CIGNA GROUP
HOSPITAL CARE PROPOSAL

Hospital Indemnity Insurance

Prepared For:

Kidco LTD

Requested By:	CIP Group
Proposed Effective Date:	January 1, 2027
Proposal Prepared On:	October 20, 2026
Proposal Valid Through:	January 1, 2027
Issued By:	**Cigna Health and Life Insurance Company***

The information contained in the following response/proposal is confidential and proprietary information of the insurance company making the proposal. It is being provided with the understanding that it will not be used by Kidco LTD, its representatives or consultants for any purpose other than the evaluation of the insurance company's proposal in connection with the services sought by Kidco LTD. Dissemination of the information contained herein by Kidco LTD, its representatives and consultants shall be limited to their respective employees who are directly involved in the evaluation process. Under no circumstances is any of the information contained herein (including excerpts, summaries, extracts and evaluations thereof) to be used, disseminated, disclosed or otherwise communicated to any person or entity other than Kidco LTD and its representatives and consultants involved in the evaluation process.

THE POLICY CONTEMPLATED BY THIS PROPOSAL WILL PAY LIMITED BENEFITS ONLY. IT WILL NOT CONSTITUTE COMPREHENSIVE HEALTH INSURANCE COVERAGE AND IS NOT INTENDED TO COVER ALL MEDICAL EXPENSES. THE COVERAGE DOES NOT SATISFY THE "MINIMUM ESSENTIAL COVERAGE" OR INDIVIDUAL MANDATE REQUIREMENTS OF THE AFFORDABLE CARE ACT (ACA). THIS COVERAGE IS NOT A MEDICAID OR MEDICARE SUPPLEMENT POLICY.

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*The policy contemplated by this proposal will be issued and administered by Cigna Health and Life Insurance Company and insured by Cigna Health and Life Insurance Company. The Cigna name, logo, and other Cigna marks are owned by Cigna Intellectual Property, Inc.

Kidco LTD
Group Hospital Care Proposal
Hospital Indemnity Insurance
Schedule of Benefits Summary

Eligibility	All active, Full-time Employees of the Employer who are regularly working in the United States a minimum of 20 hours per week and regularly residing in the United States and who are United States citizens or permanent resident aliens or non-United States citizens legally working and living in the United States (Inpats) and their Spouse, Domestic Partner, or Civil Union Partner and Dependent Children who are United States citizens or permanent resident aliens or Spouse, Domestic Partner, or Civil Union Partner or Dependent Child Inpats and who are legally residing in the United States.
Eligibility Waiting Period	The standard recommended Eligibility Waiting Period is: First of month after 30 days from date of hire or Active Service. Credit will be given for the period of time of Active Service before the Policy effective date. The actual Eligibility Waiting Period is determined by the Employer.
Initial Enrollment Event	Guarantee issue coverage available for new employees, spouses, domestic partners, or civil union partners and dependent children.
Annual/Scheduled Enrollment Events	Open Allowed on an annual basis Guarantee issue coverage available for all eligible employees, spouses, domestic partners, or civil union partners and dependent children.
Late Enrollment **Late Enrollees**	Not permitted outside of annual enrollment event.
Life Status Enrollees	All eligible Employees are able to apply for or increase coverage for themselves and apply for or increase coverage for their spouse, domestic partner, or civil union partner and dependent children due to life status events without satisfying medical evidence of insurability so long as they apply within 31 days of such event. Life Status events include: marriage; loss of a spouse, domestic partner, or civil union partner (whether by death, divorce, annulment or legal separation); birth or adoption of a child, or acquiring a child through marriage; a change in the group benefit plan available to the employee's spouse, domestic partner, or civil union partner; a change in the employee's employment status that affects eligibility for group benefits for either the employee or his spouse, domestic partner, or civil union partner; termination of a spouse's, domestic partner's, or civil union partner's employment; and as specified in the Employer's Plan which this Policy insures.
Participation Requirement	No minimum requirement
SUMMARY OF BENEFITS	
Benefit Waiting Period	None
Pre-Existing Condition Limitation	Does not apply.
Employee Benefit Amount(s)	100% of the Benefit Amount shown
Spouse, Domestic Partner, or Civil Union	100% of the Benefit Amount shown

Partner Benefit Amount(s) (spouse, domestic partner, or civil union partner to age 100 is eligible for coverage if employee is enrolled) **Dependent Child Benefit Amount(s)** Child only eligible if employee is enrolled Birth to 26; 26+ if disabled	100% of the Benefit Amount shown
Age Based Reductions	None.
Coverage	Fixed benefits per schedule below.
SIMPLE FILE® INTEGRATION	
Simple File® Sync Through our Sync program, Cigna may identify potential claims using medical or dental data - making it easier to receive benefits. All capabilities are dependent upon timely receipt of ongoing SHS eligibility feed and a medical claim file feed. Note: Service may be forward dated in certain circumstances if program requirements are not met in time.	

Coverage and Benefit Amounts	Series 1.0 CUSTOM LOW PLANS (EHD)

HOSPITALIZATION BENEFITS[1]

Benefit Type	Benefit Amount **Plan 1**
Hospital Admission No elimination period. Limited to 1 day, 1 benefit(s) every 365 days.	$1,000
Hospital Intensive Care Unit Admission No elimination period. Limited to 1 day, 1 benefit(s) every 365 days.	$1,000
Hospital Stay No elimination period. Limited to 365 days, 1 benefit(s) every 90 days.	$150 per day
Hospital Intensive Care Unit Stay No elimination period. Limited to 365 days, 1 benefit(s) every 90 days.	$300 per day

Hospital Admission Once Every 365 Days with No Readmission:

This plan provides coverage for initial hospital admissions once every 365 days. This plan does not provide coverage for readmission benefits.

Benefit – Specific Conditions, Exclusions & Limitations

- **Hospital Admission:** Must be admitted as an Inpatient due to a Covered Injury or Covered Illness. Excludes: treatment in an emergency room, provided on an outpatient basis, or for re-admission for the same Covered Injury or Covered Illness (including chronic conditions). This benefit will pay in addition to the Hospital Intensive Care Unit (ICU) Admission Benefit.
- **Hospital Intensive Care Unit (ICU) Admission:** Must be admitted as an Inpatient due to a Covered Injury or Covered Illness. Excludes: treatment in an emergency room, provided on an outpatient basis, or for re-admission for the same Covered Injury or Covered Illness (including chronic conditions). This benefit will pay in addition to the Hospital Admission Benefit.
- **Hospital Stay:** Must be admitted as an Inpatient and confined to the Hospital, due to a Covered Injury or Covered Illness, at the direction and under the care of a physician. If also eligible for the ICU Stay Benefit, only 1 benefit will be paid for the same Covered Injury or Covered Illness, whichever is greater. Hospital stays within 90 days for the same or a related Covered Injury or Covered Illness is considered one Hospital Stay.
- **Intensive Care Unit (ICU) Stay:** Must be admitted as an Inpatient and confined in an ICU of a Hospital, due to a Covered Injury or Covered Illness, at the direction and under the care of a physician. If also eligible for the Hospital Stay Benefit, only 1 benefit will be paid for the same Covered Injury or Covered Illness, whichever is greater. ICU stays within 90 days for the same or a related Covered Injury or Covered Illness is considered one ICU Stay.

WELLNESS TREATMENT, HEALTH SCREENING TEST AND PREVENTIVE CARE BENEFIT[1] (WPID)

This coverage is payable if a Covered Person undergoes or receives Wellness Treatment, Health Screening Tests, and/or Preventive Care as shown below. *Virtual Care accepted.*

Benefit Waiting Period	0 days
Pre-Existing Condition Limitation	Does not apply
Employee Benefit	100% of the Benefit Amount shown
Spouse, Domestic Partner, or Civil Union Partner Benefit	100% of the Benefit Amount shown
Dependent Child(ren) Benefit	100% of the Benefit Amount shown
Age Based Reductions	None

Benefit Type	Benefit Amount
	Plan 1
Wellness Treatment, Health Screening Test and Preventive Care Benefit Limited to 1 per calendar year *Examples include (but are not limited to) general health exams, routine dental, vision, gynecological exams, mammography and certain blood tests Also includes COVID-19 Immunization, Tests, and Screenings.*	$50 per day

See Policy Provisions section for important policy definitions and a listing of applicable common exclusions and limitations.

Continuation Options	
CONTINUATION OF INSURANCE	Temporary Layoff - 12 weeks Family Medical Leave - 12 weeks Leave of Absence - 12 weeks
PORTABILITY	The same coverage may be continued upon employee's termination of employment with the employer, or when the employee is no longer eligible for coverage. - Portable period is to age 100 - Coverage(s) may be ported on all Covered Persons - Maximum port age is 100 Only available to U.S. citizens, permanent resident aliens and non U.S. citizen working in the U.S. lawfully (Inpats) while residing in the United States.

Included Cigna Programs and Services*

Value Added Programs

Mental Health Resources – Cigna offers phone seminars conducted by guest experts to help learn about common issues as well as offer coping techniques and support. These free sessions are open to anyone including parents, caregivers, and loved ones.

*These programs are NOT insurance and do not provide reimbursement for financial losses. Participants are required to pay the entire discounted charge for any products or services purchased through these programs. Programs are provided through third party vendors who are solely responsible for their products and services. Full terms, conditions and exclusions are contained in the applicable client program description, and are subject to change. Program availability may vary by plan type and location, and are not available where prohibited by law. Programs and services are continuously evaluated and updated, therefore Participants may see changes in coverage as updates are implemented.

POLICY PROVISIONS

NOTE: The following are some of the important policy provisions that apply to benefits described in the policy. This is not a complete list of policy provisions, terms and conditions.

Important Definitions:

Active Service Definition: An Employee will be considered in Active Service with the Employer on a day which is one of the Employer's scheduled work days if either of the following conditions is met.

- He or she is actively at work. This means the Employee is performing his or her regular occupation for the Employer on a full-time basis, either at one of the Employer's usual places of business or at some location to which the Employer's business requires the Employee to travel.
- The day is a scheduled holiday, vacation day or period of Employer approved paid leave of absence, other than disability or sick leave after 7 days, only if the Employee was in Active Service on the preceding schedule workday.

Covered Illness: A physical or mental disease or disorder including pregnancy and complications of pregnancy that results in a covered loss. A Covered Illness includes medically-necessary quarantine in a Hospital in conjunction with medically-necessary preventive treatment due to an identifiable exposure to a life-threatening contagious and infectious disease.

Covered Injury: Any bodily harm that results directly in a covered loss.

Covered Person: An eligible person who is enrolled for coverage under the Policy.

Hospital: an institution that is licensed as a hospital pursuant to applicable law; it is primarily and continuously engaged in providing medical care and treatment to sick and injured persons; managed under the supervision of a staff of medical doctors; provides 24-hour nursing services by or under the supervision of a graduate registered Nurse (R.N.); and has medical, diagnostic and treatment facilities with major surgical facilities on its premises, or available to it on a prearranged basis. The term Hospital does not include a clinic or facility for: (1) rehabilitation, convalescent, custodial, educational, hospice, or skilled nursing care; (2) the aged, drug addiction or alcoholism; (3) a facility primarily or solely providing psychiatric services to mentally ill patients. The term Hospital also does not include a unit of a Hospital for convalescent, custodial, educational or hospice care.

Common Exclusions:

In addition to any benefit-specific exclusions, benefits will not be paid for any Covered Injury or Covered Illness which is caused by or results from any of the following unless coverage is specifically provided for by name in the Description of Benefits section:

1. Intentionally self-inflicted Injury, suicide or any attempt thereat while sane or insane.
2. Commission or attempt to commit a felony or an assault.
3. Declared or undeclared war or act of war.
4. A Covered Injury or Covered Illness that occurs while on active duty service in the military, naval or air force of any country or international organization. Upon Our receipt of proof of service, We will refund any premium paid for this time. Reserve or National Guard active duty training is not excluded unless it extends beyond 31 days.
5. Voluntary ingestion of any narcotic, drug, poison, gas or fumes, unless prescribed or taken under the direction of a Physician and taken in accordance with the prescribed dosage.
6. Operating any type of vehicle while under the influence of alcohol or any drug, narcotic or other intoxicant including any prescribed drug for which the Covered Person has been provided a written warning against operating a vehicle while taking it. “Under the influence of alcohol”, for purposes of this exclusion, means intoxicated, as defined by the law of the state in which the Covered Injury or Covered Illness occurred.
7. Those not necessary, as determined by Us in accordance with generally accepted standards of medical practice, for the diagnosis, care or treatment of the physical or mental condition involved. This applies even if they are prescribed, recommended, or approved by the attending physician.
7. Elective or cosmetic surgery. This does not include reconstructive, cosmetic surgery: a) incidental to or following surgery for trauma, infection or other disease of the involved part; or b) due to congenital disease or anomaly of a Covered Dependent child which has resulted in a functional defect.
8. Dental surgery, unless the surgery is the result of an accidental injury.
9. Services or treatment rendered by a Physician, Nurse or any other person who is:
    a. employed or retained by the Subscriber;
    b. providing homeopathic, aroma-therapeutic or herbal therapeutic services;

c. living in the Covered Person's household;
d. a parent, sibling, spouse, domestic partner, or civil union partner or child of the Covered Person

Termination:
We may terminate insurance on or after the first anniversary of the Policy Effective Date. We or The Policyholder/Subscriber may terminate insurance on any Premium Due Date. Written notice by certified mail must be given at least 31 days prior to such Premium Due Date. Failure by the Policyholder to pay premiums when due or within the Grace Period shall be deemed notice to Us to terminate coverage at the end of the period for which premium was paid.

Termination will not affect a claim for a Covered Injury or Covered Illness that is the result of a Covered Loss that occurs while coverage was in effect.

COMMISSION SUMMARY

Rate includes a flat 20.00% commission payable on collected premiums.

Producer Compensation

Cigna Group Insurance companies may have entered into, or may enter into, agreements with brokers, under which the insurance company compensates brokers for providing marketplace intelligence and other services intended to enhance the effectiveness of the insurance company's business. Cigna Group Insurance companies may invite brokers to participate in events sponsored by the insurance company for the same purposes. Any compensation paid may be based on meeting targets for new business production and persistency, and, if paid, is funded from the insurance company's overhead and is based on the broker's overall book of business with the insurance company. Any such payments are separate from commissions and, if applicable, will be included in ERISA Form 5500, Schedule A information provided by the insurance company.

PROPOSAL ASSUMPTIONS

- Unless stated otherwise in the class definition(s), our eligibility requirements assume that employees are working on a full-time basis. Part-time, seasonal, temporary, contracted, leased or severed employees are not eligible, unless otherwise noted.

- The rates and fees quoted within the proposal are based on information furnished to Cigna Group Insurance for the purpose of developing a proposal of group insurance. Cigna Group Insurance has assumed that the demographic and plan design information provided will be an accurate representation of your company at the time of implementation. Premium rates are guaranteed for 3 years subject to exceptions in the policy and the policy's termination provisions. These rates and the guarantee assume that the number of eligible or insured employees does not change by more than 10% from the date of the census provided. Rates may differ slightly due to rounding.

- This proposal is not an insurance contract. Should your company decide to install the plan of benefits described within this proposal, your company's representative will receive a contract of insurance and related documents that describes the final benefit and service selections agreed to by you, the employer, and Cigna Group Insurance. All benefits will be subject to the terms of that contract.

- This proposal assumes that a group master policy will be delivered in Wyoming to a trustee for the benefit of the Employer and its eligible employees. The terms and availability of this proposal are subject to the laws of WY Trust and may be subject to change if the state of delivery is different. In addition, some jurisdictions require supplemental filing/approval for out-of-state policies covering their residents. As a result, coverage may not be available to employees in all states or coverage may vary slightly.

  - This proposal assumes a minimum required lead time for implementation of 30 days prior to enrollment period. [ContingentLanguage]
- NOTE: This proposal reflects coverage being funded on a post-tax basis.
- For purposes of this proposal, wherever the term spouse appears, it shall also include domestic partner. In Vermont this includes civil union partners only; New Hampshire civil union and domestic partners. Should your company decide not to include such partners, only lawful spouses will be included.

- This proposal assumes Cigna will be selected as the carrier for the Accidental Injury, Critical Illness and Hospital Indemnity solutions. Cigna reserves the right to modify or withdraw the offer if all the products are not offered or not placed with Cigna.

  Group hospital indemnity policies are issued and administered by Cigna Health and Life Insurance Company and insured by Cigna Health and Life Insurance Company, 900 Cottage Grove Rd, Bloomfield, CT 06002. Policy forms: Hospital Indemnity – GHIP-1.2-1000, et al.

RATE SUMMARY	
Quoted Number of Eligible Lives	329
Rate Guarantee	36 months

Rates Per Insured Class	
Monthly	
	Plan 1
Employee	$13.29
Employee + Spouse*	$20.42
Employee + Child(ren)	$22.94
Employee + Family	$32.41

*For purposes of this document, wherever the term Spouse appears, it shall also include Domestic Partner registered under any state which legally recognizes Domestic Partnerships or Civil Unions.

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