

CANCER POLICY

BENEFITS FOR FIRST DIAGNOSIS OF CANCER. THIS POLICY IS GUARANTEED RENEWABLE FOR LIFE; THE COMPANY RESERVES THE RIGHT TO CHANGE PREMIUMS ON A CLASS BASIS BY STATE.

LIBERTY NATIONAL LIFE INSURANCE COMPANY

ADMINISTRATIVE OFFICE: P. O. BOX 2612, BIRMINGHAM, AL 35202 (205) 325-2722

A Legal Reserve Stock Company

CONSIDERATION

This policy is issued in consideration of statements made in Your application and the payment of premium shown in the Policy Schedule. Your application is attached and is a part of this policy. We will pay You the benefit amount for Cancer which is first diagnosed 30 days after the Effective Date of this policy.

RIGHT TO EXAMINE POLICY

If You are not satisfied with this policy, You may return it for a full refund of premiums. You must return the policy within 30 days after You receive it. You may return the policy by delivering it or mailing it to the agent who took Your application or to Our Administrative Offices. Upon such return, We will void the policy as of the Effective Date, and We will refund the premium paid.

IMPORTANT NOTICE: This policy was issued based on the information in Your application, a copy of which is attached to this policy. Advise Us immediately if any of the information is incorrect. Incorrect information could result in the denial of a claim or the termination of this policy.

THIS IS A LEGAL CONTRACT - READ YOUR POLICY CAREFULLY

NOTICE TO BUYER: THIS IS A SPECIFIED DISEASE POLICY.

THIS POLICY PROVIDES LIMITED BENEFITS. BENEFITS PROVIDED ARE SUPPLEMENTAL AND ARE NOT INTENDED TO COVER ALL MEDICAL EXPENSES. READ YOUR POLICY CAREFULLY WITH THE OUTLINE OF COVERAGE.

RENEWAL PROVISION

You are guaranteed the right to renew this policy for Your lifetime by the payment of the premium in effect on the date it is due. The premium must be paid on or before the due date, or within the 31 days that follow.

We may change the premium on a class basis for all policies of this same form in Your state. Class is based on gender, issue age and year of issue.

POLICY SCHEDULE

POLICY NUMBER	PLAN	EFFECTIVE DATE	INITIAL TERM EXPIRES ON	INITIAL PREMIUM	BENEFIT AMOUNT
35000224	LS3	05/01/2011	06/01/2011	\$61.50	
INSURED:	PRIMDE	IDFAPP			\$30,000
SPOUSE :	IDFAPP	SPOUSE			\$30,000

Idaho Department of Insurance Contact Information: Idaho Department of Insurance, Consumer Affairs,
700 W. State Street, 3rd Floor, P.O. Box 83720, Boise, ID 83720-0043

TABLE OF CONTENTS

	Page		Page
Consideration	1	Benefits	3
Your Right to Examine Policy	1	Limitations and Exclusions	3
Renewal Provision	1	General Provisions	3
Definitions	2		

DEFINITIONS

CANCER: Cancer is defined as a disease manifested by the presence of a malignant tumor characterized by the uncontrolled growth and spread of malignant cells, the invasion of tissue, melanoma, leukemia, or Hodgkin's disease, or any form of malignant growth positively diagnosed as Cancer (malignant neoplasm) by a legally licensed doctor of medicine certified by the American Board of Pathology or a certified Osteopathic Pathologist. Cancer is further defined for the purposes of this policy to include cancer in situ, which is in the natural or normal place; confined to the site of origin without having invaded neighboring tissue. Pre-malignant conditions or conditions with malignant potential are not to be construed as Cancer in interpreting this policy.

Criteria for malignancy are those accepted by the American Board of Pathology or the Osteopathic Board of Pathology. This diagnosis must be based on a microscopic study of body tissue or fluid. The pathologist establishing the diagnosis shall base his judgment solely on the criteria of malignancy as accepted by the American Board of Pathology or the Osteopathic Board of Pathology after a study of the histocytologic architecture or pattern of the suspect tumor, tissue, or specimen. If a pathological diagnosis is medically inappropriate, a clinical diagnosis will be accepted.

COVERED FAMILY MEMBER: The spouse of the Insured and all unmarried children of the Insured, under age 19, on the Effective Date. To be covered, each existing member must be named in the application. Any member who has had Cancer diagnosed is excluded from coverage. Stepchildren and legally adopted children can be included if listed in the application. Children born or legally adopted or from the time the child is placed with the adoptive insured after the Effective Date are automatically covered for 60 days. If You notify Us of their birth or legal adoptions and pay the required premium within that time, their coverage will continue. Child means an individual who has not attained age eighteen (18) years as of the date of adoption or placement for adoption. You may apply for coverage on other dependents acquired after the Effective Date, subject to Our approval. Coverage on Your children terminates when they marry. It also terminates on the policy anniversary date following their 25th birthday, unless they are still dependent on You due to a physical or mental handicap. You must furnish Us proof of the disability and dependency status within 31 days of the termination date.

COVERED PERSON: Refers to either You or a Covered Family Member.

FIRST DIAGNOSIS: "First Diagnosis" means the first time a Covered Person is diagnosed as having internal Cancer or malignant melanoma (this excludes all other Skin Cancer); provided the diagnosis is after the Waiting Period and while this policy is in force with respect to the Covered Person.

PHYSICIAN: A person who is a practitioner of the healing arts, other than yourself or a member of Your immediate family or household, and who is duly licensed to practice, and is practicing, medicine in the United States to treat an injury or illness.

SKIN CANCER: Any form of malignant growth positively diagnosed as Cancer (malignant neoplasm) which is confined to the epidermis, dermis (corium) and/or subcutaneous tissue. Such diagnosis must be based on a microscopic study performed by a recognized pathologist. **Skin Cancer is not covered under this policy.**

WAITING PERIOD: Benefits are payable if Cancer is first manifested 30 days after the Effective Date of insurance and while the insurance is in force.

WE, US, OUR and COMPANY: Liberty National Life Insurance Company.

YOU, YOUR and INSURED: The Covered Person whose name is shown in the Policy Schedule.

BENEFITS

We will pay You the Cancer Benefit Amount as shown in the Policy Schedule when We receive due proof of a Covered Person's First Diagnosis of Cancer while this policy is in force. No benefit is payable if the Cancer first manifests itself before the end of the 30-day Waiting Period. In such case, We will void the policy from the beginning and You will receive a full refund of premium. **A Covered Person is limited to only one First Diagnosis benefit. Coverage for such person terminates upon payment of their benefit.**

LIMITATIONS AND EXCLUSIONS

1. This policy pays a benefit only for First Diagnosis of internal cancer or malignant melanoma (this excludes all other Skin Cancer). Pathologic proof thereof must be submitted. If a pathological diagnosis is medically inappropriate, a clinical diagnosis will be accepted. This policy does not provide benefits for any other disease or sickness or incapacity.
2. This policy contains a 30-day "Waiting Period." That means that the Benefit is not payable to anyone who has Cancer diagnosed before the policy has been in force 30 days from the "Effective Date" shown in the Policy Schedule. If a Covered Person has Cancer first diagnosed during the "Waiting Period," We will void the policy from the beginning and You will receive a full refund of premium.
3. This policy will not pay benefits if the diagnosis of Cancer is made by You or a member of Your immediate family or household.
4. This policy will not pay benefits if the First Diagnosis of Cancer is made outside the United States of America.

GENERAL PROVISIONS

ENTIRE CONTRACT; CHANGES: This policy, with the application and attached papers, is the entire contract between You and Us. No change in this policy will be effective until approved by Us. This approval must be noted on or attached to this policy.

No agent may change this policy or waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After 2 years from the policy Effective Date only fraudulent misstatements in the application may be used to void this policy or deny any claim resulting from First Diagnosis of a covered Cancer after the expiration of the 2-year period. No claim for loss incurred that starts after 2 years from the Effective Date will be reduced or denied because a sickness or physical condition, not excluded by name or specific description before the date of loss, had existed before that Effective Date of coverage.

PREMIUM PAYMENTS: This policy is issued based on the application and the payment of the first premium. A copy of the application is a part of this policy. This policy takes effect at 12 o'clock noon, Standard Time at the place where You reside, and remains in effect until the same hour on the date of which the initial term expires.

We will refund "unused collected premium" which means that portion of any premium collected which is not used, on a prorata basis to the beginning of the next monthly billing cycle at the time of cancellation.

The Effective Date of this policy, the first premium and the date the initial term expires are shown in the Policy Schedule. All premiums, except the first premium, shall be due and payable at Our Administrative Offices.

GRACE PERIOD: The policy has a 31-day grace period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the following 31 days. During the grace period this policy will stay in force.

REINSTATEMENT: If the renewal premium is not paid before the grace period ends, the policy will lapse. Later acceptance of the premium by Us (or by Our agent authorized to accept payment) without requiring an application for reinstatement will reinstate this policy.

If We or Our agent requires an application, You will be given a conditional receipt for the premium. If the application is approved, the policy will be reinstated as of the approval date. Lacking such approval, the policy will be reinstated on the 45th day after the date of the conditional receipt unless We have written You earlier of its disapproval.

The reinstated policy will cover only First Diagnosis of Cancer that is manifested more than 10 days after the date of reinstatement. In all other respects Your rights and Our rights will remain the same, subject to any provision endorsed on or attached to the reinstated policy.

NOTICE OF CLAIM: Written notice of claim must be given within 60 days after First Diagnosis of Cancer or as soon as reasonably possible. The notice can be given to Us at Our Administrative Offices or to one of Our agents. Notice should include Your name, the name of the Covered Person who suffered the loss, and the policy number.

CLAIM FORMS: When We receive a notice of claim, We will send the claimant forms for filing proof of loss. If these forms are not given to the claimant within 15 days, the claimant will meet the proof of First Diagnosis requirements by giving Us a statement from the pathologist or Physician that describes the occurrence, nature and extent of the diagnosis within the time limit stated in the "Proof of First Diagnosis" provision.

PROOF OF FIRST DIAGNOSIS: Written proof of First Diagnosis must be given to Us within 90 days after the date of such First Diagnosis. If it was not reasonably possible to give written proof in the time required, We will not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. However, the proof required must be given no later than one year from the time specified unless You were legally incapacitated.

TIME OF PAYMENT OF CLAIMS: Benefits provided by this policy will be paid as soon as We receive proper written proof of First Diagnosis.

PAYMENT OF CLAIMS: Benefits will be paid to You unless You assign them to the doctor or hospital. Any unpaid benefits will be payable to the estate of the Insured, or to an Insured or beneficiary who is a minor or otherwise not competent to give a valid release, the Insurer may pay such indemnity, up to an amount not exceeding \$1,000, to any relative by blood or connection by marriage of the Insured or beneficiary who is deemed by the Insurer to be equitably entitled thereto. We will be discharged to the extent of any such payment made in good faith pursuant to this provision.

PHYSICAL EXAMINATION: We have the right to have a Covered Person examined, at Our expense, as often as reasonably needed while a claim is pending.

LEGAL ACTIONS: No legal action may be brought to recover on this policy within 60 days after written proof of First Diagnosis has been given as required by this policy. No such action may be brought after 3 years from the time written proof of First Diagnosis is required to be given.

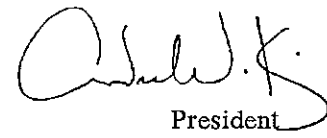
MISSTATEMENT OF AGE: If a Covered Person's age has been misstated, the benefit will be such as the premium paid would have purchased at the correct age. In the event coverage would not have become effective, or would have terminated, Our liability will be limited to a refund. Such refund must be requested by You and will be equal to the portion of the premiums paid for the period not covered by this policy.

CONFORMITY WITH STATE STATUTES: Any provision of this policy that, on its Effective Date, is in conflict with the laws of the state in which You reside on that date is amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment under this policy shall be binding upon Us unless the original (or a copy of it) is on file at Our Administrative Offices. We do not assume any responsibility for the validity of any assignment. We will pay the benefits of this policy to any state agency (such as Medicaid) when required by state law.

This policy is signed for Us by Our President and Secretary.


Secretary


President

Countersigned:

Licensed Resident Agent where required by law.