

**THIS IS NOT A MEDICARE SUPPLEMENT POLICY.
THIS IS A HOME HEALTH CARE INDEMNITY POLICY WHICH PROVIDES STATED
BENEFITS. IT IS GUARANTEED RENEWABLE AS PROVIDED IN THE GUARANTEED
RENEWABLE-PREMIUMS SUBJECT TO CHANGE PROVISION. WE HAVE THE RIGHT
TO INCREASE PREMIUMS ON A CLASS BASIS BY STATE.**



601 East Britton Road ▪ Oklahoma City, OK 73114

When we use "we," "us," "Company" or "our" we mean Reserve National Insurance Company. When we use "you" or "your" we mean the individual(s) covered by this Policy as named on the Insured Schedule.

IMPORTANT NOTICE

CAUTION: The issuance of this Policy is based upon your responses to the questions on your application. A copy of your application is attached. If your answers are incorrect or untrue, the Company may have the right to deny benefits or rescind your Policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact the company at this address: 601 East Britton Road, Oklahoma city, Oklahoma 73114-7710.

GUARANTEED RENEWABLE-PREMIUMS SUBJECT TO CHANGE

This Policy is guaranteed renewable for your lifetime or until the Policy's maximum benefits have been reached. We cannot cancel, refuse to renew or change this Policy as long as you pay the premiums as they become due or within the grace period. We can change the premiums for this Policy at any time and from time to time. No change in premium will be effective before the first policy anniversary. Any change will apply to future premiums for all policies with the same form number issued by us to persons in your state of residence. We will give you 45 days notice before any premium change under this provision.

NOTICE OF THIRTY DAY RIGHT TO EXAMINE POLICY

You are granted a period of 30 days from the date of delivery of this Policy to examine it. If you are not satisfied for any reason, this Policy may be returned within said 30-day period to us at our Home Office or to the writing agent. We will then refund the premium paid. Then this Policy shall be void from its beginning, and you and Reserve National shall be in the same position as if it had never been issued.

NOTICE TO BUYER: THIS POLICY MAY NOT COVER ALL OF THE COSTS ASSOCIATED WITH HOME HEALTH CARE INCURRED BY THE POLICYHOLDER DURING THE PERIOD OF COVERAGE. THE POLICYHOLDER IS ADVISED TO REVIEW CAREFULLY ALL POLICY LIMITATIONS. IN ADDITION, THE POLICYHOLDER IS ADVISED THAT BASED ON CURRENT HEALTH CARE TRENDS, THE BENEFITS PROVIDED BY THIS POLICY MAY BE SIGNIFICANTLY DIMINISHED IN TERMS OF REAL VALUE TO THE POLICYHOLDER, DEPENDING ON THE AMOUNT OF TIME WHICH ELAPSES BETWEEN THE DATE OF PURCHASE AND THE DATE UPON WHICH THE POLICYHOLDER FIRST BECOMES ELIGIBLE FOR THOSE BENEFITS.

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INSURED SCHEDULE

	<u>Renewal Premium:</u>	Direct Bill	Bank Draft
Policy Number		Monthly	
Effective Date		Quarterly	
Initial Term Expires		Semi Annual	
Initial Premium		Annual	
Insured			
Covered Spouse		Agent	

Policy Benefits

HOME HEALTH CARE BENEFIT

Daily Maximum Home Health Care Aggregate Benefit	\$150.00
Maximum Benefit Period	365 Days

ADULT DAY CARE BENEFIT

Daily Maximum Adult Day Care Benefit	\$150.00
Maximum Benefit Period	365 Days

Endorsements and Riders

C-NBR-HHC	Contingent Nonforfeiture Benefit Endorsement
MCS-PEB-91	Pre-Existing Benefit Endorsement
NBR-HHC-2	Nonforfeiture Benefit Rider
INF-HHC-TX-3	Inflation Benefit Rider
PD-2	Prescription Drug Benefit Rider
EBR-HHC-4	Extra Benefit Rider
	ANNUAL PHYSICAL EXAMINATION BENEFIT
	VISION BENEFIT
	HEARING BENEFIT
	AMBULANCE BENEFIT
	IN-HOSPITAL PRIVATE DUTY NURSE BENEFIT

- Endorsements continued on reverse side -

FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL: 1-800-654-9106

-HOME OFFICE--
RESERVE NATIONAL INSURANCE COMPANY
601 EAST BRITTON ROAD * OKLAHOMA CITY, OKLAHOMA

INSURED SCHEDULE

Endorsements and Eliminations (Continued)

Summary of Premiums

	Monthly	Monthly Bank Draft	Quarterly	Quarterly Bank Draft	Semi-Annual	Annual
Base Policy	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]
NBR-HHC-2	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]
INF-HHC-TX-3	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]
PD-2	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]
EBR-HHC-4	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]	[\$00.00]

Note: Due to rounding, the actual total amount of your premium may be slightly LESS than the sum of the premiums shown above for the Base Policy and any optional rider(s) you have selected.



601 East Britton Road ▪ Oklahoma City, OK 73114

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Reserve National Insurance Company's toll-free telephone number for information or to make a complaint at:

1-800-654-9106

You may also write to Reserve National Insurance Company at:

601 East Britton Road

Oklahoma City, OK 73114-7710

You may contact the Texas Department of Insurance to obtain information on companies, coverage's, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance at:

P.O. Box 149104

Austin, TX 7871 4-91 04

FAX # (512) 475-1771

Web: <http://www.tdi.state.tx.us>

E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Reserve National Insurance Company's para informacion o para someter una queja al:

1-800-654-9106

Usted tambien puede escribir a Reserve National Insurance Company:

601 East Britton Road

Oklahoma City, OK 73114-7710

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas al:

P.O. Box 149104

Austin, TX 7871 4-91 04

FAX # (512) 475-1771

Web: <http://www.tdi.state.tx.us>

E-mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con la Compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

INSURING AGREEMENT

We agree to pay the indemnity benefits hereinafter provided, subject, however, to all provisions, conditions, exclusions, limits of liability and other terms of this Policy. This Policy is issued in consideration of the payment of the premium in advance and in reliance upon the statements in the application, a copy of which is attached and which forms a part of this Policy. We hereby insure those persons named on the Insured Schedule, commencing at 12:01 A.M., Standard Time, at the place where you reside, on the Effective Date shown on the Insured Schedule. When the initial term shown on the Insured Schedule expires you may continue this Policy in effect, subject to the Guaranteed Renewable-Premiums Subject to Change provision, by paying in advance, or within the 31-day grace period, the premium in effect at the time of such renewal. This Policy will terminate if the renewal premium in effect is not paid when due or within the 31-day grace period. Each policy term will begin and end at 12:01 A.M.

DEFINITIONS

The following terms in this Policy are defined as follows:

ACTIVITIES OF DAILY LIVING DEFINED: "Activities of Daily Living" means bathing (washing oneself by sponge bath or in a tub or shower, including the task of getting into or out of the tub or shower); continence (the ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for catheter or colostomy bag); dressing (putting on and taking off all items of clothing and any necessary braces, fasteners and artificial limbs); eating (feeding oneself by getting food into the body from a receptacle, such as a plate, cup or table, or by a feeding tube or intravenously); toileting (getting to and from the toilet, getting on and off the toilet and performing associated personal hygiene); and transferring (sufficient mobility to move into or out of a bed, chair or wheelchair or move from place to place, either via walking, a wheelchair or other means).

ADULT DAY CARE PROGRAM DEFINED: "Adult Day Care Program" means a program which: (a) is licensed or operated pursuant to the Texas Human Resources Code; and (b) provides social and health-related services during the day in a community group setting for the purpose of supporting frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the home.

APPROVED HOME HEALTH CARE PRACTITIONER DEFINED: "Approved Home Health Care Practitioner" includes a licensed graduate nurse (R.N.), licensed practical nurse (L.P.N.), licensed vocational nurse (L.V.N.), licensed visiting nurse, physical therapist, speech pathologist, occupational therapist, chemotherapy specialist, enterostomal therapist, respiratory therapist, medical social worker or Home Health Care Aide. All such practitioners: (a) must be licensed or certified by the appropriate regulatory authority; (b) must be recognized as such and authorized by the practitioner's licensure or certification to perform the applicable service specified in the Home Health Care Benefit provision of this Policy; (c) must not be a member of a Covered Person's Immediate Family; and (d) must present a charge for the Home Health Care given which a covered Person is responsible for paying.

COGNITIVE IMPAIRMENT DEFINED: "Cognitive Impairment" means the deterioration or loss in intellectual capacity requiring substantial supervision for protection of self and others, as established by the clinical diagnosis of any licensed practitioner authorized to make such a diagnosis. Such diagnosis must include the covered Person's history and physical, neurological, psychological and/or psychiatric evaluations, and laboratory findings.

COVERED PERSON DEFINED: "Covered Person" means the Insured named on the Insured Schedule or Covered Spouse, if one is named on the Insured Schedule.

COVERED SPOUSE DEFINED: "Covered Spouse" means the Insured's spouse for whom application is made and premium paid. A Covered Spouse must be approved by the Company and named on the Insured Schedule to be covered by this Policy.

HOME HEALTH CARE DEFINED: "Home Health Care" means the following services which are provided by an Approved Home Health Care Practitioner in Your Home: Skilled Nursing Care, Intermediate Nursing Care, physical therapy, speech pathology, occupational therapy, chemotherapy specialist services, enterostomal therapy, respiration therapy, medical social services and Home Health Care Aide Services.

DEFINITIONS (Continued)

HOME HEALTH CARE AIDE DEFINED: "Home Health Care Aide" means any individual, other than a member of a Covered Person's Immediate Family, working under the supervision of a licensed graduate nurse who is certified as a Home Health Care Aide by the appropriate regulatory authority.

HOME HEALTH CARE AIDE SERVICES DEFINED: "Home Health Care Aide Services" means assistance with Activities of Daily Living which is provided by a Home Health Care Aide in Your Home.

HOSPITAL DEFINED: "Hospital" means only a legally constituted institution which operates pursuant to law having facilities for care and treatment of sick and injured persons on a resident or inpatient basis, including facilities for diagnosis and surgery under the supervision of a staff of one or more licensed physicians and which provides 24-hour nursing service by or under the supervision of registered nurses on duty. It does not mean convalescent, rehabilitation, nursing, rest, or extended care facilities, or facilities operated exclusively for treatment of the aged, or drug or alcohol abuse, whether such facilities are operated as a separate institution or as a section of an institution operated as a hospital. "Hospital" includes a licensed ambulatory surgical center operating pursuant to law.

IMMEDIATE FAMILY DEFINED: "Immediate Family" means a Covered Person, his or her spouse and their respective parents, children, grandchildren and siblings.

INTERMEDIATE NURSING CARE DEFINED: "Intermediate Nursing Care" means one or more professional nursing services performed for the benefit of a Covered Person on a regular basis but less often than daily, by or under the supervision of a registered nurse, prescribed by a Physician, appropriate and consistent with the diagnosis and conditions requiring care.

INJURY DEFINED: "Injury" means accidental bodily injury resulting directly and independently of all other causes from an accident which occurs while the Covered Person whose injuries are the basis of a claim is covered under this Policy, and which causes loss while this Policy is in force. Injury shall be deemed to include all injuries resulting from any one accident.

INSURED DEFINED: "Insured" means only the Insured named on the Insured Schedule.

PHYSICIAN DEFINED: "Physician" means any person (other than a relative of a Covered Person) who is a legally qualified and licensed practitioner, practicing within the scope of his or her authority and license.

PRE-EXISTING CONDITION DEFINED: "Pre-Existing Condition" means a condition for which medical advice was given or treatment was recommended by, or received from, a Physician within six months before the Effective Date of coverage.

SICKNESS DEFINED: "Sickness" means sickness or disease sustained by a Covered Person which first manifests itself after the Effective Date of this Policy, and which causes loss while this Policy is in force. "Sickness" shall also be deemed to include all sicknesses or diseases suffered concurrently.

SKILLED NURSING CARE DEFINED: "Skilled Nursing Care" means one or more professional nursing services performed for the benefit of a Covered Person on a daily basis, by or under the supervision of a registered nurse, prescribed by a Physician, appropriate and consistent with the diagnosis and conditions requiring care.

YOUR HOME DEFINED: "Your Home" means the place where a Covered Person maintains independent residence. It does not mean a nursing facility, hospital or other institutional setting.

BENEFITS

HOME HEALTH CARE BENEFIT

If, while this Policy is in force, a Covered Person requires Home Health Care provided by an Approved Home Health Care Practitioner as a result of any one Injury or Sickness, subject to the eligibility conditions below, we will pay a daily benefit for each day such care is provided. The amount of the daily benefit for all Home Health Care services for any one day will be the lesser of: (a) the Daily Maximum Home Health Care Aggregate Benefit shown on the Insured Schedule; or (b) the amount set forth opposite the Home Health Care Services listed below:

<u>Home Health Care Services</u>	<u>Daily Benefit</u>
Skilled Nursing Care	\$75.00
Intermediate Nursing Care	\$60.00
Physical Therapy	\$75.00
Speech Pathology	\$75.00
Occupational Therapy	\$75.00
Chemotherapy Specialist Services.....	\$60.00
Enterostomal Therapy	\$50.00
Respiration Therapy	\$50.00
Medical Social Services.....	\$100.00
Home Health Care Aide Services.....	\$40.00 for The first 60 days; \$30.00 for the next 120 days; and \$25.00 for the remaining 185 days.

The amount payable for Home Health Care Aide Services is calculated in continuous days from the first day on which Home Health Care Aide Services are received, and each day you receive Home Health Care Aide Services will count as one full day, without regard to whether or not Home Health Care Aide Services are received on continuous days.

The number of days the Home Health Care Benefit is payable will not exceed the Maximum Benefit Period shown on the Insured Schedule.

ADULT DAY CARE BENEFIT

If, while this Policy is in force, a Covered Person requires care in an Adult Day Care Program as a result of any one Injury or Sickness, subject to the eligibility conditions below, we will pay a daily benefit for each day such care is provided. The amount of the daily benefit will be Daily Maximum Adult Day Care Benefit shown on the Insured Schedule. The number of days this benefit is payable will not exceed the Maximum Benefit Period shown on the Insured Schedule. The Adult Day Care Benefit is not payable for any day for which the Home Health Care Benefit is payable.

LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR THE HOME HEALTH CARE BENEFIT AND THE ADULT DAY CARE BENEFIT

Payment of the Home Health Care Benefit and the Adult Day Care Benefit is subject to the following:

- (a) The Covered Person's loss must be incurred after this Policy's Effective Date and while this Policy is in force;
- (b) For the Home Health Care Benefit, care must be provided in Your Home by an Approved Home Health Care Practitioner, as defined herein; and for the Adult Day Care Benefit, care must be provided in an Adult Day Care Program, as defined herein; and
- (c) The Covered Person must be unable to perform, without the assistance of another person, two or more Activities of Daily Living; or the Covered Person must require substantial supervision and assistance due to a Cognitive Impairment. To meet this condition (c), the Covered Person's Physician must perform such tests as are in accordance with accepted standards of medical practice and, based on such tests, certify in writing that the Covered Person is unable to perform two or more Activities of Daily Living or that the Covered Person has a Cognitive Impairment.

MAXIMUM BENEFIT PERIODS

(a) The Maximum Benefit Period for the Home Health Care Benefit is set forth on the Insured Schedule. This is the maximum number of days we will pay the Home Health Care Benefit during a Covered Person's lifetime, unless benefits are restored as provided in the Restoration of Benefits provision. The Maximum Benefit Period is calculated in continuous days from the first day for which the Home Health Care Benefit is payable, and each day you receive any services from an Approved Home Health Care Practitioner will count as one full day toward the maximum, without regard to whether or not the Covered Person's Home Health Care is continuous.

(b) The Maximum Benefit Period for the Adult Day Care Benefit is set forth on the Insured Schedule. This is the maximum number of days we will pay the Adult Day Care Benefit during a Covered Person's lifetime, unless benefits are restored as provided in the Restoration of Benefits provision. The Maximum Benefit Period is calculated in continuous days from the first day for which the Adult Day Care Benefit is payable, and each day you receive any services from a Adult Day Care Program will count as one full day toward the maximum, without regard to whether or not the Covered Person's care in an Adult Day Care Program is continuous.

RESTORATION OF BENEFITS

(a) If a Covered Person has received the Home Health Care Benefit under this Policy and has used up all or a portion of the Maximum Benefit Period, but has recovered sufficiently to no longer require Home Health Care or care in an Adult Day Care Program, we will restore that Covered Person's Maximum Benefit Period to its full original maximum each time the following conditions are met: (1) the Covered Person must not have received the services of an Approved Home Health Care Practitioner or care in an Adult Day Care Program for a period of 180 consecutive days; and (2) the Covered Person's Physician must certify that the Covered Person has sufficiently recovered to no longer require any services of an Approved Home Health Care Practitioner or care in an Adult Day Care Program and that the Covered Person was not advised to obtain such services or care. There is no limit to the number of times the Covered Person's Maximum Benefit Period for the Home Health Care Benefit may be restored. If the Maximum Benefit Period for the Home Health Care Benefit is restored, the daily benefit for Home Health Care Aide Services will be: \$40.00 for the first 60 days; \$30.00 for the next 120 days; and \$25.00 for the remaining 185 days.

(b) If a Covered Person has received the Adult Date Care Benefit under this Policy and has used up all or a portion of the Maximum Benefit Period, but has recovered sufficiently to no longer require care in an Adult Day Care Program or the services of an Approved Home Health Care Practitioner, we will restore that Covered Person's Maximum Benefit Period to its full original maximum each time the following conditions are met: (1) the Covered Person must not have received care in an Adult Day Care Program or the services of an Approved Home Health Care Practitioner for a period of 180 consecutive days; and (2) the Covered Person's physician must certify that the Covered Person has sufficiently recovered to no longer require any care in an Adult Day Care Program or the services of an Approved Home Health Care Practitioner and that the Covered Person was not advised to obtain such care or services. There is no limit to the number of times the Covered Person's Maximum Benefit Period for the Adult Day Care Benefit may be restored.

EXCLUSIONS

This Policy does not cover any loss caused or contributed to by: (a) Injury or Sickness for which benefits are payable under any worker's compensation or occupational disease law; (b) simple rest care, hotel or retirement home expense or other expense which is related to Your Home; (c) services other than those of an Approved Home Health Care Practitioner or care other than that received in an Adult Day Care Program, except as may be provided by rider; (d) declared or undeclared war or act thereof; (e) mental or nervous disorder without demonstrable organic origin (Note: This exclusion does not apply to Alzheimer's Disease, senility or other organic brain syndrome. These diseases are covered by the Policy like any other Sickness subject to the Pre-Existing Conditions Limitation); (f) charges that a Covered Person would not be legally obligated to pay in the absence of this insurance, except Medicaid; (g) attempted suicide or intentional self-inflicted injury; (h) alcoholism or drug addiction; (i) a Covered Person's participation in a felony, riot or insurrection; (j) services performed by a family or for which there is normally no charge; (k) Pre-Existing Conditions, as defined herein, are not covered under this Policy until this Policy has been in force for a period of six months, except as provided in the Pre-Existing Conditions Limitation provision.

PRE-EXISTING CONDITIONS LIMITATION

(a) This Policy is not considered to be in force or effective for any Pre-Existing Condition, as defined herein, until six months after the Effective Date shown on the Insured Schedule.

(b) If this Policy replaces another in-force long-term policy, the time period in paragraph (a) above for coverage of Pre-Existing Conditions will be reduced to the extent such time period was satisfied under the long-term care policy that was replaced.

TERMINATION AND CONVERSION OF COVERAGE FOR COVERED SPOUSE

Coverage for a Covered Spouse will terminate on the earlier of: (a) the date the Policy terminates; (b) the end of the last Policy term for which premium is paid for the Covered Spouse; or (c) the day before the premium due date following the date of divorce, annulment, dissolution or legal separation (where recognized) from the Insured. If we accept any premium subsequent to these dates, insurance will continue until the end of the term for which premium was accepted. Any termination will be without prejudice to any continuing benefits payable under the Policy for a loss which commenced prior to termination

If coverage for a Covered Spouse terminates as a result of one of the circumstances in (c) above, the Covered Spouse will have the right to: (a) make written request, within 31 days of such termination, that a new policy be issued naming the Covered Spouse as the Insured; and (b) have a new policy issued without requiring evidence of insurability. The new policy will be effective on the date of the written request subject to our receipt of the applicable premium. The new policy will be one which: (1) is then currently utilized by the Company; and (2) contains benefit and renewability provisions at least as favorable as those contained in this Policy. For purposes of the Time Limit on Certain Defenses provision and the Pre-Existing Conditions Limitation, the Effective Date of coverage under the new policy will be the same as that for this Policy.

PREMIUM PAYMENTS

All premiums are payable in advance to the Company at its Home Office. The payment of any premium shall not maintain the insurance under any Policy in force beyond the day immediately preceding the due date of the next premium except as provided in the Grace Period provision. Premiums for this Policy are based on each Covered Person's age at the time this Policy is issued. The Company reserves the right to change its table of rates applicable on a class basis. We will determine classes according to sex, age, smoking status, county and the Insured's state of residence. We will give you 45 days notice before any such premium change.

UNINTENTIONAL LAPSE

In your application for the policy, you may have designated at least one person other than yourself to receive notice of lapse or termination of this Policy for nonpayment of premium. At least 30 days before the effective date of such lapse or termination, we will send notice to you and the person you have designated, if any, that the premium is due. By first class mail, postage prepaid, we will send such notice to the address(es) provided by you in your application. Notice of lapse or termination will not be given until 30 days after a premium is due and unpaid. Notice shall be deemed to have been given as of 5 days after the date of mailing.

UNIFORM PROVISIONS

1. ENTIRE CONTRACT; CHANGES: This Policy with any endorsements or attachments is the entire contract of insurance. Only one of our executive officers can approve a change. Such approval must be endorsed on or attached to this Policy. It may not be changed in any way by any agent.

2. TIME LIMIT ON CERTAIN DEFENSES: (a) After two years from the Effective Date of this Policy, no misstatement of a Covered Person, except a fraudulent misstatement made in the application, shall be used to void this Policy. After two years from the Effective Date of the coverage with respect to any claim which is made, no misstatement of a Covered Person, except a fraudulent misstatement contained in a written instrument signed by a Covered Person, shall be used to deny a claim for loss incurred commencing after expiration of such two years.

(b) We shall not deny or reduce a claim for loss incurred after six months from the Effective Date of this Policy on the ground that a disease or physical condition on the date of loss had existed before said Effective Date. .

3. GRACE PERIOD: There will be a grace period for payment of each renewal premium. It will be 31 days from the date the premium is due. This Policy will stay in force during the grace period.

UNIFORM PROVISIONS (Continued)

4. REINSTATEMENT: This Policy shall lapse if you do not pay the premium before the end of the grace period. If the Company or any agent authorized by us to accept premium later accepts it and does not require an application for reinstatement, such acceptance shall reinstate this Policy. If the Company or such agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, this Policy shall be reinstated upon our approval of such application. If we do not approve it, this Policy shall be reinstated on the 45th day of such conditional receipt, unless we give you prior written notice of disapproval. The reinstated Policy shall cover only loss due to an Injury occurring after the date of reinstatement or a Sickness beginning after such date. In all other respects you and the Company shall have the same rights under this Policy as were in effect before it lapsed unless special conditions are added in connection with the reinstatement. Premium accepted in connection with this provision shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days before the date of reinstatement.

If your Physician certifies in writing that you were unable to perform two or more Activities of Daily Living or that you had a Cognitive Impairment at the time this Policy lapsed, or within five months after this Policy lapsed, which resulted in your failure to make a timely premium payment, you may reinstate this Policy without evidence of insurability by (1) applying for reinstatement; (2) furnishing the written certification from your Physician; and (3) paying any back premium due. You will be allowed to exercise this right for up to 150 days from the date this Policy lapsed under the foregoing circumstances.

5. NOTICE OF CLAIM: You must give us written notice of claim. It must be given within 20 days after a covered loss occurs or starts, or as soon as you reasonably can. You may give the notice or you may have someone do it for you. Such notice should give your name and policy number. Notice should be mailed to us at our Home Office or to any authorized agent.

6. CLAIM FORMS: When we receive your notice, we will send you forms for filing proof of loss. If we do not send them within 15 days, you can meet the proof of loss requirement by giving us a written statement of what happened. This statement should include the type of and extent of the loss you incurred. We must receive this statement within the time given for filing proof of loss.

7. PROOF OF LOSS: For a claim for loss for which this Policy provides any periodic payment contingent on continuing loss, a written proof of loss must be provided to us at our request at our home office before the 91st day after the termination of the period for which we are liable. For a claim for any other loss, a written proof of loss must be provided to us at our home office before the 91st day after the date of the loss. Failure to provide the proof within the required time does not invalidate or reduce any claim if it was not reasonably possible to give proof within the required time. In that case, the proof must be provided as soon as reasonably possible but not later than one year after the time proof is otherwise required, except in the event of legal incapacity.

8. TIME OF PAYMENT OF CLAIMS: We will pay you immediately upon receipt of due written proof of loss for benefits provided under this Policy. However, a benefit that is payable by periodic payments, subject to due written proof of loss, shall be paid monthly. Any balance remaining unpaid upon termination of liability will be paid upon receipt of due written proof.

9. PAYMENT OF CLAIMS: Subject to the Direct Payment of Benefits provision, benefits will be paid to you. Loss-of-life benefits, if any, are payable in accordance with the beneficiary designation in effect at the time of payment. If none is then in effect, the benefits will be paid to your estate. Any other benefits unpaid at death may be paid, at our option, either to your beneficiary or estate.

If benefits are payable to your estate or a beneficiary who cannot execute a valid release, we can pay benefits up to \$1,000.00 to someone related to you or your beneficiary by blood or marriage whom we consider to be entitled to the benefits. We will be discharged to the extent of any such payment made in good faith.

10. PHYSICAL EXAMINATION AND AUTOPSY: We, at our expense, may have you or your dependent examined when and as often as we may reasonably require while a claim is pending. We may also have an autopsy performed unless prohibited by law.

11. LEGAL ACTIONS: No legal action at law or in equity may be brought to recover on this Policy within 60 days after written proof of such loss has been given as required by the Policy. No such action may be brought after three years have passed from the time written proof of loss is required to be given.

12. CHANGE OF BENEFICIARY: Unless you make an irrevocable designation of beneficiary, only you shall have the right to change the beneficiary. Consent of the beneficiary shall not be required to make any change in this Policy. Also, no such consent shall be required for surrender or assignment of this Policy.

POLICY PROVISIONS

- 1. MISSTATEMENT OF AGE:** If the age of a Covered Person has been misstated, all benefits payable to that person shall be in the amount the premium paid would have bought at the correct age.
- 2. UNPAID PREMIUM:** Any due and unpaid premium for this Policy may be deducted from its benefits then payable.
- 3. ILLEGAL OCCUPATION:** We shall not be liable for any loss to which a contributing cause was your commission or attempt to commit a felony. We shall not be liable for a loss to which a contributing cause was your participation in an illegal job.
- 4. INTOXICANTS AND NARCOTICS:** We shall not be liable for any loss sustained or contracted in consequence of your being intoxicated or under the influence of any narcotic, unless administered on the advice of a Physician.
- 5. CANCELLATION:** This Policy may not be cancelled by us, nor by you, during a period for which the premium has been paid and officially accepted by us.
- 6. CONFORMITY WITH STATE STATUTES:** The provisions of this Policy must conform with the laws of the state in which you reside on the Effective Date. If any do not, they are hereby amended to conform.
- 7. DIRECT PAYMENT OF BENEFITS:** All or any portion of any indemnities provided hereunder shall be payable to the Insured, provided the Company may, at its option, if requested by the Insured not later than the time of filing proof of loss, pay such benefits directly to the person providing services or treatment to a Covered Person.
- 8. REFUND OF UNEARNED PREMIUM UPON DEATH:** Upon the death of a Covered Person, any unearned premium paid with respect to such deceased Covered Person beyond his/her date of death shall be refunded to the deceased Covered Person's beneficiary or, if a beneficiary designation is not then in effect, to the deceased Covered Person's estate.
- 9. PAYMENT OF BENEFITS TO STATE:** All benefits payable under this Policy on behalf of a Covered Person shall be paid to the Texas Department of Human Resources to the extent the actual cost of medical expenses is paid by said Department through medical assistance for the Covered Person.
- 10. CLAIM DENIAL:** If a claim is denied, we will make available to you all information directly related to such denial within 60 days of the date we receive your written request, unless such disclosure is prohibited by state or federal law.

IN WITNESS WHEREOF, Reserve National Insurance Company has caused this Policy to be issued as of the Effective Date, and to be executed by its President and Secretary at its Home Office at 601 East Britton Road, in the City of Oklahoma City, Oklahoma.


Secretary


President

NOTICE: THIS POLICY IS NOT INTENDED TO BE A QUALIFIED LONG-TERM CARE INSURANCE CONTRACT. THIS LONG-TERM CARE INSURANCE POLICY DOES NOT QUALIFY ANY COVERED PERSON FOR THE FAVORABLE TAX TREATMENT PROVIDED FOR IN THE INTERNAL REVENUE CODE OF 1986, SECTION 7702B.

RESERVE NATIONAL INSURANCE COMPANY
OF OKLAHOMA CITY, OKLAHOMA

CONTINGENT NONFORFEITURE BENEFIT ENDORSEMENT

This Endorsement is a part of the Policy to which it is attached. This Endorsement amends the Policy by adding the following provisions:

If, while this Policy is in force, a Covered Person is subject to a Substantial Premium Increase, and the Policy lapses within 120 days following the due date of the premium reflecting the Substantial Premium Increase, then that Covered Person shall have the option to elect to:

- (a) Reduce the benefits of the Policy without additional underwriting so that required premium payments are not increased; or
- (b) Convert the Policy to paid-up status with a shortened Maximum Benefit Period for the Home Health Care Benefit and the Adult Day Care Benefit.

If the Covered Person does not notify us of his/her election within 120 days following the due date of the premium reflecting the Substantial Premium Increase, then that Covered Person will be deemed to have elected to convert the Policy to paid up status with a shortened Maximum Benefit Period for the Home Health Care Benefit and the Adult Day Care Benefit.

Any notice to a Covered Person of a Substantial Premium Increase shall include notice of the Covered Person's options as provided above.

For purposes of this Endorsement, the term "Substantial Premium Increase" means a class rate increase, which is applicable to all Covered Persons in Texas that have a policy with the same form number as this Policy, that increases the Covered Person's initial annual premium equal to or above the percentage set forth below based on the Covered Person's age on the Policy's Effective Date:

<u>Age on Effective Date</u>	<u>Percentage Increase Over Initial Annual Premium</u>
29 and Under	200%
30-34	190%
35-39	170%
40-44	150%
45-49	130%
50-54	110%
55-59	90%
60	70%
61	66%
62	62%
63	58%
64	54%
65	50%
66	48%
67	46%
68	44%
69	42%
70	40%
71	38%
72	36%
73	34%
74	32%
75	30%

<u>Age on Effective Date</u>	<u>Percentage Increase Over Initial Annual Premium</u>
76	28%
77	26%
78	24%
79	22%
80	20%
81	19%
82	18%
83	17%
84	16%
85	15%
86	14%
87	13%
88	12%
89	11%
90 and Over	10%

All of the provisions, definitions, conditions, limitations and exclusions of the Policy to which this Rider is attached which are not modified hereby and which are not in conflict herewith shall remain unchanged in full force and effect and shall be applicable to this Rider.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Rider to be executed by its President and attested by its Secretary.


Secretary


President

RESERVE NATIONAL INSURANCE COMPANY
OF OKLAHOMA CITY, OKLAHOMA

NONFORFEITURE BENEFIT RIDER

This Rider is a part of the Policy to which it is attached. It becomes effective the date of issue, subject to payment of the additional premium. This Rider amends the Policy by adding the following provisions:

If a Covered Person fails to pay his/her premium due under the Policy within the grace period and the Policy would otherwise lapse, and this Rider has been in force for a continuous period of not less than three Policy Years, then that Covered Person's coverage under the Policy will continue during the Continuation Period as if the premiums due during the Continuation Period had been timely paid. If coverage is continued under this Rider, a Covered Person's coverage under the Policy will terminate at the end of the Continuation Period.

For purposes of this Rider, the following terms are defined as follows:

- (a) "Policy Year" means each successive 12-month period extending from the effective date of this Rider so that each successive 12-month period constitutes a single Policy Year.
- (b) "Continuation Period" means one Month for each full Policy Year this Rider was continuously in force. The Continuation Period begins on the date the Policy would have lapsed for nonpayment of premium. The Continuation Period will not include any time for a partial Policy Year this Rider is in force nor for any noncontinuous period this Rider is in force.
- (c) "Month" means a period of 30 days.

All the provisions, definitions, conditions, limitations and exclusions of the Policy to which this Rider is attached which are not modified hereby and which are not in conflict herewith shall remain unchanged in full force and effect and shall be applicable to this Rider.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Rider to be executed by its President and attested by its Secretary.


Secretary


President

RESERVE NATIONAL INSURANCE COMPANY
OF OKLAHOMA CITY, OKLAHOMA

EXTRA BENEFIT RIDER

In consideration of the additional premium and effective with the date of issue, coverage under the Policy to which this Rider is attached is extended to include the following benefits:

ANNUAL PHYSICAL EXAMINATION BENEFIT

If, while this Rider is in force, a Covered Person (a) has not used any other benefit under this Rider or the Policy; and (b) has a physical examination performed by a Physician more than 12 months after the Effective Date of this Rider, we will pay a benefit of \$150.00 for such physical examination. After a Covered Person's first annual physical examination for which this benefit is payable, and while this Rider is in force, we will pay a benefit of \$150.00 each time a Covered Person has a physical examination performed by a Physician in each succeeding 12-month period, provided the Covered Person has not used any other benefit under this Rider or the Policy during such 12-month period, limited to one physical examination in any 12-month period.

VISION BENEFIT

(A) Examination: If, while this Rider is in force, a Covered Person has an eye examination, including any required diagnostic vision services in conjunction with the examination, performed by a Physician more than six months after the Effective Date of this Rider, we will pay a benefit of \$40.00 for such eye examination. After a Covered Person's first eye examination for which this benefit is payable, we will pay a benefit of \$40.00 each time a Covered Person has an eye examination and any related diagnostic services performed by a Physician in each succeeding 12-month period, limited to one eye examination in any 12-month period.

(B) Lenses and Frames: If, while this Rider is in force, a Covered Person purchases prescription lenses and eyeglass frames more than six months after the Effective Date of this Rider, we will pay a benefit of \$75.00 for such prescription lenses and eyeglass frames, excluding sunglasses. After a Covered Person's first prescription lenses and eyeglass frames for which this benefit is payable, we will pay a benefit of \$75.00 each time a Covered Person purchases prescription lenses and eyeglass frames in each succeeding 24-month period, limited to one set of lenses and frames in any 24-month period. For purposes of this benefit, "prescription lenses" means any lens which requires a prescription and includes single, bifocal, trifocal, lenticular or contact lenses, but does not include sunglasses.

HEARING BENEFIT

(A) Examination: If, while this Rider is in force, a Covered Person has a hearing examination (an audiometric examination or hearing aid evaluation, but not both) performed or ordered by a Physician or licensed audiologist more than 12 months after the Effective Date of this Rider, we will pay a benefit of \$50.00 for such hearing examination. After a Covered Person's first hearing examination for which this benefit is payable, we will pay a benefit of \$50.00 each time a Covered Person has a hearing examination performed or ordered by a Physician or licensed audiologist in each succeeding 12-month period, limited to one hearing examination in any 12-month period.

(B) Hearing Aids: If, while this Rider is in force, a Covered Person purchases a hearing aid prescribed by a Physician or licensed audiologist more than 12 months after the Effective Date of this Policy, we will pay a benefit of \$250.00 for such hearing aid. After a Covered Person's first hearing aid for which this benefit is payable, we will pay a benefit of \$250.00 each time a Covered Person purchases a hearing aid prescribed by a Physician or licensed audiologist in each succeeding 24-month period, limited to one hearing aid in any 24-month period. This benefit is not payable for: (1) repairs or replacement parts for any hearing aid, provided that this benefit is payable for the replacement of an entire hearing aid in accordance with the above frequency limitation; (2) a spare hearing aid which is not your primary hearing aid; and (3) follow-up visits to a Physician or audiologist if charged for separately.

(continued on reverse side)

AMBULANCE BENEFIT

If, while this Rider is in force, a Covered Person requires the use of an ambulance to a Hospital while receiving services of an Approved Home Health Care Practitioner for which benefits are payable under the Policy, we will pay a benefit of \$100.00 for each ambulance trip to the Hospital, and the return trip to Your Home, as defined in the Policy, limited to a maximum benefit of \$200.00 in any 12-month period.

IN-HOSPITAL PRIVATE DUTY NURSE BENEFIT

If, while this Rider is in force, a Covered Person is confined in a Hospital as a result of any one Injury or Sickness and requires exclusive private duty nursing services from a licensed graduate nurse (R.N.), we will pay a benefit of \$80.00 for each 24-hour day such care is received, limited to 30 days in any 12-month period. These services must be required and authorized by your attending Physician, and must be charged directly to the Covered Person by the nurse rather than the Hospital. This benefit is not payable for a private nurse who is a member of a Covered Person's Immediate Family, as defined in the Policy.

All the provisions, conditions and limitations of the Policy to which this Rider is attached which are not modified hereby and which are not in conflict herewith shall be applicable to this Rider.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Rider to be executed by its President and attested by its Secretary.


Secretary


President

RESERVE NATIONAL INSURANCE COMPANY
OF OKLAHOMA CITY, OKLAHOMA

PRESCRIPTION DRUG BENEFIT RIDER

In consideration of the additional premium and effective with the date of issue, coverage under the Policy to which this Rider is attached is extended to include the following benefit:

If, while this Rider is in force, an Insured/Covered Person incurs expenses in excess of a deductible of \$50.00 per Policy Year for Prescription Drugs for the treatment of an Injury or Sickness, we will pay 80% of such expenses, limited to a maximum benefit of \$250.00 per Policy Year. The deductible and maximum benefit shall apply to each Insured/Covered Person separately per Policy Year.

For purposes of this benefit:

"Prescription Drugs" means drugs which: (a) require a prescription written by a Physician; and (b) are dispensed by a licensed pharmacist.

"Policy Year" means each successive 12-month period extending from the Effective Date of the Policy to which this Rider is attached, so that each successive 12-month period will constitute a single Policy Year.

All the provisions, conditions and limitations of the Policy to which this Rider is attached which are not modified hereby and which are not in conflict herewith shall be applicable to this Rider.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Rider to be executed by its President and attested by its Secretary.


Secretary


President

RESERVE NATIONAL INSURANCE COMPANY
OF OKLAHOMA CITY, OKLAHOMA

INFLATION BENEFIT RIDER

In consideration of the additional premium and effective with the date of issue, coverage under the Policy to which this Rider is attached is extended to include the following benefit:

While this Rider is in force, the Daily Benefit amounts for Home Health Care Services set forth in the Home Health Care Benefit provision will increase each year on the anniversary of the Effective Date of this Rider by 5% of the amounts in effect on that anniversary. The Daily Maximum Home Health Care Aggregate Benefit will increase accordingly. Additionally, the Daily Maximum Adult Day Care Benefit will increase each year on the anniversary of the Effective Date of this Rider by 5% of the amount in effect on that anniversary. This Rider does not increase any Maximum Benefit Period under the Policy. This Rider does not increase the benefits or amount of any other benefit rider attached to the Policy.

All the provisions, conditions and limitations of the Policy to which this Rider is attached which are not modified hereby and which are not in conflict herewith shall be applicable to this Rider.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Rider to be executed by its President and attested by its Secretary.


Secretary


President

PRE-EXISTING BENEFIT ENDORSEMENT

The policy to which this Endorsement is attached is hereby amended to provide coverage from its Effective Date for "Pre-existing Conditions" as defined in the definitions section of the Policy.

IN WITNESS WHEREOF, RESERVE NATIONAL INSURANCE COMPANY has caused this Endorsement to be effective as of the date of the Policy to which it is attached.


Secretary


President

ENDORSEMENTS, IF ANY, AND PHOTOSTAT OF APPLICATION ATTACHED
HERETO CONSTITUTE PART OF THE CONTRACT



601 East Britton Road • Oklahoma City, OK 73114

HOME HEALTH CARE INDEMNITY POLICY

Guaranteed renewable. Premiums may be changed.

HHC-TX (Rev.)