

AMENDMENT TO GROUP POLICY GL-805661 ON DECEMBER 1, 2020. ANY CHANGES BETWEEN THIS POLICY AND THE PREVIOUSLY ISSUED POLICY ARE EFFECTIVE AUGUST 1, 2020. ALL OTHER TERMS, CONDITIONS AND DATES REMAIN UNCHANGED.



**HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY**  
One Hartford Plaza, Hartford, Connecticut 06155  
(A stock insurance company, herein called The Company)  
will pay benefits according to the terms and conditions of The Policy.

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**Name of Policyholder:** ALASKA RAILROAD CORPORATION

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**Policy Number:**  
GL-805661

**Policy Effective Date:**  
August 1, 2020

**Place of Delivery:**  
Alaska

**Anniversary Date:**  
January 1 of each year, beginning in 2021

**Premium Due Dates:**  
Monthly, on the first day of  
each policy month

Signed for The Company:

Kevin Barnett, *Secretary*

Jonathan Bennett, *President*

**THIRTY DAY RIGHT TO EXAMINE POLICY**

The Company urges you to examine this Policy closely. If you are not satisfied with it, you may send it back to The Company for any reason within 30 days after the date you receive it. If so returned, your insurance will be canceled, and any premium paid will be refunded in full.

Countersigned by.....  
Licensed Resident Agent or Registrar

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## **SCHEDULE OF INSURANCE**

The Schedule(s) of Insurance for The Policy benefits listed below are shown in the Certificate(s) of Insurance, as incorporated into The Policy.

- 1) Basic Life Insurance
- 2) Supplemental Life Insurance
- 3) Dependent Life Insurance
- 4) Basic Accidental Death and Dismemberment Benefit

The Schedule(s) of Insurance will address the:

- 1) benefit amounts and maximum limits;
- 2) eligibility and effective date requirements; and
- 3) other schedule amounts and limits;

which apply to the employees of the Policyholder.

## PREMIUM PROVISIONS

### Initial Monthly Premium Rates

The initial monthly premium rates to be charged for employee coverage and/or child/spouse coverage, if applicable, are shown on the following page(s).

The first premium is due and payable on the effective date of The Policy. Subject to The Policy's grace period provision, all premiums after the first must be paid when or before they are due.

Premiums are based on the employee's age on his or her effective date and thereafter on the first day of the month following the month in which his or her birthday occurs.

The Initial Monthly Premium Rates may be converted as follows:

<b>To Convert Rates to:</b>	<b>Use a Conversion Factor of:</b>
-- annual rates	11.8227
-- semi-annual rates	5.9557
-- quarterly rates	2.9852

### Grace Period

The Company will allow the Policyholder a 45 day grace period for the payment of all premiums after the first. During this 45 day period, The Policy will stay in force. If the owed premium is not paid by the 45th day, The Policy will automatically terminate. If the Policyholder gives The Company written advance notice of an earlier cancellation date, The Policy will terminate on the earlier date. Premium is due for each day The Policy is in force.

### Monthly Premium Rate Guarantee

Initial Monthly Premium Rates are guaranteed as follows:

<b>Benefit</b>	<b>Rate Guarantee Period</b>
Basic Life Insurance	until January 1, 2022
Supplemental Life Insurance	until January 1, 2022
Supplemental Dependent Life Insurance	until January 1, 2022
Basic Accidental Death and Dismemberment Benefit	until January 1, 2022

Subject to the Rate Guarantee Period shown above, The Company has the right to change premium rates on any premium due date if:

- 1) written notice is delivered to the Policyholder's last address on record; and
- 2) the change is effective at least 45 days after the date of notice.

The Rate Guarantee Period supersedes only those provisions appearing elsewhere in this Policy which give The Company the right to change the premium rates, and then, only for the period of time for which the rates are guaranteed. However, The Company may change the premium rates during the Rate Guarantee Period if there is a change in The Policy, or if there is a 10% increase or decrease in the number of insured Employees, or if the Policyholder adds or deletes a subsidiary or affiliated business entity. The Company may also change the premium rates during the Rate Guarantee Period if there has been a material misstatement in the reported experience during the pre-sale process. The Rate Guarantee Period in no way affects, amends or supersedes any other provision in The Policy.

## **PREMIUM PROVISIONS**

### **Calculation**

Premiums may be calculated by multiplying the rate times the applicable number of units of coverage.

If any insurance is added, increased or becomes effective after The Policy is in force, the premium charges will begin on:

- 1) the day the coverage is effective, if it is also the first day of a policy month; or
- 2) the first day of the next policy month.

For insurance which is terminated, premium charges will stop as of the first day of the next policy month.

With respect to Dependent Life Insurance only, the premium rate per Dependent unit or per \$1,000 of insurance, whichever is applicable, will be based on actuarial assumptions, due to the difficulty in obtaining the ages of all Dependents who are covered under this benefit. The actuarial assumptions will produce, in the opinion of The Company, the same total amount of premium as would be obtained by the use of the actual ages of the Dependents covered.

Premiums may be calculated by any other method which both The Company and the Policyholder agree to in writing.

### **Premium Payments**

Premium payments are due and payable in full to a place designated by The Company or, with respect to the initial premium payment, premium payments may be made to an authorized agent of The Company. The pre-payment of premiums for a particular period by the Policyholder is not a guarantee that The Policy will remain in force.

## PREMIUM SCHEDULE

**Basic Life Insurance:** \$.215 per \$1,000

**Supplemental Life Insurance:**

3-MGMT LIFE AND AD&D: For each \$1,000 of Supplemental Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Employee Age</b>	<b>Rate</b>
Less than 35	\$.058
35 - 39	\$.079
40 - 44	\$.139
45 - 49	\$.22
50 - 54	\$.343
55 - 59	\$.661
60 or over	\$1.029

**Supplemental Life Insurance:**

4-UNION LIFE AND AD&D: For each \$1,000 of Supplemental Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Employee Age</b>	<b>Rate</b>
Less than 35	\$.058
35 - 39	\$.079
40 - 44	\$.139
45 - 49	\$.22
50 - 54	\$.343
55 - 59	\$.661
60 or over	\$1.029

5-MGMT SUPP LIFE SPECIAL: \$2.60 per insured person

6-UNION SUPP LIFE SPECIAL: \$2.60 per insured person

**Supplemental Dependent Life Insurance:** \$1.13 per Dependent unit

**Basic Accidental Death & Dismemberment and Loss of Sight Benefit:** \$.03 per \$1,000

## POLICY PROVISIONS

### Entire Contract

The contract between the parties consists of:

- 1) The Policy;
- 2) any Certificate(s) of Insurance incorporated and made a part of The Policy;
- 3) any riders issued in connection with such Certificate(s) of Insurance;
- 4) the Policyholder's application, if any, a copy of which is attached to and made a part of The Policy when issued; and
- 5) any individual application submitted by the Employee and accepted by The Company in connection with The Policy.

All statements made by the Policyholder, or persons insured under The Policy will be deemed representations and not warranties. No statement made to affect this insurance will be used in any contest unless it is in writing and a copy of it is given to the person who made it, or to his or her beneficiary.

### Incontestability

Except for non-payment of premium, the insurance provided by The Policy cannot be contested after such insurance has been in effect for a period of 2 years.

### Changes

The Company reserves the right to make changes in The Policy, after The Policy has been in force for 12 months. The Company will give the Policyholder 45 days advance written notice of any change. No agent has authority to change or waive any part of The Policy. To be valid, any change or waiver must be in writing, approved by one of our officers and made a part of The Policy.

### Clerical Error

Clerical error (whether by the Policyholder, the Plan Administrator, or The Company) in keeping the records having to do with The Policy, or delays in making entries on the records, will not void the insurance of any person if that insurance would otherwise have been in effect. A clerical error will not extend the insurance of any person if that insurance would otherwise have ended or been reduced as provided by The Policy. When a clerical error is found, premiums and benefits will be adjusted based on the true facts and The Policy.

### Conformity with Law

If any provision of The Policy is contrary to the law of the jurisdiction in which it is delivered, such provision is hereby amended to conform to that law. If any change to state or federal law, including but not limited to the Federal Social Security Act, affects The Company's liability under The Policy, The Company may change The Policy, the premiums or both. Such change:

- 1) will be effective as of the date of the change to the state or federal law; and
- 2) will not be made until The Company gives the Policyholder 45 days notice.

### Termination of Policy

The Company may terminate The Policy for the following reasons by giving the Policyholder 45 days written notice:

- 1) the Policyholder fails to furnish any information which The Company may reasonably require;
- 2) the Policyholder fails to perform any of its other obligations pertaining to this Policy;
- 3) Less than 25% of the persons eligible for coverage on a Contributory basis are insured; or
- 4) Fewer than 10 persons are insured.

In addition, The Company may terminate this Policy on any premium due date after The Policy has been in force for 12 months by providing 45 days written notice. If The Policy is terminated, the Policyholder is responsible for providing notice to insureds of their right to convert under The Policy.

The Company reserves the right to terminate Dependent Life Insurance Benefits on any premium due date on which:

- 1) there are fewer than 10 persons insured for Dependent coverage; or
- 2) less than 25% of the persons eligible for Dependent coverage on a Contributory basis are insured.

The Company shall give the Policyholder 45 days notice of its intent to terminate the Dependent Life Insurance Benefit.

## POLICY PROVISIONS

### **Certificate(s) of Insurance**

The Company will give individual Certificate(s) of Insurance to:

- 1) the Policyholder; or
  - 2) any other person according to a mutual agreement among the other person, the Policyholder, and The Company;
- for delivery to persons covered under The Policy and which will explain the important features of The Policy.

### **Data To Be Furnished**

The Policyholder, or any other person designated by the Policyholder, will give The Company all information The Company needs regarding matters pertaining to the insurance. At any reasonable time while The Policy is in force and for 12 months after that, The Company may inspect any of the Policyholder's documents, books, or records which may affect the insurance or premiums of The Policy.

The Policyholder will, upon our request, give The Company:

- 1) the names of all persons initially eligible for coverage;
- 2) the names of all additional persons who become eligible for coverage;
- 3) the names of all persons whose amount of insurance is to be changed;
- 4) the names of all persons whose eligibility or insurance is terminated; and
- 5) any data necessary to administer the insurance provided by The Policy.

If the Policyholder gives The Company any incorrect information, the relevant facts will be determined to establish if insurance is in effect and in what amount.

No person will be deprived of insurance to which he is otherwise entitled or have insurance to which he is not entitled, because of any misstatement of fact by the Policyholder. Any required adjustment may be made in premiums or benefits.

### **Right to Audit**

The Company reserves the right to audit, once every 2 years, the Policyholder's billing records and premium accounting practices. If The Company discovers:

- 1) an underpayment of premium by the Policyholder, the Policyholder will be obligated to remit, in a timely manner, the underpayment amount; or
  - 2) an overpayment of premium, The Company will return any overpayment amount in a timely manner;
- for the previous 2 year period.

### **Not in Lieu of Worker's Compensation**

This Policy does not satisfy any requirement for worker's compensation insurance.

### **Time Period**

All periods begin and end at 12:01 A.M., standard time, at the Policyholder's address.

### **Disclosure of Fees**

The Company may reduce or adjust premiums, rates, fees and/or other expenses for programs under The Policy.

### **Disclosure of Services**

In addition to the insurance coverage, The Company may offer noninsurance benefits and services to Active Employees.

## INCORPORATION PROVISION

The Certificate(s) of Insurance listed below are attached to, incorporated in and made a part of, The Policy.

### Certificate(s) of Insurance

Form GBD-1100 (10/08) (Rev-1) (AK) (2014) (805661)  
1.08

Form GBD-1100 (10/08) (Rev-1) (AK) (2014) (805661)  
2.07

The provisions found in the Certificate(s) of Insurance will address the benefit plan, period of coverage, exclusions, claims and other general policy provisions pertaining to state insurance law requirements.



## **Summary Concerning Coverage, Limitations, and Exclusions under the Alaska Life and Health Insurance Guaranty Association Act**

A resident of Alaska who purchases life insurance, annuities, or accident and health insurance should know that an insurance company licensed in this state to write these types of insurance is a member of the Alaska Life and Health Insurance Guaranty Association. The purpose of this association is to assure that a policyholder will be protected within statutory limits if a member insurer becomes financially unable to meet its obligations. If this should happen, the guaranty association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state, and in some cases, to keep coverage in force. However, the valuable extra protection provided by these insurers through the guaranty association is not unlimited. This protection is not a substitute for your care in selecting a company that is well managed and financially stable.

The state law that provides for this safety net coverage is called the Alaska Life and Health Insurance Guaranty Association Act. The full text of the act can be found in AS 21.79.010 – 21.79.990. Provided below is a brief summary of this law's coverages, exclusions, and limits. This summary does not cover all provisions of the law, nor does it in any way change your rights or obligations under the act or the rights or obligations of the guaranty association.

### **COVERAGE**

Generally, an individual will be protected by the life and health insurance guaranty association if the individual lives in Alaska and holds a life or health insurance contract or annuity contract, or if the insured is insured under a group insurance contract issued by a member insurer. The beneficiary, payee, or assignee of an insured person is protected as well, even if a non-resident of Alaska.

### **EXCLUSIONS FROM COVERAGE**

The association does not protect a person holding a policy if:

- the individual is eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state; or
- the policy is issued by an organization that is not a member of the Alaska Life and Health Insurance Guaranty Association.

The association does not provide coverage for:

- a policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus;
- a policy of reinsurance (unless an assumption certificate was issued);
- an interest rate yield that exceeds an average rate;
- a dividend;
- a credit given in connection with the administration of a policy by a group contract holder;
- an employer's plan to the extent that it is self-funded (that is, not insured by an insurance company, even if an insurance company administers the plan);
- an unallocated annuity contract issued to an employee benefit plan protected under the United States Pension Benefit Guaranty Corporation;
- that part of an unallocated annuity contract not issued to a specific employee, union, association of natural persons benefit plan, or a government lottery;
- any portion of a policy or contract to the extent that the required assessments are preempted by federal or state law;
- an obligation that does not arise under the express written terms of the policy or contract issued by the insurer;
- certain obligations to provide a book value accounting guaranty for defined contribution benefit plan participants; or
- that part of a policy or contract that provides for interest or other changes in value to be determined by the use of an index or other external reference stated in the policy or contract.

### **LIMITS ON AMOUNT OF COVERAGE**

The act also limits the amount the association is obligated to pay. The association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, no matter how many policies or

contracts were issued by the same company, even if such contracts provided different types of coverages, the association will pay a maximum of:

- \$300,000 in net life insurance death benefits and no more than \$100,000 in net cash surrender and net cash withdrawal values for life insurance;
- for health insurance benefits, \$100,000 for coverages not defined as disability income, health benefit plans or long-term care insurance, including any net cash surrender and net cash withdrawal values;
- \$300,000 for disability income insurance and long-term care insurance;
- \$500,000 for health benefit plans;
- \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal value;
- with respect to a structured settlement annuity, \$250,000 in present value annuity benefits, in the aggregate, including net cash surrender and net cash withdrawal values;
- \$250,000 in the aggregate, of present-value annuity benefits, including net cash surrender and net cash withdrawal values with respect to an individual participating in a governmental retirement plan established under 26 U.S.C. 401, 26 U.S.C. 403(b), or 26 U.S.C. 457 and covered by an unallocated annuity contract, or to a beneficiary of the individual if the individual is deceased; or
- \$5,000,000 in unallocated annuity contract benefits, irrespective of the number of contracts held by that contract holder, with respect to any one contract holder or plan sponsor whose plan owns, directly or in trust, one or more unallocated annuity contracts.

*Note to benefit plan trustees or other holders of unallocated annuities (GICs, DA Cs, etc.) covered by the act:* for unallocated annuities that fund governmental retirement plans under sections 401(k), 403(b), or 457 of the Internal Revenue Code, the limit is \$250,000 in present value of annuity benefits including net cash surrender and net cash withdrawal per participating individual. In no event shall the association be liable to spend more than \$300,000 in the aggregate per individual. For covered unallocated annuities that fund other plans, a special limit of \$5,000,000 applies to each contract holder, regardless of the number of contracts held with the same company or number of persons covered. In all cases the contract limits also apply.

## **COMPLAINTS AND COMPANY FINANCIAL INFORMATION**

A written complaint to allege violation of any provision of the Alaska Life and Health Insurance Guaranty Association Act must be filed with the Division of Insurance, 550 West Seventh Avenue, Suite 1560, Anchorage, Alaska, 99501-3567; telephone (907) 269-7900. Financial information for an insurance company, if the insurance information is not proprietary, is available at the same address and telephone number. The guaranty association should not be contacted regarding the financial information of an insurance company.

The association is not an agency of the State of Alaska nor are there any guarantees by the State of Alaska regarding the payment of claims by the association. The guaranty association is not your insurance company.

Alaska Life and Health Insurance Guaranty Association  
P.O. Box 220207  
Anchorage, Alaska 99522-0207  
(907) 243-2311

Division of Insurance  
550 West Seventh Avenue, Suite 1560  
Anchorage, Alaska 99501-3567  
(907) 269-7900