

## Limitations-Waiting Periods

Coverage under this Blanket Group Accident Only Insurance Policy is limited as provided by the definitions, limitations, exclusions, and terms contained in each and every Section of this Blanket Group Accident Only Insurance Policy, as well as the following limitations and waiting periods:

1. Covered Medical & Surgical Services Benefits under this Blanket Group Accident Only Insurance Policy for any Insured who is eligible for or has coverage under Medicare, and/or amendments thereto, regardless of whether such Insured is enrolled in Medicare shall be limited to only the Usual and Customary Expenses for services, supplies, care or treatment covered under this Policy that are not or would not have been payable or reimbursable by Medicare and/or its amendments (assuming such enrollment), subject to all provisions, limitations, exclusions, reductions and maximum benefits set forth in this Policy; and
2. Any Covered Medical & Surgical Services payable under this Blanket Group Accident Only Insurance Policy will be reduced by fifty percent (50%) when the applicable Insured is age sixty-five (65) or older, based on the Insured's most recent birthday, on the date the Benefit becomes payable.

3. Any treatment, medical service, surgery, medication, equipment, claim, or loss Provided and received under the Hospital Room & Board Benefits, Hospital Intensive Care Unit Room & Board Benefits, Hospital Miscellaneous Expenses Benefits, Hospital Surgeon Benefits, Hospital Anesthesiologist Surgery Benefits, Outpatient Surgeon Benefits, and Outpatient Anesthesiologist Surgery Benefits as a result of an Insured's Pre-existing Condition are not covered under this Blanket Group Accident Only Insurance Policy unless such treatment, medical service, surgery, medication, equipment, claim, or loss constitutes Covered Medical & Surgical Services Provided to and received by such Insured more than twelve (12) months after the Effective Date, and are not otherwise limited or excluded by this Blanket Group Accident Only Insurance Policy or any riders, endorsements, or amendments attached to this Blanket Group Accident Only Insurance Policy.

## Exclusions

Coverage under this Blanket Group Accident Only Insurance Policy is limited as provided by the definitions, limitations, exclusions, and terms contained in each and every Section of this Blanket Group Accident Only Insurance Policy. In addition, this Blanket Group Accident Only Insurance Policy does not provide coverage for the amount of any professional fees or other medical expenses or charges for treatments, care, procedures, services or supplies incurred for the diagnosis, care or treatment charged to an Insured or any payment obligation for Us under this Blanket Group Accident Only Insurance Policy for any of the following, all of which are excluded from coverage:

1. any cost item, charge or expense which does not constitute Covered Expenses;
2. any disease, ailment, illness or Specified Disease/Illness suffered by an Insured, except a covered Bacterial Infection;
3. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured before the Blanket Group Accident Only Insurance Policy Issue Date and the Primary Insured Effective Date;
4. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured after an Insured's coverage under this Blanket Group Accident Only Insurance Policy terminates, regardless of when the Bodily Injury occurred;
5. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured and contained on a billing statement to the Insured which exceeds the amount of the Maximum Allowable Charge;
6. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured, which You or Your covered family members are not required to pay;
7. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured for which the Insured and/or any covered family members are not legally liable for payment;
8. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured for which the Insured and/or any covered family members were once legally liable for payment, but from which liability the Insured and/or family members were forgiven and released by the applicable Provider without payment or promise of payment;
9. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured from any state or federal government agency, including the Veterans Administration unless, by law, an Insured must pay for such services;
10. any medical care, service, treatments, procedures, or supplies received, provided to, or incurred by an Insured as a result of experimental procedures or treatment methods not approved by the American Medical Association or other appropriate medical society;
11. Bodily Injury due to any act of war (whether declared or undeclared);
12. services provided by any state or federal government agency, including the Veterans Administration unless, by law, an Insured must pay for such services;
13. drugs or medication not used for a Food and Drug Administration ("FDA") approved use or indication;

14. administration of experimental drugs or substances or investigational use or experimental use of Prescription Drugs except for any Prescription Drug prescribed to treat a covered chronic, disabling, lifethreatening Bodily Injury, but only if the investigational or experimental drug in question:
  - a. has been approved by the FDA for at least one indication; and
  - b. is recognized for treatment of the indication for which the drug is prescribed in:
    1. a standard drug reference compendia; or
    2. substantially accepted peer-reviewed medical literature.
  - c. drugs labeled "Caution - limited by Federal law to investigational use;"
15. intentionally self-inflicted Bodily Injury, suicide or any suicide attempt while sane or insane;
16. Bodily Injury while serving in one of the branches of the armed forces of the United States of America;
17. Bodily Injury while in a foreign country and serving on active duty in the United States Army, Navy Marine Corp or Air Force Reserves or the National Guard;
18. Bodily Injury while serving on active duty in the armed forces of any foreign country or any international authority;
19. voluntary abortions, abortifacients or any other drug or device that terminates a pregnancy;
20. services Provided by You or a Provider who is a member of an Insured's family;
21. any medical condition excluded by name or specific description by either this Blanket Group Accident Only Insurance Policy or any riders, endorsements, or amendments attached to this Blanket Group Accident Only Insurance Policy;
22. any loss to which a contributing cause was the Insured's being engaged in an illegal occupation or illegal activity;
23. participation in aviation, except as fare-paying passenger traveling on a regular scheduled commercial airline flight;
24. any Injury which was caused or contributed by an Insured racing any land or water vehicle;
25. Prescription Drugs or other medicines and products used for cosmetic purposes or indications;
26. Prescription Drugs that are classified as psychotherapeutic drugs, including antidepressants;
27. Outpatient Prescription Drugs that are dispensed by a Provider, Hospital or other state-licensed facility;
28. Prescription Drugs produced from blood, blood plasma and blood products, derivatives, Hemofil M, Factor VIII, and synthetic blood products, or immunization agents, biological or allergy sera, hematinics, blood or blood products administered on an Outpatient basis;

## Blanket Group Accident Benefits - Limitations, Exclusions & Non-Waiver

29. level one controlled substances;
30. Prescription Drugs that are classified as anabolic steroids or growth hormones;
31. compounded Prescription Drugs;
32. allergy kits intended for future emergency treatment of possible future allergic reactions;
33. replacement of a prior filled Prescription for Prescription Drugs that was covered and is replaced because the original Prescription was lost, stolen or damaged;
34. any eyeglasses, contact lenses, radial keratotomy, lasik surgery, hearing aids and exams for their prescription or fitting;
35. any cochlear implants;
36. any services Provided by You or a Provider who is a member of an Insured's family;
37. any medical condition excluded by name or specific description by either this Blanket Group Accident Only Insurance Policy or any riders, endorsements, or amendments attached to this Blanket Group Accident Only Insurance Policy;
38. any cosmetic surgery or reconstructive procedures, except for Medically Necessary cosmetic surgery or reconstructive procedures performed under the following circumstances: (i) where such cosmetic surgery is incidental to or following surgery resulting from Bacterial Infection or (ii) to correct a normal bodily function in connection with the treatment of a covered Bodily Injury;
39. any treatment, care, procedures, services or supplies for breast reduction or augmentation or complications arising from these procedures;
40. any treatment, care, procedures, services or supplies for voluntary sterilization, reversal or attempted reversal of a previous elective attempt to induce or facilitate sterilization;
41. any treatment, care, procedures, services or supplies for treatment of infertility, including fertility hormone therapy and/or fertility devices for any type fertility therapy, artificial insemination or any other direct conception;
42. any treatment, care, procedures, services or supplies for any operation or treatment performed, Prescription or medication prescribed in connection with sex transformations or any type of sexual or erectile dysfunction, including complications arising from any such operation or treatment;
43. any treatment, care, procedures, services or supplies for appetite suppressants, including but not limited to, anorectics or any other drugs used for the purpose of weight control, or services, treatments, or surgical procedures rendered or performed in connection with an overweight condition or a condition of obesity or related conditions;
44. any treatment, care, procedures, services or supplies (including Prescriptions) incurred for the diagnosis, care or treatment of Attention Deficit Disorder (ADD) or Attention Deficit Hyperactivity Disorder (ADHD);
45. any treatment, care, procedures, services or supplies incurred for the diagnosis, care or treatment of Mental, Nervous and Emotional Disorders;
46. any treatment, care, procedures, services or supplies incurred for the diagnosis, care or treatment of autism;
47. any treatment, care, procedures, services or supplies incurred for the diagnosis, care or treatment of alcoholism, addiction to illegal drugs or substances, and/or abuse of illegal drugs or substances;
48. any treatment care, procedures, services or supplies incurred for the diagnosis, care or treatment of cirrhosis of the liver;
49. any treatment, care, procedures, services or supplies incurred for the diagnosis, care or treatment of routine maternity or any other expenses related to normal labor and delivery, including routine nursery charges and well-baby care;
50. any contraceptives, oral or otherwise, whether medication or device, regardless of intended use;
51. any fluoride products;
52. any intentional misuse or abuse of Prescription Drugs, including Prescription Drugs purchased by an Insured for consumption by someone other than such Insured;
53. any programs, treatment or procedures for tobacco use cessation;
54. any charges for blood, blood plasma, or derivatives that has been replaced;
55. any treatment, care, procedures, services or supplies of Temporomandibular Joint Disorder (TMJ) and Craniomandibular Disorder (CMD);
56. any treatment received outside of the United States; and
57. any services or supplies for personal convenience, including Custodial Care or homemaker services, except as provided for in this Blanket Group Accident Only Insurance Policy.

## Non-Waiver

Expenses that are mistakenly or erroneously paid by Us under any Section or provision of this Blanket Group Accident Only Insurance Policy shall not:

1. constitute a waiver of or modification to any conditions, terms, definitions or limitations contained in the Policy, specifically including, but not by way of limitation, the definition of Bodily Injuries, Bodily Injury, Medical Necessity or Covered Expenses, the limitation of coverage under the Blanket Group Accident Only Insurance Policy for Pre-existing Conditions, as well as any exclusion, limitation and/or exclusionary riders which may be attached to the Blanket Group Accident Only Insurance Policy, or otherwise operate to alter, amend, affect, abridge or modify the Blanket Group Accident Only Insurance Policy to which it is attached;
2. create or establish coverage of any medical condition, illness, or disease under the Blanket Group Accident Only Insurance Policy or under any exclusion, limitation and/or exclusionary riders which may be attached to the Blanket Group Accident Only Insurance Policy; or
3. affect, alter, amend, abridge, constitute or act as a waiver of the Company's ability to rely upon, assert and apply such terms, definitions, limitations or exclusions of the Blanket Group Accident Only Insurance Policy or any amendments thereto.

## ACA Individual Mandate & Shared Responsibility Payment

The individual mandate under the ACA generally requires individuals to have "minimum essential coverage" in 2014 and beyond, or be subject to payment of an annual "shared responsibility payment", the amount of which is based, in part, upon the individual's household income each year. The ACA's "shared responsibility payment" has also been referred to from time to time as a tax and as a penalty, and is payable to the federal government. Specified Disease and Accident plans are exempt from the coverage and rating mandates of the ACA, and therefore are not considered "minimum essential coverage" under the ACA. If an individual (a) does not receive an ACA exemption annually from the federal government for the individual mandate, or (b) does not maintain "minimum essential coverage" under the ACA for 9 or more consecutive months during each year, (including coverage under one of the following types of plans (i) an employer sponsored group health plan, (ii) a grandfathered health plan, (iii) a non-grandfathered health plan for which the government has granted a waiver of the individual mandate, or (iv) an ACA essential health benefits plan), he will be subject to the ACA's annual "shared responsibility payment", even if covered under one of the HD Protection Plus Blanket Group Specified Disease/Illness and Blanket Group Accident Plans. For additional information on the individual mandate, "shared responsibility payment", exemptions from the mandate and other matters concerning the ACA, please visit [www.healthcare.gov](http://www.healthcare.gov), the federal government's website.