

If there are any questions concerning this Policy  
or if anyone suggests that this Policy be changed or replaced,  
please contact your Pan-American  
Life agent or our Home Office.



*People you can trust for life®*

A Mutual Life Insurance Company

PAN-AMERICAN LIFE INSURANCE COMPANY

601 POYDRAS STREET

NEW ORLEANS, LOUISIANA 70130

## **DISABILITY INCOME POLICY**

Non-Cancellable to age 65 at guaranteed premiums.

Conditional right to renewal thereafter.

Not subject to modification or cancellation while in force.



*People you can trust for life®*

A Mutual Life Insurance Company

PAN-AMERICAN LIFE INSURANCE COMPANY

601 POYDRAS STREET

NEW ORLEANS, LOUISIANA 70130

## DISABILITY INCOME POLICY

The benefits of this policy are to pay for losses of income due to disabilities beginning while this policy is in force.

Not subject to modification or cancellation while in force.

This is a participating policy. It was issued in consideration of the attached application and payment of the first premium.

**Renewability** - This policy is guaranteed to be renewable until age sixty-five. It can be continued thereafter as long as you remain working full-time. If you cease working full time you may continue this policy for the rest of your life with a Hospital

Confinement Indemnity benefit replacing the Disability Income Benefit. All renewals are subject to payment of premium. The premiums are guaranteed to age sixty-five. Premiums after sixty-five are not guaranteed.

They will be the published premiums we are using at the time of the renewal.

Non-Cancellable to age 65 at guaranteed premiums.

Conditional right of renew thereafter.

## WE AGREE TO PAY

the benefits provided in this policy subject to its terms and conditions.

Signed for the Company at its Home Office in  
New Orleans, Louisiana.

*J. S. Joke*  
President

*William T. Steen*  
Corporate Secretary

### RIGHT TO EXAMINE POLICY FOR 10 DAYS

Within 10 days after this policy is first received, it may be cancelled for any reason by delivering or mailing it to our Home Office in New Orleans, Louisiana, or to the agent through whom it was purchased. Upon cancellation we will return any premium paid.

**This is a legal contract between the owner and us.**

**PLEASE READ THIS POLICY AND APPLICATION CAREFULLY**

We, our and us refer to Pan-American Life Insurance Company.

You and your refer to the Insured in this policy.

In force means that the insurance under the policy is being continued for the Disability Benefits not currently payable.

<b>ALPHABETICAL GUIDE</b>	Page	Page	
Age .....	4	Military Service .....	7
Age and Sex .....	3, 8	Minimum Benefit Period .....	4
Assignment .....	8	Monthly Benefit .....	3, 4
Average Prior Monthly Earned Income .....	4	Notice of Claim .....	8
Change of Beneficiary .....	8	Ownership .....	8
Change of Job .....	7	Payment of Claim .....	9
Change of Policy .....	8	Physical Examinations .....	9
Claims of Creditors .....	8	Policy Contract; Changes .....	7
Claim Forms .....	9	Policy Date .....	3, 8
Concurrent Disabilities .....	6	Pre-Existing Condition Limitations .....	8
Conformity with State Statutes .....	9	Premium Refund .....	7
Disability .....	4	Premiums .....	3, 7
Disability Income Benefit After Age 65 .....	5	Presumptive Disability .....	6
Dividends .....	7	Proof of Loss .....	9
Doctor .....	4	Recurrent Disability .....	6
Earned Income .....	4	Regular Job .....	4
Elimination Period .....	3, 4	Rehabilitation .....	6
Exclusions .....	6	Reinstatement .....	7
Grace Period .....	7	Return To Work Benefit .....	5
Hospital Confinement Indemnity Benefit .....	5	Sickness .....	4
Income Loss .....	5	Survivorship Benefit .....	6
Incontestability .....	8	Time of Payment of Claim .....	9
Injury .....	4	Total Disability .....	4, 5
Legal Actions .....	9	Transplant or Cosmetic Surgery .....	6
Maximum Benefit Period .....	3, 4	Waiver of Premiums .....	7
		Working Full Time .....	4
<hr/>			
<b>POLICY PROVISIONS</b>	Policy Schedule .....	Premiums and Dividends .....	7
	Definitions .....	General Provisions .....	7
	Benefits .....		

## DEFINITIONS

**Age** — Attainment of a specified age occurs on the policy anniversary nearest that particular birthday.

**Injury** — Injury means accidental bodily injury that occurs while this policy is in force.

**Sickness** — Sickness is a disease or illness that first makes itself known while this policy is in force.

**Doctor** — A Doctor is a legally qualified physician, or surgeon, who is specially trained and qualified to treat the condition(s) causing your Disability and is other than the Insured, the Owner, or one of their family members.

**Regular Job** — Your Regular Job is the occupation or occupations in which you are working full time at the time Disability begins.

**Total Disability** — Total Disability exists when you:

- Cannot work at your Regular Job because of Injury or Sickness during the first 5 years of Disability. Following 5 years of Total Disability, Total Disability requires that you not be engaged in any paying work; and
- Are under the regular care of a Doctor. We will waive this requirement if we receive written proof acceptable to us that further Doctor's care would be of no benefit to you.

**Disability** — Disability means the same as Total Disability.

**Earned Income** — Earned Income for any period of time is the compensation you receive for services currently performed. This includes salary, wages, commissions, bonuses and fees. It will also include:

- contributions made by you or on your behalf to a pension or profit sharing plan; and
- if you own any part of a business, your share of any business profits.

It will be measured by the accounting method used for your latest federal tax filing prior to the

start of Disability. Reasonable business expenses (other than income taxes) are deducted in determining this Earned Income. Unearned income is not included.

Earned Income does not include:

- Income from rent, royalties, annuities, or investments;
- Income from deferred compensation, disability, unemployment or retirement plans;
- Income not derived directly from your vocational activities.

To verify Earned Income, we may require a copy of one or more of the following:

- Income tax return;
- Audited statements of income and expenses; or
- Employer's statement of earnings.

**Elimination Period** — The Elimination Period is the period of time Total Disability must last before benefits become payable. The Elimination Period can only be satisfied by Total Disability. The Elimination Period can be satisfied by 2 or more successive periods of Total Disability. These periods must be due to the same or related causes, and must not be separated by a period longer than the Elimination Period or six months, whichever is less.

**Working Full Time** — You are considered working full time if you are working for pay at least thirty hours a week.

**Monthly Benefit** — The Monthly Benefit is the amount of the monthly payment for Total Disability.

**Maximum Benefit Period** — The Maximum Benefit Period is the longest period for which benefits will be payable for any single Disability.

**Minimum Benefit Period** — For Total Disability the Minimum Benefit Period is 24 months unless the Maximum Benefit Period stated on page 3 is 12 months. In that case the Minimum Benefit Period is 12 months.

**Average Prior Monthly Earned Income** — Your Average Prior Monthly Earned Income is

the greater of the average monthly Earned Income for:

- The one year immediately preceding Disability; or
- The two years immediately preceding Disability.

If you did not work full time at a paying job during all twelve months prior to the month of disability, the Average Prior Monthly Earned Income will be the average monthly Earned Income for those months worked full time.

Further, if you were on a leave of absence or sabbatical for the twelve months prior to the month of Disability and retained employed status, the Average Prior Monthly Earned Income will be the average monthly Earned Income of the last twelve months of full time employment.

---

---

## BENEFITS

The values of the Monthly Benefit, Maximum Benefit Period, and Elimination Period are found on page 3.

**Total Disability** — If Total Disability begins while this policy is in force and lasts longer than the Elimination Period, we will pay the Monthly Benefit for each additional month Total Disability continues beyond the Elimination Period.

For any portion of a month for which benefits are payable, a pro rata share of the benefit will be paid. The pro rata share is based on a thirty day month.

**Return to Work Benefit** — If you experience Income Loss after returning to work full time after recovery from a Disability for which a monthly benefit under this contract was payable we will pay a Return to Work Benefit. The benefit will begin on the day after your Disability ends. The monthly amount will equal the Monthly Benefit times the Income Loss. We will pay this benefit for up to three months, but we will not pay it beyond the Maximum Benefit Period nor beyond age sixty-five.

No benefit or combination of benefits will be paid for a single Disability for longer than the Maximum Benefit Period or to age sixty-five,

**Income Loss** — Income Loss for a month will equal:

- The Indexed Income less the Earned Income for the month divided by
- The Indexed Income.

The result is expressed as a percent. It must be at least twenty percent for benefits to be payable.

The Indexed Income equals:

- The Average Prior Monthly Earned Income multiplied by
- A benefit factor.

The benefit factor is 1.00 during the first year of disability and is increased by .05 at the beginning of each subsequent year, provided the Insured remains Disabled. The benefit factor is recalculated for each separate Disability.

whichever comes first. The only exception is if the Total Disability Benefit is being paid when you attain age 65, it will continue to be payable, while Total Disability continues, until it has been paid at least for the Minimum Benefit Period.

**Disability Income Benefit After Age 65** — This policy is conditionally renewable after age 65 for a Total Disability Benefit for as long as you are working full time. The premiums after age 65 are not guaranteed and will be the published premiums that we are using at the time of renewal. The Benefit Period is the Minimum Benefit Period.

**Hospital Confinement Indemnity Benefit** — When you are no longer working full time at or after age 65, and you elect this option, we will pay you a Hospital Confinement Indemnity while you are confined in a legally operated hospital because of Injury or Sickness. The amount of this payment will be \$10.00 per day per each \$100.00 of the prior Monthly Benefit. The payment, however, will not be less than \$50.00 per day, nor more than \$250.00 per day.

The premiums for this benefit are not guaranteed. They will be the published premiums we are using at the time of renewal.

This benefit will begin on the date you are con-

fined. We will continue to pay it while you are confined. But we will not pay for more than 6 months during each continuous confinement.

For the purpose of this benefit, after a period of confinement ends and you are confined again from the same or related cause within 180 days, we will consider it to be a continuation of the first confinement.

For the purpose of this benefit, "hospital" will not mean:

- a) A place of convalescence, nursing home care, or care for the aged; or
- b) A place for the care or treatment of mental disorders, drug addiction, or alcoholism; or
- c) A place that is used primarily for custodial, educational, or rehabilitative care.

**Transplant or Cosmetic Surgery** — Six months after issue of this policy, provided the policy is still in force, Disability resulting from either donation of a body part to another's body or cosmetic surgery will be considered Disability by sickness and hence covered under the terms of this policy.

**Rehabilitation** — We will pay for a rehabilitation program if we approve it in advance. The extent of our payment will be what we state in our written approval. We will not pay for any rehabilitation expenses covered by another source. This payment will have no effect on any other benefit of this policy.

**Presumptive Disability** — If an Injury or Sickness causes any of the listed losses while the policy is in force, you will be presumed Totally Disabled. The Elimination Period is waived and payment of benefits begins immediately on receipt of satisfactory proof of entire and irrecoverable loss of:

- Sight in both eyes;
- Hearing in both ears;
- Speech;
- Use of both feet;
- Use of both hands; or
- Use of one hand and one foot.

Benefits will be paid, while such loss continues, for the entire Maximum Benefit Period. If the

Maximum Benefit Period is Age 65, and the loss occurs prior to age 65, we will pay benefits while the loss continues for life.

**Recurrent Disability** — Two periods of Disability resulting from the same or related cause are considered two Disabilities only if they are separated by at least twelve months of working full time.

**Concurrent Disabilities** — If a Disability is caused by more than one Injury or Sickness, or by both, we will pay benefits as if the Disability was caused by only one Injury or Sickness. We will not pay more than one Disability benefit for the same period. We will always pay the largest benefit.

**Survivorship Benefit** — If you are receiving benefits for Total Disability at the time of your death, we will pay a survivorship benefit equal to 3 times the basic policy Monthly Benefit to the Beneficiary.

**Exclusions** — This policy will not pay benefits for disability due to:

- Attempted suicide or intentionally self-inflicted injuries; or
- Any Injury or Sickness sustained while committing a felony; or
- Any act or accident of war; or
- Any Injury sustained or Sickness that first makes itself known during service with the Armed Forces.

Benefits are limited to 24 months, during your lifetime for Disability due to mental disease or disorder. Mental disease or disorder is any disease or disorder classified in the most current edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance abuse or dependency. If this manual is discontinued or replaced, these disorders will be classified in the diagnostic manual in use by the American Psychiatric Association on the date of Disability.

Benefits will not be paid while you are in jail or prison for 30 days or more as a result of a conviction.

**PREMIUMS  
AND  
DIVIDENDS**

**Premiums** — The premium and the frequency at which it is to be paid are shown on page 3. This is the premium that will be payable to age 65. Changes in the frequency of the premiums can only be made on policy anniversaries and provided you are not Disabled.

The first premium for this policy is due on the Policy Date; each renewal is due on the same date of the due month. All premium and coverage periods begin and end at 12:01 A.M. Standard Time at the Owner's home.

**Waiver of Premiums** — After 90 days of Total Disability from the same or related causes, and provided the policy is in force, we will waive any premiums that become due while you remain Disabled. We will refund any premiums paid after the first day of Disability if premiums are waived, but we will not refund any part of a premium that was due before the start of Disability.

No change of premium frequency will be allowed while premiums are being waived. Also no premium will be waived after age 65.

**Premium Refund** — If you die while this policy is in force, any part of a premium paid for coverage beyond the policy month of death will be refunded to the Owner or the Owner's estate. Written notice of the death must be given to us.

Any unearned premium will be refunded to the Owner on termination of this policy.

**GENERAL  
PROVISIONS**

**Military Service** — If you are on active duty with the armed forces of any nation or international authority, this policy is suspended. Any premiums paid during the suspension will be refunded. The policy can be reinstated within ninety days after the end of active duty provided that the suspension ends prior to age 65. This reinstatement requires no evidence of insurability and restores the policy to its original status. The premiums will be at the original rate.

This provision does not apply to temporary active duty for training purposes which does not exceed three months in length.

**Grace Period** — This policy has a 31 day grace period. If a renewal premium is not paid by the date it is due, it may still be paid during the next thirty-one days. The policy remains in force during the grace period. If the premium is not paid at the end of the grace period, the policy will lapse.

**Reinstatement** — If any renewal premium for a lapsed policy is accepted by us, the policy will be reinstated. Evidence of insurability is required after 60 days from the date the premium was due.

If evidence of insurability is required a reinstatement application must be completed. The reinstatement is effective when we approve the reinstatement application. Unless the Owner is notified to the contrary, the application is considered approved after 45 days.

The reinstated policy will cover only loss resulting from an injury sustained after reinstatement or sickness that first makes itself known more than ten days after reinstatement. The provisions will remain the same except where noted on or attached to the reinstated policy.

**Dividends** — Any share of divisible surplus earned by this policy while it stays in force will be determined annually and paid to the Owner in cash as a dividend. But payment of dividends is never guaranteed. The premiums for this policy are calculated according to our dividend scale in effect on the date this policy was issued. It is not anticipated that this policy will contribute to divisible surplus.

**Change of Job** — If you change jobs to one we classify as less hazardous than the original job at the time any coverage under this policy was purchased, then we will reduce the premium rate to the new premium class if proof of the change is submitted. We will also return the excess pro rata premium from the date of change of job or from the last policy anniversary preceding the receipt of such proof, whichever is more recent. The new premium class and premium rate will be based on the class and premium tables in use by us at that time.

**Policy Contract; Changes** — This policy, the

attached application and any riders or endorsements make up the entire contract. It is based on the application and payment of the premium. All statements made in the application are representations and not warranties. No statements shall avoid this policy or be used in defense of a claim under the policy unless contained in the application when issued.

Only the President, Vice-President, Secretary or Assistant Secretary can modify this policy. Any changes must be made in writing. No agent has the authority to alter or modify any of the terms or conditions of this policy or any attached riders, or to waive any of their provisions.

**Policy Date** — This policy will be effective on the Policy Date if:

- The first premium is paid and the policy is delivered during your lifetime; and
- Your health and your occupation have not changed since the time of the application.

Policy years, months, and anniversaries will be computed from the Policy Date.

**Incontestability** — In the absence of fraud, except for non-payment of premiums we will not contest this policy after it has been in force during your lifetime for two years from the Policy Date excluding any time that you were Disabled.

**Pre-Existing Condition Limitations** — Disability beginning during the first 3 years from the Policy Date and caused by a pre-existing condition is not covered. A Pre-Existing Condition is a condition that:

- Was misrepresented or not revealed in the application; and
- Exhibited symptoms that would cause an ordinarily prudent person to seek medical attention within the 5 years prior to the Policy Date.

**Age and Sex** — If your age or sex has been misstated, the monthly benefits will be the amount that the premiums paid would have purchased at the correct age and sex.

**Claims of Creditors** — To the extent permitted by law, any monthly benefits of this policy are exempt from the claims of creditors.

**Change of Policy** — If we approve, the Owner

may change to another plan of insurance or to a policy of different amount.

**Ownership** — The Owner shall be as shown in the application or any attached written endorsement. All rights, options, and privileges belong to:

- The Owner, if living; otherwise
- Any contingent Owner or Owners, if living; otherwise
- The estate of the last Owner to die; subject to the rights of any irrevocable Beneficiary and any assignee of record with us.

We reserve the right to require this policy for endorsement of any assignment, change of Beneficiary or Ownership designation, termination, amendment, or modification.

Consistent with the terms of the Beneficiary designation and any assignment during your lifetime, the Owner may:

- Assign or terminate this policy;
- Amend or modify this policy with our consent;
- Exercise any right, receive any benefit, and enjoy any privilege contained in this policy.

**Assignment** — An assignment shall be accepted by us only if it is made in writing and filed with us at our Home Office. We will not be responsible for the validity of an assignment. Payment of any benefits shall be subject to the rights of any assignee of record at the Home Office. A collateral assignment is not a change of Ownership, and an assignee cannot change the Owner or Beneficiary, or elect or change an optional method of payment.

**Change of Beneficiary** — The Owner may change any Beneficiary at any time during your lifetime unless otherwise provided in the previous designation. The new designation must be made by a signed notice in satisfactory form to our Home Office. Once recorded, the change will take effect on the date the notice was signed subject to any action taken by us before recording the change.

**Notice of Claim** — Written notice of claim must be given within 6 months after a covered loss starts or as soon thereafter as reasonably pos-



sible. The notice must be given at the Home Office, New Orleans, Louisiana. Notice should include your name and the policy number.

**Claim Forms** — When we receive the notice of claim, we will send the claimant forms for filing Proof of Loss. If these forms are not mailed to the claimant within 15 days, the claimant will meet the Proof of Loss requirements by sending us a written statement of the nature and extent of the loss within the time limit stated in the Proof of Loss section.

Neither your failure to send us Notice of Claim nor our failure to send you claim forms will affect the time limits in the Proof of Loss section.

**Proof of Loss** — Written Proof of Loss must be sent to us within 90 days after the end of each period for which you are claiming benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. However, we will not pay any benefit due more than 1 year before the required proof is filed unless the claimant was legally incapacitated.

In addition, we may also require documentation of your current and prior Earned Income. This may include audited financial statements or personal or business tax returns. We can have an audit performed, at our expense, as often as reasonably necessary while your claim continues.

**Time of Payment of Claim** — When Proof of Loss has been received at our Home Office, we will:

- Pay all income payments then due;
- Pay future income payments monthly as

they become due; and

- When our liability ends, immediately pay any balance due at that time.

**Payment of Claim** — Subject to the following paragraph, benefits for loss of income will be paid to the Owner or to the Owner's estate. Survivorship Benefits are payable in accordance with the beneficiary designation in effect at the time of payment. If none is then in effect, the benefits will be paid, subject to the following paragraph, to the Owner or to the Owner's estate.

If policy benefits or premium refunds of less than \$1,000 become payable to the Owner's estate or to someone incapable of giving a legally valid release, we may pay such benefits to any person related by blood or marriage who is, in our judgment, entitled to receive them. Any payment made by us under this provision shall fully satisfy our obligation to the extent of such payment.

**Physical Examinations** — We have the right to have you examined at our expense, as often as reasonably necessary while a claim is pending.

**Legal Actions** — There are two time limits as to when legal action can be brought to obtain benefits under this policy. No action can be brought:

- Until 60 days after written Proof of Loss has been given to us as required by this policy.
- More than six years after the time written Proof of Loss is required.

**Conformity with State Statutes** — Any provision of this policy which, on its effective date, is in conflict with the laws of the state in which the Owner resides on that date is amended to conform to the minimum requirements of such laws.

## ADDITIONAL MONTHLY BENEFIT

### DEFINITIONS

Terms in this rider have the same meaning as in the policy.

### BENEFIT

If this rider is included in the policy at issue, the values of the Monthly Benefit, Maximum Benefit Period, and Elimination Period for this rider are found on page 3 of the policy. If this rider is attached to a policy in force, these values are found on the Policy Contract Amendment.

**Total Disability** — If Total Disability begins while this rider is in force and lasts longer than the Elimination Period, we will pay the Monthly Benefit for each additional month Total Disability continues beyond the Elimination Period.

**Residual Disability** — If you qualify for Residual Disability benefits under the policy while this rider is in force, an adjusted monthly benefit will be paid for each month Residual Disability continues. The adjusted monthly benefit for a month will equal the Monthly Benefit times the Income Loss.

**Return to Work Benefit** — If you qualify for a Return to Work Benefit under the policy while this rider is in force, an adjusted monthly benefit will be paid for each month that you have an Income Loss. The adjusted monthly benefit for a month will equal the Monthly Benefit times the Income Loss.

For any portion of a month for which benefits are payable a pro rata share of the benefit will be paid. The pro rata share is based on a thirty day month.

No benefit or combination of benefits will be

paid for a single Disability for longer than the Maximum Benefit Period.

No Residual Disability or Return to Work benefits will be paid after age 65.

#### **Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date will be shown on the Policy Contract Amendment.
- Premiums are payable until you attain age 65 or until termination of this rider.

**Incontestability** — In the absence of fraud, except for non-payment of premiums we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate on:

- The termination of the policy;
- Your attainment of age 65; or
- Written notice from the Owner.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.



Senior Vice President,  
General Counsel and Secretary

## SOCIAL INSURANCE RIDER

### DEFINITIONS

**Social Insurance Disability Benefit** — Social Insurance Disability Benefit is any disability benefit payable to you by the United States' Social Security Act as amended, or similar Federal, State or local laws or under any Worker's

Compensation, occupational disease, employer's liability or similar laws.

All other terms in this rider have the same meaning as in the policy.

### BENEFIT

We will make a benefit payment under this rider if:

- You have been Disabled for twelve continuous months;
- The policy benefit is payable for this Disability;
- You were eligible for Social Insurance Disability Benefits when the Disability started;
- You are receiving no Social Insurance Disability Benefits; and
- This rider is then in force.

You must apply for all Social Insurance Disability Benefits for which you are eligible within six months of the start of the period of Disability. If the applications for Social Insurance Disability Benefits are denied, you must appeal. If the applications are approved but later denied, benefits under this rider will become payable.

The amount and timing of the benefit payment will be determined by the method stated in the BENEFITS section of the policy. This method will use the rider's Maximum Benefit Period, Elimination Period, and Monthly Benefit. If this rider is included in the policy at issue, these values will be found on page 3 of the policy. If this rider is attached to a policy in force, these values will be found on the Policy Contract Amendment.

This rider's Monthly Benefit, if payable, will be added to the policy's Monthly Benefit to determine any Residual Benefit or Return to Work

Benefit payable under the policy.

Proof of Loss for this rider includes your correspondence with the provider of the Social Insurance Disability Benefit.

#### **Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date will be shown on the Policy Contract Amendment.
- Premiums are payable until you attain age 65 or until termination of this rider.

**Incontestability** — In the absence of fraud, except for non-payment of premiums we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate on:

- The termination of the policy;
- Your attainment of age 65; or
- Written notice from the Owner.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.

*William T. Steen*  
Corporate Secretary

## HOSPITAL BENEFIT DURING ELIMINATION PERIOD

---

### DEFINITIONS

**Hospital** — A Hospital is a lawfully operated institution that:

- Operates for the care and treatment of sick and injured persons on a registered-bed patient basis;
- Has 24 hour nursing care provided by a registered graduate nurse (R.N.); and
- Is supervised by a Doctor always on duty or on call.

A Hospital is not an institution or that part of an

institution operating as a:

- Rest home;
- Nursing home;
- Convalescent facility;
- Sanatorium; or
- Facility for the aged, drug addicts, or alcoholics.

All other terms used in this rider have the same meaning as defined in the policy.

---

### BENEFIT

We will pay a benefit for each day you are confined in a Hospital during the policy Elimination Period if:

- The confinement starts while this policy is in force; and
- The confinement is necessary because of Injury or Sickness; and
- The confinement is ordered by a Doctor.

The daily benefit will equal one thirtieth (1/30) of the sum of the Monthly Benefit of the Policy and the Additional Monthly Benefit, if any.

#### **Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date

will be shown on the Policy Contract Amendment.

- Premiums are payable until you attain age 65 or until termination of this rider.

**Incontestability** — In the absence of fraud, except for non-payment of premiums, we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate on:

- The termination of the policy;
- Your attainment of age 65; or
- Written notice from the Owner.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.

*William T. Steen*  
Corporate Secretary

## FUTURE PURCHASE OPTION

### DEFINITIONS

**Option Date** — Each second policy anniversary, up to and including age 53.

**Option Maximum** — If this rider is included in the policy at issue, the value of the Option Maximum is found on page 3 of the policy. If attached

to a policy already in force, this value will be found in the Policy Contract Amendment.

Other terms used in this rider have the same meaning as in the policy.

### BENEFIT

This rider allows the Owner to purchase additional Disability Income policies if it is attached to a Disability Income policy or to purchase additional Disability Overhead Expense policies if it is attached to a Disability Overhead Expense policy. This purchase is only subject to financial underwriting. No medical or occupational underwriting is required.

An additional policy can be purchased on each Option Date. The new policy can be purchased within 30 days before and after an Option Date.

The next Option Date may be advanced to the anniversary nearest any of the following events:

- Your marriage or divorce;
- Change of job by either you or your spouse;
- Death of your spouse;
- Birth or legal adoption of a child by you.

**Amount of Additional Insurance** — The amount of additional insurance purchased on any Option Date must:

- Not be less than \$500 per month;
- Not exceed the Option Maximum less the amount of insurance purchased on previous Option Dates;
- Not exceed the lesser of 50% of the Option Maximum or 100% of this policy's Monthly Benefit;
- Be within our issue and participation limits in use at the time of the purchase; and
- Comply with our financial underwriting rules at the time of the purchase.

**New Policies** — The additional insurance will be issued on the policy form in use at that time. The Maximum Benefit Period of the new policy cannot be greater than the Maximum Benefit Period of this policy. The Elimination Period of the new policy cannot be shorter than the one of this policy. Provided the following riders are attached

to this policy, the only riders available on the new policy are:

- Cost of Living;
- Hospital Benefit During Elimination Period;
- Lifetime Benefit;
- Return of Premium.

The new policy cannot have a Future Purchase Option rider attached to it.

If premiums are being waived on the original policy at time of issue of a new policy, premiums for the new policy will be waived. But the new policy will only cover Disabilities starting after the new policy's effective date.

Premiums for each new policy will be at your attained age on the new policy's effective date.

**Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date will be shown on the Policy Contract Amendment.
- Premiums are payable until you attain age 53 or until termination of this rider.

**Incontestability** — In the absence of fraud, except for non-payment of premiums we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate on:

- The termination of the policy;
- Your attainment of age 53;

## REGULAR OCCUPATION RIDER

---

---

### DEFINITIONS

Regular Occupation Total Disability exists when you:

- Cannot work at your Regular Occupation because of Injury or Sickness; and,
- Are under the regular care of a Doctor. We will waive this requirement if we receive written proof acceptable to us that further

Doctor's care would be of no benefit to you.

**Regular Occupation** — The occupation (or occupations, if more than one) in which you are engaged at the start of Disability.

All other terms in this rider have the same meaning as in the policy.

---

---

### BENEFIT

If you are Disabled for the entire Elimination Period due to Regular Occupation Total Disability, we will pay the policy's Monthly Benefit while Regular Occupation Total Disability continues, but not beyond the Maximum Benefit Period.

This benefit will begin after you have been Disabled for the entire Elimination Period as a result of Regular Occupation Total Disability. The Total Disability Benefit will continue to be paid as long as such Disability continues, but not beyond the Maximum Benefit Period.

Benefits paid under this rider are in lieu of any other benefits under this policy.

#### Premium —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in

force, the premium and effective date will be shown on the Policy Contract Amendment.

- Premiums are payable until you attain age 65 or until termination of this rider whichever occurs first.


**Incontestability** — In the absence of fraud, except for non-payment of premiums, we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate on:

- The termination of the policy;
- Your attainment of age 65; or
- Written notice from the Owner.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.



Senior Vice President, General Counsel  
and Secretary

## RETURN OF PREMIUM RIDER

### DEFINITIONS

**Claims** — Any claims payable and premiums waived either for the policy or for any attached rider during the Term Period.

**Term Period** — 10 years. If the rider terminates by your death or by your attaining age 65, a Term Period will be considered to be:

- The time interval from the end of the previous Term Period to such an event; or
- The time interval from the Term Period Start Date to such an event if the rider has not been in force for a full Term Period.

**Benefit Ratio** — 80%

**Term Period Start Date** —

- 1) The Effective Date of this rider;
- 2) The end of the previous Term Period; or
- 3) The date as determined under the Benefit Provision.

All other terms in this rider have the same meaning as in the policy.

### BENEFIT

At the end of each Term Period we will pay to the Owner the Benefit Ratio times the difference between all premiums paid for the policy and any attached riders, and the dividends and Claims received during the Term Period. If Claims are less than 20% of premiums for a Term Period then zero will be used in place of Claims in this computation. If Claims exceed premiums, no benefit will be paid.

If, during a Term Period, Claims exceed the Benefit Ratio times the premiums for the entire Term Period, a new Term Period Start Date will be established. The new Term Period Start Date will be the policy anniversary following the date on which policy benefits for the last claim during that Term Period ceased.

**Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date will be shown on the Policy Contract Amendment.
- Premiums are payable until you attain age 65 or until termination of this rider.

**Reinstatement** — If any premium remains unpaid beyond the Grace Period provided in the policy, and the policy, including this Rider, is reinstated within 6 months of its lapse, the portion of the Term Period applicable before the lapse will be restored. If the lapse exceeds 6 months a new Term Period will begin on the policy anniversary following the date of reinstatement.

**Incontestability** — In the absence of fraud, except for non-payment of premiums, we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate:

- On your death;
- When the policy terminates;
- Your attainment of age 65; or
- On request to us by the Owner.

However, any Settlement Option in effect for benefits under the rider will continue in effect.

**Settlement Options** —

- 1) **Premium Prepayment Option** — The Return of Premium Rider benefit can be left with us toward payment of future premiums due on the Policy. Funds left with us will accumulate at the Company's rate for prepayment of premiums at the time of deposit of the benefit. If a full Return of Premium benefit which is equal to 80% of premiums paid is received at the end of a Term Period and the full refund is applied to prepay premiums on this policy, we guarantee that the amount applied will be sufficient to pay premiums for the next Term Period;
- 2) The Owner may receive the benefit under this rider in cash; or
- 3) The Owner may receive periodic payments as agreed by us.

**Protection of Proceeds** — The proceeds due or to become due under a Settlement Option may

not be assigned and, to the extent permitted by law, will not be subject to the claim of creditors, or to other legal process.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana

*William T. Steen*  
Corporate Secretary



## RETURN OF PREMIUM RIDER

### DEFINITIONS

**Claims** — Any claims payable and premiums waived either for the policy or for any attached rider during the Term Period.

**Term Period** — 7 years. If the rider terminates by your death or by your attaining age 65, a Term Period will be considered to be:

- The time interval from the end of the previous Term Period to such an event; or
- The time interval from the Term Period Start Date to such an event if the rider has

not been in force for a full Term Period.

**Benefit Ratio** — 57.143%

**Term Period Start Date** —

- 1) The Effective Date of this rider;
- 2) The end of the previous Term Period; or
- 3) The date as determined under the Benefit Provision.

All other terms in this rider have the same meaning as in the policy.

### BENEFIT

At the end of each Term Period we will pay to the Owner the Benefit Ratio times the difference between all premiums paid for the policy and any attached riders, and the dividends and Claims received during the Term Period. If Claims are less than 20% of premiums for a Term Period then zero will be used in place of Claims in this computation. If Claims exceed premiums, no benefit will be paid.

If, during a Term Period, Claims exceed the Benefit Ratio times the premiums for the entire Term Period, a new Term Period Start Date will be established. The new Term Period Start Date will be the policy anniversary following the date on which policy benefits for the last claim during that Term Period ceased.

**Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date will be shown on the Policy Contract Amendment.
- Premiums are payable until you attain age 65 or until termination of this rider.

**Reinstatement** — If any premium remains unpaid beyond the Grace Period provided in the policy, and the policy, including this Rider, is reinstated within 6 months of its lapse, the portion of the Term Period applicable before the lapse will be restored. If the lapse exceeds 6 months a new Term Period will begin on the policy anniversary following the date of reinstatement.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.

**Incontestability** — In the absence of fraud, except for non-payment of premiums, we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate:

- On your death;
- When the policy terminates;
- Your attainment of age 65; or
- On request to us by the Owner.

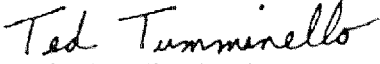
However, any Settlement Option in effect for benefits under the rider will continue in effect.

**Settlement Options** —

- 1) **Premium Prepayment Option** — The Return of Premium Rider benefit can be left with us toward payment of future premiums due on the Policy. Funds left with us will accumulate at the Company's rate for prepayment of premiums at the time of deposit of the benefit;
- 2) The Owner may receive the benefit under this rider in cash; or
- 3) The Owner may receive periodic payments as agreed by us.

**Protection of Proceeds** — The proceeds due or to become due under a Settlement Option may not be assigned and, to the extent permitted by law, will not be subject to the claim of creditors, or to other legal process.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

  
Senior Vice President,  
General Counsel and Secretary

## ANNUAL BENEFIT INCREASE RIDER

### DEFINITIONS

**Benefit Increase** — Five percent of the Monthly Benefit of the policy (found on page 3 of the policy) rounded to the nearest \$50. The minimum Benefit Increase is \$50. The maximum Benefit Increase is \$500.

**Increase Dates** — The first 5 policy anniversaries following the Effective Date of this rider.

All other terms in this rider have the same meaning as in the policy.

### BENEFIT

On each of the Increase Dates we will increase the Monthly Benefit of the policy by the Benefit Increase. No evidence of insurability will be required for these increases. An additional premium will be charged for each Benefit Increase as of the Increase Date for that increase. This premium will be based on your attained age on the Increase Date.

**Right of Refusal** — The Owner may refuse any annual Benefit Increase. To do so send us written notice within 30 days of an Increase Date. Such refusal is final. Such a refusal will not affect subsequent Benefit Increases or the premium charged for this rider.

**Increases while you are Disabled** — A Benefit Increase will not apply to the monthly amount received for a Disability which starts before the Increase Date for that increase.

If the premium for the Policy is being waived on an Increase Date the premium for that Benefit Increase will also be waived. When premium payments for the policy are resumed, premiums for the Benefit Increase must also be paid.

#### **For policies including a Return of Premium Rider** —

We will consider each Benefit Increase separately in determining your Return of Premium rider benefits. The Term Start

Date for each Term Period will be the Increase Date of that increase.

#### **Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of the policy.
- If this rider is attached to a policy already in force, the premium and effective date will be shown on the Policy Contract Amendment.
- Premiums are payable until the final Increase Date or until termination of this rider.

**Incontestability** — In the absence of fraud, except for non-payment of premiums, we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate:

- When the policy terminates;
- On the final Increase Date; or
- On written request to us by the Owner.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.

*William T. Steen*  
Corporate Secretary

## RESIDUAL DISABILITY RIDER

### DEFINITIONS

**Residual Disability** — Residual Disability occurs immediately after a period of Total Disability that lasts at least as long as the Elimination Period and exists when:

- You are doing paying work, but sustain at least a twenty percent Income Loss;
- The Income Loss results directly from an existing impairment or incapacity caused by Injury or Sickness;
- You are under the care of a Doctor. We will waive this requirement if we receive written proof acceptable to us that further

Doctor's care would be of no benefit to you; and

- You are not Totally Disabled.

If the Income Loss is over eighty percent, the full Monthly Benefit is payable.

**Disability** — Disability means either Total or Residual Disability.

All other terms used in this rider have the same meaning as in the policy.

### BENEFIT

**Residual Disability** — An adjusted monthly benefit will be paid for each month Residual Disability continues, after Total Disability has lasted longer than the Elimination Period. The adjusted monthly benefit for a month will equal the Monthly Benefit times the Income Loss. For the first six months of Residual Disability benefits for a single Disability, the Residual Disability benefit will be no less than 50% of the Monthly Benefit.

No Residual Disability benefits will be paid after age sixty-five.

**Premium** —

- If this rider is included in the policy at issue, the premium will be shown on page 3 of this policy.
- If this rider is attached to a policy already in force, the premium and effective date

will be shown on the Policy Contract Amendment.

- Premiums are payable until you attain age 65 or until termination of this rider.

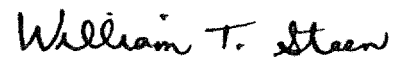
**Incontestability** — In the absence of fraud, except for non-payment of premiums we will not contest this rider after it has been in force during your lifetime for two years from the effective date of this rider, excluding any time that you were Disabled.

**Termination** — This rider will terminate on:

- The termination of the policy;
- Your attainment of age 65; or
- Written notice from the Owner.

In all other respects, the provisions of the policy remain unchanged. The rider is part of the policy and is subject to its provisions.

Signed for the Pan-American Life Insurance Company at its Home Office in New Orleans, Louisiana.

  
Corporate Secretary