

AMERICAN NATIONAL INSURANCE COMPANY

One Moody Plaza • Galveston, Texas 77550

AGGREGATE TERMINAL LIABILITY AMENDMENT

Attached to and made a part of the Excess Loss Reinsurance Treaty between _____ (hereinafter “Employer”) and American National Insurance Company (hereinafter “Reinsurer”) effective _____.

Treaty Number: _____.

In consideration of the additional premium paid, the Aggregate Excess Loss Reinsurance is hereby amended as follows:

- (1) The Aggregate Terminal Liability Period begins on the Expiration Date of the Treaty Period as shown in the Schedule and ends on the 90th day following such.
- (2) Section 2.I. of the Treaty is amended to read as follows:

I. EXPENSE PAYMENT PERIOD, as shown in the Schedule means the period of time during which You must actually make payment for expenses covered under Your Plan in order to satisfy a deductible or receive reimbursement under this Treaty, plus an additional ninety (90) days. An expense is considered paid on the date your Claims Administrator mails the check for the payment to the applicable payee as authorized by the Covered Person, provided the check is paid upon presentation.
- (3) Sections 2.B.i and 2.B.ii of the Treaty are amended to read as follows:

B. AGGREGATE RETENTION AMOUNT, as shown in the Schedule, will be determined at the end of the Treaty Period (the beginning of the Aggregate Terminal Liability Period) and shall be the greater of 125% of the Minimum Aggregate Retention Amount as shown in the Schedule or the amount resulting from the following formula:

 - i. The total number of employees and their dependent units who are covered under Your Plan at the beginning of each month during the Treaty Period will be multiplied by the appropriate retention factor stated in the Schedule, plus
 - ii. The total number of employees and their dependent units who are covered under Your Plan in the last three months of the Treaty Period multiplied by the appropriate retention factor stated in the Schedule.
- (4) Annual premium amount for this Aggregate Terminal Liability coverage shall be \$_____ and shall be added to the amount otherwise due for the Aggregate Excess Loss coverage as shown on the Schedule and shall be payable monthly. Nonpayment of the premium amount for this Aggregate Terminal Liability coverage shall automatically terminate this coverage, subject to the Treaty’s grace period provision.
- (5) This amendment only applies to Losses under the Specific Retention Amount.

- (6) This Amendment will take effect only if You terminate coverage under this Treaty at the end of the Treaty Period and You have purchased a conventional fully insured group Major Medical Health Insurance Policy which replaces this Treaty and has an in force effective date which immediately follows the termination date of this Treaty. Changing Excess-Loss carriers will not qualify this Amendment to take effect. It is Your responsibility to furnish proof acceptable to American National Insurance Company that the above event has occurred.

Except as expressly stated, nothing herein shall alter or affect any of the provisions of the Treaty including any prior amendments, endorsements or riders.

This Amendment is a part of the Treaty and should be attached to it.

This Amendment has been signed as shown below on behalf of the Reinsurer.

AMERICAN NATIONAL INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "J. Michael Flippin". The signature is written in a cursive style with a large initial "J".

SECRETARY