Lloyd's

This insurance is underwritten by certain Lloyd's Underwriters

Insured:

Certificate Number:

PERSONAL DISABILITY INCOME INSURANCE

We, certain Lloyd's Underwriters, agree to pay the benefits stated in the Schedule of Benefits page of this Certificate and according to the Certificate provisions. We issued this Certificate to the Owner in consideration of: (1) The statements made in the application; and (2) Payment of the premium. A copy of the application is attached to and made part of the Certificate.

As long as the Owner pays the premiums for this Certificate by the end of each grace period, We cannot change any part of this Certificate until the Expiry Date unless agreed by You and Us. Coverage under this Certificate will begin on the Effective Date at 12:01 A.M. Coverage will end on the Expiry Date at 12:01 A.M. All times will be the Local Standard Time at the address stated in the Declarations.

To become effective, this Certificate must have been issued, the initial premium must have been paid and there must not have been any material changes in Your health, occupation or income since the date of signing the application for this insurance. If there have been changes to any of the above mentioned items, the Certificate must be immediately returned to Us with a written description of such changes for Our review and consideration.

The Owner has the right to return this Certificate if not satisfied for a full refund of any premium paid provided the Owner does so within ten (10) days after the receipt of this Certificate. The Certificate must be returned to Us. The Certificate will then be void from inception.

Read this Certificate carefully. It is a legal contract between the Owner and Us.

Executed By
Petersen International Underwriters
23929 Valencia Boulevard, Second Floor, Valencia, CA 91355
800-345-8816

SPECIMEN

DECLARATIONS

Certificate Number:

Name of Owner:

Address:

Name of Insured:

Occupation:

Loss Payee:

Employer:

Geographical Location:

Effective Date:

Expiry Date:

Issue Date:

Application Date:

Premium:
ESL Tax:
Stamping Fee:
Processing Fee:
Total:

Payment Mode:

Binding Authority Number:
Unique Market Reference:

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SCHEDULE OF BENEFITS

SECTION 1:

Disability Benefits Covering: ☐ Accident and Sickness OR ☐ Accident Only

A) Benefit Amount $_____
B) Elimination Period _____
C) Maximum Benefit Period _____
D) Residual Disability Rider _____
E) Cost of Living Adjustment Rider _____

SECTION 2:

Lump Sum Disability Benefit Covering: ☐ Accident and Sickness OR ☐ Accident Only

A) Principal Sum Amount $_____
B) Elimination Period _____

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Forms and Endorsements that apply: Application, PDI111521.

Executed by Petersen International Underwriters on:

Date: _____ By: _____
Michael B. Petersen, President

DEFINITIONS

Accident means any sudden, unexpected, external event at an identifiable time and place, which results in bodily injury independent of Sickness.

Benefit Amount means the cash benefit amount paid during periods of Total Disability.

Cost of Living Adjustment is an optional benefit that only applies if the rider was purchased as stated in the Schedule of Benefits. Please refer to the attached rider if this option was purchased.

Earned Income means all Earned Income received from Your Occupation. Earned Income includes all income from any vocational activity of Yours including but not limited to;

1) Salary and fees; (gross income less business expenses, but before income taxes)
2) Commissions and bonuses; and
3) Non-passive income reported on Your personal tax return.

Elimination Period means the period of time that a Total Disability or Residual Disability, if the Residual Disability Rider was purchased, must last before benefits become payable. The Elimination Period can be satisfied by two (2) or more successive periods of Total Disability or Residual Disability, if the Residual Disability Rider was purchased. 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 (6) months, whichever is less.

Loss Payee is the person or entity stated in the Declarations. If no Loss Payee is stated, the Owner is the Loss Payee. All disability benefits under this Certificate will be paid to the Loss Payee.

Maximum Benefit Period means the maximum period of time for which Benefit Amounts will be paid during any one (1) period of Total Disability.

Mental and/or Nervous Disorders means any psychiatric, psychological or behavioral disorder of any kind and any symptoms thereof. Conditions and symptoms may include, but are not limited to: manic disorders, paranoia, schizophrenia, personality disorders, depressive disorders, or anxiety disorders, insomnia, brain fog, memory loss, and/or fatigue. Mental and/or Nervous Disorders do not include Alzheimer's Disease, Parkinson's Disease, Multiple Sclerosis or other progressive neurological diseases.

Our, We, Us refers to certain Lloyd's Underwriters.

Owner means the person or entity stated in the Declarations. The Owner may be changed at any time while You are living. The Owner must have an insurable interest. The Owner has all the rights and privileges under this Certificate, including the right to name a Loss Payee, subject to Our agreement.

Permanent Total Disability means that solely due to an Accident or Sickness, You are not able to perform the substantial and material duties of Your Occupation and in the opinion of a Physician recovery from such disability is not expected, even if You are at work in another occupation.

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DEFINITIONS (continued)

Physician means a doctor qualified to practice medicine. A Physician must be recognized (licensed and chartered) by the state or country in which he or she is practicing, cannot be You or a relative of Yours and must practice within the scope of his or her license. Treatment of an Accident or Sickness must be within the knowledge or expertise of the Physician.

Regular Care means direct advice or direct supervision of treatment or therapy by a Physician who is competent to advise or supervise Your disability.

Residual Disability is an optional benefit that only applies if the rider was purchased as stated in the Schedule of Benefits. Please refer to the attached rider if this option was purchased.

Sickness means an illness or disease.

Subjective Pain means an alleged pain for which there is no detectable cause and is not supported by medical findings, physiological abnormality, trauma or injury, disease, or viral invasion as a cause thereof.

Term of Insurance means the time period beginning with the Effective Date and ending with the Expiry Date stated in the Declarations.

Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, by any person or group(s) of persons committed for political, religious, ideological or similar purposes or reasons including intention to influence any government and/or to put the public in fear.

Total Disability means that solely due to an Accident or Sickness, You are not able to perform the substantial and material duties of Your Occupation, even if You are at work in another occupation.

War means war, declared or undeclared, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military or usurped power, martial law, or confiscation by order of any government or public authority.

Warranty means a written promise or statement by You that a particular condition or fact existed or did not exist prior to the inception of this insurance Certificate or that it will continue to exist during the duration of the risk, falsity or breach of which discharges Our liability on the Certificate from the time of the breach or misstatement.

You, Your, Yourself means the Insured stated in the Declarations.

Your Occupation means the occupation (or occupations, if more than one (1)) in which You are gainfully employed for the majority of the time during the twelve (12) months prior to the time You become disabled. If You have limited Your Occupation to the performance of the substantial and material duties of a single specialty We will deem that specialty to be Your Occupation provided that Your industry widely recognizes that occupation as a specialty.

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BENEFIT PROVISIONS (Section 1)

DESCRIPTION OF BENEFITS
We will pay the benefits stated below and as stated in the Schedule of Benefits subject to the terms and limits of this Certificate.

ACCIDENT AND SICKNESS DISABILITY BENEFITS

Total Disability
We will pay benefits up to the amount stated in the Schedule of Benefits during periods of Total Disability. We will begin paying such benefits following the Elimination Period and pay for as long as the Total Disability continues, but no longer than the Maximum Benefit Period for each disability, as stated in the Schedule of Benefits.

Total Disability must result from;

1) an Accident that occurs while this certificate is in force and causes a Total Disability that begins during the Term of Insurance or within 365 days from the date of the Accident, whichever the later, or;
2) a Sickness that is diagnosed by a Physician and causes a Total Disability that begins during the Term of Insurance, or;
3) a Sickness that is diagnosed by a Physician while this certificate is in force and causes a Total Disability within 365 days from diagnosis.

To be eligible for Total Disability benefits, You must be under the Regular Care of a Physician. If in the opinion of the Physician providing Regular Care, future or continued treatment would be of no benefit to You, Regular Care shall not be required.

We reserve the right to have You examined by another Physician of Our choice. Should Your Physician and Our Physician not be able to agree that You have a Total Disability or Residual Disability, Your Physician and Our Physician shall name a third Physician to make a decision on the matter which shall be final and binding.

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BENEFIT PROVISIONS (continued)

Recurrent Disabilities
If after a period of Total Disability or Residual Disability You resume active work at Your Occupation and within six (6) months of returning to work You incur a further Total Disability or Residual Disability due to the same or a related cause, this Total Disability or Residual Disability will be considered a continuation of the prior Total Disability or Residual Disability and will not be subject to a new Elimination Period or a new Maximum Benefit Period.

If after a period of Total Disability or Residual Disability You resume active work at Your Occupation and within six (6) months of returning to work You incur a further Total Disability or Residual Disability due to an unrelated cause, this Total Disability or Residual Disability will be considered a new Total Disability or Residual Disability. The new Total Disability or Residual Disability will be subject to a new Elimination Period and a new Maximum Benefit Period will be established.

If after a period of Total Disability or Residual Disability You resume active work at Your Occupation and after more than six (6) months of returning to work You incur a further Total Disability or Residual Disability, this Total Disability or Residual Disability will be considered a new Total Disability or Residual Disability, even if it is a recurrence of a condition which previously disabled You. The new Total Disability or Residual Disability will be subject to a new Elimination Period and a new Maximum Benefit Period will be established.

Presumptive Disability
You will be presumed to be Totally Disabled, if due to an Accident or Sickness You have totally lost: the use of both hands, or both feet, or one (1) hand and one (1) foot, or the sight of both eyes, or the hearing of both ears, or the ability to speak. The Elimination Period will be waived. Regular Care is not required. The covered Benefit Amount will be paid as long as the loss exists, up to the Maximum Benefit Period.

Transplant Benefit
If this Certificate has been in force for at least six (6) months and You donate an organ from Your body to another person, the Total Disability which may result from such surgery will be considered a Sickness. Benefits will be payable in the same manner as those for any other Sickness.

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BENEFIT PROVISIONS (Section 2)

DESCRIPTION OF BENEFITS
We will pay the benefits stated below and as stated in the Schedule of Benefits, subject to the terms and limits of this Certificate.

ACCIDENT AND SICKNESS LUMP SUM DISABILITY BENEFIT

Permanent Total Disability
We will pay the Principal Sum Amount stated in the Schedule of Benefits following the Elimination Period, if a Physician determines You to be Permanently Totally Disabled.

Permanent Total Disability must result from:

1) an Accident that occurs while this certificate is in force and causes a disability that begins during the Term of Insurance or within 365 days from the date of the Accident, whichever the later, or;
2) a Sickness that is diagnosed by a Physician and causes a disability that begins during the Term of Insurance, or;
3) a Sickness that is diagnosed by a Physician while this certificate is in force and causes a disability within 365 days from diagnosis.

To be eligible for the Principal Sum benefit, You must be under the Regular Care of a Physician. If in the opinion of the Physician providing Regular Care, future or continued treatment would be of no benefit to You, Regular Care shall not be required.

We reserve the right to have You examined by another Physician of Our choice. Should Your Physician and Our Physician not be able to agree that You are Permanently Totally Disabled, Your Physician and Our Physician shall name a third Physician to make a decision on the matter which shall be final and binding.

This Certificate will terminate on the date in which the Principal Sum Amount is paid.

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EXCLUSIONS

No benefits will be paid due to an Accident or Sickness caused by, contributed to or related to the following and/or their treatments and/or complications thereof, unless specifically deleted by an endorsement to this Certificate:

1) Suicide or intentional self-inflicted injury or poisoning;
2) Active participation in Terrorism or War;
3) Nuclear, biological or chemical exposure as a result of Terrorism or War;
4) While committing or attempting to commit a felony;
5) Mental and/or Nervous Disorders;
6) Taking of illegal drugs, or addiction or misuse of prescription or non-prescription drugs;
7) Alcohol abuse or addiction, being under the influence of alcohol, as defined by the vehicle code of the state or province in which the offense has occurred;
8) While You have been determined to be intoxicated or under the influence:
   a) by judicial or administrative judgment or order; or
   b) by evidence of Your blood, breath or urine which equals or exceeds the limits set by applicable motor vehicle laws; or
   c) by other evidence demonstrating You were under the influence of any alcohol, narcotic, barbiturate or hallucinatory drug, unless the same was administered on the advice of a Physician and was taken according to the prescribed dosage;

   and Your use of such substance was a proximate cause of an Accident or Sickness;
9) Any symptoms of Subjective Pain unless supported by objective medical findings by a Physician;
10) Pre-Existing Conditions which are physical, mental or chemical conditions which arise from any Accident or Sickness which was:
    a) Not disclosed on the application, and
    b) For which You sought any medical advice or treatment within twenty four (24) months prior to the Effective Date of this Certificate or which caused symptoms for which an ordinarily prudent person would have sought medical advice within that twenty four (24) month period; or
11) Pregnancy and pregnancy-related conditions including but not limited to fertility, pre-natal care, childbirth, miscarriage, abortion or postpartum conditions.

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CLAIM PROVISIONS

NOTICE OF CLAIM
Written notice of a claim must be given to Us within sixty (60) days after the date of a potential qualifying loss, or as soon after as is reasonably possible. The notice must be given to Petersen International Underwriters and must include Your name and contact information.

CLAIM FORMS
When We receive notice of a claim, We will furnish forms for filing a Proof of Loss. If We do not furnish these forms within fifteen (15) days of notice, the person making the claim may meet the Proof of Loss requirements by providing Us with a written statement of the nature and extent of the loss within the time limit stated in the Proof of Loss section of this Certificate.

PROOF OF LOSS
Written Proof of Loss must be provided to Us within ninety (90) days after the loss occurs. Failure to furnish written proof within that time will not reduce the claim if it was not reasonably possible to do so. However, proof may not be furnished later than twelve (12) months from the time proof is normally required, except in the case of legal incapacity. Written Proof of Loss includes, but is not limited to:

1) Completed claim form; and
2) Signed authorization for release of medical, financial, or occupational records; and
3) Copies of signed tax returns.

In addition, We reserve the right to verify Your Proof of Loss by obtaining any and all necessary records from other sources. Costs associated with verification will be paid by Us.

CLAIM COOPERATION
The Owner and You shall provide, assist and cooperate with Us and Our authorized representatives in the administration of the claim. Failure to cooperate with Us in the administration of a claim may result in the termination of a claim. Such cooperation includes, but is not limited to providing any information or documents needed to determine whether benefits are payable.

We have the right, at Our expense, to analyze or require an analysis of all relevant financial and operational records, including Your personal, business and corporate federal and state tax returns, as often as We may reasonably require by a financial examiner of Our choice. We can require that Your accounting practices be the same as those which were in effect at the time You first became disabled.

RESPONSIBILITY TO OBTAIN APPROPRIATE MEDICAL CARE
You have the responsibility to obtain all reasonably appropriate medical care for the condition for which You are claiming benefits.

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CLAIM PROVISIONS (continued)

TIME OF PAYMENT OF CLAIMS
Subject to satisfactory written Proof of Loss and all applicable Claim Provisions, and upon determination that benefits are payable under the provisions of the Certificate, We will pay all benefits due for disability and other specified losses for which We are liable. While You are disabled benefits will be payable at the end of each benefit period. Any amounts unpaid when Our liability ends will be paid immediately after We receive satisfactory written Proof of Loss.

INCARCERATION
No benefits will be paid or incurred for any period in which You are incarcerated including but not limited to house arrest.

PAYMENT OF CLAIMS
You must satisfy all terms and conditions of the Certificate in order for benefits to become payable. After all required Proof of Loss is provided and the claim is approved by Us, We will pay the benefits of the Certificate for which We are liable to the Loss Payee. Coverage and benefits terminate upon Your death.

ASSIGNMENT
This Certificate may not be assigned without Our prior written consent. We will not be responsible for the validity or tax consequences of any assignment.

PHYSICAL EXAMINATION
We have the right to select a Physician of Our choice to examine You at Our expense, as often as reasonably necessary during the pendency of the claim.

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PREMIUM PROVISIONS

PREMIUM
Premium is due at the Certificate Effective Date and the first day of each premium mode. Premium modes cannot be changed while You are disabled.

PREMIUM REFUND
It is understood that any paid premiums are fully earned by Us. However, if You die during the Term of Insurance, We will refund that part of any paid premiums which apply to the period after Your date of death.

GRACE PERIOD
A grace period of thirty-one (31) days applies to any premium payments made in any mode other than a single premium. Premium payments after the initial premium payment may be paid within the grace period without the Certificate lapsing. If premium payments are not made by the end of the grace period, this Certificate will immediately cease to be in force as of the premium due date.

WAIVER OF PREMIUM
We will waive Your premium installments after the Elimination Period has been met and while We deem You eligible for benefits. Premium modes cannot be changed while You are disabled. When You are no longer eligible for benefits, premium installments will resume.

UNPAID PREMIUM
If unpaid premium exists at the time benefits are paid under this Certificate, the amount of the premium unpaid will be deducted from the benefits paid.

CANCELLATION
The Owner may cancel this Certificate at any time by notifying Our office in writing. It is understood that any paid premiums are fully earned by Us.

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GENERAL PROVISIONS

CORRESPONDENCE TO CERTIFICATE OWNER
Any form of communications from Us shall be to the Certificate Owner. Communications to the Owner shall be considered communications to You.

FRAUD, MISSTATEMENT OR CONCEALMENT
If You, the Loss Payee, the Owner or any person on Your behalf commits fraud, a misstatement or concealment either in the application or by any other statement, this Certificate may become void and no benefits will be payable.

MISSTATEMENT OF AGE
If Your age is incorrectly stated, We will adjust the benefits stated in the Schedule of Benefits to the equivalent benefit amount for the premium paid if the correct age had been given, but never more than the benefits stated in the Schedule of Benefits.

ENTIRE CONTRACT; CHANGES
This Certificate, including the application and any attached endorsements or any other attached papers make up the entire contract between You and Us. No agent, producer or other person, other than an authorized officer of Ours, has the authority to change this Certificate or waive any of its provisions. Any changes are not valid unless approved by Us and recorded in writing to be attached to and form part of this Certificate.

CONFORMITY WITH STATE STATUTES
Any provision of this Certificate which is in conflict with the laws or statutes of the state/province/country governing this Certificate, is hereby amended to conform to the minimum requirements of such laws or statutes.

GRIEVANCE PROCEDURES
Should You be dissatisfied with any claim or administration issue, the following steps apply. Notwithstanding any other item set forth herein, the parties hereby agree that any dispute which arises shall follow these procedures:

1) General Inquiry: At any time You have the right to communicate with Us, either directly or through a representative, to seek clarification and assistance on any issue.
2) Informal Review: Should You not be satisfied with the response from Your General Inquiry, You have the right to request an Informal Review. This Informal Review should be requested in writing, but may be verbally requested. The Informal Review should be requested within sixty (60) days following the claim or administrative decision, but in no case before such claim or administrative decision. We shall respond within a reasonable amount of time.
3) Formal Review: Should You still not be satisfied with the response You received through an Informal Review, then You have the right to request a Formal Review. Please provide a written summary of the issue and any items which may be useful for Us to review. A Formal Review must be requested no more than ninety (90) days following an Informal Review. We shall respond to Your request within a reasonable amount of time.

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GENERAL PROVISIONS (continued)

4) Legal Action: No legal action may be brought to recover under the insurance described in this Certificate until after the response of a Formal Review. No action may be brought more than one (1) year after the date of the original claim or administrative decision. Legal Action shall not take place prior to a Formal Review.

NEW TERM OF INSURANCE

A new Term of Insurance may be offered at the Expiry Date of this Certificate, subject to underwriting. A new Term of Insurance may contain new terms, new premium and/or other modifications, or be declined. No new Term of Insurance will be offered if there are any open claims or if a notice of claim is pending. We reserve the right to not make any offers for a new Term of Insurance for any reason.

NOTICES

All notices, proofs and other communications must be sent to:

PETERSEN INTERNATIONAL UNDERWRITERS
23929 Valencia Boulevard, Second Floor, Valencia, CA 91355
800-345-8816 piu@piu.org

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