



GREAT AMERICAN[®]

FINANCIAL RESOURCES

SUPPLEMENTAL BENEFITS



Scheduled Benefit Cancer Insurance Coverage

The Facts*

In the United States . . .

- One in 2 men and 1 in 3 women have a lifetime risk of developing cancer.
- About 1,284,900 new cancer cases are expected to be diagnosed in 2002.
- Since 1990, approximately 16 million new cancer cases have been diagnosed.
- 8.9 million Americans with a history of cancer were alive in 1997.
- 5-year survival rates for all cancer combined currently stand at 62%.

Presented by

Financial Benefit Services

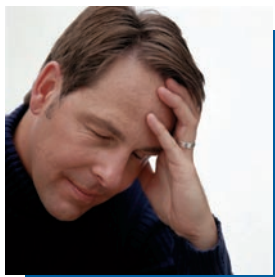
Transfer the financial risk to Loyal American Life Insurance Company[®], a member of Great American Financial Resources, Inc.

Don't take a chance with your financial health.

*Cancer Facts & Figures 2002, The American Cancer Society. Not an implied endorsement.

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Scheduled Benefit Cancer Policy



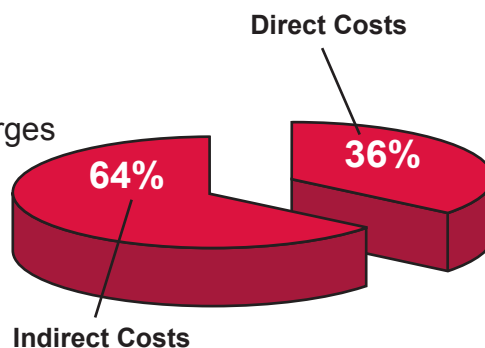
The Cost

It's no secret that treating cancer is expensive. However, the nonmedical expenses of cancer treatment can add up to more than the actual treatment itself. Overall annual treatment costs for cancer now stand at \$156.7 billion.*

- \$56.4 billion (36%) of those expenses are direct medical costs.
- \$100.3 billion (64%) are non-medical costs

Many of us are not financially prepared for a medical crisis such as cancer. The disease and its treatment can add expenses that deplete your savings, your home equity, and maybe your retirement funds. Major medical insurance may not cover many of the out-of-pocket nonmedical expenses associated with cancer treatment:

- Deductibles and co-payments on standard health insurance
- Doctor or hospital costs exceeding usual and customary charges
- Travel expenses to out-of-town hospitals for treatment



The Problem

There may be nothing worse than laying in a hospital bed worrying about getting well from cancer and having to worry about finances at the same time.

Don't take a chance with your financial health.

Important Policy Advantages

- Benefits are paid directly to you unless you specify otherwise
- Benefits are paid regardless of other insurance you may have
- Coverage may be available for the entire family (dependents under age 25)
- Portable — you may continue your coverage when you retire or leave your job
- Guaranteed renewable for life
- No lifetime maximum on the majority of benefits



A Partial List of Cancer Benefits

Provided in the Base Policy

- Hospital confinement
- Bone marrow transplantation
- Experimental treatment
- Home health care
- Convalescent care
- Hospice care
- Inpatient drugs & medicine
- Inpatient physician services
- Inpatient private duty nursing
- Laboratory & diagnostic tests
- Skin cancer diagnosis & surgical treatment
- Ground & air ambulance services
- Durable medical equipment
- Prosthetic devices



A Partial List of Additional Cancer Benefits

Provided in Optional Riders
Purchased for Additional Premium

- Radiation & chemotherapy
- Surgical procedures & anesthesia
- Blood, plasma & components
- First Occurrence Benefit

Annual Cancer Screening Benefit: Early Detection is Key

Following a waiting period of 30 days the early detection benefit pays an amount not to exceed \$50 per year per insured person, for any of the following cancer screening tests:

- Screening by low-dose mammography for the presence of occult breast cancer
- Pap smear testing for all covered persons age 18 and older on an annual basis unless required by a physician more frequently
- Flexible sigmoidoscopy
- Hemocult stool specimen
- Chest x-ray
- Colonoscopy
- Thermography
- PSA (blood test for prostate cancer)
- CA 125 (blood test for ovarian cancer)
- CEA (blood test for colon cancer)
- Other cancer screening tests approved by the American Cancer Society or the National Cancer Institute



Waiver of Premium

If the primary insured person becomes totally disabled due to cancer, we will waive each premium that comes due after 90 consecutive days of total disability and as long as disability continues. Premiums paid during the initial 90-day period will be returned.

Scheduled Benefit Cancer Insurance Policy

Coverage

Benefits

First Occurrence Benefit *	\$1,000
Hospital Indemnity Benefit (confinement 0-70 days)	\$200/day
Hospital Confinement (71st day and beyond)	\$400/day
Surgical Benefit * indemnity per listed procedure	\$2,000 maximum
Outpatient Surgery *	\$200
	<i>charges not to exceed</i>
Inpatient Drugs & Medicines	\$30/day
Radiation Therapy and Chemotherapy *	\$20,000/yr
Surgical Anesthesia Services *	\$500
Convalescent Care Facility	
maximum equals number of days in hospital	\$100/day
Hospice Care (lifetime max 365 days)	\$100/day
Home Health Care (max 60 days per year)	\$50/visit
Medicine and Supplies	\$1,200
Nutritionist Services	\$600
	<i>charges</i>
Blood, Plasma and Blood Components *	<i>not to exceed</i>
Administration of Same, Transfusions, Processing and Procurements	\$20,000/yr
Cross-Matching and Other Related Lab Tests	\$250/yr
Experimental Treatment	\$10,000/yr
Physician Services	\$40/day
Private Duty Nursing	\$100/day
Laboratory and Diagnostic Tests	\$300/diagnosis
Physical, Speech, Audiotherapy and Psychotherapy (maximum \$1,000/year)	\$25/session
Allogenic Bone Marrow Donor Expense	
Medical Expenses	\$1,000
Round Trip Transportation (over 50 Miles)	<i>Common Carrier</i>
Lodging and Meals	\$75/day
Autologous Bone Marrow Expense	\$1,000
Prosthesis	\$1,000/prosthesis
Durable Medical Equipment	\$1,000/yr
Ambulance Services (ground)	\$200/trip
Ambulance Services (air)	\$1,250/trip
Patient Transportation Services (over 50 miles)	
Round Trip Transportation	<i>Common Carrier</i>
Private Vehicle (maximum 700 miles)	\$0.40/mile
Outpatient Lodging (maximum \$1,500/year)	\$50/day
Adult Companion Transportation and Lodging	
Round Trip Transportation	<i>Common Carrier</i>
Private Vehicle (up to 700 miles)	\$0.40/mile
Lodging (\$3,000/yr)	\$50/day
Early Detection Benefit	\$50/year
Skin Cancer Benefit	
Diagnostic Tests	\$30/diagnosis
Removal	\$80 to \$160 per listed procedure

Information regarding specific benefit limitations, terms and conditions appear later in this brochure.

* Benefits included in proposal

Optional Riders

Specified Disease Rider

Covered Diseases

Addison's Disease	Lyme Disease	Rheumatic Fever
Amyotrophic Lateral Sclerosis	Malaria	Rocky Mtn. Spotted Fever
Botulism	Meningitis	Scarlet Fever
Brucellosis	Multiple Sclerosis	Sickle Cell Anemia
Budd-Chiari Syndrome	Muscular Dystrophy	Tay-Sachs Disease
Cystic Fibrosis	Myasthenia Gravis	Tetanus
Diphtheria	Neimann-Pick Disease	Toxic Shock Syndrome
Encephalitis	Osteomyelitis	Trichinosis
Hansen's Disease	Poliomyelitis	Tuberculosis
Histoplasmosis	Q Fever	Tularemia
Legionnaire's Disease	Rabies	Typhoid Fever
Lupus Erythematosus	Reye's Syndrome	Whooping Cough

Coverage

Hospital Indemnity Benefit

Benefits

\$200/day

	<i>charges not to exceed</i>
Drugs and Medicine (in hospital)	\$30/day
Laboratory and Diagnostic Tests	\$300/diagnosis
Physician Services (in hospital)	\$40/day
Private Duty Nursing (in hospital)	\$100/day
Ambulance Services (ground)	\$200/trip
Ambulance Services (air)	\$1,250/trip
Physical, Speech, Audiotherapy and Psychotherapy (maximum \$1,000/year)	\$25/session
Prosthesis	\$1,000/prosthesis
Durable Medical Equipment	\$1,000/year
Convalescent Care Facility	
maximum equals number of days in hospital	\$200/day
Home Health Care (max 60 days/year)	\$50/visit
Medicine and Supplies	\$1,200
Nutritionist Services	\$600
Hospice Care (lifetime max 365 days)	\$100/day
Patient Transportation (over 50 miles)	
Round Trip Transportation	<i>Common Carrier</i>
Private Vehicle (max 700 miles)	\$0.40/mile
Outpatient Lodging (max \$1,500/year)	\$50/day
Adult Companion Lodging and Transportation	
Round Trip Transportation	<i>Common Carrier</i>
Private Vehicle (max 700 miles)	\$0.40/mile
Lodging (max \$3,000/year)	\$50/day

Hospital Intensive Care Rider

Coverage

Daily Indemnity

Benefits

\$200/day

50% reduction at age 75

\$100/day

Ambulance Benefit (air or ground)

Actual Charges

Information regarding specific benefit limitations, terms and conditions appear later in this brochure.

Scheduled Benefit Cancer Insurance Policy

Partial Summary of Benefits – Base Policy L-4329-42

Hospital Indemnity Benefit

Pays an indemnity benefit per day of hospital confinement for which you are charged, not to exceed 70 days per confinement. This benefit doubles on the 71st day of continuous confinement.

Inpatient Drugs and Medicines

Pays charges not to exceed 15% of the daily hospital indemnity benefit for inpatient drugs and medicines.

Laboratory and Diagnostic Tests

Pays charges for laboratory and diagnostic tests not to exceed \$300 per positive diagnosis. Positive diagnosis must be made within 90 days of the test. Not payable for recurring cancers.

Convalescent Care Facility

If you are admitted to the facility within 14 days after discharge from a covered hospital confinement, covers charges not to exceed 50% of the daily hospital indemnity benefit for confinement in the facility. Maximum number of coverage days equal number of days in the last period of hospital confinement.

Hospice Care

Pays charges not to exceed 50% of the daily hospital indemnity benefit for hospice care, whether provided in a hospice facility or at home. Lifetime maximum of 365 days. Covered person must be terminally ill with a life expectancy of 6 months or less. Not payable during any covered hospital confinement.



Home Health Care

Pays charges not to exceed 25% of the daily hospital indemnity benefit for visits by a home health care agency. Maximum of 60 days per calendar year. Also covers charges not to exceed 6 times the daily hospital indemnity benefit for drugs, medicine and supplies provided by the agency. Also covers charges not to exceed 3 times the daily hospital indemnity benefit for nutritionist services.

Experimental Treatment

Pays charges not to exceed \$10,000 per calendar year for experimental or investigational treatments of cancer. Treatment by any program engaged in research that does not meet the policy's definition of experimental treatment will not be covered.

Inpatient Physician Services

Pays charges not to exceed \$40 per day for medical care by a physician, other than a surgeon.



Inpatient Private Duty Nursing

Pays charges not to exceed \$100 per day during a covered hospital confinement. Must be provided by a non-hospital staff nurse.

Autologous Bone Marrow Expenses

If a covered person donates their own bone marrow to themselves, this benefit pays charges not to exceed \$1,000 for expenses directly related to the transplant if such expenses are not paid under another benefit.

Prosthesis

Pays charges for a prosthetic device and its implementation not to exceed \$1,000 per prosthesis.

Durable Medical Equipment

Pays the lesser of rental or purchase charges not to exceed \$1,000 per calendar year for durable medical equipment, including mechanical breathing devices, braces, crutches, hospital beds & wheelchairs.

Ambulance Services

Pays charges not to exceed \$200 per ground trip or \$1,250 per air trip to or from a hospital where a covered person is admitted. Limited to 2 trips per confinement.

Patient Transportation Services

Pays round trip fare by common carrier or 40¢ per mile not to exceed 700 miles round trip for covered treatments not available within 50 miles of the covered person's residence.



Outpatient

Lodging Benefit

Pays motel or hotel charges not to exceed \$50 per day during outpatient treatment at a medical facility located more than 100 miles from the covered person's home. \$1,500 per year maximum.

Skin Cancer Benefits

Pays charges not to exceed \$30 per positive diagnostic test. Pays charges for removal not to exceed the amount listed per procedure in the Surgical Schedule.

Early Detection Benefit

Following a waiting period of 30 days, pays an amount not to exceed \$50 per year, per covered person, for any of the listed cancer screening tests which include any cancer screening test approved by the American Cancer Society or National Cancer Institute.



Physical, Speech, Audio Therapy & Psychotherapy

Pays charges not to exceed \$25 per session for physical therapy, speech therapy, audio therapy, or psychotherapy. Maximum \$1,000 per year.

Allogenic Bone Marrow Donor's Expenses

If another person donates bone marrow to an insured, pays charges not to exceed \$1,000 for medical expenses. If the donor lives more than 50 miles from the hospital, pays round trip transportation by Common Carrier and charges not to exceed \$75 per day (maximum 21 days per transplant) for lodging and meals if the donor is asked to remain near the transplant site for medical reasons.



Adult Companion Lodging & Transportation

When an insured is receiving treatment in a non-local medical facility, pays charges not to exceed \$50 per day for one adult companion's lodging (maximum \$3,000.00 per year). If the insured and companion travel to the facility in separate vehicles, pays 40¢ per mile for transportation by private vehicle not to exceed 700 miles round trip; or round trip transportation by Common Carrier to the site of treatment. No benefits are payable if the companion lives within 100 miles of the facility.

Scheduled Benefit Cancer Policy Optional Riders

Partial Summary of Benefits – Optional Riders Available for Additional Premium (Base Policy L-4329-42)

Radiation Therapy & Chemotherapy

Benefit Rider L-4357

Pays charges incurred not to exceed the calendar year maximum chosen at the time of application for radiation, chemotherapy and cancer hormone treatments and their administration. Also pays charges incurred not to exceed 5% of the chosen maximum calendar year benefit for covered associated expenses such as checkups, lab tests and prescribed analgesics associated with treatment.

Surgical & Anesthesia Benefit Rider

L-4356

Surgical Benefit – For a covered surgical procedure pays charges not to exceed the amount per procedure listed in the Surgical Schedule shown in the rider, subject to the maximum surgical coverage amount selected on application. The surgery may be performed either as an inpatient of a hospital or as an outpatient in a hospital, ambulatory surgical center, physician's office or other free standing medical facility.

Outpatient Surgery - Pays one (1) day's benefit under the Hospital Indemnity Benefit of the base policy if a covered person has a surgical procedure performed on an outpatient basis. This benefit will also pay the Drugs and Medicines Benefit listed in the policy following outpatient surgery.



Anesthesia Services - Pays the surgical anesthesia charges not to exceed 25% of the surgical benefit for the operation performed.

Blood, Plasma & Blood Components

Benefit Rider L-4358

Pays the charges incurred not to exceed \$20,000 per calendar year for blood, plasma, blood components, administration, transfusions, processing and procurement. Also, charges not to exceed \$250 per year, for associated expenses such as crossmatching and other related laboratory tests.

First Occurrence Benefit Rider

L-4437

Pays the insured a onetime lump sum benefit when a positive first diagnosis of cancer is made after the rider takes effect. This benefit is not payable for skin cancer. This benefit is payable only once per covered person.

Specified Disease Rider

L-4438-42

Pays the Hospital Indemnity Benefit and the other illustrated benefits of the base policy if a covered person is hospitalized for treatment of any one of the 36 specifically listed covered diseases.

Hospital Intensive Care Rider

L-4436-42

When a covered person is admitted to an Intensive Care Unit of a hospital, pays a daily indemnity amount for each day of confinement not to exceed 30 days per confinement. Benefits reduce 50% at age 75.

Pays actual charges for ambulance transportation to a hospital where the covered person is admitted directly to the Intensive Care Unit. Ambulance transportation in excess of 100 miles from the point of origin must be to the nearest hospital that contains an intensive care unit and provides the necessary medical care.

Exclusions and Limitations

No benefits will be paid for: Loss due to any disease or illness other than cancer; Losses or medical expenses incurred prior to the effective date of coverage, regardless of the date of positive diagnosis; Treatment that has not been approved by a physician as medically necessary; Care and treatment received outside the territorial limits of the U.S. unless the person travels for the purpose of receiving medical services, drugs or supplies; Treatment of alcoholism; Expenses resulting from a pre-existing condition during the first two years for applicants under age 65 and six months for applicants over age 65 following the effective date of coverage.

Pre-Existing Condition Means: 1. The existence of symptoms that would cause a person to seek medical diagnosis, care and treatment within 1 year before the effective date of coverage; or 2. A condition for which medical consultation, advice or treatment was recommended by or received from or sought from a physician during the 5 years immediately preceding the effective date of a coverage.

THIS IS A CANCER ONLY POLICY, which should be used to

supplement your existing health care protection.

Terms of Renewability: Your coverage is guaranteed renewable for your lifetime, as long as you pay the premiums when they are due. You can not be singled out for a rate increase. Our company may change the premium rates if we also change the rates for all other policies issued in the same class.

This advertisement offers a partial summary of benefits. Please read the policy for detailed coverage information. This advertisement highlights some features of the policy, but is not the insurance contract. The policy itself sets forth, in detail, the rights and obligations of both the insured and the insurance company.

Exclusions and Limitations - Riders:

All the exclusions, exceptions, limitations and terms of renewability of the base Cancer Insurance Policy apply. Additional exceptions and limitations specific to the advertised coverage are as follows.

Unless it becomes an internal cancer, no benefits will be paid for Skin Cancer under the Radiation Therapy & Chemotherapy Benefit; or the Blood, Plasma & Blood Components Benefit; or the Surgical & Anesthesia Benefit.

Radiation Therapy & Chemotherapy Benefit - Sandoglobulins, gamma globulins or immune globulins are not covered.

Blood, Plasma & Blood Components Benefit - No benefits will be paid for the cost of blood, plasma or blood components replaced by donors or by any agency, or for which the insured is not otherwise required to pay. Immune globulins, photopheresis or albumin are not covered.

Surgical & Anesthesia Benefit - Two or more surgical procedures performed at the same time and through the same incision will be deemed one surgery, the one with the highest listed surgical benefit.

Specified Disease Rider - No benefits will be paid for: loss due to any disease or illness other than those listed as Covered Diseases; care and treatment received outside the territorial limits of the U.S. unless the person travels for the purpose of receiving medical services, drugs or supplies; treatment that has not been approved by a Physician as being medically necessary; losses or medical expenses incurred prior to the effective date of coverage; or any treatment not in accord with generally accepted medical practice.

Hospital Intensive Care Rider - No benefits will be paid for loss resulting from: specifically excluded diseases or conditions as listed on a written policy endorsement; an attempted suicide or an intentional self-inflicted injury; any act of war; alcoholism or drug addiction; mental or nervous disorders; an overdose of drugs, narcotics, hallucinogens, unless administered by or on the advice of a Physician; intoxication or being under the influence of any intoxicant or narcotic, unless administered on the advice of a Physician; or injury received while engaging in an illegal occupation or activity.

The Ambulance Benefit is not payable when ambulance transportation is covered under the base cancer insurance policy.

This advertisement offers a partial summary of benefits. Please read the riders for detailed coverage information. This advertisement highlights some features of coverage, but is not the insurance contract. The riders set forth, in detail, the rights and obligations of both the insured and the insurance company.



A Commitment to Financial Strength and Integrity

We have a specific responsibility to protect the policyholder funds entrusted to our care.

A.M. Best - Loyal American Life Insurance Company holds an A (Excellent) rating from this widely recognized independent insurance industry analyst on the basis of financial position and operating performance.

FINANCIAL RESOURCES

SUPPLEMENTAL BENEFITS

A Solid Family of Companies

We are one of the Great American Financial Resources family of companies. The combined market strength of our companies – along with the commitment to making our supplemental products an integral part of employee benefits nationwide – makes Loyal American a powerful force in the marketplace.

Underwritten By:

LOYAL AMERICAN

Loyal American Life Insurance Company®

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