

**DECLARATIONS PAGE**

**Virginia Surety Company, Inc.**  
1000 Milwaukee Avenue]  
Glenview, Illinois 60025

**Policy No.** Your full name plus "VSCPCWA"

**Policyholder:**

Your Name  
Your Street Address  
Your City, State and Zip Code

**TO REPORT A CLAIM UNDER THIS CONTRACT CALL:**

For emergencies requiring evacuation or interruption of Your Trip call: 1-866-509-7717  
or call 1-603-328-1730 collect  
For all other claims call: 1-866-231-1997

**Effective Date:** As indicated in the Individual Insuring Provisions of the Policy  
**Date Coverage Begins:** As indicated in the Individual Insuring Provisions of the Policy  
**Date Coverage Expires:** As indicated in the Individual Insuring Provisions of the Policy  
**Fee:** As indicated on your Invoice

\*\*\*\*\* **PRODUCT COVERAGE** \*\*\*\*\*

**Costo Member**


<b>Coverage:</b>	<b>Limit per Claim:</b>	<b>Aggregate Annual Limit:</b>
Trip Cancellation	Total Trip Cost	Total Trip Cost
Trip Interruption	Total Trip Cost	Total Trip Cost
Trip Delay	\$1,000	\$1,000
Missed Connection	\$1,000	\$1,000
Itinerary Change	\$500	\$500
Evacuation/Repatriation	\$100,000	\$100,000
Baggage/Personal Effects	\$1,500	\$1,500
Baggage Delay	\$500	\$500


**Costco Executive Member\***

<b>Coverage:</b>	<b>Limit per Claim:</b>	<b>Aggregate Annual Limit:</b>
Trip Cancellation	Total Trip Cost	Total Trip Cost
Trip Interruption	Total Trip Cost	Total Trip Cost
Trip Delay	\$2,000	\$2,000
Missed Connection	\$2,000	\$2,000
Itinerary Change	\$1,000	\$1,000
Evacuation/Repatriation	\$200,000	\$200,000
Baggage/Personal Effects	\$3,000	\$3,000
Baggage Delay	\$1,000	\$1,000

\*For Costco Executive Members, you are only eligible for the benefit amounts noted in the Costco Executive member designation.

**PLEASE KEEP THIS AGREEMENT IN A SAFE PLACE**

  
Secretary

  
President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Countersignature  
(If required by law)

**Virginia Surety Company, Inc., 1000 Milwaukee Avenue, Glenview, IL 60025  
(Also referred to as the Company, We, Us, and Our)**

**Costco Travel Passenger Protection Plan  
Travel Services Program  
Description of Coverage**

**THIS IS A LIMITED BENEFIT PROGRAM. COVERAGE IS ISSUED FOR A STATED TERM.**

The Company hereby insures all persons who are accepted by the Administrator, on behalf of the Company, and whose name is identified on the program materials, invoice, itinerary, declarations page or other documentation from Costco Travel and hereby incorporated into the Description of Coverage. Coverage is subject to all of the exclusions, limitations and provisions as set forth herein. Coverage is afforded only with respect to the person, coverage, amounts and limits specified herein for the Insurance and for which their specified premium has been paid to the Administrator.

**Note: All coverage and benefit amount herein are in United States Dollars.**

Table of Contents

Individual Insuring Provisions	Section 1
Benefits Overview	Section 2
Definitions	Section 3
Description of Benefits	Section 4
Limitation and Exclusions	Section 5
General Provisions	Section 6

**Section 1. INDIVIDUAL INSURING PROVISIONS**

**Eligibility:** "Eligible Persons" are persons, who:

1. have enrolled for coverage in Costco Travel Passenger Protection Plan program during the Policy Term; and
2. for whom the required premium is paid.

**Effective Date of Individual Coverage**

All coverage (except Trip Cancellation) will take effect at 12:01 A.M. local time, at the location of the Insured, on the Scheduled Departure Date provided:

- (a) coverage has been elected; and
- (b) the required premium has been paid.

Trip Cancellation coverage will take effect at 12:01 A.M. local time at the location of the Insured, on the date the required premium for such coverage is received by the Company or its authorized representative.

**Expiration Date of Individual Coverage**

An Insured's coverage will end at 11:59 P.M. local time on the date that is the earliest of the following:

- (a) the date the Policy is terminated, unless the Insured purchased insurance prior to the date of termination. An Insured's insurance will remain in effect for the stated term;
- (b) the Scheduled Return Date as stated on the travel tickets;
- (c) the date the Insured returns to his/her origination point if prior to the Scheduled Return Date;
- (d) the date the Insured leaves or changes his/her Covered Trip (unless due to unforeseen and unavoidable circumstances covered by the Policy);
- (e) If the Insured extends the return date, coverage will terminate at 11:59 P.M., local time, at the location of the Insured on the Scheduled Return Date;
- (f) The date the Insured cancels his or her Covered Trip;

### **Extension of Individual Coverage**

Coverage will be extended under the following conditions:

- (a) When the Insured commences air travel from his/her origination point: within two (2) days before the commencement of the Land/Sea Arrangements, coverage shall apply from the time of departure from the origination point; or (ii) greater than two (2) days before the commencement of the Land/Sea Arrangements, the extension of coverage shall be provided only during his/her air travel;
- (b) If the Insured returns to his/her origination point: within two (2) days after the completion of the Land/Sea Arrangements, coverage shall apply until the time of return to the origination point; or (ii) greater than two (2) days after the completion of the Land/Sea Arrangements, the extension of coverage shall be provided only during his/her air travel; and
- (c) If the Insured is a passenger on a scheduled common carrier which is unavoidably delayed in reaching the final destination coverage will be extended for the period of time needed to arrive at the final destination.

In no event will coverage be extended for unscheduled extensions to the Insured's Covered Trip for which premium has not been paid in advance.

### **Refund of Premium**

Premium for the full term of coverage will be refunded only when a written request is received by the Administrator prior to Effective Date of Individual Coverage. After the Effective Date of Individual Coverage, premium is considered fully earned and nonrefundable.

## **Section 2. BENEFITS OVERVIEW (only those benefits selected by the Participating Organization (or) Policyholder are included in the Policy and Description of Coverage.)**

### **Trip Cancellation**

The Company will pay a benefit, up to the maximum shown on the Declarations, if the Insured is prevented from taking his/her Covered Trip.

### **Trip or Interruption**

The Company will pay a benefit, up to the maximum shown on the Declarations, if the Insured is unable to continue on his/her Covered Trip.

### **Trip Delay**

The Company will reimburse the Insured for Covered Expenses on a one-time basis, up to the maximum shown in the Declarations, if the Insured is delayed en route to or from the Covered Trip for twelve (12) or more hours due to a defined Hazard.

### **Missed Connection**

The Company will pay a benefit, up to the maximum shown on the Declarations, which result from cancellation or delay (for up to three or more hours) of all regularly scheduled airline flights due to Inclement Weather or any Common Carrier caused delay.

### **Itinerary Change**

The Company will reimburse for changes in the Covered Trip Itinerary, which prevents the Insured from participating in a pre-paid event/activity.

### **Emergency Evacuation**

The Company will pay benefits for Covered Expenses incurred, up to the maximum shown on the Declarations, if an Accidental Injury or Sickness commencing during the course of the Covered Trip results in the necessary Emergency Evacuation of the Insured.

### **Repatriation of Remains**

The Company will pay benefits, up to the maximum shown on the Declarations, to return the Insured's body to the primary place of residence if he/she dies during the Trip.

### **Baggage/Personal Effects**

The Company will reimburse the Insured, up to the maximum shown on the Declarations, for lost, theft or damage to baggage and personal effects.

### **Baggage Delay**

The Company will reimburse the Insured for the expense of necessary personal effects, up to the maximum shown on the Schedule Declarations, if the Insured's Checked Baggage are delayed or misdirected by a Common Carrier for more than twenty-four (24) hours, while on a Covered Trip, except for travel to final destination or place of residence.

### Section 3 - DEFINITIONS

"**Accident**" means a sudden, unexpected, unusual, specific event, which occurs at an identifiable time and place, but shall also include exposure resulting from a mishap to a conveyance in which the Insured is traveling.

"**Accidental Injury**" means Bodily Injury caused by an accident (of external origin) being the direct and independent cause in the loss.

"**Actual Cash Value**" means purchase price less depreciation.

"**Additional Expense**" means any reasonable expenses for meals and lodging which were necessarily incurred as the result of a Hazard and which were not provided by the Common Carrier or other party free of charge.

"**Bankruptcy**" means the filing of a petition for voluntary or involuntary bankruptcy in a court of competent jurisdiction under Chapter 7 or Chapter 11 of the United States Bankruptcy Code 11 L.S.C. Subsection 101 et seq.

"**Bodily Injury**" means identifiable physical injury which: (a) is caused by an Accident, and (b) solely and independently of any other cause, except Sickness resulting from, or medical or surgical treatment rendered necessary by such injury, is the direct cause of death or dismemberment of the Insured within twelve months from the date of the Accident.

"**Checked Baggage**" means a piece of baggage for which a claim check has been issued to the Insured by a Common Carrier.

"**Common Carrier**" means any land, sea and/or air conveyance operating under a valid license for the transportation of passengers for hire

"**Company**" means Virginia Surety Company, Inc.

"**Covered Trip**" means any class of scheduled trips, tours or cruises for which the Participating Organization (or) Insured requests coverage and remits the required premium.

"**Cruise**" means any prepaid sea arrangements made by the Participating Organization.

"**Declarations**" means the Benefit Schedule describing an Insured's benefits.

"**Default**" means a material failure or inability to provide contracted services due to financial insolvency.

"**Dependent Child(ren)**" means the Insured's child (or children), including an unmarried child, stepchild, legally adopted child or foster child who is: (1) less than age 19 and primarily dependent on the Insured for support and maintenance; or (2) who is at least age 19 but less than age 23 and who regularly attends an institution of learning an accredited school or college; and who is primarily dependent on the Insured for support and maintenance.

"**Dependent**" means lawful spouse and/or unmarried children under 18 years of age.

"**Economy Fare**" means the lowest published rate for a one-way round trip (or) economy ticket.

"**Effective Date**" means the date and time an Insured's coverage begins, as outlined in the Individual Insuring Provisions section of the Policy.

"**Eligible Person**" means a person who: a) is a citizen or resident of the United States, is covered under a Class of Eligible Persons and who is scheduled to take a Covered Trip and elects coverage; b) who has paid the required premium; and c) has enrolled for coverage for himself or herself and for the Insured's spouse, and unmarried Dependent Children of the Insured who are under 19 years of age (24 if a full-time student), if such dependent's coverage is required. If a mental or physical handicap prevents a Dependent Child from self-support when he/she reaches the termination age, he/she may remain as an Eligible Person under the policy. Proof of such incapacity and dependency must be furnished to the Company within 31 days of the child's attainment of the termination age and not more frequently than annually thereafter.

"**Family Member**" means the Insured's or Traveling Companion's, if applicable, legal or common law spouse, parent, legal guardian, step-parent, grandparent, parents-in-law, grandchild, natural or adopted child, step-child, children-in-law, brother, sister, step-brother, step-sister, brother-in-law, sister-in-law, aunt, uncle, niece or nephew, who reside in the United States, Canada (or) Mexico.

**"Hazard"** means: a) Any delay of a Common Carrier (including Inclement Weather); b) Any delay by a traffic accident en route to a departure, in which the Insured or Traveling Companion is not directly involved; c) Any delay due to lost or stolen passports, travel documents or money, quarantine, hijacking, unannounced strike, natural disaster, civil commotion or riot; d) A closed roadway causing cessation of travel to the Insured (substantiated by the department of transportation, state police, etc.).

**"Hospital"** means a facility that: (a) holds a valid license if it is required by the law; (b) operates primarily for the care and treatment of sick or injured persons as in-patients; (c) has a staff of one or more Physicians available at all times; (d) provides 24 hour nursing service and has at least one registered professional nurse on duty or call; (e) has organized diagnostic and surgical facilities, either on the premises or in facilities available to the hospital on a pre-arranged basis; and (f) is not, except incidentally, a clinic, nursing home, rest home, or convalescent home for the aged, or similar institution.

**"Inclement Weather"** means any severe weather condition that delays the scheduled arrival or departure of a Common Carrier.

**"Individual Coverage Term"** means the period of time beginning when the Insured has been enrolled for coverage under the Policy and for whom the required premium has been paid.

**"Insured"** means an Eligible Person (as defined above and included in the Class of Eligible Persons) while covered under the Policy.

**"Land/Sea Arrangements"** means land and or sea arrangements made by the Participating Organization or any activities undertaken by the Insured while in the Individual Coverage Term.

**"Loss"** means injury or damage sustained by the Insured in consequence of happening of one or more of the occurrences against which the Company has undertaken to indemnify the Insured.

**"Maximum Benefit"** means the largest total amount of Covered Expenses that the Company will pay for the Insured as shown in the Insured's Schedule of Coverages and Services (or) Declarations.

**"Participating Organization"** means a travel agency, tour operator, cruise line, airline or other organization that applies for coverage under the policy and remits the required premium to the Company.

**"Physician"** means a licensed practitioner of medical, surgical or dental services acting within the scope of his/her license. The treating Physician may not be the Insured, a Traveling Companion or a Family Member.

**"Pre-Existing Condition"** means any injury, sickness or condition of the Insured, Traveling Companion (or) Family Member booked to travel with the Insured for which, within the 60 day period prior to the effective date of Trip Cancellation coverage under the Policy: (a) first manifested itself or exhibited symptoms which would have caused one to seek diagnosis, care or treatment; (b) required taking prescribed drugs or medicine, unless the condition for which the prescribed drug or medicine is taken remains controlled without any change in the required prescription; or (c) required medical treatment or treatment was recommended by a Physician. The Pre-Existing Conditions exclusion is waived if the Insured enrolls in the Policy at the time the Insured pays the deposit required for their Trip or within 10 days of the initial deposit) and the Insured purchases the policy for the full cost of their Trip. Such an Injury or Sickness will continue to be a Pre-Existing Condition until the expiration of 12 consecutive months, beginning with the effective date of coverage for which the Insured has not received any medical care, consultation, diagnosis, or treatment or has not taken any prescribed drug or medicine on account of such condition Taking maintenance medications for a condition that is considered stable shall not be cause for Exclusion.

**"Policyholder"** means the Policyholder shown on the face page of this Description of Coverage.

**"Scheduled Departure Date"** means the date on which the Insured is originally scheduled to leave on the Trip or the first day of any Covered Trip taken during the Individual Coverage Term, if earlier.

**"Scheduled Return Date"** means the date on which the Insured is originally scheduled to return to the point of origin or to a different final destination or the last day of any Covered Trip taken during the Individual Coverage Term, if later.

**"Sickness"** means an illness or disease that is diagnosed or treated by a Physician after the effective date of insurance and while the Insured is covered under the Policy.

**"Strike"** means any unannounced labor disagreement that interferes with the normal departure and arrival of a Common Carrier.

**"Terrorist Attack"** means an incident deemed an act of terrorism by the U.S. Department of State.

"Traveling Companion" means person named and traveling under the same reservation as the Insured. *Note: a group leader is not considered a Traveling Companion unless the Insured is sharing room accommodations with the group or tour leader.*

"Travel Supplier" means tour operator, cruise line, hotel etc. who has made the land and/or sea arrangements.

"Trip" means prepaid Land/Sea Arrangements and shall include flight connections to join or depart such Land/Sea Arrangements provided such flights are scheduled to commence within one (1) day of the Land/Sea Arrangements.

#### Section 4 - DESCRIPTION OF BENEFITS

**TRIP CANCELLATION** The Company will pay a benefit, up to the maximum shown on the Declarations, if the Insured is prevented from taking his/her Covered Trip due to:

- (a) Sickness, Accidental Injury or death of the Insured, Traveling Companion or Family Member; which results in medically imposed restrictions as certified by a Physician at the time of loss preventing your continued participation in the Trip. A Physician must advise cancellation of the Trip on or before the Scheduled Departure Date;
- (b) The Insured or Traveling Companion being hijacked, quarantined, required to serve on a jury, subpoenaed, or having his/her home made uninhabitable by fire, flood or other natural disaster;
- (c) The Insured or Traveling Companion being directly involved in a traffic accident substantiated by a police report, while en route to departure;
- (d) A transfer of the Insured by the employer with whom the Insured is employed on the date coverage had been elected which requires his/her principal residence to be relocated;
- (e) Terrorism in a country which is part of the Trip which leads the United States government to issue a general recommendation that an Insured should not travel within that country for a period that would include the Covered Trip, such recommendation being made after the effective date of coverage;
- (f) Bankruptcy and/or Default of the Insured's Travel Supplier which occurs more than 10 days following the Insured's Effective Date. Coverage is not provided for the Bankruptcy or Default of the agency from whom the Insured purchased their Land/Sea Arrangements.

The Company will reimburse the Insured for the following:

- (a) non-refundable cancellation charges imposed by the Participating Organization;
- (b) airfare cancellation charges for flights arranged by the Participating Organization in connection with the Insured's Trip commencing within one day of the Land/Sea Arrangements.

In no event shall the amount reimbursed exceed the amount the Insured prepaid for the Covered Trip subject to the maximum benefit shown on the Schedule. Coverage does not include default of a Participating Organization or other organization that results in loss of services.

#### SPECIAL CONDITIONS:

The Insured must advise the Participating Organization and the Company as soon as possible in the event of a claim. The Company will not pay benefits for any additional charges incurred that would not have been charged had the Insured notified the Participating Organization as soon as reasonable possible.

#### SINGLE OCCUPANCY COVERAGE

The Company will reimburse the Insured, up to the maximum shown on the Declarations, for additional cost incurred during the Covered Trip as a result of a change in the per person occupancy rate for prepaid travel arrangements if a person booked to share accommodations with the Insured has his/her Trip delayed, canceled, or interrupted for a covered reason and the Insured does not cancel.

#### TRIP INTERRUPTION

The Company will pay a benefit, up to the maximum shown on the Declarations, if the Insured is unable to continue on his/her Covered Trip due to:

- (a) Sickness, Accidental Injury or death of the Insured, Traveling Companion, or Family Member; which results in medically imposed restrictions as certified by a Physician at the time of loss preventing your continued participation in the Trip;
- (b) The Insured or Traveling Companion being hijacked, quarantined, required to serve on a jury, subpoenaed, the victim of felonious assault within up to 10 days of departure; or having his/her principal place of residence made uninhabitable by fire, flood or other natural disaster; or burglary of his/her principal place of residence within up to 10 days of departure;
- (c) the Insured or Traveling Companion being directly involved in a traffic accident substantiated by a police report, while en route to departure;
- (d) if there is a politically motivated Terrorist Attack in the foreign city of an Insured's program, coverage is provided for the cost of an economy one-way coach ticket not to exceed up to \$250, for the additional transportation required to return the Insured back to the U.S. city of departure. Once the program has begun there is no provision for recovery of transportation, tuition, room and board or other fees.

- (e) Bankruptcy and/or Default of the Insured's Travel Supplier which occurs more than (up to) 10 days following the Insured's Effective Date. Coverage is not provided for the Bankruptcy or Default of the agency from whom the Insured purchased their Land/Sea Arrangements. The Insured's Scheduled Departure Date must be no more than (up to) 15 months beyond the Insured's Effective Date. Benefits will be paid due to Bankruptcy or Default of an airline only if no alternate transportation is available. If alternate transportation is available, benefits will be limited to the change fee charged to allow the Insured to transfer to another airline in order to get to the Insured's intended destination.;

The Company will pay for the following:

- (a) unused, non-refundable land or sea expenses prepaid to the Participating Organization;
- (b) the airfare paid less the value of applied credit from an unused return travel ticket, to return home or rejoin the original Land/Sea Arrangements (limited to the cost of one-way economy airfare by scheduled carrier, from the point of destination to the point of origin shown on the original travel tickets;
- (c) if the Insured's Travel Supplier cancels the Insured's Covered Trip, the Insured is covered up to \$75.00 for the reissue fee charged by the airline for the tickets. The Insured must have covered the entire cost of the Covered Trip including the airfare.

The Company will pay for reasonable additional accommodation and transportation expenses incurred by the Insured (up to \$100 a day) if a Traveling Companion must remain hospitalized or if the Insured must extend the Trip with additional hotel nights due to a Physician certifying the Insured cannot fly home due to an Accident or a Sickness but does not require hospitalization.

In no event shall the amount reimbursed exceed the amount the Insured prepaid for the Covered Trip, subject to the maximum benefit shown on the Schedule of Coverages and Services (or) Declarations.

#### **TRIP DELAY**

The Company will reimburse the Insured for Covered Expenses on a one-time basis, up to the maximum shown in the Declarations, if the Insured is delayed en route to or from the Covered Trip for twelve (12) or more hours due to a defined Hazard.

Covered Expenses Include:

- (a) any prepaid, unused, non-refundable land and water accommodations;
- (b) Any reasonable additional expenses incurred;
- (c) An Economy Fare from the point where the Insured ended his/her Covered Trip to a destination where the Insured can catch up to the Covered Trip; or
- (d) A one-way Economy Fare to return the Insured to his/her originally scheduled return destination.

#### **MISSED CONNECTION**

This Benefit covers missed Cruise departures that result from cancellation or delay (for three or more hours) of all regularly scheduled airline flights due to Inclement Weather or any Common Carrier caused delay. Maximum benefits of up to the amount shown in the Schedule of Coverages and Services (or) Declarations are provided to cover additional transportation expenses needed for the Insured(s) to join the departed Cruise, reasonable accommodation and meal expenses (up to the per day amount shown in the Schedule of Coverages and Services (or) Declarations) and non-refundable trip payments for the unused portion of your Cruise. Coverage is secondary to any compensation provided by a Common Carrier. Coverage will not be provided to individuals who are able to meet their scheduled departure but cancel their Cruise due to Inclement Weather.

#### **ITINERARY CHANGE**

In the event a cruise/tour supplier makes a change in the Insured's Covered Trip itinerary that prevents the Insured from participating in an event/activity pre-paid prior to departure and scheduled on the Insured's Covered Trip itinerary, nonrefundable pre-paid event/activity expenses will be payable up to the Maximum Benefit Amount.

Benefits will not be paid if the event/activity is rescheduled during the course of the Covered Trip.

Verification by the cruise/tour supplier of the change in the scheduled Covered Trip itinerary will be necessary for claim payment.

#### **EMERGENCY EVACUATION**

The Company will pay benefits for Covered Expenses incurred, up to the maximum shown on the Declarations, if an Accidental Injury or Sickness commencing during the course of the Covered Trip results in the necessary Emergency Evacuation of the Insured. An Emergency Evacuation must be ordered by a Physician who certifies that the severity of the Insured's Accidental Injury or Sickness warrants the Emergency Evacuation of the Insured.

Emergency Evacuation means:

- a) the Insured's medical condition warrants immediate transportation from the place where the Insured is injured or sick to the nearest Hospital where appropriate medical treatment can be obtained;

- b) after being treated at a local Hospital, the Insured's medical condition warrants transportation to the United States where the Insured resides, to obtain further medical treatment or to recover; or
- c) both (a) and (b), above.

Covered Expenses are reasonable and customary expenses for necessary transportation, related medical services and medical supplies incurred in connection with the Emergency Evacuation of the Insured. All transportation arrangements made for evacuating the Insured must be by the most direct and economical route possible. Expenses for transportation must be:

- a) recommended by the attending Physician;
- b) required by the standard regulations of the conveyance transporting the Insured; and
- c) authorized in advance by the Company or its authorized representative.

**Transportation of Dependent Children:** If the Insured is in the Hospital for more than seven (7) days following a covered Emergency Evacuation, the Company will return the Insured's dependents, who are under 18 years of age and accompanying him/her on the scheduled Trip, at the Company's option, to their home, to the domicile of a person nominated by the Insured, or the Insured's next of kin with an attendant if necessary.

**Transportation to Join the Insured:** If the Insured is traveling alone and is in a Hospital alone for more than seven (7) consecutive days or if the attending Physician certifies that due to the Insured's Injury or Sickness, the Insured will be required to stay in the Hospital for more than seven (7) consecutive days, upon request the Company will bring a person, chosen by the Insured, for a single visit to and from the Insured's bedside provided that repatriation is not imminent.

Transportation services are provided if authorized in advance by the assistance provider, and are limited to necessary economy fares less the value of applied credit from unused travel tickets, if applicable.

Transportation means any Common Carrier, or other land, water or air conveyance, required for an Emergency Evacuation and includes air ambulances, land ambulances and private motor vehicles.

The Company will not cover any expenses provided by another party at no cost to the Insured or already included within the cost of the Trip.

#### **EXCESS INSURANCE LIMITATION**

The insurance provided by the Policy shall be in excess of all other valid and collectible insurance or indemnity. If at the time of the occurrence of any loss there is other valid and collectible insurance or indemnity in place, the Company shall be liable only for the excess of the amount of loss, over the amount of such other insurance or indemnity, and applicable deductible.

#### **REPATRIATION OF REMAINS**

The Company will pay the reasonable Covered Expenses incurred to return the Insured's body to his/her primary place of residence if he/she dies during the Trip. This will not exceed the maximum shown on the Declarations.

Covered Expenses include, but are not limited to, expenses for embalming, cremation, casket for transport and transportation.

#### **BAGGAGE/PERSONAL EFFECTS**

The Company will reimburse the Insured, up to the maximum shown on the Schedule of Coverages and Services (or) Declarations, for loss, theft or damage to baggage and personal effects, provided the Insured has taken all reasonable measures to protect, save and/or recover his/her property at all times. The baggage and personal effects must be owned by and accompany the Insured during the Covered Trip.

This coverage is secondary to any coverage provided by a Common Carrier and all other valid and collectible insurance indemnity and shall apply only when such other benefits are exhausted.

There will be a combined maximum limit shown on the Declarations for the following: jewelry; watches; articles consisting in whole or in part of silver, gold or platinum; furs; articles trimmed with or made mostly of fur; personal computers, cameras and their accessories and related equipment.

The Company will pay the lesser of the following:

- a) Actual Cash Value at time of loss, theft or damage to baggage and personal effects; or
- b) the cost of repair or replacement.

#### **EXTENSION OF COVERAGE**

If an Insured has checked his/her property with a Common Carrier and delivery is delayed, coverage for Baggage/Personal Effects will be extended until the Common Carrier delivers the property.

### **BAGGAGE DELAY (Outward Journey Only)**

The Company will reimburse the Insured for the expense of necessary personal effects, up to the maximum shown on the Declarations, if the Insured's Checked Baggage is delayed or misdirected by a Common Carrier for more than twenty-four (24) hours, while on a Covered Trip, except for travel to final destination or place of residence.

The Insured must be a ticketed passenger on a Common Carrier.

Additionally, all claims must be verified by the Common Carrier who must certify the delay or misdirection and receipts for the purchases must accompany any claim.

### **Section 5 - LIMITATIONS AND EXCLUSIONS**

The insurance provided by the Policy shall be in excess of all other valid and collectible insurance or indemnity. The Company shall be liable only for the excess of the amount of loss, over the amount of such other insurance or indemnity, and applicable deductible.

The following exclusions apply to Trip Cancellation, Trip Interruption, Trip Delay, Missed Connection Insurance, Itinerary Change, Emergency Evacuation, and Repatriation of Remains:

Loss caused by or resulting from:

1. Pre-Existing Conditions, as defined in the Definitions section (except Emergency Evacuation and Repatriation of Remains), if applicable;
2. Suicide or attempted suicide while sane or insane (in Missouri sane only) unless results in the death of a non-traveling immediate Family Member;
3. Intentionally self-inflicted injuries;
4. War or act of war, whether declared or not;
5. Participation in any military maneuver or training exercise or any loss starting while the Insured is in the service of the armed forces of any country. Orders to active military service for training purposes of two months or less will not constitute service in the armed forces. Upon notice to the Company of entering the armed forces, the Company will return to the Insured pro-rata any premium paid, less any benefits paid, for any period during which the Insured is in such service;
6. Piloting or learning to pilot or acting as a member of the crew of any aircraft;
7. Mental or emotional disorders, unless hospitalized;
8. Participation as a professional, (or) semi-professional (or) inter-scholastic team sports in athletics;
9. Participation in underwater activities;
10. Being under the influence of drugs or intoxicants, unless prescribed by a Physician or unless it results in the death of a non-traveling immediate Family Member;
11. Commission or the attempt to commit a criminal act;
12. Participating in bodily contact sports; skydiving; hang gliding; parachuting; mountaineering, any race, bungee cord jumping; and speed contest speed contest shall not include any of the regatta races, scuba diving spelunking or caving heli-skiing, extreme skiing snow skiing. Bodily contact sports include lacrosse, soccer, football, rugby, field hockey, ice hockey, wrestling, basketball, martial arts and boxing.
13. Pregnancy and childbirth (except for complications of pregnancy) or except if hospitalized (and/or) elective abortion;
14. Curtailment or delayed return for other than covered reasons;
15. Traveling for the purpose of securing medical treatment;
16. Services not shown as covered;
17. The policy does not insure against loss or damage (including death or injury) and any associated cost or expense resulting directly or indirectly from the discharge, explosion or use of any device, weapon or material employing or involving nuclear fission, nuclear fusion or radioactive force, or chemical, biological, radiological or similar agents, whether in time of peace or war, and regardless of who commits the act, regardless of any other cause or event contributing concurrently or in any other sequence thereto;
18. Care or treatment that is payable under any Insurance policy that does not require deductible and/or coinsurance payments by the Insured; or
19. Injury or Sickness when traveling against the advice of a Physician.
20. Sickness or disease except as provided for in the policy.

The following exclusions apply to Baggage/Personal Effects and Baggage Delay, as applicable:

The Company will not provide benefits for any loss or damage to:

1. Animals;
2. Automobiles and automobile equipment;

3. Boats or other vehicles or conveyances;
4. Trailers;
5. Motors;
6. Motorcycles;
7. Aircraft;
8. Bicycles (except when checked as baggage with a Common Carrier);
9. Household effects and furnishing;
10. Antiques and collectors items;
11. Eye glasses, sunglasses or contact lenses;
12. Artificial teeth and dental bridges;
13. Hearing aids
14. Prosthetic limbs
15. Keys, money, securities and documents;
16. Tickets;
17. Credit cards;
18. Professional or occupational equipment or property;
19. Personal computers;
20. Sporting equipment if loss or damage results from the use thereof.

Any loss caused by or resulting from the following is excluded:

1. Breakage of brittle or fragile articles;
2. Wear and tear or gradual deterioration;
3. Insects or vermin;
4. Inherent vice or damage while the article is actually being worked upon or processed;
5. Confiscation or expropriation by order of any government;
6. Radioactive contamination;
7. War or any act of war whether declared or not;
8. Theft or pilferage while left unattended in any vehicle;
9. Mysterious disappearance;
10. Property illegally acquired, kept, stored or transported;
11. Insurrection or rebellion;
12. Imprudent actions or omission;
13. Property shipped as freight or shipped prior to the Scheduled Departure Date.

## Section 6 - GENERAL PROVISIONS

**CLERICAL ERRORS:** The Company will not deny or cancel coverage on an Insured because of clerical error by the Participating Organization or by the Company. After an error is found, the Company will take appropriate action. This may include adjusting, collecting or refunding premium.

**ARBITRATION:** Notwithstanding anything in the Policy to the contrary, any claim arising out of or relating to this contract, or its breach, will be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial rules except to the extent provided otherwise in this clause. Judgment upon the award rendered in such arbitration may be entered in any court having jurisdiction thereof. All fees and expenses of the arbitration shall be borne by the parties equally. However, each party will bear the expense of its own counsel, experts, witnesses, and preparation and presentation of proofs. The arbitrators are precluded from awarding punitive, treble or exemplary damages, however so denominated. If more than one Insured is involved in the same dispute arising out of the same Policy and relating to the same loss or claim, all such Insureds will constitute and act as one party for the purposes of the arbitration. Nothing in this clause will be construed to impair the rights of the Insureds to assert several, rather than joint, claims or defenses.

**PREMIUM:** The required premium must be paid to the Participating Organization or its authorized representative prior to the Scheduled Departure Date of the Covered Trip.

**SUBROGATION:** To the extent the Company pays for a Loss suffered by an Insured Person, the Company will take over the rights and remedies the Insured Person had relating to the Loss. This is known as subrogation. The Insured Person must help the Company to preserve its rights against those responsible for the Loss and must do everything necessary to secure these rights and must do nothing that would jeopardize them. This may involve signing any papers and taking any other steps the Company may reasonable require. If the Company takes over an Insured Person's rights, the Insured Person may have to sign an appropriate subrogation form supplied by the Company.

**LEGAL ACTIONS:** No legal action for a claim can be brought against the Company until sixty (60) days after the Company receives proof of loss. No legal action for a claim can be brought against the Company more than three years after the time required for giving proof of loss.

**SALVAGE:** If salvage is requested, it must be remitted to the Administrator at the Eligible Person's expense. Failure to remit requested salvage may result in denial of the claim.

**NOTICE OF CLAIM:** Written notice of claim must be given by the Claimant (either the Insured or someone acting for the Insured) to the Company or its designated representative within twenty (20) days after a covered loss first begins or as soon as reasonably possible. Notice should include the Insured's name, the Participating Organization's name and the Policy number. Notice should be sent to the Company's administrative office, at the address shown on the cover page of the Policy, or to the Company's designated representative.

If the Insured's property covered under the Policy is lost, stolen or damaged, the Insured must:

- a) notify the Company, or its authorized representative as soon as possible;
- b) take immediate steps to protect, save and/or recover the covered property;
- c) give immediate notice to the carrier or bailee who is or may be liable for the loss or damage;
- d) notify the police or other authority in the case of robbery or theft within twenty-four (24) hours.

**PROOF OF LOSS:** The Claimant must send the Company, or its designated representative, proof of loss within ninety (90) days after a covered loss occurs or as soon as reasonably possible. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.

**PAYMENT OF CLAIM:** Claims for damage and/or destruction shall be paid after acceptable proof of the damage and/or destruction is presented to the Company and the Company has determined the claim is covered. Claims for lost property will be paid after the lapse of a reasonable time if the property has not been recovered. The Insured must present acceptable proof of loss and the value involved to the Company.

**PHYSICAL EXAMINATION AND AUTOPSY.** The Company, or its designated representative, at their own expense, has the right to have the Insured examined, as often as reasonable necessary while a claim is pending. The Company, or its designated representative, also has the right to have an autopsy made unless prohibited by law.

**VALUATION:** The Company will not pay more than the actual cash value of the property at the time of loss. Damage will be estimated according to actual cash value. At no time will payment exceed what it would cost to repair or replace the property with material of like kind and quality.

**NO BENEFIT TO OTHERS:** This insurance will in no way inure directly or indirectly to the benefit of any carrier or other bailee.

**CONFORMITY OF STATUTE:** Terms of this Description of Coverage that are in conflict with the statutes of the State in which it is issued are automatically changed to conform to minimum requirements of such statutes.

**DISAGREEMENT OVER SETTLEMENT OF CLAIM:** If there is a disagreement about the amount of the loss either the Insured or the Company can make a written demand for an appraisal. After the demand, the Insured and the Company will each select their own competent appraiser. After examining the facts, each of the two appraisers will give an opinion on the amount of the loss. If they do not agree, they will select an arbitrator. Any figure agreed to by 2 of the 3 (the appraisers and the arbitrator) will be binding. The appraiser selected by the Insured is paid by the Insured. The Company will pay the appraiser they choose. The Insured will share equally with the Company the cost for the arbitrator and the appraisal process.

## DECLARATIONS PAGE

### Virginia Surety Company, Inc.

1000 Milwaukee Avenue  
Glenview, Illinois 60025

**Policy Number:**

Your full name plus "VSCAHLWA"

**Policyholder:**

Your Name  
Your Street Address  
Your City, State and Zip Code

**TO REPORT A CLAIM UNDER THIS POLICY CALL 1-866-231-1997**

**Policy Effective Date:** As indicated in the Insuring Provisions section of the Policy

**Date Coverage Begins:** As indicated in the Insuring Provisions section of the Policy

**Date Coverage Expires:** As indicated in the Insuring Provisions section of the Policy

**Coverage Premium:** As indicated on your Invoice

\*\*\*\*\* **PRODUCT COVERAGE** \*\*\*\*\*

**Costco Member****Coverage:**

	<b>Principal Sum:</b>
1. Accidental Death & Dismemberment (Air Common Carrier Only)	\$25,000
2. Accidental Medical Expense	\$50,000
3. Sickness Medical Expense	\$50,000

**Costco Executive Member\*****Coverage:**

	<b>Principal Sum:</b>
1. Accidental Death & Dismemberment (Air Common Carrier Only)	\$50,000
2. Accidental Medical Expense	\$100,000
3. Sickness Medical Expense	\$100,000

\*For Costco Executive Members, you are only eligible for the benefit amounts noted in the Costco Executive member designation.

**PLEASE KEEP THIS POLICY IN A SAFE PLACE**



Secretary



President

**Virginia Surety Company, Inc.  
1000 Milwaukee Avenue  
Glenview, IL 60025**

**Costco Travel Services Program  
Insurance Policy**

The Company hereby insures all persons who are accepted by the Administrator, on behalf of the Company, and whose name is identified on the program materials, subject to all of the exclusions, limitations and provisions as set forth herein. Coverage is afforded only with respect to the person, coverage, amounts and limits specified herein for the Insurance and for which their specified premium has been paid to the Administrator.

**THIS IS A LIMITED BENEFIT PROGRAM. COVERAGE IS ISSUED FOR A STATED TERM.**

**Note: All coverage and benefit amount herein are in United States Dollars.**

Table of Contents

Insuring Provisions	Section 1
Benefits Overview	Section 2
Definitions	Section 3
Description of Benefits	Section 4
Limitations and Exclusions	Section 5
General Provisions	Section 6

**Section 1 - INSURING PROVISIONS**

**Eligibility:** Eligible Persons are persons, who:

1. have enrolled for coverage in Costco Travel program during the Coverage Term; and
2. for whom the required premium is paid.

**Effective Date of Insurance**

All coverage will take effect at 12:01 A.M. local time, at the location of the Insured, on the Scheduled Departure Date provided:

- (a) coverage has been elected; and
- (b) the required premium has been paid.

**Individual Termination of Insurance**

An Insured's coverage will end at 11:59 P.M. local time on the date that is the earliest of the following:

- (a) on the date the Covered Trip is completed;
- (b) the Scheduled Return Date as stated on the travel tickets;
- (c) the date the Insured arrives at the return destination on a round-trip, or the destination on a one-way trip;
- (d) the date the Insured leaves his or her Covered Trip, which is a date prior to the Scheduled Return Date (unless due to unforeseen and unavoidable circumstances covered by the Policy);
- (e) the date the Insured changes his or her Covered Trip to a date prior to the Scheduled Return Date (unless due to unforeseen and unavoidable circumstances covered by the Policy);
- (f) If the Insured extends the return date, coverage will terminate at 11:59 P.M., local time, at the location of the Insured on the Scheduled Return Date;
- (g) The date the Insured cancels his or her Covered Trip;

**Extension of Insurance**

Coverage will be extended under the following conditions:

- (a) When the Insured commences air travel from his or her origination point: within two (2) days before the commencement of the Land/Sea Arrangements, coverage shall apply from the time of departure from the origination point; or (ii) greater than two (2) days before the commencement of the Land/Sea Arrangements, the extension of coverage shall be provided only during his or her air travel;

- (b) If the Insured returns to his or her origination point: within two (2) days after the completion of the Land/Sea Arrangements, coverage shall apply until the time of return to the origination point; or (ii) greater than two (2) days after the completion of the Land/Sea Arrangements, the extension of coverage shall be provided only during his or her air travel; and
- (c) If the Insured is a passenger on a scheduled common carrier that is unavoidably delayed in reaching the final destination coverage will be extended for the period of time needed to arrive at the final destination.

In no event will coverage be extended for unscheduled extensions to the Insured's Covered Trip for which premium has not been paid in advance.

### **Refund of Premium**

Premium for the full term of coverage will be refunded only when a written request is received by the Administrator prior to Effective Date of Coverage. After the Effective Date of Coverage, premium is considered fully earned and nonrefundable. This coverage is issued on a non-renewable basis.

## **Section 2 - BENEFITS OVERVIEW**

### **Accidental Death & Dismemberment – Common Carrier (Air Only)**

The Company will pay benefits, up to a percentage of the Principal Sum Losses, when an Insured, as a result of an Accidental Injury occurring while the Insured is riding as a passenger in or on, boarding or alighting from, any air conveyance operated under a license for the transportation of passengers for hire during the Covered Trip.

### **Sickness Medical Expense**

The Company will pay benefits up to the maximum shown on the Declarations Page if an Insured incurs Covered Medical Expenses as a result of a Sickness, which first manifests itself during the Covered Trip.

### **Accident Medical Expense**

The Company will pay benefits, up to maximum shown on the Declarations Page if an Insured incurs necessary Covered Medical Expenses as a result of an Accidental Injury that occurs during the Covered Trip.

## **Section 3 - DEFINITIONS**

"**We**", "**Us**", "**Our**", or "**Company**" means Virginia Surety Company, Inc.

"**Accident**" means a sudden, unexpected, unusual, specific event that occurs at an identifiable time and place, but shall also include exposure resulting from a mishap to a conveyance in which the Insured is traveling.

"**Accidental Injury**" means Bodily Injury caused by an accident (of external origin) being the direct and independent cause in the loss.

"**Bodily Injury**" means identifiable physical injury which: (a) is caused by an Accident, and (b) solely and independently of any other cause, except Sickness resulting from, or medical or surgical treatment rendered necessary by such injury, is the direct cause of death or dismemberment of the Insured within twelve months from the date of the Accident.

"**Common Carrier**" means any land, sea and/or air conveyance operating under a valid license for the transportation of passengers for hire.

"**Coverage Term**" means the period of time beginning when the Insured has been enrolled for coverage under the Policy and for whom the required premium has been paid.

"**Covered Expenses**" shall mean expenses which are for medically necessary services, supplies, care, or treatment; due to Sickness or Injury; prescribed, performed or ordered by a Physician; reasonable and customary charges; incurred while insured under this Policy; and which do not exceed the maximum limits shown in the Declarations Page, under each stated benefit.

"**Covered Trip**" means any class of scheduled trips, tours or cruises for which the Insured requests coverage and remits the required premium.

"**Cruise**" means any prepaid sea arrangements made by the Travel/Tour Operator.

"**Declarations Page**" means the document listing the coverages and limits of an Insured's benefits.

"**Dependent**" means lawful spouse and/or unmarried children under eighteen (18) years of age.

"**Dependent Children**" means the Insured's child (or children), including an unmarried child, stepchild, legally adopted child or foster child who is: 1) less than age nineteen (19) and primarily dependent on the Insured for support and maintenance; or 2) who is at least age nineteen (19) but less than age twenty-three (23) and who regularly attends an accredited school or college; and who is primarily dependent on the Insured for support and maintenance.

**"Effective Date"** means the date and time an Insured's coverage begins, as outlined in the Insuring Provisions section of the Policy.

**"Eligible Person"** means a person who: a) is a citizen or resident of the United States, is covered under a Class of Eligible Persons and who is scheduled to take a Covered Trip and elects coverage; b) who has paid the required premium; and c) has enrolled for coverage for himself or herself and for the Insured's spouse, and unmarried Dependent Children of the Insured who are under nineteen (19) years of age (twenty-four (24) if a full-time student), if such dependent's coverage is required. If a mental or physical handicap prevents a Dependent Child from self-support when he/she reaches the termination age, he/she may remain as an Eligible Person under the policy. Proof of such incapacity and dependency must be furnished to the Company within thirty-one (31) days of the child's attainment of the termination age and not more frequently than annually thereafter.

**"Family Member"** means the Insured's or Traveling Companion's, legal or common law spouse, parent, legal guardian, step-parent, grandparent, parents-in-law, grandchild, natural or adopted child, step-child, children-in-law, brother, sister, step-brother, step-sister, brother-in-law, sister-in-law, aunt, uncle, niece or nephew.

**"Hospital"** means a facility that: (a) holds a valid license if it is required by the law; (b) operates primarily for the care and treatment of sick or injured persons as in-patients; (c) has a staff of one or more Physicians available at all times; (d) provides twenty-four (24) hour nursing service and has at least one registered professional nurse on duty or call; (e) has organized diagnostic and surgical facilities, either on the premises or in facilities available to the hospital on a pre-arranged basis; and (f) is not, except incidentally, a clinic, nursing home, rest home, or convalescent home for the aged, or similar institution.

**"Insured"** means an Eligible Person (as defined above and included in the Class of Eligible Persons) while covered under the Policy.

**"Land/Sea Arrangements"** means land and or sea arrangements made by Costco Travel.

**"Loss"** means injury or damage sustained by the Insured in consequence of happening of one or more of the occurrences against which the Company has undertaken to indemnify the Insured.

**"Maximum Benefit"** means the largest total amount of Covered Expenses that the Company will pay for the Insured.

**"Physician"** means a licensed practitioner of medical, surgical or dental services acting within the scope of his or her license. The treating Physician may not be the Insured, a Traveling Companion or a Family Member.

**"Pre-Existing Condition"** means any injury, sickness or condition of the Insured, Traveling Companion Family Member booked to travel with the Insured for which within the sixty (60) period prior to the Effective Date of Trip Cancellation coverage under the Policy; (a) first manifested itself or exhibited symptoms which would have caused one to seek diagnosis, care or treatment; (b) required taking prescribed drugs or medicine, unless the condition for which the prescribed drug or medicine is taken remains controlled without any change in the required prescription; or (c) required medical treatment or treatment was recommended by a Physician. The Pre-Existing Conditions exclusion is waived if the Insured enrolls in the Policy at the time the Insured pays the deposit required for their Trip (or within ten (10) days of the initial deposit) and the Insured purchases the policy for the full cost of their Trip. Such an Injury or Sickness will continue to be a Pre-Existing Condition until the expiration of twelve (12) consecutive months, beginning with the effective date of coverage for which the Insured has not received any medical care, consultation, diagnosis, or treatment or has not taken any prescribed drug or medicine on account of such condition. Taking maintenance medications for a condition that is considered stable shall not be cause for Exclusion.

**"Policyholder"** means the Policyholder shown on the face page of this Certificate.

**"Scheduled Departure Date"** means the date on which the Insured is originally scheduled to leave on the Trip or the first day of any Covered Trip taken during the Coverage Term, if earlier.

**"Scheduled Return Date"** means the date on which the Insured is originally scheduled to return to the point of origin or to a different final destination or the last day of any Covered Trip taken during the Coverage Term.

**"Sickness"** means a Sickness or disease, which is diagnosed or treated by a Physician after the Effective Date of insurance and while the Insured is covered under the Policy.

**"Travel/Tour Operator"** means a travel agency, tour operator, cruise line, airline or other organization collects and remits the required premium to the Company.

**"Traveling Companion"** means person named and traveling under the same reservation as the Insured.

**"Trip"** means prepaid Land/Sea Arrangements and shall include flight connections to join or depart such Land/Sea Arrangements provided such flights are scheduled to commence within one (1) day of the Land/Sea Arrangements.

## Section 4 - DESCRIPTION OF BENEFITS

### ACCIDENTAL DEATH AND DISMEMBERMENT COMMON CARRIER (AIR ONLY)

We will pay benefits for Accidental Injuries resulting in a loss as described in the Table of Losses below, that occurs while the Insured is riding as a passenger in or on, boarding or alighting from, any air conveyance operated under a license for the transportation of passengers for hire during the Covered Trip. The loss must occur within one (1) year after the date of the Accident causing the loss. The Principal Sum is shown on the Declarations Page.

If more than one loss is sustained as the result of an Accident, the amount payable shall be the largest amount shown in the Table of Losses.

#### TABLE OF LOSSES

Loss of:	% of Principal Sum
Life	100%
Both hands or both feet	100%
Sight of both eyes	100%
One hand and one foot	100%
Either hand or foot and sight of one eye	100%
Either hand or foot	50%
Sight of one eye	50%
Speech and hearing in both ears	100%
Speech	50%
Hearing in both ears	50%
Thumb and index finger of same hand	25%

"Loss" with regard to:

1. hand or foot, means actual complete severance through and above the wrist or ankle joints; and
2. eye means an entire and irrecoverable loss of sight; and;
3. speech or hearing means entire and irrecoverable loss of speech or hearing of both ears; and
4. thumb and index finger means actual severance through or above the joint that meets the finger at the palm.

#### EXPOSURE

We will pay benefits for covered losses that result from an Insured being unavoidably exposed to the elements due to an Accident of an air conveyance operated under a license for the transportation of passengers for hire during the Covered Trip. The loss must occur within three hundred sixty-five (365) days after the event that caused the exposure.

#### DISAPPEARANCE

We will pay benefits for loss of life if an Insured's body cannot be located one year after the Insured's disappearance due to forced landing, stranding, sinking, or wrecking of an air conveyance operated under a license for the transportation of passengers for hire during the Covered Trip in which he/she was a passenger.

### SICKNESS MEDICAL EXPENSE

The Company will pay benefits up to the maximum shown on the Declarations Page, subject to any deductible, if an Insured incurs Covered Medical Expenses as a result of a Sickness that first manifests itself during the Covered Trip. The deductible, if any, is shown on the Declarations Page. The Insured must receive initial treatment within ninety (90) days of the onset of the Sickness. All services, supplies or treatment must be received within fifty-two (52) weeks following the onset of the Sickness.

Covered Medical Expenses are necessary services and supplies that are recommended by the attending Physician. They include but are not limited to:

- a) the services of a Physician;
- b) charges for Hospital confinement and use of operating rooms; Hospital or ambulatory medical-surgical center services (this will also include expenses for a cruise ship cabin or hotel room, not already included in the cost of the Insured's Covered Trip, if recommended as a substitute for a hospital room for recovery from a Sickness).
- c) charge for anesthetics (including administration); x-ray examinations or treatments, and laboratory tests;
- d) ambulance service;
- e) drugs, medicines, prosthetics and therapeutic services and supplies;

- f) emergency dental treatment for the relief of pain.

The Company will not pay benefits in excess of the reasonable and customary charges. Reasonable and customary charges means charges commonly used by Physicians in the locality in which care is furnished. The Company will not cover any expenses provided by another party at no cost to the Insured or already included within the cost of the Trip.

#### **ACCIDENT MEDICAL EXPENSE**

The Company will pay benefits up to maximum shown on the Declarations Page, subject to any deductible, if an Insured incurs necessary Covered Medical Expenses as a result of an Accidental Injury that occurs during the Covered Trip. The deductible, if any, is shown in the Declarations Page. The Insured must receive initial treatment for Accidental Injuries within ninety (90) days of the Accident that caused them. All services, supplies or treatment must be received within fifty-two (52) weeks of the date of the Accident.

Covered Medical Expenses are necessary services and supplies that are recommended by the attending Physician. They include but are not limited to:

- a) the services of a Physician;
- b) charges for Hospital confinement and use of operating rooms; Hospital or ambulatory medical-surgical center services (this will also include expenses for a cruise ship cabin or hotel room, not already included in the cost of the Insured's Covered Trip, if recommended as a substitute for a hospital room for recovery from an Injury);
- c) charge for anesthetics (including administration); x-ray examinations or treatments, and laboratory tests;
- d) ambulance service;
- e) drugs, medicines, prosthetics and therapeutic services and supplies;
- f) emergency dental treatment for the relief of pain.

The Company will not pay benefits in excess of the reasonable and customary charges. Reasonable and customary charges means charges commonly used by Physicians in the locality in which care is furnished. The Company will not cover any expenses provided by another party at no cost to the Insured or already included within the cost of the Trip.

The Company will pay benefits, up to \$750.00, for emergency dental treatment for Accidental Injury to sound natural teeth within twelve (12) months of the Accidental Injury.

The Company may, at its option advance payment to a Hospital, up to the maximum shown on the Declarations Page, if needed to secure the Insured's admission to a Hospital because of Accidental Injury.

#### **Section 5 - LIMITATIONS AND EXCLUSIONS**

The insurance provided by the Policy shall be in excess of all other valid and collectible insurance or indemnity. The Company shall be liable only for the excess of the amount of loss, over the amount of such other insurance or indemnity, and applicable deductible.

The following exclusions apply to the benefits provided by the Policy: Loss caused by or resulting from:

1. Pre-Existing Conditions, as defined in the Definitions section, unless the protection plan is purchased within ten (10) days of the initial Trip deposit
2. Suicide or attempted suicide while sane or insane (in Missouri, sane only) unless results in the death of a non-traveling immediate Family Member;
3. Intentionally self-inflicted injuries;
4. War or act of war, whether declared or undeclared;
5. Participation in any military maneuver or training exercise
6. Piloting or learning to pilot or acting as a member of the crew of any aircraft;
7. Mental or emotional disorders, unless hospitalized;
8. Participation as a professional in athletics or participation in organized amateur and interscholastic athletic or sports competition or events; (Inter-scholastic team sports are only acceptable for short-term programs);
9. Scuba diving (unless accompanied by a dive master and not deeper than one hundred thirty (130) feet);
10. Alcoholism or treatment for drug addiction;
11. Commission or the attempt to commit a felony;

12. Participating in bodily contact sports; skydiving; hang gliding; parachuting; mountaineering, any race, bungee cord jumping; speed contest (speed contest shall not include any of the regatta races); spelunking or caving; heli-skiing; extreme skiing; and snow skiing. Bodily contact sports include lacrosse, soccer, football, rugby, field hockey, ice hockey, wrestling, basketball, martial arts and boxing. Exclusions are regulated under the minimum standards requirements and what was approved under the group rules may not apply under the individual rules.
13. Dental treatment except as a result of an injury to sound natural teeth within twelve (12) months of the Accidental Injury limited to \$750;
14. Any non-emergency treatment or surgery, routine physical examinations, hearing aids, eye glasses or contact lenses;
15. Pregnancy and childbirth (except for complications of pregnancy or except if hospitalized); elective abortion;
16. Traveling for the purpose of securing medical treatment;
17. Services not shown as covered;
18. Confinement or treatment in a government Hospital; however the United States government may recover or collect benefits under certain conditions;
19. Care or treatment, which is not medically necessary;
20. Care or treatment for which compensation is payable under Worker's Compensation Law, any Occupational Disease law; the 4800 Time Benefit plan or similar legislation;
21. Injury or Sickness when traveling against the advice of a Physician;
22. Cosmetic surgery except for: reconstructive surgery incidental to or following surgery for trauma, or infection or other covered disease of the part of the body reconstructed, or to treat a congenital malformation of a child;
23. Sickness or disease, except as provided for in the Policy.

## **Section 6 - GENERAL PROVISIONS**

**CLERICAL ERRORS:** The Company will not deny or cancel coverage on an Insured because of clerical error by the Travel/Tour Operator or by the Company. After an error is found, the Company will take appropriate action. This may include adjusting, collecting or refunding premium.

**ARBITRATION:** Notwithstanding anything in the Policy to the contrary, any claim arising out of or relating to this contract, or its breach, may be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial rules except to the extent provided otherwise in this clause. Arbitration must be by mutual consent and agreed to by all parties. Judgment upon the award rendered in such arbitration may be entered in any court having jurisdiction thereof. All fees and expenses of the arbitration shall be borne by the parties equally. However, each party will bear the expense of its own counsel, experts, witnesses, and preparation and presentation of proofs. The arbitrators are precluded from awarding punitive, treble or exemplary damages, however so denominated. If more than one Insured is involved in the same dispute arising out of the same Policy and relating to the same loss or claim, all such Insureds will constitute and act as one party for the purposes of the arbitration. Nothing in this clause will be construed to impair the rights of the Insureds to assert several, rather than joint, claims or defenses.

**PREMIUM:** The required premium must be paid to the Company or its authorized representative prior to the Scheduled Departure Date of the Covered Trip.

**SUBROGATION:** To the extent the Company pays for a Loss suffered by an Insured Person, the Company will take over the rights and remedies the Insured Person had relating to the Loss. This is known as subrogation. The Insured Person must help the Company to preserve its rights against those responsible for the Loss and must do everything necessary to secure these rights and must do nothing that would jeopardize them. This may involve signing any papers and taking any other steps the Company may reasonable require. If the Company takes over an Insured Person's rights, the Insured Person may have to sign an appropriate subrogation form supplied by the Company.

**LEGAL ACTIONS:** No legal action for a claim can be brought against the Company until sixty (60) days after the Company receives proof of loss. No legal action for a claim can be brought against the Company more than three (3) years after the time required for giving proof of loss.

**NOTICE OF CLAIM:** Written notice of claim must be given by the Claimant (either the Insured or someone acting for the Insured) to the Company or its designated representative within twenty (20) days after a covered loss first begins or as soon as reasonably possible. Notice should include the Insured's name, the Travel/Tour Operator's name and the Policy number. Notice should be sent to the Company's administrative office, at the address shown on the cover page of the Policy, or to the Company's designated representative.

**PROOF OF LOSS:** The Claimant must send the Company, or its designated representative, proof of loss within ninety (90) days after a covered loss occurs or as soon as reasonably possible. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.

**PAYMENT OF CLAIMS:** The Company, or its designated representative, will pay a claim after receipt of acceptable proof of loss. Benefits for loss of life are payable to Insured's beneficiary. If a beneficiary is not otherwise designated by the Insured, the Insured's benefits for loss of life will be paid to the first of the following surviving preference beneficiaries:

- a) the Insured's spouse:
- b) the Insured's child or children jointly:
- c) an Insured's parents jointly if both are living or the surviving parent if only one survives:
- d) an Insured's brothers and sisters jointly: or
- e) the Insured's estate.

All other claims will be paid to the Insured. In the event the Insured is a minor, incompetent or otherwise unable to give a valid release for the claim, the Company may make arrangement to pay claims to the Insured's legal guardian, committee or other qualified representative.

All or a portion of all other benefits provided by this policy may, at the option of the Company, be paid directly to the provider of the service. All benefits not paid to the provider will be paid to the Insured.

Any payment made in good faith will discharge the Company's liability to the extent of the claim.

The applicable benefit amount will be reduced by the amount of benefits, if any, previously paid by other Insurance Policies. In no event will the Company reimburse the Insured for an amount greater than the amount paid by the Insured.

**PHYSICAL EXAMINATION AND AUTOPSY:** The Company, or its designated representative, at their own expense, have the right to have the Insured examined as often as reasonable necessary while a claim is pending. The Company, or its designated representative, also has the right to have an autopsy made, at its own expense, unless prohibited by law.

**NO BENEFIT TO OTHERS:** This insurance will in no way inure directly or indirectly to the benefit of any carrier or other bailee.

**CONFORMITY OF STATUTE:** Terms of this Policy that are in conflict with the statutes of the state in which it is issued are automatically changed to conform to minimum requirements of such statutes.