

AMERICAN NATIONAL INSURANCE COMPANY
One Moody Plaza • Galveston, Texas 77550

Specific Terminal Liability Endorsement

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 mutual covenants herein contained and intending to be legally bound hereby, the parties agree as follows:

SPECIFIC TERMINAL LIABILITY OPTION

If, effective on the last day of the Treaty Period, the Employer terminates Excess Loss Reinsurance with the Reinsurer, the Employer has the option to modify the Benefit Period for Specific Excess Loss Reinsurance as set forth below, subject to the following terms and conditions:

- A. This option is only available if the Employer has paid the additional premium set forth in the Schedule of Excess Loss Coverage for the effective date of the Excess Loss Reinsurance Treaty.
- B. In order to exercise this option, the Employer must, within 15 days after the end of the Treaty Period, notify the Reinsurer in writing of its intention to exercise this option. The Employer must present satisfactory evidence to the Reinsurer that the Employer has accepted fully-insured coverage under an Employer's Group Sponsored Health Plan from an admitted insurance carrier in his situs state.
- C. This option is only available for issued Treaties as of inception of the Treaty Period and will remain in effect for a subsequent period only if this option is elected for that period. If this option is not elected as of the Treaty Period date, effective date, it may not be added during the Treaty Period.

If the Terminal Liability Option is exercised in accordance with this Endorsement, the Benefit Period for Specific Excess Loss Reinsurance will be revised so that the time period during which Covered Expenses must be Paid by the Plan shall be extended by an additional ninety (90) days.

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

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

AMERICAN NATIONAL INSURANCE COMPANY



SECRETARY