

# Caribbean American Life Assurance Company

Torre Chardón, 350 Carlos Chardón Avenue, Suite 1101, San Juan, PR 00918

## INSURANCE CERTIFICATE GROUP LIFE POLICY

### DEFINITIONS

**“We,” “Our” and “Us”** mean Caribbean American Life Assurance Company.

**“Insured” and “You”** mean the person named on the Declarations Page as the Insured.

**“Financial Institution”** means the Group Master Policy Policyholder.

**“Beneficiary(ies)”** means the person(s) to whom we pay Benefits when the Insured dies.

**“He”** refers to any gender.

**“Proof”** means:

1. death certificate; or
2. a judicial declaration of death.

**“Age”** means the Age at the last birthday as shown on the Insured’s Declarations Page.

**“In Force”** means that the Certificate is in force, premiums have been paid and all conditions are met.

**“Lapsed”** means that the coverage is not In Force; the premium was not paid during the Grace Period.

**“Reinstatement”** refers to restoring coverage after the policy Lapsed.

**“Benefit(s)”** refers to the amount of coverage We shall pay.

**“Intoxicated by Alcohol”** means having a blood alcohol percentage above that legally allowed for driving at the time of death.

**“Pre-existing Condition”** means an illness, disease or medical condition that has been diagnosed and treated by a physician:

- a) in the twelve (12) months before the Certificate’s effective date; and
- b) that caused the Insured’s death within twelve (12) months after the Certificate’s effective date.

### GENERAL PROVISIONS

**Eligibility:** To be eligible to obtain the group life coverage offered in this Certificate, the Insured must be a depositor of the Financial Institution holding the Group Master Policy. The coverage offered under this Certificate is voluntary.

**Evidence of Insurability:** We reserve the right to require that You provide evidence of satisfactory insurability to comply with the Eligibility and Eligibility-Age Limits provisions. Therefore, the applicant must be a depositor of the Financial Institution holding the Group Master Policy and be between the ages of 18 and 74 at the time of underwriting. If so required, these criteria must be satisfied with the presentation of documents proving that he/she is a depositor of the Group Master Policy Policyholder and his/her driver’s license; or failing that, a photo identification issued by the Commonwealth of PR or the United States of America indicating the applicant’s date of birth.

**Benefit:** We shall pay Benefits to the Beneficiaries named on the Declarations Page or Beneficiary Designation or Change of Beneficiary Forms (whichever is the latter):

1. when we receive Proof of death of the Insured; and
2. subject to the stipulations of:
  - a) this Certificate; and
  - b) the Group Master Policy issued to the Financial Institution.

The Benefit we shall pay consists of:

1. the amount of coverage shown on the Insured’s Declarations Page; less
2. any overdue premiums.

**Life Insurance Benefit:** If the Insured dies while the Certificate is In Force, we shall pay the Benefit to the Beneficiaries named on the Declarations Page or Beneficiary Designation or Change of Beneficiary Forms (whichever is the latter), if living, or otherwise to the Insured's estate and the Certificate shall be cancelled.

This Certificate excludes and shall not provide coverage if the Insured dies from a Pre-existing Condition.

**Simultaneous Death:** A Beneficiary's interest shall terminate if the Beneficiary dies:

1. at the same time as an Insured;
2. within 15 days of the death of an Insured; or
3. before receiving the Death Benefit.

**Effective Date of Certificate:** This Insurance shall be effective when:

1. the Certificate is delivered to a Policyholder and;
2. the first premium has been paid.

**Grace Period:** We grant 31 days after the expiration date for payment of any premium (except for the first premium), without interest. The Certificate shall remain In Force during the grace period. If the premium is not paid by the end of the grace period, the Certificate shall expire. If the Insured dies during the period, a monthly premium shall be deducted from the Benefit payment.

**Certificate Term:** The term of the Certificate is monthly and begins on the effective date. Premium must be paid monthly to maintain coverage In Force, subject to the provisions set forth in the Renewal section.

**Cancellation and Reimbursement:**

1. **Cancellation by the Insured** - The Insured may cancel this Certificate at any time by sending written notice to Us at the following address: 350 Carlos Chardón Ave., Suite 1101, San Juan, PR 00918. If the Insured cancels and has not filed a claim, We shall refund the unearned premium.
2. **Cancellation by Us** - We may cancel this Certificate during the first sixty (60) days by sending you written notice of the date of cancellation and the reason for cancellation to your last known mailing address at least fifteen (15) days before cancellation. After sixty (60) days, we may only cancel the Certificate for nonpayment.

Your Certificate shall be automatically cancelled as soon as one of the following occurs:

- a) The Group Master Policy is cancelled;
- b) The Insured ceases to be a member of the group;
- c) The Insured reaches 80 years of age;
- d) Death of the Insured.

The Notice of Cancellation shall be sent immediately or as soon as possible by regular mail to the last address the Insured has informed Us of in writing, or otherwise to the mailing address shown on the Declarations Page. In addition to regular mail, We may also send notice by e-mail to the address shown on the Declarations Page. The effective date of cancellation shall be included in the Notice of Cancellation.

The Insured shall have the right to request the reasons for cancellation. Should the cancellation be found unjustified, the Insured may address his/her request to 1-800-981-8888, by regular mail to the following address: P.O. Box 195167, San Juan, Puerto Rico 00919 and by e-mail to [servicio@assurant.com](mailto:servicio@assurant.com).

**Renewal:** This coverage shall be renewed annually if You;

1. is not 80 years of age or older; and
2. continues to be a depositor of the Financial Institution holding the Group Master Policy; and
3. if you agree to pay the premiums We use.

**Independent Certificates:** We shall issue to the Policyholder of the Group Master Policy, for delivery to each Insured Person, an individual certificate expressing the protection to which the Insured is entitled, to whom the insurance benefits shall be paid and the rights and conditions set forth in this Certificate.

**Incontestability:** Statements made by the Policyholder of the Group Master Policy or the Insured shall be deemed to be representations and not warranties. No statement made by the Insured shall be used in any litigation unless a copy of the document containing such statement is or has been delivered to said person or to his/her Beneficiary.

We shall not contest the Certificate or deny a claim, except for non-payment of premium:

1. after the coverage has been In Force for two years from the effective date.

No statement made by the Insured in relation to his insurability shall be used to question the validity of the Certificate, once the same has been in force for at least two years, not even if such statement appears in a written document signed by the Insured.

**Exclusions:** We shall not pay the Benefit amount if the Insured's death is caused directly or indirectly by:

1. intentionally inflicted harm on himself or herself or suicide, while sane or insane, within two years of the effective date of the Certificate; or
2. war or any act of war, declared or undeclared; or
3. military, naval or air force service in any country, group of countries, or international organization at war, declared or undeclared; or
4. participating in a riot or insurrection; or
5. being Intoxicated by Alcohol, taking drugs or narcotics voluntarily unless prescribed by a qualified physician; or
6. the insured committing an assault or crime; or
7. operating, riding in, descending or falling from any type of aircraft, except as a passenger without any duties related to a commercial aircraft flown by a certified pilot; or
8. the insured committing any activity that is illegal or criminal in nature or associating with persons engaged in such activity; or
9. the insured performing an illegal act or using chemicals, drugs and/or controlled substances.
10. a Pre-existing Condition.

We shall only refund any premiums paid.

**Age Misrepresentation:** If the Insured's Age is misrepresented, we shall pay the Benefit:

1. based on the correct Age at the time of death; and
2. if the Insured was eligible in accordance with the Eligibility-Age Limits provision.

If, at the correct Age, the Insured is not eligible, liability is limited to reimbursement of premiums paid.

**Eligibility-Age Limits:** To be eligible for insurance, on the effective date, the Insured must:

1. be at least 18 years of age;
2. not be 75 years of age or older;
3. agree to pay the required premium.

If the Insured is not eligible, the Certificate shall be invalidated and we shall only reimburse any premium paid.

No insurance shall be granted to any:

1. consortium;
2. corporation; or
3. association.

**Assignment:** This Policy cannot be assigned.

## **BENEFICIARY AND CLAIMS PROVISIONS**

**Beneficiary:** the Benefit shall be paid to:

1. the Beneficiaries named on the Declarations Page or on the Beneficiary Designation or Beneficiary Change Forms (whichever is the latter), if living, or otherwise;
2. the Insured's estate.

- a) Regarding the amount due to the estate, we reserve the right to pay a sum not to exceed \$500 to any person who proves to be legally entitled by reason of having incurred burial expenses or any other expenses incidental to the Insured's last illness or death.

The Insured may name the Group Master Policy Policyholder of the Certificate as Beneficiary. The amount designated to the Financial Institution shall be used to pay the debt on behalf of the deceased Insured up to the amount of the debt as of the date of death.

The debts that can be paid are as follows:

1. Personal loans
2. Credit cards
3. Lines of credit or reserves

The order in which debts are paid shall be based on the annual interest rate, starting with the debt with the highest annual interest rate to the debt with the lowest annual interest rate. If any debt to the Financial Institution is already insured, the Certificate shall be in excess of any amount not covered by primary insurance.

If at the date of death, the Insured has no debt with the Financial Institution or the amount designated to the Financial Institution is greater than the debt with said institution, or the debt was covered in part or in full by primary insurance, the remainder shall be redistributed to the other named Beneficiaries in the same proportion as it appears on the Declarations Page or on the Designation or Change of Beneficiary Forms (whichever is the latter).

**Change of Beneficiary:** The Change of Beneficiary notice:

1. must be sent to Us at the following address: PO Box 0195168, San Juan, PR 00919;
2. must be dated and signed by the Insured;
3. must include a copy of identification with signature; and
4. is effective on the date it is signed.

We are not responsible for any changes to the Beneficiary Designation that have not been submitted to Us in accordance with the requirements of this section.

**Claims against Beneficiaries:** To the extent permitted by law, no payment of Benefit or interest shall be subject to the claims of any creditor.

## **PREMIUMS AND REINSTATEMENT**

**Premiums:** The premium for this insurance:

1. is payable monthly; and
2. appears on the Declarations Page; and

Premiums may be adjusted if:

1. this coverage is renewed.

**Reinstatement:** We shall reinstate the Certificate, after suspension, if the Insured:

1. is not 75 years of age or older; and
2. provides us with acceptable evidence of insurability; and
3. agrees to pay us the overdue premiums.

**Conversion:** The Insured shall have the right to request the issuance of an individual life insurance policy subject to the following provisions:

1. If insurance lapses because the Insured ceases to be a depositor of the Financial Institution, the Insured shall be entitled to be issued, without evidence of insurability, a life insurance policy which does not include disability or other supplemental benefits. Application shall be made, and the first premium shall be paid to Us on or before 31 days after the end of such lapse. Furthermore:
  - a. The individual policy shall be at the option of said person, in any of the forms, other than term insurance, then currently issued by the insurer for the age and in the amount requested;

- b. The individual policy shall be for an amount not exceeding the amount of life insurance expiring by reason of said lapse; that any amount of insurance expiring on or before the date of said lapse, as endowment insurance payable to the insured, whether in a lump sum or in installments or in the form of a pension, shall not, for the purposes of this provision, be included in the amount deemed to have expired by reason of such lapse; and
  - c. The premium on the individual policy shall be in accordance with the then current rate applicable to the form and amount of the individual policy, according to the risk category to which the insured then belongs, and at his age attained on the date of the individual policy.
- 2. If this certificate lapses or is amended so as to lapse the insurance of any category of insureds, any person included in the Group Master Policy on the date of said lapse whose insurance lapses and who has remained so insured for at least three years before the date of said lapse shall be entitled to be issued by Us an individual life insurance policy, subject to the same conditions and limitations provided by subsection (1) of this provision, except that said individual policy shall not exceed the lesser of:
  - a. The amount of life insurance protection that lapses due to the termination or amendment of the Group Master Policy, less the amount of any life insurance for which the individual is or becomes eligible under any group policy issued or reinstated by Us or any other within 31 days after such lapse, and
  - b. \$4,000.
- 3. If an Insured dies during the period within which he has qualified to be issued an individual policy in accordance with subsections (1) and (2) of this provision and before said individual policy becomes effective, the amount of life insurance he was entitled to be issued under said individual policy shall be payable as a claim under the group policy, even if he has not paid the first premium.
- 4. An additional period to convert shall be granted:
  - a. To the Insured if the Policyholder or We fail to send the Insured notice of the right to convert within 15 days of the 31-day period; and
  - b. After receiving notice;
    - i. For an additional 15 days; or
    - ii. For a period of time not to exceed 60 days after the 31-day period.
- 5. No discount shall be applied to the total premium of the converted policy in the year of conversion.
- 6. The period of incontestability and the suicide provision, attributable to the converted coverage, shall commence as of the original policy date. If the new policy includes additional coverage for which evidence of insurability has been required, a new period of incontestability and suicide may apply.



Jeannie Aragón Cruz  
ASSISTANT SECRETARY



Federico Grosso  
PRESIDENT