State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

VICKI V. QUIRAM
Commissioner
(603)-271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603)-271-3204

September 16, 2015

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Administrative Services (DAS), Risk Management Unit (RMU), to enter into a contract with Anthem Life Insurance Company (VC#176307) of Worthington, Ohio, in an amount not to exceed $828,795 for the employer-paid life insurance provided to full-time employees. This contract is effective upon Governor and Council approval for a five (5) year period, from January 1, 2016 through December 31, 2020, with an option to renew for up to two additional years subject to Governor and Executive Council approval. **Approximately 36% General Funds, 20% Federal Funds, 14% Highway Funds, 5% Enterprise Funds, and 25% Other Funds.**

Payment for this coverage is contingent upon the authorized and anticipated appropriation for life insurance benefits (Class 60 – account 500603) in each agency for its employees.

EXPLANATION

Life insurance coverage is provided to full-time state employees according to provisions in several Collective Bargaining Agreements (CBAs). The Department of Administrative Services Commissioner is authorized, pursuant to RSA 21-I: 28, to enter into group life insurance contracts with an insurance company or other group licensed to do business in the State.

This contract provides for the existing employer-paid basic life insurance of $25,000 provided to full-time employees and reflects the most recent tentative CBAs, effective when funded and executed. The tentative agreements' negotiated life insurance plan requires the State to provide State-paid term life insurance coverage in the amount of $50,000 for full-time state employees and creates a new voluntary employee paid plan (Plan 9) with benefits in increments of one, two, three, or four times the employee's salary.

The current contract with Anthem Life Insurance Company (Anthem Life) is set to expire on December 31, 2015. On July 2, 2015, DAS issued a Request for Bid (RFB) for group life insurance coverage. The RFB requested pricing on the current plan and the negotiated plan subject to CBA execution and budget approval. One hundred and one (101) firms received direct notification of this solicitation. Public notice of this RFB was provided through the New Hampshire Union Leader, and the RFB was also posted on the DAS Bureau of Purchase and Property website.

The State received nine (9) bids, eight (8) of which were conforming bids. The conforming bids were evaluated based on the premium rates for the current employer-paid group basic life insurance plan and the negotiated plan that will be implemented if CBAs are executed during the term of this contract. Anthem Life offered the most competitive bid for the current group basic life insurance with rates 33% lower than the existing rates of $0.045 per $1,000 of coverage.

Anthem Life bid the same rate of $0.03 per $1,000 of coverage for the negotiated plan that provides $50,000 in basic life coverage as it bid for the current plan that provides $25,000 in basic life coverage. Anthem Life's bid for the negotiated plan was $60,000 lower in basic life annual premium than the next lowest bidder. After negotiations, Anthem Life agreed to a basic life rate of $0.028 per $1,000 of coverage, representing a 38.9% reduction from the current rate for a total five-year savings of $527,415 assuming the $50,000 basic life coverage.

Based on the foregoing, I am respectfully recommending approval of this contract.

Respectfully submitted,

Joseph B. Bouchard, Asst. Comm.

for Vicki V. Quiram
Commissioner

Bid Tab – State-Paid Basic Life

COMPARISON PREMIUM	Anthem	Guardian	Hartford	MetLife	Minnesota Life	Prudential	Sun Life	Unum
Total Basic Life 5-Year Premium								
Current Plan	$452,070	$452,070	$602,760	$2,124,729	$542,484	$1,054,830	$602,760	$655,803
Negotiated Plan	$904,140	$2,109,660	$1,205,520	$4,339,872	$1,506,900	$2,109,660	$1,205,520	$1,311,606
Comparison Premium	$1,356,210	$2,561,730	$1,808,280	$6,464,601	$2,049,384	$3,164,490	$1,808,280	$1,967,409
RANK - State Paid Premium	[1]	[6]	[2]	[8]	[5]	[7]	[2]	[4]

State of New Hampshire
Life Insurance 5-Year Premium*
January 1, 2016 through December 31, 2020
Anthem Bid and Negotiation

Current Plan Design

STATE PAID PREMIUM	Current Rate	Anthem Bid	Anthem Negotiated
Plans 1 to 6 - Basic Life	$678,105	$452,070	$414,398
Change from Current Rate - $		($226,035)	($263,707)
Change from Current Rate - %		-33.3%	-38.9%

EMPLOYEE PAID PREMIUM	Current Rate	Anthem Bid	Anthem Negotiated
Plans 1 to 6 - Additional Life/AD&D	$235,531	$218,647	$215,833
Plan 7 Spouse - Supplemental Life	$439,607	$439,607	$439,607
Plan 8 Employee or Spouse - Supplemental Life/AD&D	$4,461,291	$4,461,291	$3,800,938
Employee Paid Premium	$5,136,429	$5,119,545	$4,456,378
Change from Current Rate - $		($16,884)	($680,051)
Change from Current Rate - %		-0.3%	-13.2%

TOTAL PREMIUM	Current Rate	Anthem Bid	Anthem Negotiated
All Plans			
State Paid Premium	$678,105	$452,070	$414,398
Employee Paid Premium	$5,136,429	$5,119,545	$4,456,378
Total Premium	$5,814,534	$5,571,615	$4,870,776
Change from Current Rate - $		($242,919)	($943,758)
Change from Current Rate - %		-4.2%	-16.2%

Negotiated Plan Design

STATE PAID PREMIUM	Current Rate	Anthem Bid	Anthem Negotiated
Plans 1 to 6 - Basic Life	$1,356,210	$904,140	$828,795
Change from Current Rate - $		($452,070)	($527,415)
Change from Current Rate - %		-33.3%	-38.9%

EMPLOYEE PAID PREMIUM	Current Rate	Anthem Bid	Anthem Negotiated
Plans 1 to 6 - Additional Life/AD&D	$235,531	$218,647	$215,833
Plan 7 Spouse - Supplemental Life	$439,607	$439,607	$439,607
Plan 8 Spouse - Supplemental Life/AD&D	$1,441,166	$1,441,166	$1,227,220
Plan 9 Employee - Supplemental Life/AD&D	$3,020,126	$3,020,126	$2,573,718
Employee Paid Premium	$5,136,430	$5,119,546	$4,456,378
Change from Current Rate - $		($16,884)	($680,052)
Change from Current Rate - %		-0.3%	-13.2%

TOTAL PREMIUM	Current Rate	Anthem Bid	Anthem Negotiated
All Plans			
State Paid Premium	$1,356,210	$904,140	$828,795
Employee Paid Premium	$5,136,430	$5,119,546	$4,456,378
Total Premium	$6,492,640	$6,023,686	$5,285,173
Change from Current Rate - $		($468,954)	($1,207,467)
Change from Current Rate - %		-7.2%	-18.6%

Notes

* Based on enrollment and volume on the State's census as of June 2015 and the potential negotiated increase in Basic Life coverage to $50,000

FORM NUMBER P-37 (version 5/8/15)

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Administrative Services Risk Management Unit	1.2 State Agency Address State House Annex 25 Capital Street Concord NH 03301
1.3 Contractor Name Anthem Life Insurance Company	1.4 Contractor Address 6740 N High Street Suite 200 Worthington, OH 04308
1.5 Contractor Phone Number 603-541-2030 1.6 Account Number 060-500-603	1.7 Completion Date 12/31/2020 1.8 Price Limitation $828,795
1.9 Contracting Officer for State Agency Catherine A. Keane Director of Risk and Benefits	1.10 State Agency Telephone Number 603-271-2059
1.11 Contractor Signature	1.12 Name and Title of Contractor Signatory Michael A. Worry President

1.13 Acknowledgement: State of Ohio, County of Franklin

On Sept. 14, 2015, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that she executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

(Seal)

1.13.2 Name and Title of Notary or Justice of the Peace

Katherine J Feola

Katherine J Feola
Notary Public, State of Ohio
Commission Expires 11-14-15

1.14 State Agency Signature Joseph B. Bouchard Date: 9-17-15	1.15 Name and Title of State Agency Signatory Joseph B. Bouchard, Assistant Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 9/21/15

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: DEPUTY SECRETARY OF STATE OCT 07 2015

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials NW
Date 3/14/15

Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.
The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

Contractor Initials MW
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14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.
15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A *("Workers' Compensation").*
15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

Contractor Initials W
Date 9/14/15

EXHIBIT A
SCOPE OF SERVICES

I. PURPOSE

The State of New Hampshire, Department of Administrative Services, Risk Management Unit (hereafter referred to as "State") is contracting with Anthem Life Insurance Company (hereafter referred to as the "Contractor"), to provide a group term life insurance plan ("the plan") for the State's eligible employees on an employer paid basis as well as options for additional voluntary life insurance benefits purchased at the employee's expense in accordance with the specifications described herein.

II. TERM

The term of any resulting contract shall be for a five (5) year period commencing on January 1, 2016, or upon Governor and Executive Council approval, whichever is later and shall end on December 31, 2020, with the option to renew for up to two additional years subject to Governor and Executive Council approval.

While implementation activities may commence immediately upon Governor and Executive Council approval, payments under this agreement shall not commence prior to January 1, 2016.

The State shall have the right to terminate the contract at any time by giving the Contractor thirty (30) days advance written notice.

III. SPECIFICATIONS FOR COVERAGE OF GROUP TERM LIFE INSURANCE (STATE PAID)

A. Group Term Life Insurance:

Coverage is required in accordance with the following:

Basic term life benefits in the amount of $25,000 for eligible employees. Eligible employees are defined in Part III, B. below. See Appendix B, attached hereto, for the current certificate of coverage/schedule of benefits.

B. Eligibility and Enrollment Conditions and Stipulations:

Enrolled employees shall be immediately eligible for employer-paid basic life and any voluntary life plan they elect. Eligible employees hired after the effective date shall become eligible on the first of the month following thirty (30) calendar days of State employment.

Employees eligible to participate in the plan are full-time employees whose usual work schedule is 37.5 hours to 40 hours per week. Temporary and seasonal employees must currently work the equivalent of six months of full-time employment in a twelve month period in order to qualify for coverage.

Employees whose usual work schedule is less than 37.5 hours per week are not eligible to participate in the plan.

Contractor Initials N
Date 9/14/15

IV. SPECIFICATIONS FOR COVERAGE OF EMPLOYEE SUPPLEMENTAL INSURANCE (EMPLOYEE PAID)

The Contractor shall provide employee supplemental or dependent benefits that employees can purchase at their own expense. Premiums for these additional benefit options are paid through payroll deductions on an after-tax basis. The following supplemental benefit options shall be offered to eligible employees as detailed below:

Basic Plans	Coverage Type	Benefit	Cost Share
Plan 2	Basic Life/AD&D	$25,000 basic life	State Paid
		$20,000 AD&D	Employee Paid
Plan 3	Basic Life	$25,000 basic life	State Paid
		$5,000 additional life	Employee Paid
Plan 4	Basic Life/AD&D	$25,000 basic life	State Paid
		$5,000 additional life $25,000 AD&D	Employee Paid
Plan 5	Basic Life/AD&D Dependent Life	$25,000 basic life	State Paid
		$20,000 AD&D $3,000 per child life	Employee Paid
Plan 6	Basic Life/AD&D Dependent Life	$25,000 basic life	State Paid
		$5,000 additional life $25,000 AD&D $3,000 per child life	Employee Paid
Supplemental Plans	**Coverage Type**	**Benefit**	**Cost Share**
Plan 7	Dependent Life	$10,000 spouse life	Employee Paid
Plan 8*	Supplemental Life/AD&D Dependent Life/AD&D	$25,000 life/AD&D $50,000 life/AD&D $75,000 life/AD&D $100,000 life/AD&D	Employee Paid

* Plan 8 coverage offered for employee only, spouse only, or both. One of the four coverage levels is selected for each person.

A. Employee Supplemental Life and AD&D Benefits:

Supplemental Life and Accident Death and Dismemberment may be purchased in varying increments to a maximum of $100,000.

B. Dependent Life Benefits:

Spouse and dependent child coverage may be purchased in varying increments.

Contractor Initials _____
Date 9/19/15

C. Eligibility and Enrollment Conditions and Stipulations:
For employees who meet the eligibility requirements noted in Part III, B, above, and wish to purchase additional and/or supplemental coverage(s) at their own expense, for eligible dependents. Eligible dependents include a spouse, unmarried natural child, stepchildren, legally adopted children, and permanent foster children, or any other child who is related to the eligible employee biologically or through marriage and who resides with the employee in a normal parent/child relationship, provided that the child is at least 15 days old and has not yet reached the age limit described below.

- The child age limit is the end of the calendar month in which the child attains age 26.
- Coverage may be continued indefinitely if the child is physically or mentally impaired and incapable of self-support.

V. POTENTIAL CHANGES TO THE PLAN

The Contractor shall implement plan changes that are adopted by the State. This shall include implementation of any changes to the Plans that are collectively bargained over the term of the Agreement. Per the collective bargaining agreements, benefit plan design changes are typically implemented on a calendar year basis. However, if necessary, the Contractor shall support any Special Enrollment Periods required.

Subject to the approval and execution of the 2015 negotiated collectively bargained agreements with the various unions and/or legislative approval of funding, the following negotiated changes may be implemented. As these 2015 negotiated changes are subject to approval, it is not certain if and when these changes will become effective for any or all unions. If approved, the Contractor shall implement the following changes for those unions to which they apply:

- **Effective When Approved**
  - **Plan 1, 2, and 5** – Basic Group Life coverage increases to $50,000
  - **Plan 3, 4, and 6** – Basic Group Life coverage increases to $55,000 (The additional life amount of $5,000 will continue to be employee paid.)
  - **Plan 7 – No changes**
  - **Plan8** – Supplemental Dependent Life/AD&D for Spouse Only coverage continues under this plan. Employees wanting Supplemental life/AD&D will be required to move to Plan 9.
  - **Add Plan 9** – Supplemental Life/AD&D choice of 1x, 2x, 3x, or 4x salary to a maximum of $1,000,000. One times (1x) salary shall be guaranteed issue with no evidence of insurability required. Evidence of insurability will continue to not be required for 1x salary to a maximum of $500,000 on this guaranteed issue amount.

If required, the Contractor shall support a special enrollment for the negotiated plan. At the time of the special enrollment, employees in Plan 8 may remain in Plan 8 until the next annual open enrollment effective the following January.

Contractor Initials MW
Date 9/14/15

VI. SERVICE SPECIFICATIONS FOR CLAIMS ADMINISTRATION, PROGRAM IMPLEMENTATION, REPORTS, INVOICING & PREMIUM PAYMENTS

A. CLAIMS ADMINISTRATION

1. **Claims Administration.**
The Contractor shall be responsible for assisting beneficiaries with the filing of and the handling of all claims. It is not the State's intent to be involved with filing claims to any significant degree.

The Contractor must provide documentation detailing the payee, type of payment and payment amount, and claim to which it pertains to the Department of Administrative Services, Risk Management Unit (RMU), see Section C. REPORTS for additional information.

The Contractor shall designate a liaison and a toll-free telephone number to handle all claims issues and inquiries from State personnel and ensure a response standard of two business days is met. In addition, the Contractor shall provide direct access to Contractor's account management staff for the RMU staff.

The Contractor shall maintain regular business hours, which at a minimum shall include Monday through Friday, 7:00 AM – 7:00 PM Eastern Standard Time.

B. PROGRAM IMPLEMENTATION/ENROLLMENT

1. **Program Implementation/Enrollment.**
The Contractor shall assist the State with all phases of implementation, to include participating in the initial annual open enrollment in November of 2015, and future annual or special open enrollments, to explain the plan and enroll State employees, preparing and distributing applicable forms and communication materials to State employees in concurrence with, or directed by, the RMU.

At the sole expense of the Contractor, the Contractor shall provide:

a. **Claim Forms.** Claim forms and instructions shall be distributed to all State agencies within thirty (30) calendar days after contract award and as needed thereafter. These shall be made available electronically to the State for posting on its website.

b. **Certificates of Coverage.** Certificates of Coverage shall be furnished to all policy holders within five (5) business days of request, throughout the contract term.

c. **Benefit Brochures.** Comprehensive benefit brochures shall be made available to each covered participant at enrollment. Individual certificates of coverage or other pertinent information shall be provided no later than thirty (30) calendar days after the effective date or delivery of enrollment data.

d. **Service Representative.** A service representative shall be made available to the State. Representatives shall be available at the annual open or special enrollment meetings to explain the plan and enroll State employees. The Contractor warrants that all

Contractor Initials M
Date 9/14/15

personnel engaged in the contract services shall be qualified to perform the services and shall be properly licensed and otherwise authorized to do so under all applicable laws. For example, insurance agents shall possess active producer licenses from the State and claims adjusters assigned to the State account shall possess active licenses from the State. The State reserves the right to require the Contractor to remove and/or reassign any employee, including the lead staff member, from the State account due to unacceptable job performance.

e. **Communication of Plan Design Changes.** The Contractor shall assist the State with the implementation of the plan changes, to include, but not limited to, marketing, education and enrollment support throughout the term of this agreement.

f. **Approval of All Forms and Communication Materials.** The Contractor shall provide the State with draft forms, administrative documents and marketing materials for review and approval by the State prior to any distribution to participants or posting.

2. **Beneficiary Management.**
The Contractor shall collaborate with the State to mutually determine beneficiary management protocols.

3. **Data Interface.**
At no additional cost to the State, the Contractor shall agree to work with the RMU and/or the State's designated data management team for data interface and/or data transfer matters. The file format (see Appendix A) will be as specified by the State.

The Contractor shall be required to retrieve eligibility data and payroll deduction registers as well as other related data, from the State's secure FTP server.

4. **Client Database**
At no additional cost to the State, the Contractor shall maintain a database containing key data elements, including salary information and beneficiary, for the purpose of managing the benefit, processing claims, and reconciling data with the State of New Hampshire as requested.

5. **Age Band Changes**
At no additional cost to the State, the Contractor shall provide the State with a file by December 1st of each year that identifies Voluntary Life participants who are moving into a new age band resulting in a premium, and therefore deduction, change. This file will be in .csv or Excel format and shall contain the data elements necessary for the State to update its payroll system.

C. REPORTS

The Contractor shall produce and distribute reports to the RMU as described herein.

1. The Contractor shall provide State specific reports on an as-needed or ad-hoc basis as requested within seven days of the request.

Contractor Initials MV
Date 9/19/15

2. The Contractor shall provide State specific loss data (e.g. premium/claims and utilization data) at least annually within thirty days, or as requested.

3. Loss Reports shall be maintained, reported annually and summarized separately for each Agency or Department. Total claim activity shall be summed up for the Agencies or Departments individually and for the State in aggregate. Loss reports shall, at a minimum, include the following detail:

   a. Name or code of employee's Agency or Department
   b. Union Code
   c. Employee Name
   d. Date of Claim
   e. Date claim paid
   f. Beneficiary name

   The Contractor shall provide reports via the web portal, secure email or paper no later than seven (7) calendar days after request from the RMU. Reports shall be compatible with Microsoft office and/or Adobe Acrobat professional applications.

D. INVOICING AND PREMIUM PAYMENTS

The State shall self-invoice on a monthly basis and shall make payment to the Contractor within 30 calendar days electronically.

E. TRANSITION

At a minimum, within five (5) business days or as mutually agreed upon from the termination of this Agreement, the Contractor shall provide, at no cost to the State, all necessary data required to transition all account administration within this Agreement to the State, or its designee, upon termination of this Agreement or on a date mutually agreed upon prior to the contract termination to ensure continuity of coverage for the services outlined in this Agreement.

Contractor Initials M
Date 9/14/15

EXHIBIT B

1. CONTRACT PRICES

A. BASIC TERM LIFE AND BASIC AD&D RATES

Plan	Basic Life*	AD&D	Dependent Life Insurance on Children	Life Rate per $1,000	AD&D Rates per $1,000	Dependent Life Insurance on Children (rates per $1,000)
1	Flat $25,000			$0.028		
2	Flat $25,000	Flat $20,000	Same as Life	$0.028	$0.018	
3	Flat $30,000			$0.028		
4	Flat $30,000	Flat $25,000	Same as Life	$0.028	$0.018	
5	Flat $25,000	Flat $20,000	Same as Life	$0.028	$0.018	$0.153
6	Flat $30,000	Flat $25,000	Same as Life	$0.028	$0.018	$0.153

* Should the negotiated plan changes be implemented as described in Section V: POTENTIAL CHANGES TO THE PLAN - life rate fees per $1,000 of coverage as depicted above, shall remain the same.

B. PLAN 7 DEPENDENT LIFE RATES

Age	Monthly Rate per $1,000
Under 30	$0.176
30-34	$0.249
35-39	$0.355
40-44	$0.585
45-49	$0.752
50-54	$1.100
55-59	$1.880
60-69	$2.305

C. PLANS 8 and 9 SUPPLEMENTAL LIFE AND AD&D RATES

Age	Monthly Rate per $1,000
Under 30	$0.084
30-34	$0.092
35-39	$0.115
40-44	$0.184
45-49	$0.260
50-54	$0.436
55-59	$0.757
60-64	$0.895
65–69	$1.354
70+	$2.065

Contractor Initials
Date 9/14/15

2. PERFORMANCE GUARANTEES

Guarantee	Description	Annual Amount at Risk
Policy and Certificate Issuance Timeliness	Policies and certificates will be issued within 15 business days from date all information is received by Contractor	$5,000
Timeliness of Call Center Telephone Pickup	Contractor call center shall pick up 80% of calls received within 20 seconds*	$5,000
Claims Processing – Timeliness of Claims Decisions (pay/pend/deny	98% of claims shall be processed within 3 business days of receipt of all requested information	$5,000
Ad-hoc Reporting	All ad-hoc reports shall be delivered within seven days	$5,000
Annual Reports	All annual reports shall be delivered within thirty days following the end of a calendar year	$5,000

*Not measured on a client specific basis

Contractor Initials NN
Date 9/14/15

APPENDIX A

LIFE PAYROLL DEDUCTION REGISTER FILE FORMAT

PR275 COLUMN HEADING	EXAMPLE DATA	DATA DEFINITION
COMPANY	10	Identifies statewide reporting
NAME	STATE OF NEW HAMPSHIRE	Name of company
BEG-DATE	5/2/2014	Pay Period Begin Date
END-DATE	5/15/2014	Pay Period Check Date
DED-CLASS	LIF	Identifies many deduction codes to one output for reporting purposes
CLASS-DESC	LIFE INSURANCE	Long description of deduction class
DED-CODE	3307	Deduction Code Number
CODE-DESC	ADD LIFE PLAN 2	Deduction Code Description
PROCESS-LEVEL	9600	Agency Number
PL-NAME	TRANSPORTATION DEPT OF	Agency Name
EMPLOYEE	123456	Employee Identification Number
FULL-NAME	DOE, JANE	Employee Name
FICA-NBR	XXX-XX-XXXX	Social Security Number
CHECK-NBR	10386840	Employee Check Number
CHECK-DATE	5/2/2014	Pay Period Start Date
DED-AMT	19.24	Employee Deduction Amount
CODE-TOTAL	19.24	Deduction code total by Employee
PROCESS-LEVEL-2	9600	Agency Number for totals by deduction code
CODE-TOTAL-2	7004.32	Deduction code total by agency
PROCESS-LEVEL-3	9600	Agency Number for totals by deduction Class
CLASS-TOTAL	7004.32	Deduction Class total by agency
CODE-TOTAL-3	82820.54	Grand Total by Deduction Code
CLASS-TOTAL-2	82820.54	Grand Total by Deduction Class

Contractor Initials MW
Date 9/14/15

APPENDIX B

See attached certificate of coverage.

Contractor Initials JN
Date 9/14/15

O'Mahony, Mike P

From: Wozny, Michael A. <michael.wozny@anthem.com>
Sent: Monday, September 21, 2015 1:25 PM
To: O'Mahony, Mike P
Cc: Piacentini, Daniel; DePlacido, Michael V.; Millett, Wade A.
Subject: RE: P-37 STATE OF NEW HAMPSHIRE - Completion Date Missing
Attachments: Anthem Life Completion Date.pdf

Michael O'Mahony
Manager, Privacy and Administration
Department of Administrative Services
Risk Management Unit
25 Capitol Street, Room 412
Concord NH 03301

Dear Mr. O'Mahony:

I have reviewed the attached modified P-37, and consent to change shown in "1.7 Completion Date".

Thank you.

Michael (Mike) Wozny | President Life & Disability | Anthem, Inc.
3350 Peachtree Rd NE, Atlanta, GA 30326-1039
Office (404) 479-8650 | Cell (425) 239-8108 | Fax (404) 467-2955

From: O'Mahony, Mike P [mailto:Mike.O'Mahony@nh.gov]
Sent: Monday, September 21, 2015 12:24 PM
To: DePlacido, Michael V.
Cc: Deselle, Andrew
Subject: Missed something
Importance: High

Mike

We needed to add the completion date to the contract on the P-37, see attached.

What we need now is am email from Michael Wozny indicating that he has seen the modified P-37 and he consents that we added the completion date to the P-37.

Is that something you can get for us quickly?

Mike

Michael O'Mahony
Manager, Privacy and Administration
Department of Administrative Services
Risk Management Unit
25 Capitol Street, Room 412
Concord NH 03301

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify Anthem Life Insurance Company is an Indiana Insurance Company registered to do business in New Hampshire on October 19, 2006. I further certify that articles of dissolution have not been filed with this office.

INFORMATION REGARDING ANNUAL REPORTS AND/OR FEES MUST BE OBTAINED FROM THE NEW HAMPSHIRE INSURANCE DEPARTMENT.

In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 24th day of July, A.D. 2015

William M. Gardner
Secretary of State

CERTIFICATE

(Corporation with Seal)

I, Kathy S. Kiefer, Secretary of Anthem Life Insurance Company, do hereby certify that: (1) I am the duly elected and acting Secretary of Anthem life Insurance Company, an Indiana corporation (the "Corporation"); (2) I maintain and have custody of and am familiar with the Seal and Minute Books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books and to affix such seal to such certificates;(4) the following is a true and complete copy of Bylaws adopted at a meeting on December 16, 1991; (5) the foregoing Bylaws are in full force and effect, unamended, as of the date hereof; and (6) the following person(s) lawfully occupy the office(s) indicated below:

Michael A. Wozny — President

R.David Kretschmer — Treasurer

IN WITNESS WHEREOF, I have hereunto set my hand as the Secretary of the Corporation this

(Corporate Seal)

Kathy Kiefer

Kathy S. Kiefer, Corporate Secretary

STATE OF INDIANA
COUNTY OF MARION

On this the 14th day of September, 2015 before me, Angela Beatty, the undersigned officer, personally appeared Kathy S. Kiefer who acknowledged herself to be the Secretary of Anthem Life Insurance Company, a corporation and that she, as such Secretary being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Secretary.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

My commission expires: 5/21/2023

Angela C. Beatty

Notary Public/Justice of the Peace

My county of Residence is Johnson

Angela C Beatty
Notary Public Seal State of Indiana
Johnson County
My Commission Expires 05/21/2023

SEAL

CERTIFICATION
OF
KATHY KIEFER, SECRETARY
ANTHEM LIFE INSURANCE COMPANY

I, Kathy S. Kiefer, Secretary of Anthem Life Insurance Company the ("Corporation") certify that Michael A. Wozny is the President of the Corporation and that, as such President, and consistent with the Corporation's policies, has the signatory authority to bind the Corporation in contracts with the State of New Hampshire.

Kathy S. Kiefer, Secretary

STATE OF INDIANA
COUNTY OF MARION

On this the 14th day of September, 2015 before me, Angela Beatty, the undersigned officer, personally appeared Kathy S. Kiefer who acknowledged herself to be the Secretary of Anthem Life Insurance Company, a corporation, and that she, as such Secretary being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Secretary.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

My commission expires: 5/21/2023

Notary Public/Justice of the Peace

My county of residence is Johnson

SEAL

Angela C Beatty
Notary Public Seal State of Indiana
Johnson County
My Commission Expires 05/21/2023

P5260028002

201504293323

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/28/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER 1-818-539-2300
Arthur J. Gallagher & Co.
Insurance Brokers of California, Inc. License #0726293
505 North Brand Boulevard, Suite 600

Glendale, CA 91203-3944

CONTACT NAME: Robin Johnston
PHONE (A/C, No, Ext): 818-539-1354 FAX (A/C, No): 818-539-1654
E-MAIL ADDRESS: Robin Johnston@ajg.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: ACE AMER INS CO	22667
INSURER B: Great American Ins Co of NY	22136
INSURER C: AMERICAN ZURICH INS CO	40142
INSURER D: Zurich American Ins Co	16535
INSURER E: ZURICH AMER INS CO	16535
INSURER F:	

INSURED
ANTHEM INC

9 PINE STREET

NEW YORK, NY 10005

COVERAGES **CERTIFICATE NUMBER:** 43696956 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC			HDO G27394097	05/01/15	05/01/16	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 2,000,000 $ 25,000 $ 1,000,000 $ 5,000,000 $ 2,000,000 $
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS			ISA H08854282	05/01/15	05/01/16	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $ $
B	X UMBRELLA LIAB EXCESS LIAB DED X RETENTION $ 10,000	X		UMB 1800372	05/01/15	05/01/16	EACH OCCURRENCE AGGREGATE	$ 25,000,000 $ 25,000,000 $
C D E	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N/A If yes, describe under DESCRIPTION OF OPERATIONS below			WC9299269-14 (Deductible) EWS5347154-10 (OH Excess) WC9376766-13 (Retro)	01/01/15 01/01/15 01/01/15	01/01/16 01/01/16 01/01/16	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Subject to policy terms, conditions and exclusions.

Named Insured includes Anthem Life Insurance Company. Evidence of Insurance Only.

CERTIFICATE HOLDER

State of New Hampshire
Risk Management Unit

25 Capitol Street

Concord, NH 03301
USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Robin L Johnston

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ACORD 25 (2010/05)
robijoh
43696956

The ACORD name and logo are registered marks of ACORD

ENV 10864 2 OF 2 F

BY-LAWS
OF
ANTHEM LIFE INSURANCE COMPANY

(formerly ANTHEM LIFE INSURANCE COMPANY OF INDIANA
and ASSOCIATES LIFE INSURANCE CO.)

As Amended December 16, 1991

ARTICLE I
Meetings of the Shareholders

1.01 Annual Meetings. Annual meetings of the shareholders shall be held before the end of April each year, at such hour and such place as shall be designated by the Chairman of the Board or the Board of Directors in the notice of said meeting. If the day fixed for any annual meeting of the shareholders shall fall on a legal holiday, then such annual meeting shall be held on the first following day that is not a legal holiday.

1.02 Special Meetings. Special meetings of the shareholders of the Corporation may be called at any time by the Chairman of the Board, the Board of Directors, the President of the Corporation or shareholders holding not less than one-fourth (1/4) of all shares of all classes outstanding and entitled to vote at the meeting. Such meetings shall be held at such place or at such time as shall be specified by the caller or callers of the meeting in the notice thereof.

1.03 Notice. A written notice, stating the place, day and hour of any meeting of the shareholders, and in the case of a special meeting the purpose or purposes for which such meeting is called, shall be delivered or mailed by the Secretary of the Corporation or by the persons calling the meeting, to each shareholder of record of the Corporation entitled to vote at such meeting at least ten (10) and not more than sixty (60) days before the date of the meeting. Such notice, if mailed, shall be mailed, postage prepaid, to each shareholder at his post office address as the same appears upon the records of the Corporation. Notice of shareholders' meetings may be waived in writing by any shareholder or by his proxy, if authorized so to do, if the waiver sets forth in reasonable detail the purpose or purposes for which the meeting is called and the time and place thereof. Each shareholder who has in the manner above provided waived notice of a shareholders' meeting, or who personally or by proxy attends a shareholders' meeting, shall be conclusively presumed to have been given due notice of such meeting.

BY-LAWS
OF
ANTHEM LIFE INSURANCE COMPANY

1.04 Voting. Except as otherwise provided by the laws of the State of Indiana, each share of the capital stock of any class of the Corporation represented in person or by proxy at any annual or special meeting of shareholders shall entitle the record holder thereof, or his proxy, to one (1) vote upon each question which comes before the meeting. At all meetings of shareholders all questions shall be determined by a majority vote of the shares present in person or represented by proxy at the meetings.

1.05 Quorum. At all meetings of shareholders a majority of the shares of the outstanding capital stock of the Corporation entitled to vote at such meeting, represented at the meeting in person or by proxy, shall constitute a quorum. Any meeting of shareholders, including annual and special meetings or any adjournments thereof, may be adjourned to a later date although less than a quorum be present.

1.06 Record Date. Only such persons shall be entitled to vote, in person or by proxy, at any shareholders' meeting as shall appear as shareholders upon the books of the Corporation at least ten (10) and not more than fifty (50) days immediately preceding the meeting or, in the absence of such determination, at the close of business on the tenth day preceding the date of such meeting.

1.07 Proxies. A shareholder may vote either in person or by proxy executed in writing by the shareholder or by a duly authorized attorney-in-fact. Proxies may be limited to a particular meeting or may be general and authorize the person named in the proxy to represent the shareholder at any meeting of shareholders held within the time specified herein. No proxy shall be valid after eleven (11) months from the date of execution unless a longer time is expressly provided therein. Any proxy may authorize the person named therein to receive, or to waive, notice of any shareholders' meeting within the effective period of such proxy. Such proxy shall be lodged with the Secretary.

1.08 Removal. Any or all of the members of the Board of Directors may be removed, without cause, at a meeting of the shareholders called expressly for that purpose, by a vote of the holders of a majority of the shares then entitled to vote at an election of Directors. No director shall be removed without cause except as provided in this Section.

BY-LAWS
OF
ANTHEM LIFE INSURANCE COMPANY

ARTICLE II
Directors

2.01 General Powers and Number. The business of the Corporation shall be managed by a Board of Directors consisting of a number to be fixed by the Board of Directors from time to time. In any event, however, the Board of Directors shall consist of at least five (5) members and no more than the number of Directors specified in the Articles of Incorporation of the Corporation.

2.02 Term of Office and Qualifications. Directors shall be elected for one (1) year and shall hold office until their respective successors shall have been elected and qualified. Every Director shall, during his whole term of service, be a citizen of the United States or the Dominion of Canada, and at least one Director shall reside in the State of Indiana Any vacancy occurring in the Board of Directors, from whatever cause arising, shall be filled by a vote of the shareholders at a special meeting called for that purpose. The Directors and each of them shall have no authority to bind the Corporation except when acting as a Board.

2.03 Oath. Every Director, when elected, shall take and subscribe an oath that he will, insofar as the duty devolves upon him, faithfully, honestly and diligently administer the affairs of the Corporation, and that he will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the Corporation.

2.04 Quorum. A majority of the whole Board of Directors shall be necessary to constitute a quorum for the transaction of any business, except the filling of vacancies, and the act of a majority of the Directors present at the meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or the Articles of Incorporation of the Corporation.

2.05 Annual and Regular Meetings. The Board of Directors shall meet annually, without notice, immediately following the annual meeting of the shareholders, for the purpose of electing officers of the Corporation for the ensuing year and of transacting such other business as properly may come before the meeting. Additional regular meetings may be set annually by resolution of the Board of Directors.

2.06 Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board or by any three (3) members of the Board of Directors upon twenty- four (24) hours' notice given personally or by telephone or telegraph to each Director or by mail, if mailed at least five days before such meeting. The notice however given shall specify the purpose of the meeting. Such special

meetings shall be held at the principal office of the Corporation or at such other place as may be unanimously designated by the Board of Directors. Notice of the time, place and call of any meeting of the Board may be waived in writing if the waiver sets out in reasonable detail the purpose or purposes for which the meeting is called and the time and place thereof. Attendance at any meeting of the Board shall constitute a waiver of notice of such meeting and of the time, place and call thereof.

2.07 Action Without Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if, prior to such action, a written consent thereto is signed by all members of the Board and such consent is filed with the minutes of the proceedings of the Board.

2.08 Attendance of Directors. The Board of Directors shall keep a record of the attendance of Directors at meetings of the Board and shall make a report showing the names of the Directors, the number of meetings of the Board, regular and special, the number of the meetings attended and the number of meetings from which each Director was absent, which report shall be read at and incorporated in the minutes of the annual meeting of the shareholders.

2.09 Committees. The Board of Directors shall have the power to appoint by resolution such committees as it may deem appropriate to have such powers as the Board shall designate. The Chief Executive Officer shall be an ex-officio member of all committees so appointed.

ARTICLE III
Officers

3.01 Officers. The officers of the Corporation shall consist of the Chairman of the Board, the President, the Secretary and the Treasurer. The Board of Directors may also elect a Vice Chairman, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and such other officers or assistant officers as the Board of Directors may from time to time determine to perform such duties and functions as prescribed and approved by the Chairman of the Board. The officers shall be elected by the Board of Directors and need not be selected from among the members of the Board of Directors. Any two or more offices may be held by the same person except the offices of President and Secretary. Except in the filling of vacancies or newly created offices, all officers shall be elected at the annual meeting of the Board of Directors held after the annual meeting of the shareholders, and each officer, whenever elected, shall, subject to the provisions of Section 3.02, hold office until the next annual meeting of the Board of Directors and until his successor shall have been elected and qualified.

3.02 Removal. The Board of Directors, by a majority vote of said Board, may remove any officers, with or without cause. Vacancies in such offices, however occurring, may be filled by a majority vote of the Board at any meeting of the Board.

3.03 Chairman of the Board. The Chairman of the Board of Directors shall preside at meetings of the Board of Directors, and shall have and may exercise such other powers and duties as are usual to that office. The Chairman shall have full authority to execute proxies in behalf of the Corporation, to vote stock owned by it in any other corporation, and to execute, with the Secretary, powers of attorney appointing other corporations, partnerships, or individuals the agent of the Corporation.

3.04 Vice Chairman. The Vice Chairman, if any, of the Board of Directors shall in the absence of the Chairman of the Board preside at meetings of the Directors and shall perform such duties as delegated to him pursuant to these By-laws or by the Chairman of the Board.

3.05 President. The President of the Corporation shall be the Chief Executive Officer of the Corporation and shall have such powers and perform such duties as the Board of Directors may, from time to time, prescribe and as the Chairman of the Board of Directors may, from time to time, delegate to him.

3.06 Vice Presidents. Each Vice President, if any, shall have such powers and perform such duties as the Board of Directors may, from time to time, prescribe and as the President may, from time to time, delegate to him.

3.07 Treasurer. The Treasurer shall perform all of the duties customary to that office, including the duty of supervising the keeping of the records of the receipts and disbursements of the Corporation. He shall submit to the Board of Directors at the annual meeting and at such other times as the Board may require full statements showing in detail the financial condition and affairs of the Corporation. He shall give such bond, if any, for the faithful performance of his duties as the Board of Directors may require.

3.08 Assistant Treasurer. In the absence or inability of the Treasurer, the Assistant Treasurer, if any, shall perform only such duties as are herein or specifically assigned to him, in writing, by the Board of Directors or the Chairman of the Board.

3.09 Secretary. The Secretary shall be the custodian of the books, papers, and the records of the Corporation and of its corporate seal, if any. He shall keep the minutes of the meetings of the shareholders and of the Board of Directors and enter the same in the minute book of the Corporation. He shall perform all of the other duties usual in the office of Secretary of a corporation.

3.10 Assistant Secretary. The Assistant Secretary, if any, shall assist the Secretary in the performance of the Secretary's duties as defined herein, or any other duties as are assigned to him in writing by the Board of Directors or the Chairman of the Board.

3.11 Salaries. The Board of Directors may, at its discretion, from time to time, fix the salary of any officer by resolution placed on record in the minutes.

3.12 Surety Bonds. All officers and home office employees having control of or access to monies or securities of the Corporation in the regular discharge of their duties shall secure such bonds in favor of the Corporation as may be required from time to time by the laws of the State of Indiana.

ARTICLE IV
Conflicts of Interest

No contract or other transaction between the Corporation and one or more Directors or any other corporation, firm, association or entity in which one or more Directors is a director or officer or is financially interested, shall be either void or voidable because of such relationship or interest or because such Director or Directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves, or ratifies such contract or transaction or because his or their votes are counted for such purposes if:

(a) The fact of such relationship or interest is disclosed or known to the Board of Directors or Committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested Directors or

(b) The fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve, or ratify such contract or transaction by vote or written consent; or

(c) The contract or transaction is fair and reasonable to the

Corporation. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a Committee thereof which authorizes, approves, or ratifies such contract or transaction.

ARTICLE V
Checks

All checks, drafts or other orders for the payment of money shall be signed in the name of the Corporation by such officers or persons as shall be designated from time to time by resolution adopted by the Board of Directors and spread of record in the minute book of the Corporation.

ARTICLE VI
Loans

Such of the officers of the Corporation as shall be designated from time to time by a resolution adopted by the Board of Directors and spread of record in the minute book shall have the power, with such limitations thereon as may be fixed by the Board of Directors, to borrow money in the Corporation's behalf, to establish credit, to discount bills and papers, to pledge collateral and to execute such notes, bonds, debentures or other evidences of indebtedness, and such mortgages, trust indentures and other instruments in connection therewith, as may be authorized from time to time by such Board.

ARTICLE VII
Execution of Documents

The President and Secretary shall, in the Corporation's name, sign all deeds, leases, contracts or similar documents that may be authorized by the Board of Directors unless otherwise directed by the Board of Directors or otherwise provided herein or in the Corporation's Articles of Incorporation, or as otherwise required by law.

ARTICLE VIII
Stock

8.01 Certificates. Certificates for shares of the capital stock of the Corporation shall be signed by the President and the Secretary and the seal of the Corporation, if any, shall be thereto affixed.

8.02 Transfer. The stock of the Corporation shall be transferred on the books of the Corporation and only upon a surrender of the certificate therefor, properly endorsed by the registered holder in person or by his attorney-in-fact and duly witnessed.

8.03 Stock Register. The Corporation shall keep at its principal office a stock register or transfer book, or duplicate copy of such, showing such information as is
commonly required to be shown by stock transfer books. Such book shall permit the Corporation to identify any stock which qualifies as Section 1244 stock under the Internal Revenue Code of 1954, as amended.

ARTICLE IX
Seal

The corporate seal of the Corporation shall, if the Corporation elects to have one, be in such form as shall be approved from time to time by the Board of Directors.

ARTICLE X
Amendments

The By-Laws may be rescinded, changed, or amended at any regular or special meeting of the Board of Directors if a notice or waiver of notice for said meeting shall have stated the sections of the By-Laws proposed to be rescinded, changed, or amended.

ARTICLE XI
Interim Emergency Management During Widespread Disaster

11.01 Time Effective. In the event of widespread disaster, destruction of life and property or holocaust, resulting from war damage or nuclear devastation, evidenced by a declaration of the President of the United States or the Governor of the State of Indiana, or survivors respectively exercising the powers of president or governor, that a state of national emergency or a state of local disaster exists, or if it becomes evident that from such destruction of life large numbers of officers, assistants, employees, directors and committee members cannot readily be found to have survived, to make it feasible to conduct the corporate affairs with the formality of existing by-laws, then this Article XI shall be effective to the extent permitted by law (and supersede any pre-existing by-laws, in conflict herewith) and shall continue in effect until the termination of said emergency.

11.02 Board of Directors. Meetings of the Board of Directors shall be held whenever called by any surviving officer or director, upon two (2) days' notice. The member or members present at each meeting of the Board of Directors shall constitute a quorum for transaction of business, and the act of the only member present, or the act of two members, if two be present, or the act of a majority, if more than two members be present, shall be the act of the Board of Directors.

11.03 Officers. Until otherwise provided by the Board of Directors, each elective officer of the Corporation may perform on behalf of the Corporation any act which any other such officer is authorized to do.

11.04 Principal Office. The Board of Directors shall, if need be, have the power to relocate the Principal Office of the Corporation at any available place.

11.05 Liability of Officers, Directors and Employees. No officer, director, committee member or employee, acting in accordance with this Article XI or any other emergency by-law, shall be liable except for willful misconduct.

11.06 Emergency Legislation. The officers, directors, Board of Directors and committees may, in addition to the authority and powers specified in this Article XI, also have, employ and exercise respectively any and all emergency powers and authorities provided and sanctioned by any emergency legislation enacted, subject only to such limitations as the Board of Directors may itself expressly impose.

11.07 Amendment of By-Laws. The by-laws of the Corporation, including the provisions of this Article XI, may be altered, amended or repealed by the Board of Directors, acting in accordance with the provisions of this Article XI, but such modifications shall be effective only during the existence of such emergency.

ARTICLE XII
Indemnification of Directors and Officers

12.01 Actions Other Than By or in the Right of the Corporation. Subject to the provisions of Article XII, Section 12.03, the Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the company) by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation in which it has owned, now owns, or may hereafter own shares of capital stock, or of which it has

been, now is, or may hereafter be a creditor, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and necessarily incurred by him in connection with such action, suit, or proceeding. If he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, shall not create a presumption that the person had reasonable cause to believe that his conduct was unlawful.

12.02 Actions By or in the Right of the Corporation. Subject to the provisions of Section 12.03, the Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation in which it has owned, now owns, or may hereafter own shares of capital stock, or of which it has been, now is, or may hereafter be a creditor, against expenses (including attorneys' fees) actually and necessarily incurred by him in connection with such action or suit, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation, except to the extent that (i) such indemnification is permitted by law, and (ii) the Board of Directors, independent legal counsel, or the shareholders specifically determine, in the manner set forth in Section 12.03, that such indemnification is proper in the circumstances, in each case notwithstanding such judgment.

12.03 Determination that Indemnification is Proper. Any indemnification under Sections 12.01 and 12.02 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in said Sections 12.01 and 12.02. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or even if obtainable and a quorum of disinterested directors so directs, by independent legal counsel (who may be of counsel to the Corporation) in a written opinion, or (iii) by the shareholders.

12.04 Conditional Payment Prior to Final Disposition. Expenses incurred in connection with a civil, criminal, administrative, or investigative action, suit, or

proceeding, or threat thereof, may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in Section 12.03, upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this article.

12.05 Nonexclusive Rights: Continuance Beyond Tenure. The indemnification provided by this Article XII shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any other by-law, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person. Notwithstanding any other provision of this Article XII to the contrary, the indemnification provided by this Article XII shall be limited to the extent, if any, as required by applicable law.

12.06 Insurance Authorized. The Corporation shall have the power by resolution of a majority of the Corporation's Board of Directors to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation in which it has owned, now owns, or may hereafter own shares of capital stock, or of which it has been, now is, or may hereafter be a creditor, against any expenses incurred in any proceeding and any liabilities asserted against him in his capacity, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article XII.