Name of Policyholder: NORTHWEST NAZARENE UNIVERSITY

<table>
<thead>
<tr>
<th>Policy Numbers</th>
<th>Effective Date</th>
<th>Place of Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>GL-1023</td>
<td>8/1/2012</td>
<td>Idaho</td>
</tr>
<tr>
<td>GD-1023</td>
<td>8/1/2012</td>
<td>Idaho</td>
</tr>
</tbody>
</table>

Anniversary Dates: August 1st of each year, beginning in 2013.

Premium Due Dates: Monthly, on the first day of each policy month.

Agrees with the Policyholder to insure certain persons who are entitled to the insurance provided by this policy. This policy is issued in consideration of the application of the Policyholder, and the payment of the first premium. The first premium is due and payable on the effective date of the policy. Subject to the policy's grace period provision, all premiums after the first must be paid when or before they are due.

Signed for United Heritage:

Signed
Secretary

Signed
President
<table>
<thead>
<tr>
<th>Section</th>
<th>Participant Employer</th>
<th>Incorporation Provision</th>
<th>Schedule of Insurance</th>
<th>Premiums</th>
<th>Policy Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td></td>
<td></td>
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<tr>
<td>3</td>
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<tr>
<td>5</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
SECTION II
INCORPORATION PROVISION

2.01 BOOKLET-CERTIFICATE  The Booklet-certificate(s), and the endorsement form(s) enclosed therein, attached to this Policy are hereby incorporated in, and made a part of, this policy.

Booklet-certificate Form(s):  
GCLIFE(08-2009)ID  
GCLTD(08-2009)ID  

Endorsement Form(s):  
GPA1(08-2009)  
GPA2(08-2009)  
GCA(08-2009)

The terms found in the Booklet-certificate(s) will control:
- the benefit plan provisions;
- the eligibility and effective date of insurance rules;
- the termination of insurance rules;
- exclusions; and
- other general policy provisions pertaining to state insurance law requirements.
3.01 SCHEDULE OF INSURANCE  The Schedule(s) of Insurance for benefits listed below:

- Basic Life Insurance
- Basic Accidental Death, Dismemberment and Loss of Sight Benefit
- Basic Dependent Life Insurance
- Supplemental Life Insurance
- Supplemental Spouse Life Insurance
- Supplemental Child Life Insurance
- Long Term Disability

are shown in Booklet-certificate(s) GL-1023, GD-1023

The Schedule(s) of Insurance will control the:

- benefit amounts and maximum limits;
- eligibility and effective date rules; and
- other schedule amounts and limits,

which apply to the employees of the Policyholder.
### SECTION IV

#### PREMIUMS

**4.01 INITIAL MONTHLY PREMIUM RATES**  The initial monthly premium rates to be charged for employee coverage and/or child/spouse coverage, if applicable, will be:

<table>
<thead>
<tr>
<th>Policy Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Life Insurance</td>
<td>$0.130 for each $1,000 of Basic Life Insurance</td>
</tr>
<tr>
<td>Basic Accidental Death, Dismemberment and Loss of Sight Benefit</td>
<td>$0.020 for each $1,000 of Principal Sum</td>
</tr>
<tr>
<td>Basic Dependent Life Insurance</td>
<td>$1.000 per Dependent Unit (Spouse and Child)</td>
</tr>
<tr>
<td>Supplemental Life Insurance</td>
<td>* Less than age 30 $0.047</td>
</tr>
<tr>
<td></td>
<td>30 years of age but less than 35 years of age $0.057</td>
</tr>
<tr>
<td></td>
<td>35 years of age but less than 40 years of age $0.083</td>
</tr>
<tr>
<td></td>
<td>40 years of age but less than 45 years of age $0.128</td>
</tr>
<tr>
<td></td>
<td>45 years of age but less than 50 years of age $0.206</td>
</tr>
<tr>
<td></td>
<td>50 years of age but less than 55 years of age $0.340</td>
</tr>
<tr>
<td></td>
<td>55 years of age but less than 60 years of age $0.540</td>
</tr>
<tr>
<td></td>
<td>60 years of age but less than 65 years of age $0.717</td>
</tr>
<tr>
<td></td>
<td>65 years of age or more $1.139</td>
</tr>
<tr>
<td>Supplemental Spouse Life Insurance</td>
<td>* Less than age 30 $0.047</td>
</tr>
<tr>
<td></td>
<td>30 years of age but less than 35 years of age $0.057</td>
</tr>
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</tr>
<tr>
<td></td>
<td>65 years of age or more $1.139</td>
</tr>
<tr>
<td>Supplemental Child Life Insurance</td>
<td>$0.200 for each $1,000 of Supplemental Child Life Insurance Per Child Unit</td>
</tr>
<tr>
<td>Long Term Disability</td>
<td>$0.240 for each $100 of Monthly Covered Salary</td>
</tr>
</tbody>
</table>

The amount of an employee’s Earnings which is disregarded in determining his Monthly Benefit because of the Maximum Monthly Benefit limitation will also be disregarded in determining the amount of the total insured payroll.

The Premium Rate for Supplemental Life Insurance and Supplemental Spouse Life Insurance will increase on the Policy Anniversary following the date the employee enters the next higher age bracket.

The minimum monthly premium for a group is $15.00.
The Initial Monthly Premium Rates may be converted as follows:

<table>
<thead>
<tr>
<th>To Convert Rates to:</th>
<th>Use a Conversion Factor of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>-- annual rates</td>
<td>11.8227</td>
</tr>
<tr>
<td>-- semi-annual rates</td>
<td>5.9557</td>
</tr>
<tr>
<td>-- quarterly rates</td>
<td>2.9852</td>
</tr>
</tbody>
</table>

**4.02 PARTICIPATION REQUIREMENTS:** United Heritage reserves the right to terminate Employee Life Insurance and Long Term Disability on any premium due date on which:
- there are fewer than 2 persons insured for Coverage; or
- less than 100% of the persons eligible for Coverage on a Non-Contributory Basis are insured; or
- less than 75% of the persons eligible for Coverage on a Contributory Basis are insured.

United Heritage reserves the right to terminate Dependent Life Insurance Benefits on any premium due date on which:
- less than 100% of the persons eligible for Dependent Coverage on a Non-Contributory Basis are insured; or
- less than 75% of the persons eligible for Dependent Coverage on a Contributory Basis are insured.

United Heritage reserves the right to terminate Supplemental Life Benefits on any premium due date on which:
- there are fewer than 10 persons insured for Supplemental Coverage; or
- less than 25% of the persons eligible for Supplemental Coverage on a Contributory Basis are insured.

United Heritage shall give the Policyholder 31 days notice of its intent to terminate any Insurance Benefit.

**4.03 CHANGE IN MONTHLY PREMIUM RATES** Initial Monthly Premium rates are guaranteed as follows:

- **Basic Life Insurance** 36 Months
- **Basic Accidental Death, Dismemberment and Loss of Sight Benefit** 36 Months
- **Basic Dependent Life Insurance** 36 Months
- **Supplemental Life Insurance** 36 Months
- **Supplemental Spouse Life Insurance** 36 Months
- **Supplemental Child Life Insurance** 36 Months
- **Long Term Disability** 36 Months

Subject to the Rate Guarantee period shown above, United Heritage has the right to change premium rates on any premium due date if:
- written notice is delivered to the Policyholder’s last address on record; and
- the change is effective at least 31 days after the date of notice.
The rate guarantee described above (the "Rate Guarantee") supersedes only those provisions appearing elsewhere in this policy which give United Heritage the right to change the premium rates, and then, only for the period of time stated for the Rate Guarantee. However, United Heritage may change the premium rates during the Rate Guarantee period if there is a change in the policy, or if there is a 15% increase or decrease in the number of insured employees, or if the Policyholder adds or deletes a subsidiary or affiliated business entity. United Heritage may also change the premium rates during the Guarantee Period if there has been a material misstatement in the reported experience during the pre-sale process. The Rate Guarantee in no way affects, amends or supersedes any other provision in this policy.

4.04 CALCULATION  Premiums may be calculated by multiplying the rate times the applicable number of units of coverage.

If any insurance is added, increased or becomes effective after the policy is in force, the premium charges will begin:
- the day the coverage is effective, if it is also the first day of a policy month; or if not
- the first day of the next policy month.

For insurance which is terminated, premium charges will stop:
- On the first day of the month if it is the same as the termination date; or
- On the first day of the next month after the termination date, if not the same.

Premiums may be calculated by any other method which both United Heritage and the Policyholder agree to in writing.

Premium adjustment for any reason will:
- Be made back from the date proof of error is received by United Heritage; and
- Not cover any period prior to 12 months from the date United Heritage received the proof of error.

The above manner of charging Premium is for accounting purposes only and shall not extend insurance coverage beyond a date it would otherwise have terminated.

4.05 PREMIUM PAYMENTS  Premium payments are due and payable in full to a place designated by United Heritage or, with respect to the initial premium payment, premium payments may be made to an authorized agent of United Heritage.

Payment of premiums for a period before it is due will not guarantee the insurance for that period.
5.01 ENTIRE CONTRACT  The contract between the parties consists of:

- the policy;
- the application of the Policyholder, a copy of which is attached to and made a part of the policy when issued; and
- the applications, if any, of each insured person.

We have assumed that all statements made by the Policyholder, Employers, and persons insured under the policy are true and complete to the best of the knowledge and belief of the person(s) making them. No statement will be used in any contest unless it is in writing and a copy of it is given to the person who made it, or to his beneficiary. If any of the answers are not true or complete, we may have the right to contest the policy.

5.02 INCONTESTABILITY  Except for non-payment of premium, the insurance provided by the policy cannot be contested after a period of 2 years from the date of issue of such insurance.

5.03 CHANGE IN THE POLICY  No change may be made unless approved in writing by the President; or a Vice President; an Assistant Vice President; a Secretary; or an Assistant Secretary of United Heritage. No other person may change or waive any part of the policy. Any approved change shall be added to the policy in writing.

If any change to state or federal law, including but not limited to the Federal Social Security Act, affects United Heritage's liability under the policy, United Heritage may change the policy, the premiums or both. Such change:
- will be effective as of the date of the change to the state or federal law;
- will not be made until United Heritage gives the Policyholder 31 days notice.

5.04 RIGHT TO AMEND  Notwithstanding the above, after the policy has been in force for 12 months, United Heritage may change any or all of the provisions of this contract by notifying the Policyholder. United Heritage must give the Policyholder at least 31 days advance written notice of any change.

5.05 GRACE PERIOD  United Heritage will allow the Policyholder a 31 day grace period for the payment of all premiums after the first. During this 31 day period, the policy will stay in force. If the owed premium is not paid by the 31st day, the policy will automatically terminate. If the Policyholder gives United Heritage written advance notice of an earlier cancellation date, the policy will terminate on the earlier date. Premium is due for each day the policy is in force.

5.06 TERMINATION OF POLICY  United Heritage may terminate the policy for the following reasons by giving the Policyholder  days written notice:

- The Policyholder fails to furnish any information which United Heritage may reasonably require; or
- The Policyholder fails to perform any of his other obligations pertaining to this policy; or
- The Participation Requirements outlined in Section IV of this Policy are not met; or
- 50% or more of the Insured Person's are related by blood or marriage.

In addition, United Heritage may terminate this policy on any premium due date after the policy has been in force for 12 months.
5.07 CERTIFICATE United Heritage will give the Policyholder an individual Booklet-certificate for each insured employee. The Booklet-certificate is part of the policy, and will explain the important features of the policy.

5.08 MISSTATEMENT OF AGE If a Covered Person's age has been incorrectly stated, the premium rate will be adjusted to correct his age. If the change in age affects his benefits, the benefits and any required premium adjustment will be made accordingly.

5.09 DATA TO BE FURNISHED The Policyholder will give United Heritage all information United Heritage needs regarding matters pertaining to the insurance. At any reasonable time while the policy is in force and for 1 year after that, United Heritage may inspect any of the Policyholder's documents, books, or records which may affect the insurance or premiums of this policy.

If the Policyholder gives United Heritage any incorrect information, the relevant facts will be determined to establish if insurance is in effect and in what amount.

No person will be deprived of insurance to which he is otherwise entitled or have insurance to which he is not entitled, because of any misstatement of fact by the Policyholder. Any required adjustment may be made in premiums or benefits.

5.10 NO REPLACEMENT FOR WORKERS' COMPENSATION The policy does not replace Workers' Compensation or affect any requirement for Workers' Compensation coverage.

5.11 TIME PERIOD All periods begin and end at 12:01 A.M., standard time, at the Policyholder's address.

5.12 JURISDICTION This policy is governed by the laws of the state where it is delivered.