the same day of each later month.

To Whom Payable: The benefits under this provision are payable to you.

Amount Due But Unpaid at Your Death: If you elect monthly installments and you die before all payments have been made, Prudential will pay your Beneficiary or Beneficiaries determined under the Beneficiary Rules in one sum. That sum will be the total of the payments that remain.

Conditions: Your right to be paid under this option is subject to these terms:

- (1) You must choose this option in writing in a form that satisfies Prudential.
- (2) You must furnish proof that satisfies Prudential that your life expectancy is 6 months or less, including certification by a Doctor.
- (3) Your Member Term Life Insurance must not be assigned.
- (4) Terminal Illness Proceeds will be made available to you on a voluntary basis only. Therefore:
 - (a) If you are required by law to use this option to meet the claims of creditors, whether in bankruptcy or otherwise, you are not eligible for this benefit.

- (b) If you are required by a government agency to use this option in order to apply for, get or keep a government benefit or entitlement, you are not eligible for this benefit.

Effect on Insurance: This benefit is in lieu of the benefits that would have been paid on your death with respect to the Terminal Illness Proceeds. When you elect this option, the total amount of Member Term Life Insurance otherwise payable on your death, including any amount under an extended death benefit, will be reduced by the Terminal Illness Proceeds. Also, any amount you could otherwise have converted to an individual contract will be reduced by the Terminal Illness Proceeds.

Optional Dependents Term Life Coverage

FOR YOUR DEPENDENTS ONLY

A. DEATH BENEFIT WHILE A COVERED PERSON.

If a dependent dies while a Covered Person, the amount of insurance on that dependent under this Coverage is payable when Prudential receives written proof of death.

B. DEATH BENEFIT DURING A CONVERSION PERIOD.

A death benefit is payable under this Section B if a dependent dies:

- (1) within 31 days after ceasing to be a Covered Person; and
- (2) while entitled (under Section C) to a conversion of the insurance under this Coverage to an individual contract.

The amount of the benefit is equal to the amount of Dependents Term Life Coverage which could have been converted. It is payable even if conversion was not applied for. It is payable when Prudential receives written proof of death.

C. CONVERSION PRIVILEGE.

This privilege applies if you cease to be insured for the Dependents Term Life Coverage of the Group Contract with respect to a dependent. That dependent may have your insurance on the dependent under this Coverage, which then ends, converted to an individual life insurance contract. Evidence of insurability is not required. However, conversion is not available if the insurance ends for one of these reasons:

- (1) You fail to make any required contribution for insurance under the Group Contract.
- (2) All Dependents Term Life Coverage of the Group Contract for your class ends by amendment or otherwise. This (2) does not apply if, on the date it ends, you have been insured with respect to the dependent for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

Availability: The individual contract must be applied for and the first premium must be paid by the later of:

- (1) the thirty-first day after you cease to be insured for Dependents Term Life Coverage with respect to the dependent; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may you convert the insurance to an individual contract if you do not apply for the contract and pay the first premium prior to the ninety-second day after you cease to be insured for Dependents Term Life Coverage with respect to the dependent.

Individual Contract Rules: The individual contract must conform to the following:

Amount: Not more than the amount of Dependents Term Life Coverage on the dependent ending under this Coverage. But, if it ends because all the Dependents Term Life Coverage of the Group Contract for your class ends, the total amount of individual insurance which may be obtained in place of all the Dependents Term Life Coverage on the dependent then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your Dependents Term Life Coverage on the dependent then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible with respect to the dependent within the next 31 days.
- (2) \$10,000.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

Premium: Based on Prudential's rate as it applies to the form and amount, and to the dependent's class of risk and age at the time.

Effective Date: The end of the 31 day period after you cease to be insured for Dependents Term Life Coverage with respect to the dependent.

Any death benefit provided under a section of this Coverage is payable to you. If you are not living at the death of a dependent*, the death benefit is payable to the dependent's estate or, at Prudential's option, to any one or more of these surviving relatives of the dependent: wife; husband; Registered Domestic Partner, mother; father; children; brothers; sisters.

*If you and a dependent die in the same event and it cannot be determined who died first, the insurance will be payable as if that dependent died before you.

General Information

BENEFICIARY RULES

The rules in this section apply to insurance payable on account of your death, when the Coverage states that they do. But these rules are modified by any burial expenses rule in the Schedule of Benefits and, if there is an assignment, by the following sections: Limits on Assignments; and Effect of Gift Assignment of Rights of Group Life Insurance Under Another Group Contract.

“Beneficiary” means a person chosen, on a form approved by Prudential, to receive the insurance benefits.

You have the right to choose a Beneficiary for each Coverage under this Prudential Group Contract.

If there is a Beneficiary for the insurance under a Coverage, it is payable to that Beneficiary. Any amount of insurance under a Coverage for which there is no Beneficiary at your death will be payable to the first of the following: your (a) surviving spouse or Registered Domestic Partner; (b) surviving child(ren) in equal shares; (c) surviving parents in equal shares; (d) surviving siblings in equal shares; (e) estate. This order will apply unless otherwise provided in the Limits on Assignments.

You may change the Beneficiary at any time without the consent of the present Beneficiary. The Beneficiary change form must be filed through the Contract Holder. The change will take effect on the date the form is signed. But it will not apply to any amount paid by Prudential before it receives the form.

If there is more than one Beneficiary but the Beneficiary form does not specify their shares, they will share equally. If a Beneficiary dies before you, that Beneficiary's interest will end. It will be shared equally by any remaining Beneficiaries, unless the Beneficiary form states otherwise.

If you and a Beneficiary die in the same event and it cannot be determined who died first, the insurance will be payable as if that Beneficiary died before you.

MODE OF SETTLEMENT RULES

The rules in this section apply to Life Insurance payable on account of a Covered Person's death. But these rules are subject to the Limits on Assignments section.

Life Insurance is normally paid to the Beneficiary in one sum. Subject to applicable law, where the amount of the benefit meets Prudential's current minimum requirement, payment in one sum will be made by establishing a retained asset account in the Beneficiary's name, unless the Beneficiary elects another settlement or payment option available at the time of claim, and the benefit distribution will be deemed complete when the account is established. The retained asset account is an interest-bearing draft account backed by the financial strength of Prudential. Funds are held in Prudential's general account or elsewhere as Prudential may direct and an account in the Beneficiary's name is credited interest at a rate set by Prudential's discretion, subject to a minimum rate that will change no more than once every 90 days on advance notice to the Beneficiary. The Beneficiary is provided a draftbook and has immediate access to the entire amount by writing drafts for any amount up to the account balance. The retained asset account is not a bank account and is not insured by the Federal Deposit Insurance Corporation; it is a contractual undertaking between Prudential and the Beneficiary. Further information about the account is provided at the time of claim. Prudential may at

its discretion provide other forms of payment in one sum. But another mode of settlement may be arranged with Prudential for all or part of the insurance, as stated below.

Arrangements for Mode of Settlement: You may arrange a mode of settlement by proper written request to Prudential.

If, at a Covered Person's death, no mode of settlement has been arranged for an amount of the person's Life Insurance, the Beneficiary and Prudential may then mutually agree on a mode of settlement for that amount.

Conditions for Mode of Settlement: The Beneficiary must be a natural person taking in the Beneficiary's own right. A mode of settlement will apply to secondary Beneficiaries only if Prudential agrees in writing. Each installment to a person must not be less than \$20.00. A change of Beneficiary will void any mode of settlement arranged before the change.

Choice by Beneficiary: A Beneficiary being paid under a mode of settlement may, if Prudential agrees, choose (or change the Beneficiary's choice of) a payee or payees to receive, in one sum, any amount which would otherwise be payable to the Beneficiary's estate.

Prudential has prepared information about the modes of settlement available. Ask the Contract Holder for this.

INCONTESTABILITY OF LIFE INSURANCE

This limits Prudential's use of a person's statements in contesting an amount of Life Insurance for which the person is insured. These are statements made to persuade Prudential to accept the person for insurance. They will be considered to be made to the best of the person's knowledge and belief. These rules apply to each statement:

- (1) It will not be used in the contest unless:
 - (a) It is in a written instrument signed by the person and
 - (b) A copy of that instrument is or has been furnished to the person or to the person's Beneficiary.
- (2) If it relates to the person's insurability, it will not be used to contest the validity of insurance which has been in force, before the contest, for at least two years during the person's lifetime.

LIMITS ON ASSIGNMENTS

You may assign your insurance under a Coverage. Unless the Schedule of Benefits states otherwise, insurance under any Coverage providing death benefits or periodic benefits on account of disability may be assigned only as a gift assignment. Any rights, benefits or privileges that you have as a Member may be assigned. This includes any right you have to choose a Beneficiary or to convert to another contract of insurance. Prudential will not decide if an assignment does what it is intended to do. Prudential will not be held to know that one has been made unless it or a copy is filed with Prudential through the Contract Holder.

This paragraph applies only to insurance for which you have the right to choose a Beneficiary, when that right has been assigned. If an assigned amount of insurance becomes payable on account of your death and, on the date of that death, there is no Beneficiary chosen by the assignee, it will be payable to:

- (1) the assignee, if living; or
- (2) the estate of the assignee, if the assignee is not living.

It will not be payable as stated in the Beneficiary Rules.

EFFECT OF GIFT ASSIGNMENT OF RIGHTS OF GROUP LIFE INSURANCE UNDER ANOTHER GROUP CONTRACT

This Section applies to all Coverages providing Member death benefits.

If you are eligible for insurance under the Group Contract on the Group Contract's effective date you will have no rights, benefits or privileges under any such Coverage if, on the day before that date, all the following were true:

- (1) You were insured for group life insurance under another group contract. That contract was issued by Prudential or another insurance carrier to cover Members of the Association.
- (2) Your group life insurance under the other group contract ended.
- (3) An irrevocable and absolute gift assignment made by you was in effect. It was made before the other contract ended. That assignment was of all your rights, benefits and privileges of the group life insurance under the other group contract. Those rights were owned by the assignee or the assignee's successor.

The owner of those rights of the group life insurance under the other group contract on the day before this Group Contract's effective date will be the owner of the rights, benefits, and privileges you would have had under a Coverage if this section did not apply. This includes, but is not limited to, any right of assignment you would have had under the Limits on Assignments section above. The term "assignee" as used in that section includes such an owner.

The term "group life insurance", as used above, means only group life insurance provided under a group contract in effect on the day before the effective date of the Group Contract.

DEFINITIONS

Active Member Requirement: A requirement that you be an active eligible Member in Good Standing as reported to Prudential by the Contract Holder.

Association: American Foreign Service Protective Association (AFSPA).

Calendar Year: A year starting January 1.

Contributory Insurance, Non-contributory Insurance: Contributory Insurance is insurance for which the Contract Holder has the right to and may require your direct contribution to the cost of coverage. Non-contributory Insurance premiums are paid by the Contract Holder, usually without direct contribution from you. The rate for Non-contributory insurance may be determined, or in some cases, reduced, in part, based on your contributions for contributory insurance or other benefits offered to you under the Contract Holder benefit plan.

Coverage: A part of the Booklet consisting of:

- (1) A benefit page labeled as a Coverage in its title.
- (2) Any page or pages that continue the same kind of benefits.
- (3) A Schedule of Benefits entry and other benefit pages or forms that by their terms apply to that kind of benefits.

Covered Person under a Coverage: A Member who is insured for Member Insurance under that Coverage; a Qualified Dependent for whom a Member is insured for Dependents Insurance, if any, under that Coverage.

Dependents Insurance: Insurance on the person of a dependent.

Doctor: A licensed practitioner of the healing arts acting within the scope of the license.

Injury: Injury to the body of a Covered Person.

Life Event: Any of the following which constitute a change in family status:

- (1) your marriage, divorce or legal separation;
- (2) becoming or ceasing to be a Registered Domestic Partner;
- (3) the death of your Spouse, Registered Domestic Partner, or child;
- (4) the birth or adoption of your child;
- (5) your retirement or termination of active work.

Member: A Member of the American Foreign Service Protective Association (AFSPA).

Member Insurance: Insurance on the person of a Member.

Principal Member: A Principal Member of the American Foreign Service Protective Association (AFSPA), as defined by the Contract Holder.

Prudential: The Prudential Insurance Company of America.

Registered Domestic Partner: Your Registered Domestic Partner means a person whose domestic partnership with you has been validly registered by the government of the District of Columbia.

Sickness: Any disorder of the body or mind of a Covered Person, but not an Injury; pregnancy of a Covered Person, including abortion, miscarriage or childbirth.

You: A Member.

When Your Insurance Ends

MEMBER AND DEPENDENTS INSURANCE

Your Member Insurance under a Coverage or your Dependents Insurance under a Coverage will end when the first of these occurs:

- Your membership in the Covered Classes for the insurance ends.
- The part of the Group Contract providing the insurance ends.
- You make a written request to the Contract Holder to end your Member or Dependents Insurance under a Coverage.
- You fail to pay, when due, any contribution required for an insurance of the Group Contract. But, failure to contribute will not cause Non-Contributory Insurance to end, and failure to contribute for Dependents Insurance will not cause your Member Insurance to end.
- The Insurance is Dependents Insurance under the Dependents Term Life Coverage and your Member Insurance under the Member Term Life Coverage ends.

Your Dependents Insurance for a Qualified Dependent under a Coverage will end when that person ceases to be a Qualified Dependent for that Coverage.

Vermont Life Insurance

Mandatory Civil Union Endorsement

PURPOSE

This endorsement is part of the policy, contract, certificate and/or riders and endorsements to which it is attached and is intended to provide benefits for parties to a civil union. Vermont law requires that insurance contracts and policies offered to married persons and their families be made available to parties to a civil union and their families. In order to receive benefits in accordance with this endorsement, the civil union must have been established in the state of Vermont according to Vermont law.

GENERAL DEFINITIONS, TERMS CONDITIONS AND PROVISIONS

The general definitions, terms, conditions or any other provisions of the policy, contract, certificate and/or riders and endorsements to which this mandatory endorsement is attached are hereby amended and superseded as follows:

Terms that mean or refer to a marital relationship or that may be construed to mean or refer to a marital relationship: such as "marriage", "spouse", "husband", "wife", "dependent", "next of kin", "relative", "beneficiary", "survivor", "immediate family" and any other such terms include the relationship created by a civil union.

Terms that mean or refer to a family relationship arising from a marriage such as "family", "immediate family", "dependent", "children", "next of kin", "relative", "beneficiary", "survivor" and any other such terms include the family relationship created by a civil union.

Terms that mean or refer to the inception or dissolution of a marriage, such as "date of marriage", "divorce decree", "termination of marriage" and any other such terms include the inception or dissolution of a civil union.

"Dependent" means a spouse, a party to a civil union, and/or a child or children (natural, stepchild, legally adopted or a minor who is dependent on the insured for support and maintenance) who is born to or brought to a marriage or to a civil union.

"Child or covered child" means a child (natural, step-child, legally adopted or a minor who is dependent on the insured for support and maintenance) who is born to or brought to a marriage or to a civil union.

CAUTIONARY DISCLOSURE

THIS ENDORSEMENT IS ISSUED TO MEET THE REQUIREMENTS OF VERMONT LAW AS EXPLAINED IN THE "PURPOSE" PARAGRAPH OF THE ENDORSEMENT. THE FEDERAL GOVERNMENT OR ANOTHER STATE GOVERNMENT MAY NOT RECOGNIZE THE BENEFITS GRANTED UNDER THIS ENDORSEMENT. YOU ARE ADVISED TO SEEK EXPERT ADVICE TO DETERMINE YOUR RIGHTS UNDER THIS CONTRACT.

ADDITIONAL PROVISIONS FOR MINNESOTA RESIDENTS

For Minnesota residents, there are additional provisions about your right to continue or convert coverage after your insurance ends.

A. CONVERSION PRIVILEGE

The following provision replaces the conversion provisions in the Member and Dependents Term Life Coverage sections of your booklet. But the provisions of this section A do not apply if section B applies.

If you cease to be insured for the Member and Dependents Term Life Insurance of the Group Contract for one of the reasons stated below, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. The reasons are:

- (1) Your employment or membership ends or you transfer out of a Covered Class.
- (2) All term life insurance of the Group Contract for your class ends by amendment or otherwise.

Any such conversion is subject to the rest of this Section.

Availability: You must apply for the individual contract and pay the first premium within 31 days after you cease to be insured for the Member and Dependents Term Life Insurance.

Individual Contract Rules: The individual contract must conform to the following:

Amount: Not more than your Member and Dependents Term Life Insurance under this Coverage when your insurance ends.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

Premium: Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

Effective Date: The end of the 31 day period during which you may apply for it.

B. CONTINUED LIFE INSURANCE COVERAGE AT YOUR OPTION

The following provision is added to the When Your Insurance Ends section of your booklet. When this section B applies, section A above does not.

You have the right to continue your Member and Dependents Insurance under the life Coverages of the Group Contract if your insurance ends: (1) because you are voluntarily or involuntarily terminated or laid off from your employment (other than for gross misconduct) or (2) because your work hours are reduced.

The Contract Holder will give a written notice of the right to elect to continue the insurance. Such notice will state the amount of the payments, if any, required for the continued insurance and the manner in which any payments must be made. The amount of the contributions required to keep the insurance in force may be different from the amount you have been contributing. But, in no event will the amount exceed 102% of the cost for other Members in like circumstance whose employment is not ending or whose work hours have not been reduced.

If you want to continue the insurance, the election notice must be completed and returned to the Contract Holder, along with any required first payment, within 60 days of the later of: (1) the date the insurance would otherwise have ended; or (2) the date you receive the notice informing you of the right to continue. If this is done, the insurance will be continued from the date it would have ended until the first of these occurs:

- (1) The day 18 months from the date employment ended or work hours were reduced.
- (2) If you fail to make any payment required by the Contract Holder for the continued insurance, the end of the period for which you have made required payments.
- (3) The day you become covered under any other group life plan.
- (4) The part of the Group Contract providing the insurance ends.

While Member and Dependents Insurance is continued under this part, all other terms of the Group Contract will apply, except that the For Member Insurance part of the Delay of Effective Date section will not apply.

When continued insurance under this provision ends, you may elect to convert your coverage. See the Conversion section below.

CONVERSION AFTER CONTINUATION

At the expiration of the Continuation coverage in this section B, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. Any such conversion is subject to the rest of this Section.

Availability: You must apply for the individual contract and pay the first premium within 31 days after the expiration of your continued coverage.

Individual Contract Rules: The individual contract must conform to the following:

Amount: Not more than your Member and Dependents Term Life Insurance under this Coverage when your continued coverage ends.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for; and
- (3) provides the same or substantially similar benefits.

Premium: Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

Effective Date: The end of the 31 day period during which you may apply for it.

**The Summary Plan Description
is not part of the
Group Insurance Certificate.
It has been provided by
AFSPA and included in
your Booklet-Certificate
upon request.**

SUMMARY PLAN DESCRIPTION

This booklet is intended to comply with the disclosure requirements of the regulations issued by the U.S. Department of Labor under the Employee Retirement Income Security Act (ERISA) of 1974. ERISA requires that you be given a "Summary Plan Description" which describes the plan and informs you of your rights under it.

Plan Name

Member Term Life and Dependents Term Life Coverage for all active, eligible Principal Members of AFSPA who are less than age 70 and are members in good standing as reported to Prudential by the Contract Holder, including United States citizens and Expatriates

Plan Number

501

Type of Plan

Employee Welfare Benefit Plan

Plan Sponsor

American Foreign Service Protective Association (AFSPA)
1620 L Street, NW, 8th Floor
Washington, DC 20036

Employer Identification Number

53-0200270

Plan Administrator

American Foreign Service Protective Association (AFSPA)
1620 L Street, NW, 8th Floor
Washington, DC 20036

Agent for Service of Legal Process

American Foreign Service Protective Association (AFSPA)
1620 L Street, NW, 8th Floor
Washington, DC 20036

Plan Year Ends

June 30

Plan Benefits Provided by

The Prudential Insurance Company of America
751 Broad Street
Newark, New Jersey 07102

This Group Contract underwritten by The Prudential Insurance Company of America provides insured benefits under your Employer's ERISA plan(s). For all purposes of this Group Contract, the Employer/Policyholder acts on its own behalf or as an agent of its employees. Under no circumstances will the Employer/Policyholder be deemed the agent of The Prudential Insurance Company of America, absent a written authorization of such status executed between the Employer/Policyholder and The Prudential Insurance Company of America. Nothing in these documents shall, of themselves, be deemed to be such written execution.

The insurance benefit coverages described in the Booklet are being offered to you under a single ERISA plan. Coverages described as non contributory or as being paid entirely by the Employer/Contract Holder (if any) are those paid for directly by the Employer/Contract Holder such that you have no out of pocket expense for such coverages. However, the premium rate that the Employer/Contract Holder pays for insurance coverage offered to you under the Plan may be determined, or in some cases, reduced, in part, based on your contributions for other coverages or other benefits offered under the Plan. When this occurs, your contributions for one benefit coverage may cover some or all of the costs or plan expenses for another benefit coverage offered to you under the Plan.

Loss of Benefits

You must continue to be a member of the class to which this plan pertains and continue to make any of the contributions agreed to when you enroll. Failure to do so may result in partial or total loss of your benefits. It is intended that this plan will be continued for an indefinite period of time. But, the employer reserves the right to change or terminate the plan. This booklet describes your rights upon termination of the plan.

Claim Procedures

1. Determination of Benefits

Prudential shall notify you of the claim determination within 45 days of the receipt of your claim. This period may be extended by 30 days if such an extension is necessary due to matters beyond the control of the plan. A written notice of the extension, the reason for the extension and the date by which the plan expects to decide your claim, shall be furnished to you within the initial 45-day period. This period may be extended for an additional 30 days beyond the original 30-day extension if necessary due to matters beyond the control of the plan. A written notice of the additional extension, the reason for the additional extension and the date by which the plan expects to decide on your claim, shall be furnished to you within the first 30-day extension period if an additional extension of time is needed. However, if a period of time is extended due to your failure to submit information necessary to decide the claim, the period for making the benefit determination by Prudential will be tolled (i.e., suspended) from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If your claim for benefits is denied, in whole or in part, you or your authorized representative will receive a written notice from Prudential of your denial. The notice will be written in a manner calculated to be understood by you and shall include:

- (a) the specific reason(s) for the denial,
- (b) references to the specific plan provisions on which the benefit determination was based,

- (c) a description of any additional material or information necessary for you to perfect a claim and an explanation of why such information is necessary,
- (d) a description of Prudential's appeals procedures and applicable time limits, including a statement of your right to bring a civil action under section 502(a) of ERISA following your appeals, and
- (e) if an adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination will be provided free of charge upon request.

2. Appeals of Adverse Determination

If your claim for benefits is denied or if you do not receive a response to your claim within the appropriate time frame (in which case the claim for benefits is deemed to have been denied), you or your representative may appeal your denied claim in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

A full review of the information in the claim file and any new information submitted to support the appeal will be conducted by Prudential, utilizing individuals not involved in the initial benefit determination. This review will not afford any deference to the initial benefit determination.

Prudential shall make a determination on your claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to an additional 45 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date that Prudential expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled (i.e., suspended) from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If the claim on appeal is denied in whole or in part, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include:

- (a) the specific reason(s) for the adverse determination,
- (b) references to the specific plan provisions on which the determination was based,
- (c) a statement that you are entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to your benefit claim upon request,
- (d) a description of Prudential's review procedures and applicable time limits,
- (e) a statement that you have the right to obtain upon request and free of charge, a copy of internal rules or guidelines relied upon in making this determination, and

- (f) a statement describing any appeals procedures offered by the plan, and your right to bring a civil suit under ERISA.

If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

If the appeal of your benefit claim is denied or if you do not receive a response to your appeal within the appropriate time frame (in which case the appeal is deemed to have been denied), you or your representative may make a second, voluntary appeal of your denial in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your second appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

Prudential shall make a determination on your second claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to an additional 45 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date by which Prudential expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

Your decision to submit a benefit dispute to this voluntary second level of appeal has no effect on your right to any other benefits under this plan. If you elect to initiate a lawsuit without submitting to a second level of appeal, the plan waives any right to assert that you failed to exhaust administrative remedies. If you elect to submit the dispute to the second level of appeal, the plan agrees that any statute of limitations or other defense based on timeliness is tolled during the time that the appeal is pending.

If the claim on appeal is denied in whole or in part for a second time, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include the same information that was included in the first adverse determination letter. If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

Rights and Protections

As a participant in this plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. ERISA provides that all plan participants shall be entitled to:

Receive Information about Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

