

Residual Disability Benefit Rider – Policy Form I402

This is a sample policy, subject to modification in certain states.

Berkshire Life Insurance Company of America
700 South Street
Pittsfield, MA 01201

RESIDUAL DISABILITY BENEFIT RIDER

This rider is a part of the Policy to which it is attached. All provisions of the Policy apply to this rider and remain the same except where We change them by this rider.

The Policy is amended by adding or changing the following provisions:

DEFINITIONS

CPI-U

CPI-U means the Consumer Price Index for All Urban Consumers, or any later replacement of it, as published by the United States Department of Labor.

Current Index Month

Current Index Month means the anniversary of the Original Index Month immediately preceding the Review Date.

Disability or Disabled

Disability or Disabled is amended to also include Residual Disability or Residually Disabled.

Loss of Income Indemnity

The Loss of Income Indemnity is the amount that We will pay each month for the first 12 months that You are eligible for a Residual Disability benefit in the same claim.

Original Index Month

Original Index Month means the calendar month 90 days before the date on which You were first Disabled in the same claim.

Residual Disability or Residually Disabled

Residual Disability or Residually Disabled means that You are Gainfully Employed and are not Totally Disabled under the terms of the Policy but, solely because of Injury or Sickness, Your Loss of Income is at least 15% of Your Prior Income.

Residual Indemnity

Residual Indemnity means the amount We will pay each month if you continue to be Residually Disabled in the same claim after the Loss of Income Indemnity has been paid for 12 months. It is a percentage of the Monthly Indemnity.

Review Date

Review Date means the recurrence each year of the date on which You were first Disabled in the same claim.

PROVISIONS RELATING TO RESIDUAL DISABILITY

Residual Disability Benefit

When You are Residually Disabled, We will pay a monthly benefit as follows:

- You must become Disabled while the Policy is in force.
- You must satisfy the Elimination Period.
- After You have satisfied the Elimination Period, a Residual Disability benefit will be payable at the end of each month while You are Residually Disabled.

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Not all disabilities are total. This rider provides benefits if, due to disability, you suffer a loss of at least 15% of your prior income, but are gainfully employed in your occupation.

No loss of time or duties required.

You only need to demonstrate a 15% loss of income due to injury or sickness.

No prior period of total disability required.

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For the first 12 months of residual disability, you are eligible for a Loss of Income Indemnity disability benefit, not to exceed the monthly indemnity of the Policy.

You may be eligible for a recovery benefit to help you in your return to gainful employment.

Annual adjustment of predisability earnings and expenses.

Waiver of Premium also applies to residual disability.

For each month of the first 12 months that You are eligible for a Residual Disability benefit in the same claim, We will pay a Loss of Income Indemnity. The Loss of Income Indemnity is equal to Your Loss of Income less any individual disability insurance benefits You are receiving, or that You are eligible to receive, from Us and all other insurance companies, on policies that are in force on or before the Effective Date of this rider. In no event will the Loss of Income Indemnity exceed Your Monthly Indemnity.

If you continue to be Residually Disabled in the same claim after the Loss of Income Indemnity has been paid for 12 months, We will pay a Residual Indemnity.

Residual Indemnity will be determined by the formula (a) divided by (b) multiplied by (c), where:

- (a) is Your Loss of Income for the month in which You are Residually Disabled; and
- (b) is Your Prior Income; and
- (c) is the Monthly Indemnity.

If Your Loss of Income is more than 75% of Prior Income in any month of Residual Disability while Residual Indemnity is payable, We will deem such loss to be 100%.

We will not increase the Residual Disability benefit because You are Disabled from more than one cause at the same time.

Recovery
Even if You have recovered from the Injury or Sickness that caused Residual Disability, We will continue to consider You Residually Disabled so long as Your Loss of Income is still at least 15% of Your Prior Income and such Loss of Income is solely because of Injury or Sickness.

Adjustment of Prior Income and Prior Business Expenses
On the Review Date while benefits are payable, We will adjust Your Prior Income and Prior Business Expenses for the next 12 months to reflect any changes in cost of living since the start of claim. We will compute the adjusted Prior Income and Prior Business Expenses by multiplying each by the actual percentage change in the CPI-U between the Current Index Month and the Original Index Month. The adjusted Prior Income and adjusted Prior Business Expenses will apply to the 12-month period that follows the Review Date and will be used to determine Your Loss of Income.

The adjustment to Prior Income and Prior Business Expenses may vary from year to year as the CPI-U rises or falls in relation to the Original Index Month. We will make no change that would reduce Prior Income or Prior Business Expenses below what they were at the start of claim.

We will adjust the Prior Income and Prior Business Expenses on each Review Date until the first of the following events occurs:

- the Benefit Period ends; or
- this rider terminates.

Proof of Loss
In addition to any Proof of Loss required by the Policy, You must provide Us with written Proof of Loss necessary to establish that Your Loss of Income is solely the result of Your Disability.

Premium and Renewal
The premium for this rider is shown in the Schedule Page. You may not renew this rider after the Expiration Date of the Policy.

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An income loss of more than 75% will be considered to be 100% while residual indemnity is payable.

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TERMINATION

Termination of the Residual Disability Benefit

Benefits for Residual Disability will no longer be payable on the date that the first of the following events occurs:

- You are no longer Residually Disabled;
- Your Loss of Income is no longer solely the result of Injury or Sickness;
- the first month in which Your Loss of Income is less than 15% of Your Prior Income;
- You become Totally Disabled;
- the Benefit Period ends; or
- this rider terminates.

Berkshire Life Insurance Company of America



Secretary