Unum Insurance Company
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Group Hospital Indemnity Insurance Policy

We welcome you as the Policyholder and are committed to providing quality service. This is a Hospital Indemnity Policy. Hospital Indemnity coverage can ease the potential financial impact of hospital stays and related procedures and treatments by providing benefits. This Policy describes the provisions with which you, as a Policyholder, should be familiar. Please see the Certificate of Coverage for specific details on the Hospital Indemnity benefits.

Policyholder:	Guilford County, a political subdivision of the state of North Carolina
Policy Number:	917646 001
Policy Effective Date:	January 1, 2023
Policy Anniversary:	January 1
Governing Jurisdiction:	North Carolina

This Policy, which is a legal contract between us and the Policyholder, is issued to the Policyholder in return for the payment of required premiums. The first premium payment is due on or before the Policy Effective Date. All subsequent premiums are due in accordance with the Premium Due Dates found in the Rate Schedule. We issue this Policy and Certificate of Coverage in agreement of the Policyholder's and Insured's applications and enrollment forms. We will pay benefits to eligible Insureds according to the terms and provisions outlined in this Policy and the certificate.

Please read this Policy carefully.

Glossary defined terms found within this Policy and the Certificate of Coverage have been capitalized.

This is a non-participating Policy that provides limited benefits. The limited benefits provided under this Policy are a supplement to major medical coverage and are not a substitute for major medical coverage or other minimal essential coverage as is required by federal law.

THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us.

IMPORTANT CANCELLATION INFORMATION. PLEASE READ THE PROVISION ENTITLED, "CANCELLATION OR MODIFICATION OF THIS POLICY BY US".

This Policy is delivered in and is governed by laws of the governing jurisdiction and to the extent applicable, by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments. There may be changes that impact an Insured's benefits based on the Insured's state of residence.

Signed for Unum at Portland, Maine on the Policy Effective Date.

President

Secretary

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Premium Payments

Premiums must be paid to us in United States Dollars and are due on or before their due date. If we do not receive premium payment on the Premium Due Date, we will provide the Policyholder Written notice to advise Premium Payments must be made by the last day of the Grace Period, otherwise the Policy will end.

The amount of Premium due on any Premium Due Date is calculated by using the total amount of insurance provided by this Policy on such date, multiplied by the applicable rates in effect, subject to any Premium Adjustments.

The rates and Premium Due Dates are stated in the Rate Schedule and have been agreed to by us and the Policyholder. We may use any reasonable method to calculate Premium due using the rates.

Premium Adjustments

Premium adjustments resulting from changes made in insurance after a Premium Due Date are due on the Premium Due Date following the effective date of the change. Changes will not be pro-rated daily.

Premium Due Dates that do not occur on a monthly basis will result in a monthly pro-rated adjustment due on the next Premium Due Date.

Premium adjustments will only be made for the current Policy Year and the prior Policy Year. In the event of Fraud, premium adjustments will be made for all Policy Years.

Grace Period

The Grace Period is 60 days following a Premium Due Date for the payment of each premium falling due after the first premium. The Policyholder is liable for all premium due during the Grace Period. During the Grace Period this Policy will remain in force, unless we have received Written notice from the Policyholder to cancel this Policy.

If we do not intend to renew this Policy beyond the period for which premium has been paid, we will send the Policyholder a notice of our intention not to renew at least 45 days before the premium is due.

Right to Change Rates

We will not change rates before the later of the date this Policy has been in force for 12 months or the end of any Rate Guarantee Period as stated in the Rate Schedule. If changes occur for reasons which affect the risk assumed for the insurance we are providing under this Policy, we can change the rates at any time; however, not more frequently than every six months. These reasons include, but are not limited to:

- a change occurs in this Policy design;
- a division, subsidiary, or affiliated company is added or deleted;
- the number of Insureds changes by 25% or more; or
- a change in federal or state law, regulation, or regulatory process that substantially impacts this Policy, the benefits payable, or the risk insured.

In any event, we will provide Written notice to the Policyholder at least 45 days prior to the effective date of a rate change. A rate change may take effect on an earlier date if agreed to by us and the Policyholder.

When Days Begin and End

For the purpose of all dates under this Policy, all days begin at 12:01 a.m. and end at 12:00 midnight.

Entire Contract; Changes

Policy Contents

This Policy consists of:

- all Policy provisions, and any riders, amendments and endorsements, and other attachments to this Policy;
- the Certificate of Coverage, and any riders, amendments and endorsements, and other attachments to the Certificate of Coverage;
- the Policyholder's application for group insurance; and
- Employee's signed applications, if applicable.

Policy Change Authority

Changes to this Policy will be made valid once approved by an officer of Unum. The approval must be in Writing and endorsed on or attached to this Policy. No other person, including a broker or agent, may change or waive any part of this Policy.

Time Limit on Certain Defenses

Representation in Applications

In the absence of Fraud, any statements made by the Policyholder will be considered a representation and not a warranty. We will not use such statements to avoid insurance, reduce benefits, or deny a claim, unless such statements are included in an application which is made part of this Policy.

Contestability

We can take legal or other action using statements made in signed applications by the Policyholder during the first two years after the Policy Effective Date.

Misstatement of Information

If an Insured or the Policyholder provides us information about the Insured that is incorrect during the first two years after an Insured's Coverage Effective Date, we will:

- use the facts to decide whether the Insured has coverage under this Policy and the certificate and in what amounts; and
- if necessary, make the applicable Premium Adjustments.

Employee's Certificate of Coverage

We will provide the Policyholder with a Certificate of Coverage for distribution to each Insured Employee. The Employee's certificate describes:

- the coverage to which the Insured may be entitled;
- to whom we will make a payment; and
- the limitations, exclusions, and requirements that apply to an Insured's coverage.

If any of the terms and provisions of the certificate are different from this Policy, this Policy will govern.

Communicating with an Insured or the Policyholder

We may provide notices, information, and other communications to an Insured or the Policyholder in Written form.

To protect our customers, we will abide by all applicable privacy laws and regulations.

Information Required from the Policyholder

The Policyholder must provide us with the following on a regular basis:

- information about Employees:
  - who are eligible to become insured;
  - whose amounts of coverage change; and
  - whose coverage ends;
- occupational information and any other information that may be required to manage a claim; and
- any other information we may reasonably require.

Policyholder records that, in our opinion, have a bearing on this Policy must be available for our review at any time.

Clerical Error or Omission

If a clerical error is made by us, the Policyholder, or an Insured in keeping or providing information, any premiums and benefits will be adjusted according to the correct information. An error will not end coverage that is validly in effect and will not reinstate coverage that was validly ended.

Agency For purposes of this Policy, the Employer acts on its and its Employees behalf. Under no circumstances will the Employer be deemed our agent.

Conformity with Law If the terms and provisions of this Policy are subject to and contrary to the laws of the governing jurisdiction, such terms and provisions are hereby amended to conform to the minimum requirements of those laws.

Additional Services This Policy may include enrollment, risk management, financial protection, and other support services related to your Employee benefit program.

Cancellation of this Policy by the Policyholder

The Policyholder may cancel this Policy by providing us Written notice at least 31 days prior to the cancellation date.

A cancellation will take effect on the later of:
- the date requested by the Policyholder; or
- the date we received the Written notice of cancellation.

Cancellation due to Non-Payment of Premium

This Policy will automatically be cancelled on the last day of the Grace Period if premium has not been paid. The Policyholder is liable for all premium due while this Policy remains in force, including premium that becomes due during the Grace Period.

Cancellation or Modification of this Policy by Us

We may cancel or modify this Policy if:
- our participation requirements are not met, as applicable;
- the Policyholder does not promptly provide us with information that is reasonably required;
- the Policyholder fails to perform any of its obligations that relate to this Policy;
- the premium is not paid in accordance with the provisions of this Policy that specify whether the Policyholder, the Insured, or both, pay(s) the premiums;
- the Policyholder does not promptly report to us the required information about any Employees who are added or removed from an Eligible Group;
- we determine that there is a significant change in the Policyholder or its Employees as a result of a corporate transaction such as a merger, divestiture, acquisition, sale, or reorganization that impacts the size, occupation, or age of any Eligible Groups;
- we provide the Policyholder with 45 days Written notice at any time after any rate guarantee period for any reason; however, not more frequently than every six months; or
- any change occurs in federal or state law, regulation, or regulatory process that substantially impacts this Policy, the benefits payable, or the risk insured.

In any event, we will provide Written notice to the Policyholder at least 45 days prior to any cancellation or modification date. The Policyholder may cancel this Policy if they choose not to accept the Policy modifications made by us.

Reinstatement

This Policy may be reinstated if it was cancelled because premium had not been paid. Following cancellation of this Policy, any acceptance of the premium by us without requiring an application for Reinstatement, will reinstate this Policy on the date premium is received. Otherwise, the Policyholder should submit a Written application for Reinstatement and pay all premiums due. At the time we accept the Reinstatement application and all premiums due, a conditional receipt will be given for the premium. If we do not notify you that we have approved or disapproved the Reinstatement application, this Policy will be reinstated on the 45th day following the date of the conditional receipt.

Any premium accepted in connection with a Reinstatement will be applied first to a period for which premium was not previously paid, but not to any period more than 60 days prior to the date of Reinstatement. Any request to reinstate will be subject to this Policy's Premiums provisions, Cancellation or Modification of Policy provisions, and the Certificate of Coverage's End of Coverage provisions.

The reinstated Policy will provide benefits for Covered Losses that occur on or after the reinstatement date.

Notice to Insured Employees of Cancellation of this Policy

The Policyholder is responsible for giving Insured Employees Written notice of the cancellation of this Policy as soon as reasonably possible.

Cancellation of this Policy will not affect a Payable Claim for an Insured.

Active Employment — An Employee who is working for the Employer for earnings that are paid regularly and is performing the Material and Substantial Duties of their Regular Occupation. The Employee must be regularly scheduled to work at least the minimum number of hours as determined by the Employer.

The Employer's work site must be:
- the Employer's usual place of business in the United States;
- an alternative work site in the United States at the direction of the Employer; or
- a location in the United States to which the Employee's job requires them to travel.

Normal vacation, holidays, or temporary business closures are considered Active Employment provided the Employee is in Active Employment on the last scheduled work day preceding such time off.

For purposes of this policy, temporary business closures that meet the Glossary definition of Active Employment include:
- inclement weather;
- power outage; and
- public health agency orders.

Temporary and seasonal workers are excluded from coverage.

Certificate of Coverage — The document issued to the Employee, also referred to as the "certificate," describing an Insured's benefits and rights under this Policy, including any riders, amendments and endorsements, and other attachments to this Policy and the certificate.

Employee — A person who is in Active Employment in the United States with the Employer.

Employer — The Policyholder, including all United States divisions, subsidiaries, and affiliated companies of the named Policyholder for whose Employees premium is being paid.

Grace Period — The period of time following a Premium Due Date when premium payment must be made in order for coverage to remain in force.

Insured — Any person who has coverage under this Policy.

Payable Claim — A claim for which we are liable under the terms of this Policy.

Policy — The Group Hospital Indemnity Insurance Policy issued to the Policyholder, including the Certificate of Coverage and any riders, amendments and endorsements, and other attachments to this Policy and the certificate.

Policyholder — The entity to which this Policy is issued.

Policy Year — January 1, 2023 to January 1, 2024 and each following January 1 to January 1.

Unum Insurance Company — Referred to as "Unum" and "we," "us," or "our."

Writing or **Written** — A record on or transmitted by paper, electronic, or telephonic means consistent with applicable law.

UNDER NORTH CAROLINA GENERAL STATUTE SECTION 58-50-40, NO PERSON, EMPLOYER, PRINCIPAL, AGENT, TRUSTEE, OR THIRD PARTY ADMINISTRATOR, WHO IS RESPONSIBLE FOR THE PAYMENT OF GROUP HEALTH OR LIFE INSURANCE OR GROUP HEALTH PLAN PREMIUMS, SHALL:

(1) CAUSE THE CANCELLATION OR NONRENEWAL OF GROUP HEALTH OR LIFE INSURANCE, HOSPITAL, MEDICAL, OR DENTAL SERVICE CORPORATION PLAN, MULTIPLE EMPLOYER WELFARE ARRANGEMENT, OR GROUP HEALTH PLAN COVERAGES AND THE CONSEQUENTIAL LOSS OF THE COVERAGES OF THE PERSONS INSURED, BY WILLFULLY FAILING TO PAY THOSE PREMIUMS IN ACCORDANCE WITH THE TERMS OF THE INSURANCE OR PLAN CONTRACT; AND

(2) WILLFULLY FAIL TO DELIVER, AT LEAST 45 DAYS BEFORE THE TERMINATION OF THOSE COVERAGES, TO ALL PERSONS COVERED BY THE GROUP POLICY A WRITTEN NOTICE OF THE PERSON'S INTENTION TO STOP PAYMENT OF PREMIUMS. THIS WRITTEN NOTICE MUST ALSO CONTAIN A NOTICE TO ALL PERSONS COVERED BY THE GROUP POLICY OF THEIR RIGHTS TO HEALTH INSURANCE CONVERSION POLICIES UNDER ARTICLE 53 OF CHAPTER 58 OF THE GENERAL STATUTES AND THEIR RIGHTS TO PURCHASE INDIVIDUAL POLICIES UNDER THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT AND UNDER ARTICLE 68 OF CHAPTER 58 OF THE GENERAL STATUTES.

VIOLATION OF THIS LAW IS A FELONY. ANY PERSON VIOLATING THIS LAW IS ALSO SUBJECT TO A COURT ORDER REQUIRING THE PERSON TO COMPENSATE PERSONS INSURED FOR EXPENSES OR LOSSES INCURRED AS A RESULT OF THE TERMINATION OF THE INSURANCE.