

(HEREIN CALLED THE COMPANY)

POLICY

This Policy shall be construed in accordance with the laws of PUERTO RICO, where it is delivered, and is a contract between the Company and

ASOCIACION DE SUPERVISORES Y GERENCIALES DE LA UPR

(Herein Called "the Policyholder")

The Company HEREBY AGREES to pay the benefits herein provided, subject to all the provisions hereinafter set forth, which are hereby made a part of this Policy.

This Policy is issued in consideration of the application of the Policyholder, a copy of which is attached to and made a part of this Policy, and of the payment by the Policyholder of premiums in advance at the Home Office of the Company or to its authorized agent.

The first premium is due and payable on the effective date of this Policy and subsequent premiums shall be due and payable monthly on the **first** day of each month.

The period beginning on the effective date of this Policy and ending on OCTOBER 1, 2005 shall be considered the first policy year. Each policy year thereafter shall commence on the first day of OCTOBER.

IN WITNESS WHEREOF, NATIONAL LIFE INSURANCE COMPANY has caused this Policy to be executed at San Juan, Puerto Rico, as of the first day of OCTOBER 1. 2004. its effective date.

NATIONAL LIFE INSURANCE COMPANY

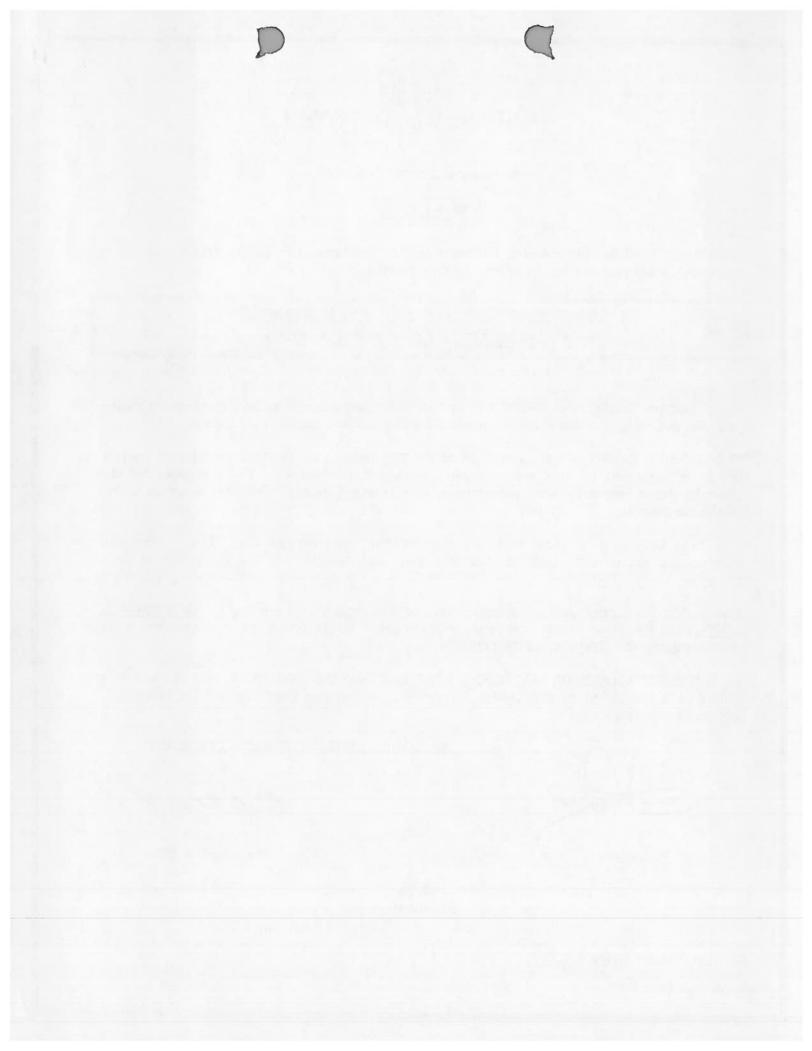
Secretary

President & CEO

Lacks MAS

GROUP POLICY NO. 1-3217

NL-GR-1-Rev. 92



GENERAL POLICY PROVISIONS

Grace Period - If, prior to the due date of any premium, the Policyholder has not given written notice to the Company that this Policy is to be discontinued, a grace period of thirty-one days following the due date will be granted the Policyholder for the payment of each premium after the first premium, during which time this Policy shall continue in force. If any premium with respect to the insured Individuals in any class is not paid before the expiration of the grace period, this Policy shall automatically discontinue with respect to all Individuals in such class at the expiration of the grace period, except that if the Policyholder shall have given the Company written notice in advance of an earlier date of discontinuance, this Policy shall discontinue with respect to all Individuals in such class as of such earlier date. The Policyholder shall be liable to the Company for any unpaid premium with respect to the insured Individuals in each class for the period during which this Policy was in force with respect to such insured Individuals, including a pro-rata premium for the grace period or fraction thereof.

Discontinuance of Policy - The Company reserves the right to discontinue this Policy as of any premium due date:

- (a) with respect to all classes of Individuals, when fewer than 10 Individuals are insured hereunder; or
- (b) with respect to any class of Individuals, when less than $\underline{100}$ per cent of the eligible Individuals in such class are insured hereunder;

provided the Company gives the Policyholder at least thirty-one days notice of its intent to discontinue.

Insurance Data - The Policyholder shall furnish the Company with any information which may be reasonably required with regard to all matters pertaining to insurance under this Policy. All of the Policyholder's records which have a bearing on the insurance provided hereunder shall be open for inspection by the Company at all reasonable times.

Clerical Error - Neither clerical error in keeping any records pertaining to insurance under this Policy, nor delays in making entries thereon, shall invalidate insurance otherwise validly in force or continue insurance otherwise validly terminated; but upon discovery of such error or delay, an equitable adjustment of premium shall be made.

Misstatement of Facts - If any relevant fact pertaining to any person to whom insurance under this Policy relates shall be found to have been incorrectly reported to the Policyholder or to the Company, and if such misstatement affects the existence or the amount of insurance, the true facts shall be used in determining whether insurance is in force under the terms of this Policy and in what amount.

Trustee Policyholder - If the Policyholder is a Trustee or Trustees of a trust fund, then:

- (a) should there be more than one Trustee, the Company shall be entitled to rely upon the signature or signatures of such of the Trustees as are designed to the Company in writing by all the Trustees from time to time as having been empowered to act in behalf of all the Trustees in any and all matters pertaining to insurance under this Policy; and
- (b) the rights and obligation hereunder of all persons shall be determined by the terms of this Policy without regard to the terms of any trust agreement or of any instrument amending or supplementing or replacing any such trust agreement.

Conformity with State Statutes - Any provision of the Policy which on its effective date, is in conflict with the statutes of the state in which the Policy was delivered or issued for delivery is hereby amended to conform to the minimum requirements of such statute.

GENERAL PROVISIONS LIFE INSURANCE

The Contract - This Policy and the application of the Policyholder (a copy of which is attached hereto) constitute the entire contract between the parties.

All statements made by the Policyholder shall be deemed representation and not warranties, and no statement made by any insured Individual shall be used in any contest unless a copy of the instrument containing the statement is or has been furnished to such insured Individual or to his beneficiary.

No agent has authority to change this Policy or to waive any of its provisions. No change in this Policy shall be valid unless approved by an executive officer of the Company and evidenced by endorsement hereon, or by amendment hereto signed by the Policyholder and by an executive officer of the Company.

This Policy may be changed at any times by written agreement between the Company and the Policyholder, without the consent of any Individual or other person.

Incontestability - The validity of this Policy shall not be contested after it has been in force for two years from its effective date, except for non-payment of premium. No statement made by any insured Individual relating to his insurability shall be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to the contest for a period of two years during such Individual's lifetime nor unless such statement is contained in a written instrument signed by him.

Individual Certificate - The Company shall issue to the Policyholder, for delivery to each insured Individual, a certificate setting forth the essential features of such Individual's insurance, to whom the benefits are payable and the "Conversion Privilege".

Premium Calculations - The Company shall compute a total monthly premium at the beginning of each policy year. Such total premium shall be the sum of the individual premium for the Individuals then insured calculated according to the table of premium rates then in effect hereunder on the basis of the ages (nearest birthday) then attained by the insured Individuals, and their respective amount of insurance, plus a constant of \$.20 per \$1,000 of insurance in force hereunder, or \$8.00, whichever is less. This sum shall then be reduced by the application of the appropriate advance expense adjustment factor set forth in the table shown in this provision. An average monthly premium rate per \$1,000 shall be determined from such computation by dividing the total premium by the total amount of insurance then in force. Such average monthly premium rate per \$1,000 shall remain in effect, and shall be used in calculating all premiums under this policy until a new one is determined. Each premium due during the policy year shall be calculated by multiplying the amount of insurance in force at the beginning of the premium-paying period by the average monthly premium rate per \$1,000 then in effect.

Except as may be otherwise provided, any insurance becoming effective shall be charged for from the first day of the policy month coinciding with or next following the date such insurance takes effect. Premium charges for any insurance terminated shall cease as of the last day of the policy month coinciding with or next following the date such insurance terminates. If premium are payable quarterly, semi-annually, or annually, premium charges or credits for a fraction of a premium-paying period required by the foregoing terms of this paragraph shall be made on a pro-rata basis for the number of policy months between the date premium charges commence or cease and the end of the premium-paying period.

Premium adjustments involving the return of unearned premium shall be limited to the period of twelve months immediately preceding the date of receipt by the Company of evidence that such adjustments should be made.

continued

GENERAL PROVISIONS LIFE INSURANCE (Continued)

Instead of the method herein provided for the calculation of premiums, premiums may be calculated by any method which produce approximately the same total amount of premiums and is mutually agreeable to the Company and the Policyholder.

The following Table of Initial Premium Rates shall be used in calculating the initial premium, and each subsequent premium shall be calculated at the premium rates in effect on the date such premium becomes due:

TABLE OF INITIAL PREMIUM RATES PER \$1,000 OF INSURANCE

Age Nearest Birthday	Monthly <u>Rate</u>	Age Nearest <u>Birthday</u>	Monthly <u>Rate</u>	Age Nearest <u>Birthday</u>	Monthly <u>Rate</u>	Age Nearest <u>Birthday</u>	Monthly <u>Rate</u>
15	\$0.19	35	\$0.32	55	\$1.65	75	40.74
16	.20	36	.34	56	1.80	<i>7</i> 5	\$8.56
17	.21	37	.36	5 7		<u>76</u>	9.24
18	.22	38	.38		1.97	77	10.00
19	.23	39		58	2.14	78	10.86
20	.23	40	.41	59	2.32	79	11.81
21	.24		.45	60	2.51	80	12.83
22		41	.49	61	2.72	81	13.93
	.24	42	.53	62	2.96	82	15.07
23	.25	43	.58	63	3.21	83	16.26
24	.25	44	.63	64	3.48	84	17.50
25	.25	45	.68	65	3.78	85	
26	.25	46	.74	66	4.11	86	18.80
27	.26	47	.81	67	4.48		20.16
28	.26	48	.89	68	4.89	87	21.60
29	.26	49	.97	69		88	23.13
30	.27	50	1.06		5.34	89	24.79
31	.27	51		<i>7</i> 0	5.81	90	26.62
32	.28		1.16	71	6.32	91	28.68
33		52	1.26	<i>7</i> 2	6.84	92	31.03
	.29	53	1.38	7 3	7.38	93	33. <i>7</i> 5
34	.30	54	1.51	74	7.95	94	36.95
	T	ARI E OE ADWA				95	40.98

TABLE OF ADVANCE EXPENSE ADJUSTMENT FACTORS

Total Monthly Premium (Including Constant)	Advance Expense <u>Adjustment</u>	Total Monthly Premium (Including Constant)	Advance Expense Adjustment
Under \$200 \$200 but less than \$250 \$250 but less than \$300 \$300 but less than \$350 \$350 but less than \$400 \$400 but less than \$450 \$450 but less than \$500 \$500 but less than \$600 \$600 but less than \$700 \$700 but less than \$800	0% 1% 2% 3% 4% 5% 6% 7% 8%	\$800 but less than \$1,000 \$1,000 but less than \$1,500 \$1,500 but less than \$3,000 \$3,000 but less than \$5,000 \$5,000 but less than \$10,000 \$10,000 but less than \$15,000 \$15,000 but less than \$20,000 \$20,000 but less than \$30,000 \$30,000 but less than \$40,000 \$40,000 but less than \$60,000	10% 11% 12% 13% 14% 15% 16% 17% 18%
		\$60,000 and over	20%

GENERAL PROVISIONS LIFE INSURANCE (Continued)

Experience Rating - This Policy shall not be entitled to share in the surplus earnings of the Company.

The Company shall have the right to make experience reductions or increases in premium rates on any premium-due date, and to reduce or increase premium rates whenever a class of Individuals is made eligible or is eliminated from eligibility for insurance hereunder. No increase in premium rates, other than an increase when a class of Individuals is made eligible or is eliminated from eligibility for insurance hereunder, shall become effective less than twelve months after the effective date of this Policy or less than twelve months after the effective date of any previous increase in premium rates. The Company shall give written notification to the Policyholder of each reduction or increase in any premium rates.

At the end of each Policy year, the Company may allow to the Policyholder an experience credit in such amount, if any, as shall be determined by the experience rating plan then in effect. The amount of each such experience credit shall be paid in cash to the Policyholder, or upon request by the Policyholder, shall be applied against the payment of any premium or premiums.

If at any time the total of any Individual contributions made hereunder exceeds the total of premiums paid hereunder (after applying any experience credits), such excess shall be applied by the Policyholder for the sole benefit of Individuals, but the Company shall not be responsible for the application of any such excess.

P 101 NLG 2303



Definition - The word "Individual" as used in this Policy shall mean anyone who is managers and supervisors eligible members.

Eligibility - The classes of Individuals eligible for insurance under this Policy shall be only those classes which are reported in writing to the Company by the Policyholder which in this case shall be all individuals.

Upon written request from the Policyholder to the Company that any class of Individuals be eliminated from the classes of Individuals eligible for insurance hereunder, such class shall be eliminated and this Policy shall discontinue with respect to all Individuals in such class on the premium due date coinciding with or next following the later of (a) the date stated in such request, and (b) the date of such request.

Upon written request from the Policyholder to the Company, and subject to written acknowledgment by the Company, that any class of Individuals not eligible for insurance hereunder be made eligible for insurance, such class shall be made eligible on the premium due date coinciding with or next following the later of (a) the date stated in such request, and (b) the date of such request.

If the Policyholder or any eligible class is a proprietorship or partnership, the individual proprietor or partners thereof shall be deemed to be employees of the proprietorship or partnership if and while devoting full-time active service to the proprietorship or partnership.

An Individual in an eligible class of Individuals shall become eligible for insurance under this Policy as follows:

- 1. On the effective date of this Policy, Immediately.
- 2. After the effective date of this Policy, each other Individual shall be individually eligible for insurance on the first day of the following month.

If an Individual policy of life insurance converted by an Individual from any previous group life insurance under this Policy remains in force at the time such Individual would otherwise become eligible for any group life insurance under this Policy, such eligibility shall be deferred until such Individual shall furnish, without expense to the Company, evidence of insurability satisfactory to the Company.

Contributions - Contributions from Individuals are not required.

Effective Date - The insurance hereunder for an eligible individual shall become effective on the applicable date set forth below:

- 1. If no contributions from Individuals are required, the insurance shall become effective on the date the Individual becomes eligible for insurance.
- If contributions from Individuals are required, the insurance shall become effective as follows, provided the Individual makes written request for insurance on forms provided by the Company and agrees to make the required contributions:
 - (a) When the date of written request is on or before the date the Individual become eligible for insurance, the insurance shall become effective on the date the Individual becomes eligible for insurance.
 - (b) When the date of written request is not later than thirty-one days after the Individual becomes eligible for insurance, the insurance shall become effective on the date of such request, provided the Individual is then in a class of Individuals eligible for insurance.

(c) When the date of written request is more than thirty-one days after the Individual becomes eligible for insurance, or is after previous termination of insurance because of failure to make any required contribution, satisfactory evidence of insurability, without expense to the Company, shall be required of such Individual before he may become insured. If such evidence is submitted, the insurance shall become effective on the date the Company determines the evidence to be satisfactory, provided the Individual is then in a class of Individuals eligible for insurance.

In any instance in which an Individual is not engaging in active work on the date he would otherwise become insured, the effective date of his insurance shall be deferred until his return to active work in a class of Individuals eligible for Insurance.

The term "active work" as used in this subsection shall mean performing the normal duties of one's occupation or being available to perform such duties.

Changes in Amount of Insurance - If the amount of any insurance under this Policy is contingent upon the classification of an Individual, and if at any time the Individual's classification warrants an amount of insurance greater or less than that for which he is then insured, the amount of his insurance shall be increased or decreased to that warranted by his new classification on the date of change in the Individual's classification as determined from the Policyholder's records; provided, however, that in any instance in which the Individual is not engaged in active work on the date his insurance would otherwise be increased, the effective date of such increase shall be deferred until his return to active work.

The term "active work" as used in this subsection shall mean performing the normal duties of one's occupation or being available to perform such duties.

For the purposes of this Policy, a retroactive change in an Individual's rate of earnings shall be deemed to be effective on the date the change was actually determined.

Termination of Insurance - An Individual's insurance under this Policy shall terminate at the earliest time indicated below:

- (a) In the event an Individual fails to make any required contribution for his insurance, at the end of the period for which contribution has been made.
- (b) When an Individual ceases to be a member of a class of Individuals eligible for insurance hereunder.
- (c) The date of discontinuance of this Policy with respect to the class of Individuals of which an Individual is a member.
- (d) Upon termination of employment as hereafter defined. Cessation of active work shall be deemed termination of employment, except that while an Individual is absent on account of sickness or injury, employment shall be deemed to continue until premium payments for such Individual's insurance are At the option of the Policyholder, the insurance of an Individual may be continued during a temporary lay-off or an authorized leave of absence granted by the Policyholder for reasons other than sickness or injury but not beyond the end of the policy month following the policy month in which the temporary lay-off or leaves of absence commence.
- (e) With respect to Life Insurance, when the Individual retires.
- (f) With respect to Accidental Death and Dismemberment, when the Individual retires.

P 101 NLG 680



Benefits - Subject to all of the provisions of this Policy and to the provisions contained herein, the Company agrees to pay to the beneficiary of record, the applicable amount of life insurance determined from Schedule of Benefits, immediately upon receipt of due proof of the death of any Individual while insured hereunder.

Beneficiary - The individual may designate a beneficiary, or change his designation of beneficiary, from time to time by written request filed with the Policyholder or at the Home Office of the Company. No such designation or change of beneficiary shall take effect unless so filed, but if filed it will be effective as of the date the request was signed, whether or not the Individual be living at the time of such filing, but any payment made by the Company prior to receipt of such request at its Home Office, shall fully discharge the Company to the extent of such payment.

Except as may be otherwise specifically provided by the Individual:

- (1) if any designated beneficiary predeceases the Individual, the interest of such beneficiary shall terminate and any amount which would have become payable to such beneficiary, if living, shall be payable equally to the remaining designated beneficiary or beneficiaries, if any, who survive the Individual; and
- (2) if, there is not designated surviving beneficiary or if no beneficiary has been designated at the death of the individual, payment shall be made to the Individual's estate.

If any beneficiary is a minor or is otherwise incapable of giving a valid release for any payment due, the Company shall make payment of the amount payable to a legally appointed guardian or committee of such beneficiary. The Company shall be discharged from all liability to the extent of such payment and shall not be responsible for the application of any amount so paid.

Facility of Payment – The insurance company may, at its option pay an amount not to exceed \$500.00 of the Individual's insurance under this policy to any person appearing tobe equitably entitled to payment because of expense incurrd in connection with the burial of the insured. The liability of the Company shall thereby be disharged to the extent of the amount so paid.

Optional Modes of Settlement - Instead of payment in one sum, the Individual may elect, by written notice filed at and approved by the Home Office of the Company, to have the whole or any part of any death benefit paid in the following specific manner or in any other manner agreed to by the Company:

(1) payment in monthly installments of any fixed amount (which shall not be less than \$5.00 per month per \$1,000.00 so payable or less than \$10.00 per month, regardless of the amount payable) until the amount so payable with interest is exhausted. Interest on the unpaid balance shall be determined by the Company in accordance with the rate of interest customarily offered by the Company for group life insurance policies at the time of the election. Unless otherwise provided in the election, at the death of the payee to whom payment is being made under this election, the unpaid balance shall be paid in one sum to the payee's executors or administrators.

By written notice to the Home Office of the Company, the Individual may revoke or change any election at any time. In the event of a change in beneficiary, any previous election by the Individual shall be void.

In the event the Individual has no election in effect at the time of his death, the beneficiary, prior to the date of any payment, shall have the same privilege of election that applied to the Individual while living but shall have the right to change or revoke any such election only with the consent of the Company.

Assignment - Claims of Creditors - Neither the Individual or his beneficiaries may assign the insurance or other benefits provided hereunder.

Except so far as may be contrary to the laws of any state-having jurisdiction in the premises, the insurance and other benefits provided hereunder shall be exempt from execution, attachment, garnishment or other legal or equitable process for the debts or liabilities of the Individual or his beneficiaries.

Conversion Privilege - If an Individual's insurance under this Policy, or any portion of such insurance, ceases because of termination of employment or of membership in the class or classes of Individuals eligible for insurance under this Policy, the Individuals shall be entitled to convert all or a part of his life insurance under this Policy which ceases because of such termination, and shall be entitled to have issued without evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, provided written application for the individual policy shall be made, and the first premium thereon paid to the Company, within thirty-one days after such termination, and provided further that:

(a) the individual policy shall be on any one of the forms, except term insurance, that shall be selected by the Individual from among the forms then customarily issued by the Company at the age and for the amount applied for;

(b) the premiums payable under the individual policy shall be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which the Individual

then belongs and to his age attained on the effective date of the individual policy; and

(c) any individual policy issued under the terms of this section shall take effect at the end of the thirty-one day period during which application for the individual policy may be made.

If this policy discontinues, whether by its terms or by agreement between the Company and the Policyholder, and whether with respect to all Individuals or with respect to any class or classes of Individuals insured hereunder, any Individual at the date of such discontinuance who has been continuously insured hereunder for at least three years prior to such discontinuance, and whose insurance, or any portion of such insurance terminates because of such discontinuance, shall be entitled to the conversion privilege as though his employment had terminated on the date of such discontinuance, except that the amount of the Individual policy shall not exceed the smaller of (a) the amount of the Individual's life insurance under this Policy which ceases because of such discontinuance, less the amount of any life insurance for which he is or becomes eligible under any group policy issued or reinstated by the Company or by any other insurer within thirty-one days after such discontinuance, and (b) \$10,000.00

If an Individual dies during the thirty-one day period within which he is entitled to have an individual policy issued to him in accordance with this section and before any such individual policy has become effective, the amount of life insurance which the Individual is entitled to have issued to him under such individual policy shall be payable as a claim under this Policy, whether or not application for the individual policy or the payment of the first premium therefor has been made.

When an individual policy becomes effective under the conversion privilege, it shall be in exchange for all privileges and benefits under the group policy.

If an Individual becomes entitled to have an individual policy issued to him in accordance with the terms of this section, and if such Individual is not given notice of the existence of such right at least fifteen days prior to the end of the thirty-one day period during which application for the individual policy may be made, then, in such event, the Individual shall have an additional period within which to exercise such right, but nothing contained herein shall be construed to continue any of the Individual's insurance under this Policy beyond said thirty-one day period. This additional period shall expire fifteen days next following the date the Individual is given such notice, but in no event shall such additional period extend beyond sixty days next following the end of said thirty-one day period. Written notice presented to the Individual or mailed by the Policyholder to the last known address of the Individual or mailed by the Company to the last known address of the Individual as furnished by the Policyholder shall constitute notice for the purpose of this section.

SCHEDULE OF BENEFITS

Classification of Individuals

Life Insurance

All elegible members

\$10,000

LIMITATION OR REDUCTION OF THE AMOUNT OF LIFE INSURANCE (See Endorsement No. 1)

The amount of Life Insurance applicable to an Individual as indicated in the Schedule of Benefits applies to each Individual less than age 65 when becoming insured under the Policy and shall, on the policy anniversary coinciding with or next following the date he attains age 65 and while he thereafter remains insured hereunder, be 65% of the amount for which he was insured on the day immediately preceding his attainment of age 65. If an Individual is age 65 or over, when becoming insured under the Policy, the amount of Life Insurance applicable to him shall be 65% of the amount indicated in the Schedule of Benefits for his class on the date he so becomes insured.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS FOR INDIVIDUALS

Benefits - If an Individual, while insured under this section, sustains any of the losses listed in the following Table of Losses and Benefits and if such loss resulted directly, and independently of all other causes, from bodily injuries sustained solely as the result of an accident, the Company, subject to all of the provisions of this Policy, agrees to pay the applicable benefit determined from said Table of Losses and Benefits. Payment will be made to the insured Individual, if living, otherwise to the beneficiary entitled thereto.

TABLE OF LOSSES AND BENEFITS

For Loss of Life	The Benefit will beThe Principal Sum		
A Hand	One-Half The Principal Sum One-Half The Principal Sum		
An Eye	One-Half The Principal Sum		

The term "Principal Sum", as used herein, shall mean the Principal Sum of Accidental Death and Dismemberment Insurance specified in the Schedule of Benefits.

With respect to a hand or foot, "loss" means dismemberment by severance through or above the wrist or ankle joint. With respect to an eye, "loss" means the entire and irrecoverable loss of the sight of such eye. In no case shall more than the full Principal Sum be paid for all losses sustained by the Individual through any one accident.

Exceptions - No benefits shall be paid for:

- (1) any loss unless occurring within ninety days after the date of the accident causing such loss;
- (2) any loss unless the accident causing such loss occurred while the Individual was insured hereunder;
- (3) any loss caused directly or indirectly, wholly or partly, or contributed to substantially by:
 - (a) bodily or mental infirmity, sickness or disease, or medical or surgical treatment;
 - (b) ptomaines;
 - (c) bacterial infections (except pyogenic infections which shall occur through an accidental cut or wound);
 - (d)war or any act of war, whether declared or undeclared;
 - (e) suicide or attempt threat; or
 - (f) participation in aeronautic operations or activities except as a fare-paying passenger on a regularly scheduled aircraft; or
- (4) any loss resulting from participation in or attempting to commit an assault or felony act;
- (5) any loss resulting from any drug, poison, gas or fumes, voluntarily or involuntarily, accidentally or otherwise, taken, administered, absorbed or inhaled.

continued

Beneficiary - The Individual may designate a beneficiary, or change his designation of beneficiary, from time to time by written request filed with the Policyholder or at the Home Office of the Company. No such designation or change of beneficiary shall take effect unless so filed, but it filed it will be effective as of the date the request was signed, whether or not the Individual be living at the time of such filing, but any payment made by the Company prior to the receipt of such request at its Home Office shall fully discharge the Company to the extent of such payment.

Except as may be otherwise specifically provided by the Individual,

- (1) if any designate beneficiary predeceases the Individual, the interest of such beneficiary shall terminate and any amount which would have become payable to such beneficiary if he had survived the Individual shall be payable equally to the remaining designated beneficiary or beneficiaries, if any, who survive the Individual; and
- (2) if there is no designated surviving beneficiary, or if no beneficiary has been designated, at the death of the Individual, payment shall be made to the Individual's estate.

Assignment - Claims of Creditors - Neither the Individual nor his beneficiaries may assign the insurance or other benefits provided hereunder.

Except so far as may be contrary to the laws of any state having jurisdiction in the premises, the insurance and other benefits provided hereunder shall be exempt from execution, attachment, garnishment, or other legal or equitable process, for the debts or liabilities of the Individual or his beneficiaries.

SCHEDULE OF BENEFITS

ADD O

Classification of Individuals

All elegible members

Accidental Death and Dismemberment <u>Insurance</u>

\$10,000

INITIAL PREMIUM RATE

The Initial Premium Rate for the benefits provided in this section is \$0.05 per \$1,000 of Principal Sum.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT FOR INDIVIDUALS

P 101 NLG 683 (Rev. 2/92)





LIVING BENEFITS RIDER

POLICYHOLDER: ASOCIACION DE SUPERVISORES Y GERENCIALES DE LA UPR

POLICY NUMBER: 1-3217

EFFECTIVE DATE: OCTOBER 1, 2004

This Rider is attached to and made a part of the Policy of reference.

On the effective date of this rider the following coverage shall be included in the policy of reference:

LIVING DEATH BENEFITS

I. THE BENEFIT

This rider provides for the accelerated payment of a portion of the death benefit under the policy to which this rider is attached.

If the insured individual incurs a terminal condition as defined in this rider, the insured or his legal representative, while he is living, may request the living benefit.

The amount of living benefit to be paid is shown in the Schedule, and will be provided if the insured is living at time of payment. The living benefit will be paid in one lump sum, and reduce any death benefit under the policy.

II. DEFINITIONS

The definitions listed hereunder shall constitute their meaning under this rider.

death benefit: The amount listed on the Certificate of Insurance issued to the insured under the Group Master Policy.

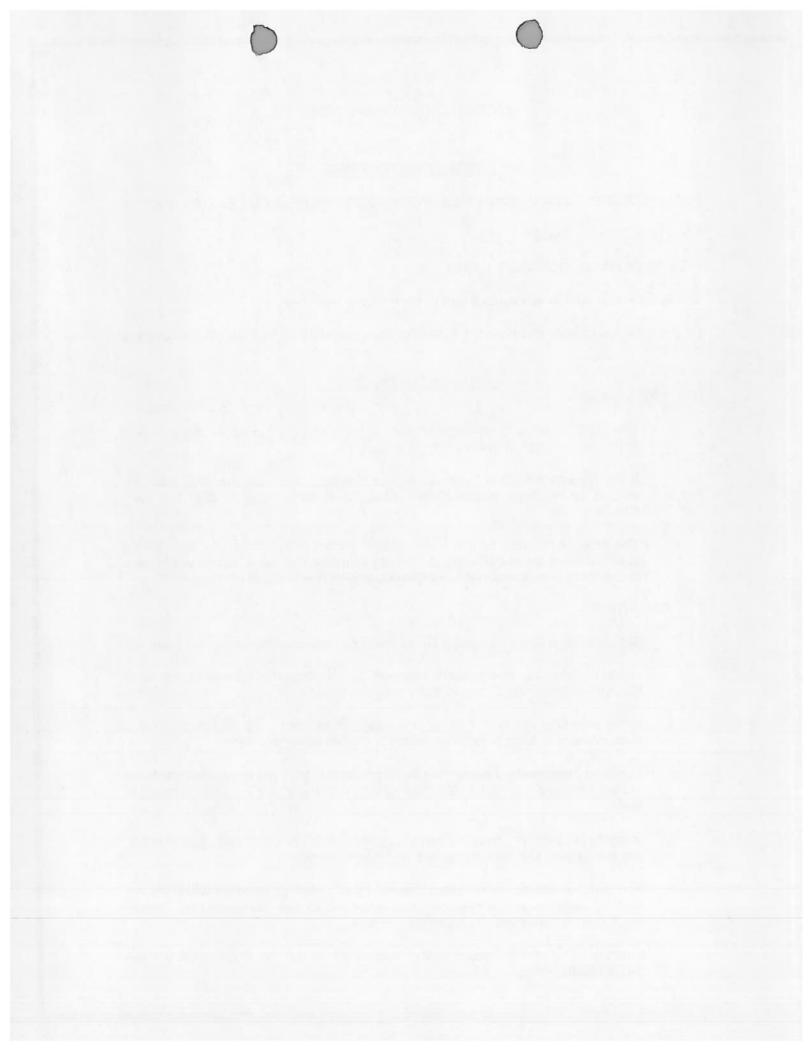
living benefit: The lesser of: a percentage of the Insured's death benefit or a state maximum, to be paid if the insured is eligible under this rider.

qualified independent party: An individual who is licensed to practice medicine or treat illness, not to include the insured, or a member of the insured's immediate family.

immediate family: The insured's spouse, child(ren), parent, grandparent, grandchild(ren), brothers and sisters and their spouses.

terminal condition: A condition caused by sickness or accident which, in the medical judgement of a physician and approved by the Company, will directly result in a life expectancy of six months or less.

insured: The person named as the Insured on the certificate issued under the Group Master Policy.



III. GENERAL

Exceptions: Group Living Benefits will not apply:

- 1. to any intentionally self-inflicted injury or suicide attempt;
- 2. if the required group life premium is due and unpaid;
- 3. to any supplemental group life insurance benefits;
- 4. if the Insured has irrevocably assigned the applicable group life insurance benefit;
- 5. when all or a portion of the Insured's life insurance benefits are paid as part of a divorce settlement;
- 6. if the Insured's group life benefit has been in-force for less than 2 years.

Frequency: only one Group Living Benefit can be paid to an Insured.

Termination of the Rider: this Rider will terminate:

- 1. upon written request to cancel;
- 2. upon termination of the Group Master Policy:
- 3. upon retirement of the Insured:
- 4. the date of the Insured's death;
- 5. after payment of the Living Benefit.

IV. SCHEDULE OF BENEFITS

A. Group Living Benefit:

If the Insured has a medically approved terminal condition acceptable to the Company, we will pay 25% of the Group Life Insurance benefit, less the discount, as determined by the Company.

The benefit payable to the beneficiary upon death of the Insured will be reduced by the Group Living Benefit paid (based on the above) and the discount.

B. Reductions:

The death benefit payable shall be equal to the death benefit in-force immediately prior to the payment of any living benefit reduced in accordance to the Reduction Provision of the Policy LESS the living benefit paid and the applicable discount.

Nothing herein contained shall vary, alter or extend any provision, limitation or exception of this policy except as stated above.

REGISTRAR





ENDORSEMENT NO. 1

POLICYHOLDER: ASOCIACION DE SUPERVISORES Y GERENCIALES DE LA UPR

POLICY NUMBER: 1-3217

EFFECTIVE DATE: OCTOBER 1, 2004

This Endorsement is attached to and made a part of the Policy of reference.

On the effective date of this Endorsement, the following provisions are hereby amended:

The section entitled "LIMITATION OR REDUCTION OF THE AMOUNT OF LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT (ADD) INSURANCE" is hereby deleted. The following will apply:

LIMITATION OR REDUCTION OF THE AMOUNT OF LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE

The amount of Life and AD&D Insurance applicable to an Individual as indicated in the Schedule of Benefits applies to each Individual less than 65 when becoming insured under the Policy and shall, on the month following the date he attains age 65 and while he thereafter remains insured hereunder, be the applicable % (of the amount for which he was insured on the day immediately preceding his attainment of age 65) according to the attained age, as specified in the following schedule:

SCHEDULE I

At age	The Benefit shall be:			
65-69	65% Princi	65% Principal Amount		
70-74	45% "	11		
75-79	30% "	n		
80-84	20% "	71		
85-89	15% "	n		
90 or over	10% "	11		

If an Individual is age **65** or over when becoming insured under the policy the amount of Life and AD&D Insurance applicable to him shall be the applicable (%) according to the attained age (Schedule I) of the amount indicated in the Schedule of Benefits for his class on the date he so becomes Insured.

Nothing contained herein shall be held to alter or affect any clause or provisions other than as herein stated.

Registrar

