

ExpenseComp

Sample Contract

This sample policy contract is provided for your information only.
It is not a valid contract or an offer of insurance.

Sample

This is a sample of the contract for occupation category 4A.
Different provisions may apply to other categories.
The benefits and riders included in this sample are not available to all applicants.

We, THE MANUFACTURERS LIFE INSURANCE COMPANY, insure the owner of this policy against disability or loss suffered by and resulting from injury or sickness of the person insured, as provided in the policy.

The benefits payable and the provisions governing the policy are shown in the following pages. The contract consists of this policy, the application for this policy, any application for reinstatement of this policy, any application for a rider added after this policy has been issued, and any written policy amendments agreed upon in writing after this policy has been issued.

The policy is not cancellable by Us and is guaranteed to be renewable as provided in the policy up to the expiry date if maintained in force by payment of the premiums.

While the policy is in force, We will not increase any renewal premium (except if provided in the policy) or add any restrictive riders.

Important Notice - If you are advised to discontinue this policy and replace it with another, it is in your best interest to insist that the new proposal is put in writing. Please submit it to us for analysis so that you can compare the two and make an informed decision.

To claim a benefit or insurance proceeds, contact your advisor or write to our head office.

Please read your policy carefully

HP290A.ALL.GUARANTEE.20090201

Definitions

This policy uses specific terminology that is explained below. These terms, as well as words used in the Schedule on pages 1.4 and 1.5, are capitalized when used in the policy.

Schedule

Schedule refers to pages 1.4 and 1.5 of this policy. The Schedule also includes any subsequent endorsement approving a change requested by the Owner. The Schedule lists important terms such as the amounts payable for covered loss.

We, Us, Our and the Company

We, Us, Our and the Company refer to The Manufacturers Life Insurance Company. Our head office address is 500 King St. N, PO Box 1669, Waterloo ON N2J 4Z6.

You and Your

You and Your refer to the Person Insured named in the Schedule.

Share

Share means those expenses allocated to You and includes cases where such expenses are shared with one or more persons. Your Share of total expenses incurred will be reduced by the net revenues generated by any locum employed after the onset of Disability, where net revenue is considered to be gross revenue generated by the locum less the fees paid to the locum.

Covered Overhead Expenses

Covered Overhead Expenses means Your Share of those expenses incurred during the month in Your Regular Occupation that are usual and customary in the operation of Your business or profession. Covered Overhead Expenses are generally those allowed as Income Tax deductions and include but are not limited to items such as:

- (1) electricity, heat, water, laundry, telephone, answering or paging services, janitorial services, and postage;
- (2) employees' salaries and benefits except as in (b) below;
- (3) with respect to furniture, equipment and implements of Your Regular Occupation, either:
 - i) leasing costs, or
 - ii) interest payments, plus the greater of scheduled depreciation for tax purposes or scheduled principal payments;
- (4) i) rent, or
 - ii) monthly payments for space in a building You own and use in the operation of Your Regular Occupation, but in which You do not reside. This consists of property taxes and mortgage interest payments, plus the greater of scheduled depreciation for tax purposes or the scheduled principal payments of a mortgage;
- (5) accounting services;
- (6) membership fees in professional associations;
- (7) monthly costs related to an automobile used for business purposes. This consists of lease payments or scheduled depreciation, parking and insurance premiums, to the extent that such expenses are allowable as Income Tax deductions;
- (8) insurance premiums for property and personal liability coverages;
- (9) scheduled interest and principal for repayment of a business loan (from a recognized financial institution) used to purchase ownership in the business or profession.

Any expense covering more than one month will be prorated to determine the Covered Overhead

Expense for one month. All Covered Overhead Expenses must be incurred during a period of Disability.

Covered Overhead Expenses do not include:

- (a) goods for sale, office supplies, additions to inventory, or any items which would customarily be billed to clients;
- (b) salaries, fees, drawing account or other remuneration for:
 - i) You,
 - ii) any member of Your profession or a related profession (where a related profession is considered to be one in which the duties and the profession itself do NOT require Your involvement or supervision in order for the work to be completed and billed) ,
 - iii) any person sharing Your business expenses,
 - iv) any person employed to perform Your duties, and/or
 - v) any person hired after the onset of Disability;
- (c) travel/entertainment costs incurred by You;
- (d) those overhead expenses that are otherwise insured by a similar policy issued by Us or another organization prior to the Policy Date;
- (e) any expense for which You were not liable prior to the onset of Injury or Sickness or for which You are no longer liable.

Disability or Disabled

Disability or Disabled refers to a state of Total Disability or Residual Disability.

Injury

Injury means accidental bodily injury sustained while this policy is in force.

Sickness

Sickness means a disease or sickness which first manifests itself while this policy is in force.

Physician

Physician means a qualified medical doctor (other than You) who gives medical care within the scope of his or her licensed authority. We may require that You be treated by a Psychiatrist for claims which are related to a mental or nervous disorder or which are contributed to by alcohol or drug use.

Regular Care of a Physician

Regular Care of a Physician means consultations and treatment by a Physician which are appropriate in nature and frequency for the condition causing Your Disability.

Regular Occupation

Regular Occupation means the occupation or occupations in which You are engaged at the onset of Disability.

Total Disability

Total Disability or Totally Disabled means Your inability, due to Injury or Sickness, to perform the substantial duties of Your Regular Occupation. Total Disability will not exist unless You are under the Regular Care of a Physician and are following the recommended appropriate treatment.

Assumed Total Disability

Assumed Total Disability means You will be deemed to be Totally Disabled in the event You have total and permanent loss of one of the following:

- (a) sight of both eyes; or
- (b) hearing of both ears; or
- (c) speech; or
- (d) the use of both hands, or both feet, or a hand and a foot.

This provision will operate regardless of Your ability to work and Your current employment status. The Regular Care of a Physician is also not required.

Elimination Period

The Elimination Period for each ExpenseComp coverage is shown in the Schedule. It is the number of days following the onset and subsequent continuance of Disability, during which no benefits accrue for the relevant coverage.

Periods of Disability, separated by six months or less and resulting from the same or related causes, will be added together for the purpose of satisfying the required Elimination Period.

For Assumed Total Disability, the Elimination Period will be considered to have been completed at the date of the loss.

Maximum Benefit Period

The Maximum Benefit Period for each ExpenseComp coverage is shown in the Schedule. It is the longest period of time for which benefits are payable during any one Disability, except as provided for under the Extended Monthly Benefit Provision.

The Maximum Benefit Period ceases on the Expiry Date.

Monthly Benefit

The Monthly Benefit for each ExpenseComp coverage is shown in the Schedule. It is the maximum amount We will pay for one full month of Disability following the Elimination Period.

Gross Monthly Income

Gross Monthly Income means income earned during the month by You in the performance of Your Regular Occupation before any deductions have been made. In determining Your Gross Monthly Income, We will use the accrual accounting method.

Excluded from Gross Monthly Income are investment income, income from government plans, rent, royalties, pension or annuity income, deferred compensation or other forms of income that do not depend on Your ability to engage in Your Regular Occupation.

Residual Disability

Residual Disability or Residually Disabled means that as a result of Injury or Sickness:

- (a) You are not Totally Disabled; and
- (b) You are engaged in Your Regular Occupation; and
- (c) You have Covered Overhead Expenses in excess of 75% of Gross Monthly Income; and
- (d) You are under the Regular Care of a Physician.

Upon written request from the Owner, an **alternate definition** may be used for up to the first 4 months of a period of Residual Disability. Where such an election is made, We will waive condition (c) of this provision provided:

- (i) You are unable to perform one or more of the important duties of Your Regular Occupation; or
- (ii) You are unable to perform Your Regular Occupation for at least one-half the amount of time usually spent at that occupation prior to the start of the Injury or Sickness.

The Owner will not be required to submit proof of Gross Monthly Income while this alternate definition

is being used. After 4 months (or earlier upon written request), You must satisfy item (c) above to be considered Residually Disabled.

Residual Expenses

Residual Expenses are equal to the Covered Overhead Expenses less 75% of Gross Monthly Income. However, while the **alternate definition** of Residual Disability is being used, Residual Expenses will equal one-half of the Covered Overhead Expenses.

Full-Time Employment

Full-Time Employment means that You are actively and regularly employed in a gainful occupation for at least 30 hours per week.

Expiry Date

Expiry Date means the monthly anniversary of the Policy Date following Your 65th birthday. Coverage provided by this policy will automatically terminate on the Expiry Date. The Owner has the right to renew the policy after this date as described in the Conditions For Renewal After Age 65.

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Benefit Provisions

For each ExpenseComp coverage shown in the Schedule, benefits are payable in arrears at monthly intervals following completion of the Elimination Period. Any benefit payable for less than one month will be paid at the rate of one thirtieth of the applicable monthly amount for each day of Disability.

We will require reasonable proof of Covered Overhead Expenses to support a claim for benefits under the policy. For a Residual Disability claim, reasonable proof of Gross Monthly Income is also required.

Monthly Benefit For Total Disability

If You are Totally Disabled prior to the Expiry Date, We will make monthly payments after the Elimination Period.

Payment is for the period of continuous Total Disability, but not beyond the Maximum Benefit Period.

The amount of the monthly payment will be equal to the Covered Overhead Expenses (subject to the Carry-Over Provision described below) but will not exceed the Monthly Benefit.

Monthly Benefit For Residual Disability

If You are Residually Disabled prior to the Expiry Date, We will make monthly payments after the Elimination Period or the termination of Total Disability, whichever is later.

The amount of the monthly payment will be equal to the Residual Expenses (subject to the Carry-Over Provision described below) but will not exceed the Monthly Benefit. However while the **alternate definition** of Residual Disability is being used, the amount of the monthly payment will be equal to the Residual Expenses (subject to the Carry-Over Provision described below) but will not exceed **one-half** of the Monthly Benefit.

Payment is for the period of continuous Residual Disability, but not beyond the Maximum Benefit Period.

During the first six months that payments are made for Residual Disability, the Monthly Benefit for Residual Disability will be at least equal to the lesser of:

- i) one-half of the Monthly Benefit, or
- ii) one-half of the Covered Overhead Expenses (subject to the Carry-Over Provision described below),

Carry-Over Provision

If, during any month in which a payment for Total Disability has been made, the Covered Overhead Expenses exceed the Monthly Benefit For Total Disability, the excess will be carried forward to the expenses of a following month.

If, during any month in which a payment for Residual Disability has been made, the Residual Expenses exceed the Monthly Benefit For Residual Disability, the excess will be carried forward to the expenses of a following month.

The Carried-Over Expenses can be used only during the same period of Disability.

Extended Monthly Benefit Provision

If You remain Disabled for the Maximum Benefit Period, We will continue to pay benefits while the Disability continues, until the total amount reimbursed equals the Monthly Benefit multiplied by the number of months of the Maximum Benefit Period. However, benefits will not be extended past the Expiry Date.

Benefit Continuation on Death

If You die while eligible for monthly disability payments under this policy, We will continue to pay benefits while Covered Overhead Expenses are incurred for which Your estate is liable. The benefit will cease on the earlier of:

- (i) the date Your interest in the business is disposed of;
- (ii) when three additional payments for Total Disability have been made, following Your date of death;
or
- (iii) the completion of the Maximum Benefit Period.

Disposal of Interest in Business

If You decide to dispose of Your complete interest in Your business or profession as a result of ongoing Disability, and monthly payments for Disability have been made for three consecutive months, the costs directly related to this disposal will be reimbursed in a lump sum payment. Such costs include legal, accounting and brokerage fees. The disposal of interest must be completed no later than six months after the end of the Maximum Benefit Period. Reasonable proof of the costs will be required. The maximum reimbursement will be the lesser of \$20,000 or two times the Monthly Benefit. Monthly disability payments for Covered Overhead Expenses related to the operation of that business or profession will not continue after the date of disposal.

Transplant Donor or Cosmetic Surgery

After the policy has been in force for at least six months, if You undergo transplant surgery (where a part of Your body is transplanted to another person) or cosmetic surgery, any resultant loss will be considered to be caused by Sickness.

Recurrent Disability

A Disability that begins within six months of a prior Disability for which the Elimination Period was satisfied, and which results from the same or related causes, will be considered to be a continuation of the previous Disability in determining the Maximum Benefit Period. A new Elimination Period will not be required.

A Disability that begins more than six months after a prior Disability for which the Elimination Period was satisfied will be considered a new claim, even if due to the same or related causes. A new Elimination Period will be required and a new Maximum Benefit Period will apply.

A Disability that results from causes unrelated to a prior Disability will be considered a new claim, subject to the Concurrent Disability provision described below.

Waiver of Premium

Premiums will be waived as they become due, while You are Disabled, from the date monthly benefits

become payable. We will refund any premium that became due and was paid since the onset of Disability. Premiums are waived until the date Disability ceases or the Expiry Date, whichever is earlier.

The policy will remain in force during the period for which the premiums are waived. Following a period during which We have waived premiums, the policy will continue in force if premiums are paid as they become due.

Concurrent Disability

You will not be considered to be suffering from two or more Disabilities at the same time. If Disability is caused by more than one Injury or Sickness, or by both, the claim will be treated as one period of Disability, and the benefit payable each month will not exceed the Monthly Benefit. The Maximum Benefit Period will be determined from the start of the first Disability.

Exclusions

This policy does not cover and no payment will be made because of Disability caused by:

- (a) an act or accident of war, declared or undeclared, or due to any type of military conflict, or
- (b) transplant surgery (where a part of Your body is transplanted to another person) or cosmetic surgery, during the first six months that this policy is in force, or
- (c) normal pregnancy or childbirth. However, the policy does provide coverage for Disability arising from complications of pregnancy or from complications of childbirth, including but not limited to extra-uterine pregnancy, pernicious vomiting, postpartum hemorrhage, and toxemia.

We will not pay benefits for any period of time during which You are incarcerated in a penal institution or government detention facility.

We will not pay benefits for conditions We have excluded during Our underwriting process by name or specific description. Any such exclusions are included with this policy.

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Conditions for Renewal After Age 65 Subject to Change in Premium

The Owner has the right to continue this policy beyond the Expiry Date, subject to the following conditions:

- (i) You must be engaged in Full-Time Employment and must remain liable for the Covered Overhead Expenses of Your business or profession. We may require proof to this effect.
- (ii) If You cease to be so employed (except because of Total Disability), this policy will terminate on the date that such employment ceases.
- (iii) The premium payable during this renewal period will be based on Our rates for all policies of this type. We may change the rates for such policies as of any premium due date.
- (iv) After the Expiry Date, the following definitions replace those specified in Section 2 "Definitions":

Disability or Disabled - Disability or Disabled refers to a period of Total Disability.

Maximum Benefit Period - For Disability incurred on or before Your 75th birthday, the Maximum Benefit Period for each coverage is shown in the Schedule. Thereafter, the Maximum Benefit Period will equal 1/2 of the Maximum Benefit Period shown in the Schedule. The Maximum Benefit Period is the longest period of time for which benefits are payable during any one Disability.

- (v) The following provisions specified in Section 3 "Benefit Provisions" do NOT apply to Disability incurred after the Expiry Date: Monthly Benefit for Residual Disability, Carry-Over Provision, Extended Monthly Benefit Provision, Benefit Continuation on Death, and Disposal of Interest in Business.

HM468A.EXPR4A3A.RENEWAL.941101

Conversion Provision

At any time before Your 60th birthday, the Owner may exchange this policy to a new plan designated by Us that provides income replacement benefits if You become Disabled. The following conditions apply:

- (1) You must be engaged in Full-Time Employment on the date of exchange.
- (2) You must not be Disabled on the date of exchange.
- (3) You are required to provide Us with reasonable financial information to justify the amount requested.
- (4) For purposes of incontestability, the policy date of the new policy will be considered to be the policy date of the original policy.
- (5) The premium for the new policy will be based on Your class of risk and age as of the policy date of the original policy.
- (6) The Maximum Benefit Period on the new policy will be two years. The Elimination Period may not be less than the Elimination Period of the original policy.
- (7) The maximum Monthly Benefit of the new policy may not exceed the lesser of:
 - (a) \$2,500.00; or
 - (b) the Monthly Benefit of the original policy; or
 - (c) an amount which together with all other monthly income benefits on all policies in force does not exceed Our published underwriting and participation limits on the exchange date.
- (8) If You are Disabled within a 6 month period prior to the date of the exchange, the new policy will not cover any Disability resulting from the same or related causes until You resume Full-time Employment for a continuous period of more than 6 months.
- (9) The new policy will exclude any loss resulting from a disease, impairment or condition specifically excluded from coverage under this policy.

HM470A.EXP4A3A.CONV.941101

General Provisions

Contract

You and the Owner must disclose in the application, or in any application for reinstatement or change, every fact which is material to the contract. Subject to the Incontestability Provision, failure to do so, or misrepresenting any fact, will make the contract subject to cancellation.

Changes to or waiving of policy provisions must be in writing and authorized by one of Our officers and initialed by one of Our employees. No agent has the authority to change this policy. This policy is subject to any legislative or regulatory requirements.

Payment of Premiums

All premiums after the first will be payable on premium due dates determined from the Policy Date and the premium frequency. Premiums are payable at Our head office, specified regional offices, or by monthly pre-authorized withdrawals via any Canadian chartered bank. The Owner must advise Us in writing of a change in address for premium notification purposes.

The Owner may pay premiums annually, semi-annually or, if available, monthly by an automatic payment system.

If You are not Disabled, the Owner may change the premium frequency by giving Us 30 days written notice. We will then advise of the new premium amount payable. When a new premium is selected, premiums will be payable on that basis until the Owner requests another change.

Grace Period

A period of 30 days grace from and excluding the day on which the premium is due will be allowed for the payment of each premium after the first. During the grace period the policy will continue in force. The policy will terminate if any premium remains unpaid after the grace period.

Reinstatement

If this policy has been terminated for non-payment of a renewal premium, it may be reinstated within 6 months by written application and with evidence satisfactory to Us of Your good health and insurability. The reinstated policy will only cover loss due to Injury sustained after the date of reinstatement and loss due to Sickness which first manifested itself following 10 days after the date of reinstatement.

Control of Policy

The Owner may exercise all the rights, options and privileges granted by this policy or permitted by Us.

Incontestability

Statements made in the application for this policy or in an application for reinstatement, other than fraudulent statements, will be considered incontestable after this policy has been in force for 2 years from the Policy Date or the date of reinstatement. **Exception:** This provision does not apply if a claim is made where the disability commenced or where the Injury occurred or where symptoms or medical problems which initiated any investigation leading to the diagnosis of the Sickness commenced before the end of the two year period.

Beneficiary

Subject to the rights of any beneficiary, the Owner may change the beneficiary at any time. If no designated beneficiary survives You, the beneficiary will be considered to be the Owner or the estate of the Owner.

Misstatement of Age

If Your age (at last birthday) is misstated, any amount payable by Us will be adjusted in accordance with the correct age and premium.

If, because of the misstatement of Your age, We accept a premium for a period or periods beyond the date coverage would have ceased according to the correct age, or if at the correct age the coverage would not have become effective, Our liability will be limited to the refund of all premiums paid for the period during which coverage would not have been in effect.

In no event will any adjustment under this provision cause the amount of the disability benefit to increase over the amount shown in the Schedule.

Misrepresentation of Claim

This contract will be subject to cancellation by Us in the event that any fraudulent statement of a material fact is made in any written notice or proof of claim.

Cooperation

You are required to cooperate, make Yourself available and provide full disclosure of any information or evidence required by Us to adjudicate Your claim. Failure to comply will result in termination of Your claim.

Payment of Claim

All disability benefits will be paid to the Owner unless otherwise requested.

Currency

Amounts payable to and by Us will be in Canadian currency.

Assignment

No assignment of this policy will be binding upon Us unless the assignment is in writing and until it has been filed with Us at Our Head Office. We assume no responsibility as to the sufficiency or validity of any assignment.

Pre-Existing Conditions

We may not decline a claim on the grounds that a physical condition existed prior to the issue date if the pre-existing condition is fully disclosed in the application, unless the condition is excluded from coverage by name or specific description.

HM472A.EXPALL.GEN.20000101

Statutory Conditions

The following provisions reflect the Statutory Conditions of the Provincial Accident and Sickness Insurance Acts. These conditions shall be extended and apply to policyholders in the Province of Quebec as well.

Contract

The application, this policy, any document attached to this policy when issued and any amendment to the contract agreed upon in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

Waiver

The insurer shall be deemed not to have waived any condition of this contract, either in whole or in part, unless the waiver is clearly expressed in writing signed by the insurer.

Material Facts

No statement made by the owner or the person insured at the time of application for this contract shall be used in defence of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

Notice and Proof of Claim

The owner or a person insured, or a beneficiary entitled to make a claim, or the agent of any of them shall:

- (a) give written notice of claim to the insurer,
 - (i) by delivery thereof, or by sending it by registered mail to the head office or chief agency of the insurer in the Province, or
 - (ii) by delivery thereof to an authorized agent of the insurer in the Province,not later than thirty days from the date a claim arises under the contract on account of an accident, sickness or disability;

- (b) within ninety days from the date a claim arises under the contract on account of an accident, sickness or disability, furnish to the insurer such proof as is reasonably possible in the circumstances of the happening of the accident or the commencement of the sickness or disability, and the loss occasioned thereby, the right of the claimant to receive payment, his or her age, and the age of the beneficiary if relevant; and
- (c) if so required by the insurer, furnish a satisfactory certificate as to the cause or nature of the accident, sickness, or disability for which claim may be made under the contract and as to the duration of such disability.

Failure to Give Notice or Proof

Failure to give notice of claim or furnish proof of claim within the time prescribed by this statutory provision does not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident or the date a claim arises under the contract on account of sickness or disability if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

Insurer to Furnish Forms for Proof of Claim

The insurer shall furnish forms for proof of claim within fifteen days after receiving notice of claim, but where the claimant has not received the forms within that time the claimant may submit his or her proof of claim in the form of a written statement of the cause or nature of the accident, sickness or disability giving rise to the claim and of the extent of loss.

Right of Examination

As a condition precedent to recovery of insurance money under this contract, the claimant shall afford to the insurer an opportunity to examine the person of the person insured when and so often as it reasonably requires while the claim hereunder is pending.

When Money Payable Other than for Loss of Time

All money payable under this contract, other than benefits for loss of time, shall be paid by the insurer within sixty days after it has received proof of claim.

When Loss of Time Benefits Payable

The initial benefits for loss of time shall be paid by the insurer within thirty days after it has received proof of claim, and payments shall be made thereafter in accordance with the terms of the contract but not less frequently than once in each succeeding sixty days while the insurer remains liable for the payments if the person insured when required to do so furnishes before payment proof of continuing disability.

Limitation of Actions

An action or proceeding against the insurer for the recovery of a claim under this contract shall not be commenced more than one year* after the date the insurance money became payable or would have become payable if it had been a valid claim.

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act or other applicable legislation.

* Or the applicable provincial limitation period, whichever is greater.

Provincial Variations

If necessary, the provisions described in this contract will be adjusted to meet the minimum requirements of law within your province or territory.

Additional Insurance Rider

For the purposes of this rider, the following definitions are in addition to those specified under Definitions.

REGULAR OPTION DATE – An option to purchase additional insurance will occur on each policy anniversary provided that:

- (a) this rider is in force, and
- (b) You are not Disabled.

OPTION DATE DURING DISABILITY – One option to purchase additional insurance will also be available on the first policy anniversary that occurs when You are Disabled. The additional amount will only be payable for a new Disability that occurs after the option date.

OPTION AMOUNT – The option amount is the maximum amount of additional insurance available on each option date. For the first 5 policy anniversaries, or up to the policy anniversary following Your 45th birthday, if later, the option amount is shown in the Schedule. Thereafter, the option amount is one-half the amount shown in the Schedule.

For the first purchase only, and provided You are not Disabled, the option amount will be twice the option amount otherwise available.

Benefit Provision

The Additional Insurance Rider allows the Owner to increase the Monthly Benefit of the policy without evidence of Your good health, subject to the terms described below. If more than one ExpenseComp coverage is shown in the Schedule, the total increase purchased on any option date will be split proportionately based on the Monthly Benefit of each such coverage. A purchase will include additional amounts of any Patient Protection Rider and First Day Hospital Rider in effect at the option date.

Each purchase must be requested by the Owner, in writing, within 30 days of an option date. For the first 5 policy anniversaries, or up to the policy anniversary following Your 45th birthday, if later, the minimum purchase amount is \$200 of Monthly Benefit. Thereafter, the minimum purchase amount is \$100 of Monthly Benefit.

On a regular option date, We will allow purchases up to the option amount if Your eligible expenses in the year prior to the option date are sufficient to justify the increased benefit level. The additional insurance amount will be effective on the option date, or the date of payment of the first premium for the additional insurance, whichever is later.

For the option date during disability, We will allow You to purchase additional insurance up to the option amount. Your eligible expenses in the year prior to the onset of Disability must be sufficient to justify the increased benefit level according to our published limits. The additional insurance amount is not payable while You remain Disabled. However, We will waive the premium for the additional insurance amount, subject to the Waiver of Premium provision. The additional insurance amount will be payable for any subsequent Disability that is considered a new claim.

In all cases, the total benefits provided by this policy and similar benefits in force with Us or any other company must not exceed the maximum amount of coverage offered to new applicants. This maximum limit is based on Our published underwriting and participation limits for Your classification of risk.

Premium

The premium for this rider is shown in the Schedule.

The premium for any additional insurance purchased on an option date will be calculated using the then current rate for Your age on the option date and the classification of risk on the policy to which this rider is attached.

Termination

This rider will automatically terminate on the earliest of:

- (1) the termination of the policy, or
- (2) when the total amount of additional insurance purchased under this rider equals the Total Option Amount shown in the Schedule, or
- (3) the anniversary of the Policy Date following Your 55th birthday.

HM483D.EXPR4A3A.AIR.960901

Patient Protection Rider

For the purposes of this rider, the following definition is in addition to those specified under Definitions.

HIV + – HIV + means that You test seropositive for the antibody to the Human Immunodeficiency Virus (HIV).

In the case of HIV +, You will be deemed unable to perform a particular duty if, due to the HIV + status, there is:

- (1) a legal prohibition against performing the duty, or
- (2) a written mandate or recommendation from an appropriate governing or licensing body or professional organization against performing the duty, or
- (3) a reasonable expectation that continuing to perform the duty may cause an unacceptable health risk to Your patients.

For the purposes of this rider, the following definition replaces that specified under Definitions.

TOTAL DISABILITY – Total Disability or Totally Disabled means Your inability, due to Injury, Sickness or an HIV + status, to perform the substantial duties of Your Regular Occupation.

For Injury or Sickness, Total Disability will not exist unless You are under the Regular Care of a Physician. If You are HIV +, the Regular Care of a Physician is NOT required.

For the purposes of this rider, the following modifies the definition of Residual Disability.

RESIDUAL DISABILITY – Residual Disability may be caused by Injury, Sickness or an HIV + status. If You are HIV +, the Regular Care of a Physician will NOT be required. All other conditions and provisions of the basic definition of Residual Disability still apply.

Benefit Provision

Under this rider, We will provide regular benefits in accordance with the Benefit Provisions of the basic contract, even if You are HIV + but have not developed symptoms of the Acquired Immunodeficiency Syndrome (AIDS) or any related sickness.

If You are Disabled due to an HIV + status, the Elimination Period will be considered to have been completed at the date such Disability commences.

Premium

The initial premium for this rider is shown in the Schedule. This premium is guaranteed for five years from the effective date of this rider. After this period, the premium may be changed on any policy anniversary, subject to Our then current rates for all riders of this type.

Termination

This rider will automatically terminate on the earliest of:

- (1) the termination of the policy, or
- (2) the monthly anniversary of the Policy Date following Your 65th birthday even if this policy is renewed in accordance with the Conditions for Renewal After Age 65 provision.

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Premium Refund Rider

For the purposes of this rider, the following definitions are in addition to those specified under Definitions.

TOTAL PREMIUMS - Total Premiums includes all premiums due and paid or waived for this policy.

TOTAL CLAIMS - Total Claims includes any benefits paid and premiums waived under this policy.

CLAIM TEST - Claim Test is a calculation performed by Us from time to time to verify if You are eligible for benefits under this rider. The Claim Test is satisfied if Total Claims during a period do not exceed 20% of the Total Premiums for the same period. For example, if Total Premiums during a period equal \$5,000, the Claim Test is satisfied if Total Claims do not exceed $20\% \times \$5,000 = \$1,000$.

RETURN PERIOD - The initial Return Period is any 8 consecutive policy years commencing on or after the effective date of this rider, during which the Total Claims do not exceed 20% of the Total Premiums for that period. In most cases, the initial Return Period will end 8 years after the effective date of this rider. However, if the Claim Test for the first 8 years is not satisfied, no benefit is payable on the 8th anniversary. As long as this rider remains in force, We would check on each following anniversary until We find an 8 year period that satisfies the Claim Test. This period would be the initial Return Period.

A subsequent Return Period is any 8 consecutive policy years commencing after a prior Return Period has ended, during which the Total Claims do not exceed 20% of the Total Premiums for that period.

PARTIAL RETURN PERIOD - The Partial Return Period ends on the Expiry Date or on Your death. The Partial Return Period normally begins after any prior Return Period has ended (or the effective date of the rider if no prior refund was made.) However, if the Claim Test for this period is not satisfied, the beginning of the Partial Return Period will be moved forward one year at a time until We find the longest period that satisfies the Claim Test. This period would be the Partial Return Period.

MAXIMUM REFUND AMOUNT - The initial Maximum Refund Amount for this rider is shown in the Schedule. If the total annual premium for this policy decreases for any reason during the Return Period, the Maximum Refund Amount will be adjusted in direct proportion to the decrease in premium. The Maximum Refund Amount may only be increased at the end of a Return Period as described in the Increase in Benefit Option below.

Benefit Provision

Under this rider, a benefit will be payable to the Owner at the end of any Return Period. The amount of the payment will equal the Maximum Refund Amount less the Total Claims during the Return Period.

This benefit will automatically be applied to pay future annual premiums for the policy, subject to Our rules for such payments which are in effect on the date at which the benefit is applied.

The Owner may instead elect to have all or any part of the benefit paid in cash by advising Us in writing within 30 days of the end of the Return Period.

A benefit is also payable in cash at the end of any Partial Return Period. The Maximum Refund Amount is multiplied by the number of years (including fractions) in the Partial Return Period and divided by eight. For example, if the Partial Return Period is 5 years, the Maximum Refund Amount is multiplied by $5 / 8$. The amount of the payment will equal this adjusted Maximum Refund Amount less the Total Claims during the Partial Return Period.

Increase in Benefit Option

At the end of any Return Period, the Owner may increase the Maximum Refund Amount to reflect any increases in policy premium during the Return Period. We will notify the Owner of the eligible increase at the end of the Regular Return Period.

Premium

The initial premium for this rider is shown in the Schedule. This premium will not change during a Return Period unless the total annual premium for this policy decreases.

Termination

This rider will automatically terminate on the earliest of:

- (1) the termination of the policy, or
- (2) the monthly anniversary of the Policy Date following Your 65th birthday even if this policy is renewed in accordance with the Conditions for Renewal After Age 65 provision.

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