



Group Insurance Policy

Plan Sponsor:

**VIRGINIA PRIVATE COLLEGES
BENEFITS CONSORTIUM, INC.**

Group Policy No:

GI 131411

Policy Effective Date:

January 1, 2016

Anniversary Date:

**January 1, 2020 and Each
January 1st Thereafter**

Policy Situs:

Virginia

UNICARE Life & Health Insurance Company
(herein called UNICARE)

In consideration of the Plan Sponsor's application and payment of the first premium, UNICARE agrees to insure those employees entitled to the insurance provided by this Group Insurance Policy, subject to its terms and conditions.

Payment of the premium indicates the Plan Sponsor's acceptance of this policy.

All premiums due after the first must be paid when or before the date they are due.

Signed for UNICARE by:

Handwritten signature of Laurence B. Schreiber in cursive.

President and CEO

Handwritten signature of Kathleen S. Kiefer in cursive.

Secretary

Si necesita ayuda en español para entender este documento, puede solicitarla sin costo adicional, llamando al número de servicio al cliente que aparece al dorso de su tarjeta de identificación o en el folleto de inscripción.

ASSOCIATED EMPLOYERS

An employer may be included as an Associated Employer if the Plan Sponsor and UNICARE so agree.

An employee of an Associated Employer will be deemed to be an employee of the Plan Sponsor for insurance purposes.

All actions, agreements and notices between UNICARE and the Plan Sponsor will be binding on all Associated Employers.

All the terms and conditions of this Group Policy will apply to an Associated Employer as of the date that employer is added to this Policy.

UNICARE will keep a list of accepted Associated Employers and the effective dates of coverage for each.

LIST OF ASSOCIATED EMPLOYERS

Averett University
Bluefield College
Bridgewater College
Emory & Henry College
Ferrum College
Hampden-Sydney College
Hollins University
Lynchburg College
Mary Baldwin College
Randolph-Macon College
Roanoke College
Sweet Briar College
VA Private Colleges
VA Union
VA Wesleyan
Southern Virginia University

ELIGIBILITY

Eligible Classes

The following classes of qualified employees are eligible for insurance:

- All eligible Full-time employees working 30 or more hours per week
- All eligible Part-time employees working 29 or fewer hours per week
- All Pre-65 retirees

Additional Eligibility and Effective Date provisions applicable to these Eligible Classes are shown elsewhere in this Group Policy.

Eligibility Waiting Period

The Waiting Period is a length of time each qualified employee must complete before becoming eligible for insurance.

For qualified employees who are working for the Plan Sponsor on the Policy Effective Date, there is no Waiting Period.

For qualified employees who begin working for the Plan Sponsor after the Policy Effective Date, the Waiting Period is met on the first day of the month coinciding with or next following date of hire.

Contributions

This Group Policy provides for:

- Personal Coverage on a non-contributory and contributory basis.
- Dependent Coverage on a contributory basis.

ELIGIBILITY (Continued)

Prior Service Credit

If a former employee is reemployed by the Plan Sponsor, the employee's prior service will not be included in determining any eligibility requirements.

If, however, a former employee leaves the Plan Sponsor's employ due to active service in the United States Armed Forces, then any prior service will be credited for the length of time required by any state or federal law.

Additionally, any prior service will be credited if a former employee leaves the Plan Sponsor's employ due to a disability and he or she resumes work as a qualified employee within one month after ceasing to be disabled.

If an employee transfers to an Eligible Class from an employment class not covered under this Group Policy, then any prior service accrued in an ineligible class will be credited to this Group Policy's eligibility requirements.

Disability, Temporary Layoff Or Leave Of Absence Provision

If a qualified employee's insurance under this Group Policy ceases because of disability, temporary layoff, or a leave of absence, his or her insurance may be continued by the Plan Sponsor. Subject to items (1) and (2) below, this continuation will be at the Plan Sponsor's option, but must be according to a plan which applies to all employees in the same way.

If a qualified employee's insurance ceases:

- (1) due to disability, his or her insurance may be continued until the qualified employee is no longer disabled; and
- (2) due to temporary layoff or leave of absence, his or her insurance may be continued for 2 months following the date the Plan Member ceased to be a qualified employee. Alternatively, if the leave of absence is granted in accordance with state or federal law, the qualified employee's insurance may be continued for the leave period.

As used above, disability or disabled means an injury or illness which prevents a qualified employee from doing substantially all of his or her usual duties for the Plan Sponsor.

PREMIUMS

Initial Monthly Premiums

UNICARE has set the initial premium rates. These rates are shown in the premium rate notice given to the Plan Sponsor with or prior to the delivery of this Group Policy.

These initial premium rates are guaranteed until this Group Policy's first anniversary date, except as otherwise provided by this Group Policy.

Change In Monthly Premium Rates

UNICARE may set new premium rates to become effective:

- (1) at any time after the initial guarantee period; or
- (2) on the date the terms of this Group Policy are changed,

by providing the Plan Sponsor with a written 31-day notice. If the premium increase is greater than 35%, notice will be provided not less than 60 days in advance.

Rates, however, may be changed earlier if there is a change in this Group Policy or if there is a 25% increase or decrease in the number of qualified employees or dependents.

Any change will be made according to the Change in The Group Policy provision herein.

Calculation

Premiums may be calculated by multiplying the rate times the applicable number of units of coverage shown on the premium rate notice.

Premiums for added or increased insurance that becomes effective after the first day of a policy month will be charged from the first day of the next policy month.

Premiums for insurance discontinued or decreased after the first day of a policy month will be charged at the end of that policy month.

If, however, insurance is added, discontinued or changed during a policy month due to change in the terms and conditions of this Group Policy, a premium charge will be made or a premium credit given effective as of the date of the change.

Premiums may be calculated by any other method which is agreeable to both UNICARE and the Plan Sponsor.

PREMIUMS (Continued)

Premium Payments

Premium payments are payable in advance of each premium due date. The first due date is the effective date of this Group Policy. The due date for subsequent premiums is the first day of each succeeding policy month. On any due date, UNICARE may, at the Plan Sponsor's written request, agree to change the frequency of premium due dates. This premium frequency may be annual, semi-annual, or monthly.

Any premium due will not be deemed paid unless the total premium for all insurance in force under this Group Policy on the due date has been paid.

Subject to this Group Policy's Grace Period provision, the payment of premium due will not maintain insurance in force beyond the day prior to the next due date. Payment of premiums for a period before it is due will not guarantee the insurance for that period.

All premiums are due and payable at UNICARE's Home Office or to its authorized agent in exchange for a receipt signed by an officer of UNICARE and countersigned by the agent.

Grace Period

UNICARE will allow the Plan Sponsor a 31 day grace period for the payment of all premiums after the first. During this 31 day period, this Group Policy will stay in force. If the owed premium is not paid by the 31st day, this Group Policy will automatically terminate.

Premiums are due for each day this Group Policy is in force.

TERMINATION
(Applicable to Health Insurance)

Plan Sponsor's Request

The Plan Sponsor may terminate this Group Policy at any time by providing UNICARE written notice. Upon receipt of this notice, the Group Policy will terminate on the later of:

- (1) the date stated in the notice; or
- (2) the date the notice is received at UNICARE's Home Office.

The Plan Sponsor will be liable for any unpaid premium accrued while the insurance remains in force.

UNICARE's Request

UNICARE may terminate this Group Policy:

- (1) on the date premium is due but not paid by the Plan Sponsor, subject to this Group Policy's Grace Period provision;
- (2) on the date the number of qualified employees insured for personal insurance is less than 15 or 75% of those eligible for such insurance;
- (3) on the date the number of qualified employees insured for dependent insurance is less than 75% of those eligible for such insurance;
- (4) on the date the Plan Sponsor fails to comply with contribution rules described in the policy;
- (5) on the date the Plan Sponsor has performed an act or practice that constitutes fraud or has made an intentional misrepresentation of material fact in connection with the policy;
- (6) on the date UNICARE terminates
 - (a) all group health coverage; or
 - (b) a particular group health product in the Plan Sponsor's market;
- (7) for policies that utilize a provider network, on the date there is no longer any enrollee under the group health policy who lives, resides, or works in the service area; or
- (8) for association groups, on the date the Plan Sponsor's membership in the association ceases.

In addition UNICARE may apply any other termination provisions permitted by Federal laws or regulations, or under the laws or regulations of the state in which the policy is issued.

If UNICARE discontinues offering a product provided as part of this Group Policy, UNICARE will provide written notice to the Plan Sponsor and each participant at least 90 days before the date coverage will be discontinued. In addition, UNICARE will offer the Plan Sponsor the option to purchase any other health insurance coverage currently being offered by UNICARE in the Plan Sponsor's market.

If UNICARE discontinues offering all health insurance coverage in the Plan Sponsor's market, UNICARE will provide written notice to the Plan Sponsor and each participant at least 180 days prior to the date the coverage will be discontinued.

The Plan Sponsor will be liable for any unpaid premium accrued while the insurance remains in force.

Termination by UNICARE will not prejudice any claims incurred by a covered person prior to the effective date of the termination.

For Plan Sponsors who have enrolled employees who are residents of the State of Kentucky:

The Plan Sponsor must provide written notice of any group policy termination to each Kentucky resident covered under the group policy. Such notice must include a legible true copy of UNICARE's notice of termination and information regarding the conversion rights available under the policy. The Plan Sponsor is to provide UNICARE with proof of such mailing and the date thereof on a prompt and timely basis.

GENERAL PROVISIONS

Entire Contract

The contract between the parties consists of this Group Policy, the attached Plan Sponsor's application and the applications, if any, of each qualified employee or dependent.

Any statement made by the Plan Sponsor, Associated Employers, and persons insured under this Group Policy will be deemed a representation and not a warranty.

No statement 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.

Data To Be Furnished

The Plan Sponsor will give UNICARE all information UNICARE needs regarding matters pertaining to the insurance. At any reasonable time while this Group Policy is in force and for 24 months after that, UNICARE may inspect any of the Plan Sponsor's documents, books, or records which may affect the insurance or premiums of this Group Policy.

Misstatement Of Fact

If the Plan Sponsor gives UNICARE any incorrect information, the relevant facts will be determined to establish if insurance is in effect and in what amount.

No qualified employee or dependent will be deprived of insurance to which he or she is otherwise entitled or have insurance to which he or she is not entitled, because of any misstatement of fact by the Plan Sponsor. Any benefits will be in the amount that would have been paid if no misstatement had occurred. If the premium would have been different, an adjustment of premium based on the correct statements will be made.

Change In The Group Policy

No change in this Group Policy may be made unless approved in writing by a Secretary or Assistant Secretary of UNICARE. No other person may change or waive any part of this Group Policy. Any approved change will be added to this Group Policy in writing.

If any change to the Federal Social Security Act affects UNICARE's liability under this Group Policy, UNICARE may change this Group Policy. This change will be effective as of the date of the change to the Social Security Act but will not be made until UNICARE gives the Plan Sponsor 31 days notice.

GENERAL PROVISIONS (Continued)

Right To Amend

After this Group Policy has been in force for 6 months, UNICARE may change any or all of this Group Policy's provisions by notifying the Plan Sponsor. UNICARE must give the Plan Sponsor at least 31 days advance written notice of any change.

Non-Waiver Of Policy Terms

UNICARE's failure to insist upon compliance with any terms of this Group Policy, at any time or under any circumstance, will not operate to waive or modify these terms.

Incontestability

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

The validity of any person's insurance will not be contested on the basis of his or her statements relating to his or her insurability, unless: (a) such statements are in writing and signed by the person; and (b) the insurance has been in force for a period of less than 2 years during the person's lifetime.

Certificate

UNICARE will give the Plan Sponsor an individual certificate for each insured plan member. The certificate will contain:

- (1) benefit amounts, maximum limits and other scheduled information;
- (2) the benefit plan provisions;
- (3) certain eligibility and effective date of insurance rules;
- (4) certain termination of insurance rules;
- (5) the rights and conditions of conversion;
- (6) exclusions; and
- (7) other provisions pertaining to state insurance law requirements.

No Replacement For Workers' Compensation

This Group Policy does not replace Workers' Compensation or affect any requirement for Workers' Compensation coverage.

Time Period

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

Jurisdiction

This Group Policy is governed by the laws of the state where it is delivered.

**GENERAL PROVISIONS
(Continued)**

Consolidated Omnibus Budget Reconciliation Act

This Group Policy may be used, at the Plan Sponsor's option, to provide any continuation of coverage required by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA). This continuation of coverage, however, will be provided only to the minimum extent as required by COBRA.

UNICARE will assume no liability for any damages resulting from the Plan Sponsor's non-compliance with any COBRA regulation.

The Plan Sponsor will hold UNICARE harmless and indemnify UNICARE from and against any and all taxes, fines, penalties, losses, damages, costs, expenses and attorney fees incurred by UNICARE, except to the extent prohibited by law.

IMPORTANT INFORMATION REGARDING YOUR INSURANCE

In the event you need to contact someone about this insurance for any reason, please contact your agent. If no agent was involved in the sale of this insurance, or if you have additional questions, you may contact the insurance company issuing this insurance at the following address and telephone number:

UniCare Life & Health Insurance Company
Grievances and Appeals
233 S Wacker Drive, Suite 3700
Chicago, IL 60606
Phone: 314-923-7655
Fax: 312-234-7494

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia State Corporation Commission's Bureau of Insurance at:

Virginia Bureau of Insurance
P.O. Box 1157
Richmond, VA 23218
Toll-free Phone: 1-877-310-6560
Richmond Metro Area: 1-804-371-9032

Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your agent, company or the Bureau of Insurance, have your policy number available.

INCORPORATION PROVISION

The following pages which comprise group insurance booklets:

131411-A (01/16)

131411-B (01/16)

are hereby incorporated into, and made part of, this Group Policy.