

**SECOND MODIFICATION TO GROUP TERM LIFE AND ACCIDENTAL DEATH AND
DISMEMBERMENT (AD&D) INSURANCES CONTRACT**

THIS SECOND MODIFICATION AGREEMENT is made this 20th of March 2013 by and between Minnesota Life Insurance Company (Contractor) and the State of Maryland, acting through the Department of Budget and Management.

IN CONSIDERATION of the promises and the covenants herein contained, the parties agree to modify the Contract for Group Term Life and Accidental Death and Dismemberment (AD&D) Insurances [F10B3400001] dated January 4, 2013, which was amended by a First Modification, dated February 13, 2013 (“Contract”), by and between the State and Minnesota Life Insurance Company, as follows:

1. Definitions

In this Modification, the following words have the meanings indicated:

- 1.1 “Calendar Plan Year” means the twelve-month period of benefit coverage beginning January 1 and ending December 31.
- 1.2 “Contract” means the Contract for Group Term Life and Accidental Death and Dismemberment (AD&D) Insurances, between the Contractor and the State of Maryland acting through the Department of Budget and Management dated January 4, 2013.
- 1.3 “Contractor” means Minnesota Life Insurance Company.
- 1.4 “Department” means the Maryland Department of Budget and Management.
- 1.5 “Financial Proposal” means Contractor’s Financial Proposal dated November 12, 2012.
- 1.6 “Fiscal Plan Year” means the twelve-month period of benefit coverage beginning July 1 and ending June 30.
- 1.7 “Modification” means this Modification Agreement.
- 1.8 “RFP” means the Request for Proposals for Group Term Life and Accidental Death and Dismemberment (AD&D) Insurances, No. F10B3400001, dated June 29, 2012, and as amended through November 7, 2012.
- 1.9 “Short Plan Year” means the six-month period of benefit coverage beginning July 1, 2013 and ending December 31, 2013.
- 1.10 “Short Plan Year Open Enrollment” means the Open Enrollment period prior to the Short Plan Year.
- 1.11 “State” means the State of Maryland.

1.12 “Technical Proposal” means Contractor’s Technical Proposal dated August 20, 2012.

2. Scope of Modification

This Modification amends the Contract specifically as described herein. Except as specifically revised by the terms of this Modification, all of the terms of the Contract shall remain in full force and effect.

3. Term of the Contract

Section 3 of the Contract shall be amended to extend the Contract end date from June 30, 2018 to December 31, 2018.

4. Plan Year

4.1 The 2014 Fiscal Plan Year, beginning July 1, 2013, will be converted to the Short Plan Year ending December 31, 2013.

4.2 A 2014 Calendar Plan Year will commence January 1, 2014 and end on December 31, 2014.

4.3 All references in the Contract, including documents incorporated therein, to “fiscal year”, “plan year”, or “year” with regard to plan design, administering benefits, and obligations of the Contractor impacted by the change from the Fiscal Year Plan to the Calendar Year Plan are replaced with “Calendar Plan Year”, as the case may be.

5. Open Enrollment Services

The Contractor agrees to provide all Open Enrollment Services, as specified in the Contract, for the Short Plan Year, and each subsequent Calendar Plan Year.

6. Short Plan Year Provisions

6.1 The Contract Year premium rates required by the RFP, Attachment E-1 and E-2, and any and all rates quoted by the Contractor in its Financial Proposal with regard to the Contract shall apply to the Short Plan Year without increase. All provisions in the RFP, Contract, and all documents incorporated therein specific to the Fiscal Plan Year period of July 1, 2013 through June 30, 2014 shall apply to the Short Plan Year.

6.2 Performance Guarantees and Reporting Requirements as defined in the RFP shall remain in effect for the Short Plan Year except as modified as follows:

(a) All Fiscal Plan Year annual Performance Guarantees, annual Reporting Requirements, and any annual provision of the Technical Proposal apply to the Short Plan Year covering the period July 1, 2013 through December 31, 2013.

(b) During the Short Plan Year, Fiscal Plan Year quarterly Performance Guarantees, quarterly Reporting Requirements, and any quarterly provision of the Technical Proposal will be made available for Quarter 1 (ending September 30, 2013) and Quarter 2 (ending December 31, 2013).

7. Calendar Plan Years Provisions

7.1 The Contract premium rates required by the RFP, Attachment E-1 and E-2, and any and all rates quoted by the Contractor in its Financial Proposal shall apply to each subsequent Calendar Plan Year without increase. All provisions in the RFP, Contract, and all documents incorporated therein specific to the Fiscal Plan Year period of July 1, 2013 through June 30, 2014 shall apply to the 2014 Calendar Plan Year.

7.2 Performance Guarantees and Reporting Requirements as defined in the RFP shall apply to the Calendar Plan Year as provided in the Contract and as amended herein.

7.3 For the Calendar Plan Year, the Quarterly periods will be amended and defined as follows:

First Quarter:	January-March
Second Quarter:	April-June
Third Quarter:	July-September
Fourth Quarter:	October-December

7.4 The schedule of quarterly plan performance measurement report cards required by the RFP Attachment L-1, Performance Guarantees 1, 2, 5 and 6 shall be:

First Quarter:	Due May 1 st
Second Quarter:	Due August 1 st
Third Quarter:	Due November 1 st
Fourth Quarter:	Due February 1 st

7.5 The schedule of quarterly plan performance measurement report cards required by the RFP Attachment L-2, Performance Guarantees 1, 2, 5 and 6 shall be:

First Quarter:	Due July 15 th
Second Quarter:	Due October 15 th
Third Quarter:	Due January 15 th
Fourth Quarter:	Due April 15 th

IN WITNESS THEREOF, the parties have executed this Second Modification Agreement as of the date hereinabove set forth.

CONTRACTOR:
MINNESOTA LIFE INSURANCE COMPANY

STATE OF MARYLAND:
**DEPARTMENT OF BUDGET AND
MANAGEMENT**


By: Brian Anderson - 2nd VP, Group Case U/W


By: T. Eloise Foster, Secretary

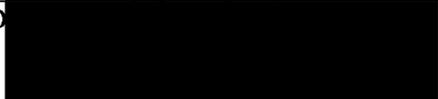
Friday March 15, 2013

4/3/13

Date

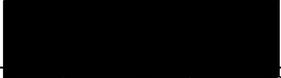
D


Witness Ed Eller - Sales Manager, Mid-Atlantic Region


Witness

APPROVED FOR FORM AND LEGAL SUFFICIENCY

THIS 20 DAY OF April, 2013.


ASSISTANT ATTORNEY GENERAL

APPROVED BY BPW: 20 March 2013
(Date)

16-5-1101
(BPW Item#)