

**YOUR EMPLOYEE
BENEFIT PLAN**

HALLMARK CARDS, INC.

HALLMARK RETIREES

CERTIFICATE DATE: January 1, 2011

Hallmark Cards, Inc.
25th and McGee Trafficway
Kansas City, MO 64108

TO OUR EMPLOYEES:

All of us appreciate the protection and security insurance provides.

This certificate describes the benefits that are available to you. We urge you to read it carefully.

Benefits are provided through a group policy issued to Hallmark Cards, Inc. by Metropolitan Life Insurance Company.

Hallmark Cards, Inc.

MetLife®

Metropolitan Life Insurance Company
One Madison Avenue, New York, New York 10010-3690

Certifies that, under and subject to the terms and conditions of the Group Policy issued to the Employer, coverage is provided for each Employee as defined herein.

The date when an Employee is eligible for coverage is set forth in the form with the title Eligibility for Benefits.

The date when an Employee's Personal Benefits become effective is set forth in the form with the title Effective Dates of Personal Benefits.

The amounts of coverage are determined by the form with the title Schedule of Benefits.



Robert H. Benmosche
Chairman, President and Chief Executive Officer

Policyholder: **Hallmark Cards, Inc.**

Group Policy No.: **103523-G**

Florida Residents: The benefits of the policy providing your coverage are governed primarily by the law of a state other than Florida.

For Maryland residents: The group life insurance policy providing coverage under this certificate was issued in a jurisdiction other than Maryland and may not provide all of the benefits required by Maryland law.

Accelerated Benefits may be taxable. If so, you or your Beneficiary may incur a tax obligation. As with all tax matters, you should consult your personal tax advisor to assess the impact of this Benefit.

Texas Residents: Please Read the Notice Pages for Texas Residents Carefully

If any prior certificate relating to the coverage set forth herein has been given to the Employee, such certificate is void.

Form G.23000-Cert.-1

For Texas Residents:

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call MetLife's toll-free telephone number for information or to make a complaint at

1-800-638-5433

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance
P.O. Box 149104
Austin, TX 78714-9104
Fax # 512 - 475-1771

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact MetLife first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR CERTIFICATE: This notice is for information only and does not become a part or condition of the attached document.

Para Residentes de Texas:

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de MetLife para informacion o para someter una queja al

1-800-638-5433

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas
P.O. Box 149104
Austin, TX 78714-9104
Fax # 512 - 475-1771

DISPUTAS SOBRE PRIMAS O

RECLAMOS: Si tiene una disputa concierne a su prima o a un reclamo, debe comunicarse con MetLife primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU CERTIFICADO: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

For Texas Residents:

IMPORTANT NOTICES

DEATH BENEFITS WILL BE REDUCED IF AN ACCELERATION-OF-LIFE-INSURANCE BENEFIT IS PAID.

DISCLOSURE: The acceleration-of-life-insurance benefits offered under this certificate are intended to qualify for favorable tax treatment under the Internal Revenue Code of 1986. If the acceleration-of-life-insurance benefits qualify for such favorable tax treatment, the benefits will be excludable from your income and not subject to federal taxation. Tax laws relating to acceleration-of-life insurance benefits are complex. You are advised to consult with a qualified tax advisor about circumstances under which you could receive acceleration-of-life-insurance benefits excludable from income under the federal law.

DISCLOSURE: Receipt of acceleration-of-life-insurance benefits may affect your, your spouse's or your family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. You are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such payment will affect your, your spouse and your family's eligibility for public assistance.

Arkansas residents please be advised of the following:

IMPORTANT NOTICE

IF YOU HAVE A QUESTION CONCERNING YOUR COVERAGE OR A CLAIM, FIRST CONTACT YOUR GROUP EMPLOYER OR GROUP ACCOUNT ADMINISTRATOR. IF, AFTER DOING SO, YOU STILL HAVE A CONCERN, YOU MAY CALL METLIFE'S TOLL-FREE TELEPHONE NUMBER:

1-800-275-4638

IF YOU ARE STILL CONCERNED AFTER CONTACTING BOTH YOUR GROUP EMPLOYER AND METLIFE, YOU SHOULD FEEL FREE TO CONTACT:

**ARKANSAS INSURANCE DEPARTMENT
CONSUMER SERVICES DIVISION
1200 WEST THIRD
LITTLE ROCK, ARKANSAS 72201-1904**

California residents please be advised of the following:

IMPORTANT NOTICE

**TO OBTAIN ADDITIONAL INFORMATION, OR
TO MAKE A COMPLAINT, CONTACT METLIFE
AT:**

**METROPOLITAN LIFE INSURANCE
COMPANY
1 MADISON AVENUE
NEW YORK, NY 10010
ATTN: CORPORATE CONSUMER RELATIONS
DEPARTMENT
1-800-275-4638**

**IF, AFTER CONTACTING METLIFE
REGARDING A COMPLAINT, YOU FEEL THAT
A SATISFACTORY RESOLUTION HAS NOT
BEEN REACHED, YOU MAY FILE A
COMPLAINT WITH THE CALIFORNIA
INSURANCE DEPARTMENT AT:**

**CALIFORNIA DEPARTMENT OF INSURANCE
300 SOUTH SPRING STREET
LOS ANGELES, CA 90013
1-800-927-4357 (within California)
1-213-897-8921 (outside California)**

Georgia residents please be advised of the following:

IMPORTANT NOTICE

The laws of the state of Georgia prohibit insurers from unfairly discriminating against any person based upon his or her status as a victim of family violence.

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SCHEDULE OF BENEFITS
(Also see SCHEDULE SUPPLEMENT)

The following Benefits are provided subject to the provisions below.

BENEFITS (EMPLOYEE ONLY)	AMOUNT
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BASIC LIFE - WHEN YOU RETIRE

Full-time Employees (except for Litho-Krome, Hallmark Retail and Corporate Subsidiary Employees):

Retired on or after January 1, 2005 but prior to January 1, 2011:

If you retired on or after January 1, 2005, but prior to January 1, 2011, the amount of your Life Benefit will be as reflected in the following table:

Years of Service at Retirement

Full-time employees who are at least age 50 with 15 vested years of service and have 10 or more years of full-time employment	\$10,000
Full-time employees who are age 65 or older and have 10 or more years of full-time employment	\$10,000
Full-time employees who are at least age 50 with 15 vested years of service, but do not have 10 years or more of full-time employment.....	\$500

Reduced coverage for retirees becomes effective on the date of retirement.

<u>BENEFITS (EMPLOYEE ONLY)</u>	<u>AMOUNT</u>
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Full-time Litho-Krome Employees:

Retired on or after January 1, 2005, but prior to January 1, 2011:

If you retired on or after January 1, 2005 but prior to January 1, 2011, the amount of your Life Benefit will be as reflected in the following table:

Years of Service at Retirement

Full-time employees who have 15 vested years of service, retire from active employment within 10 years or less from their normal retirement date and have 10 or more years of full-time employment	\$10,000
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Full-time employees who are age 65 or older and have 10 or more years of full-time employment	\$10,000
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Full-time employees who have 15 vested years of service, retire from active employment within 10 years or less from their normal retirement date, but do not have 10 years or more of full-time employment	\$500
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Reduced coverage for retirees becomes effective on the date following retirement.

<u>BENEFITS (EMPLOYEE ONLY)</u>	<u>AMOUNT</u>
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Part-time Employees (except for Hallmark Retail, Hallmark Corporate Subsidiary, Litho-Krome and Field Sales Service and Installation Positions):

Retired on or after January 1, 2005, but prior to January 1, 2011

Years of Service at Retirement

Part-time employees who are designated to work a regular schedule of 20 or more hours per week who retire from active employment and who are at least age 50 with 15 vested years of service and have 10 or more years of full-time employment	\$10,000
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Part-time employees who are designated to work a regular schedule of 20 or more hours per week who retire from active employment and who are age 65 or older and have 10 or more years of full-time employment	\$10,000
--	----------

Part-time employees who are designated to work a regular schedule of 20 or more hours per week who retire from active employment and who are at least age 50 with 15 vested years of service but do not have 10 or more years of full-time employment	\$500
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The reduction in your Life Benefits will become effective the day following retirement.

BENEFITS (EMPLOYEE ONLY)

AMOUNT

Litho-Krome Part-time Employees:

Retired on or after January 1, 2005, but prior to January 1, 2011

If you retired on or after January 1, 2005, but prior to January 1, 2011, the amount of your Life Benefit will be as reflected in the following:

Years of Service at Retirement

Part-time employees who are designated to work a regular schedule of 20 or more hours per week who retire from active employment and who have 15 vested years, retire from active employment within 10 years or less from their normal retirement date and have 10 or more years of full-time employment \$10,000

Part-time employees who are designated to work a regular schedule of 20 or more hours per week who retire from active employment and who are age 65 or older and have 10 or more years of full-time employment \$10,000

Part-time employees who are designated to work a regular schedule of 20 or more hours per week who retire from active employment within 10 years or less from their normal retirement date but do not have 10 or more years of full-time employment \$500

Reduced coverage for retirees becomes effective on the date of retirement.

BENEFITS (EMPLOYEE ONLY)

AMOUNT

Full-time Employees (except for Hallmark Retail, Litho-Krome, and Hallmark Corporate Subsidiary Employees):

Retired prior to January 1, 2005:

If you retired prior to January 1, 2005, the amount of your Life Benefit will be determined by applying the appropriate percentage from the following table:

Years of Service at Retirement

Employees who are at least age 50 with 15 years of vested service and have 10 or more continuous years of full-time employment 15% of the amount of insurance in force on the date immediately preceding the date you retire, rounded to the next higher \$1.00

Employees who are age 65 and have 10 or more continuous years of full-time employment 30% of your salary on the date immediately preceding the date you retire

For example, if your Life Benefit was two times annual base salary as an active employee, your retiree Life Benefit will be the equivalent of 30% of base pay, rounded to the next higher \$1.00.

Employees who are at least age 50 and have 15 years of vested service or are age 65 but do not have 10 or more continuous years of full-time employment..... \$500

Reduced coverage for retirees becomes effective on the date following retirement.

Full-time Litho-Krome Employees:

Retired prior to January 1, 2005:

If you retired prior to January 1, 2005, the amount of your Life Benefit will be determined by applying the appropriate percentage from the following table to the amount of insurance in force on the date immediately preceding the date you retire:

Years of Service at Retirement

Employees who are at least age 50 with 15 years of vested service, retire within 10 years or less from their normal retirement date and have 10 or more continuous years of full-time employment 15% of the amount of insurance in force on the date immediately preceding the date you retire, rounded to the next higher \$1.00

Employees who are age 65 or older and retire within 10 years or less from their normal retirement date and have 10 or more continuous years of full-time employment 30% of your salary on the date immediately preceding the date you retire

For example, if your Life Benefit was two times annual base salary as an active employee, your retiree Life Benefit will be the equivalent of 30% of base pay, rounded to the next higher \$1.00.

Employees who have 15 years of vested service and retire within 10 years or less from their normal retirement date or are age 65 or older, but do not have 10 or more continuous years of full-time employment \$500

Reduced coverage for retirees becomes effective on the date following retirement.

**CONVERSION OF REDUCED AMOUNTS OF LIFE BENEFITS
BECAUSE OF RETIREMENT**

If your Life Benefits are reduced on or after the date of your retirement, you may have issued to you a personal policy of life insurance on the date of such reduction.

The right to obtain a personal policy will be the same as is applicable to you when your Life Benefits end because your employment ends, as set forth under RIGHT TO OBTAIN A PERSONAL POLICY OF LIFE INSURANCE ON YOUR OWN LIFE.

The amount of the policy will not be more than:

- a.** the total amount of Life Benefits in effect on your life under This Plan on the day before the date your Life Benefits reduce;

less
- b.** the total amount of Life Benefits in effect on your life under This Plan after the date your Life Benefits reduce.

The right to apply for the policy upon reduction applies regardless of whether there is one reduction or a series of smaller reductions.

Form G.23000-B

SCHEDULE SUPPLEMENT

A. Statements Made by You Which Relate to Insurability

Any statement made by you will be deemed a representation and not a warranty.

No such statement made by you which relates to insurability will be used:

1. in contesting the validity of the benefits with respect to which such statement was made; or
2. to reduce the benefits;

unless the conditions listed in items (a) and (b) below have been met:

- a. The statement must be contained in a written application which has been signed by you.
- b. A copy of the application has been furnished to you or to your Beneficiary.

No such statement made by you will be used at all after such benefits have been in force prior to the contest for a period of two years during the lifetime of the person to whom the statement applies.

B. Assignment

The benefits with respect to the Life Benefits (On Your Own Account) under This Plan may be assigned as a gift. The benefits with respect to the Life Benefits (On Your Own Account) are also assignable by means of a viatical assignment. Any such assignment will transfer all right, title, interest and incidents of ownership, both present and future, in such benefits, including, but not limited to, the following:

1. The right to make any contributions required to keep the benefits in force under This Plan.
2. The privilege of obtaining an individual policy of life insurance.
3. The right to change the Beneficiary.

No assignment will be binding on us nor on the Employer unless the following conditions are met:

1. The assignment is in a form which is acceptable to us and to the Employer.
2. The assignment is accepted, in writing, by us and by the Employer.
3. The assignment is filed at our Home Office.

We assume no obligation as to the validity or the sufficiency of any assignment; neither does the Employer.

C. Additional Provisions

1. The benefits under This Plan do not at any time provide paid-up insurance, or loan or cash values.
2. No agent has the authority:
 - a. to accept or to waive the required proof of a claim; nor
 - b. to extend the time within which a proof must be given to us.

Form G.23000-B1

DEFINITIONS OF CERTAIN TERMS USED HEREIN

"Covered Person" means an Employee on whose account benefits are in effect under This Plan.

"Doctor" means a person who is legally licensed to practice medicine. A licensed practitioner will be considered a Doctor if:

1. there is a law which applies to This Plan and that law requires that any service performed by such a practitioner must be considered for benefits on the same basis as if the service were performed by a Doctor; and
2. the service performed by the practitioner is within the scope of his or her license.

"Employee" means a person who is a retired Employee of Hallmark Cards, Inc prior to January 1, 2011.

"Personal Benefits" mean the benefits which are provided on account of an Employee under This Plan.

"This Plan" means the Group Policy which is issued by us to provide Personal Benefits.

"We", "us" and "our" mean Metropolitan.

"You" and "your" mean the Employee who is a Covered Person for Personal Benefits.

Form G.23000-A

ELIGIBILITY FOR BENEFITS

Personal Benefits Eligibility Date

If you are an Employee on January 1, 2011 that is your Personal Benefits Eligibility Date.

Form G.23000-C

EFFECTIVE DATES OF PERSONAL BENEFITS

Your Personal Benefits will become effective on your Personal Benefits Eligibility Date.

Form G.23000-D1

LIFE BENEFITS (On Your Own Account)

A. Coverage

If you die while you are covered for Life Benefits, we will pay to the Beneficiary the amount of Life Benefits that is in effect on your life on the date of your death.

B. Optional Types of Payment

Payment of any amount of Life Benefits may be made in installments. Details on the payment options may be obtained from the Employer.

Form G.23000-1

**ACCELERATED BENEFITS
(On Your Own Account)**

A. Definitions

"Meet the Requirements" means:

1. your life span is drastically limited; and
2. you are expected to die within 12 months; and
3. you are not expected to recover.

These must be certified by a Doctor and accepted by us.

B. Coverage

We will pay Accelerated Benefits to you if:

1. you apply for Accelerated Benefits while your Life Benefits or Death Benefits are in effect; and
2. you Meet the Requirements while you are covered for Life Benefits or Death Benefits; and
3. you or your legal representative requests payment of Accelerated Benefits while your Life Benefits or Death Benefits are in effect.

Accelerated Benefits are payable only once.

Payment of Accelerated Benefits will reduce your Life Benefits or Death Benefits and the amount available for you to convert to a personal policy of life insurance under RIGHT TO OBTAIN A PERSONAL POLICY OF LIFE INSURANCE ON YOUR OWN LIFE.

C. Proof

Accelerated Benefits will be payable when we receive proof that you Meet the Requirements.

Proof must be given to us. The proof must be in a form that is satisfactory to us. We have no duty to ask for any proof. Any delay in submitting proof will not cause a claim to be denied so long as the proof is given as soon as reasonably possible.

At the time that such proof is given, we may have you examined by Doctors of our choice, at our expense.

D. Amount

The amount of Accelerated Benefits payable is:

1. up to 50% of your Life Benefits or Death Benefits as shown in the SCHEDULE OF BENEFITS

REDUCED BY

a discount for the mortality and interest (*) for the actuarially determined life span, and

MINUS

an administrative charge; and

2. determined as of the date we accept certification that you Meet the Requirements; and
3. no more than \$250,000.

(*) The interest rate used shall be the Moody's Corporate Bond Yield Averages - Monthly Average Corporates - published by Moody's Investors Service, Inc., or any successor thereto for the calendar month ending two months before the date you apply for an Accelerated Benefit.

If your Life Benefits or Death Benefits are scheduled to reduce within six months of such certification date, we will, for the purpose of determining the amount of Accelerated Benefits, deem the amount of your Life Benefits or Death Benefits to have already been reduced on such certification date.

After payment of the Accelerated Benefits, the amount of your Life Benefits or Death Benefits will be:

1. the amount of Life Benefits or Death Benefits actually in effect on the certification date; less
2. the amount of Accelerated Benefits requested.

When the scheduled reduction date occurs, the amount of your Life Benefits or Death Benefits will be reduced. The amount of such reduction will be determined by applying the percentage in accordance with the provisions of This Plan to the amount of your Life Benefits or Death Benefits actually in effect on the certification date.

After such scheduled reduction, the amount of your Life Benefits or Death Benefits will be the amount of your Life Benefits or Death Benefits actually in effect on the certification date:

REDUCED BY

the amount of such scheduled reduction; and

MINUS

the amount of Accelerated Benefits requested.

Accelerated Benefits will be payable if you are living when payment is made.

You may be entitled to apply for a personal policy of Life Insurance up to the amount of such scheduled reduction under RIGHT TO OBTAIN A PERSONAL POLICY OF LIFE INSURANCE ON YOUR OWN LIFE.

For Texas Residents: Upon receipt of your claim form we will send you a Preadjudication letter containing specific information on the payment you requested. Such information will include the amount of payment which will be made to you and the amount of death benefit remaining after payment of the Accelerated Benefit.

E. Exclusions

Accelerated Benefits will not be payable if:

1. you have assigned your Life Benefits (see Assignment provision under SCHEDULE SUPPLEMENT); or
2. we have been notified that all or a portion of your Life Benefits or Death Benefits are to be paid to your former spouse as part of a divorce agreement; or
3. the amount of your Life Benefits or Death Benefits is less than \$10,000.

Form G.23000-36

**RIGHT TO OBTAIN A PERSONAL POLICY
OF LIFE INSURANCE ON YOUR OWN LIFE**

A. Application

We will issue a personal policy of life insurance without disability or accidental death benefits to you if you apply for it in writing during the Application Period. The Application Period is the 31 day period after:

1. the date your Life Benefits end because your employment ends or because you are no longer in a class which remains eligible for Life Benefits; or
2. the date your Life Benefits end because This Plan ends, but only if your Life Benefits under This Plan have been in effect for at least 5 years; or
3. the date This Plan is changed to end the Life Benefits for your class, but only if your Life Benefits under This Plan have been in effect for at least 5 years.

For New Hampshire residents. If you are not given notice, in writing, of the Right To Obtain A Personal Policy of Life Insurance On Your Own Life at least 15 days before the end of the Application Period, you will have additional time in which to apply. You will then have 15 days from the date you are given the notice in which to apply.

Proof that you are insurable is not required by us.

B. Conditions

The personal policy will be issued to you subject to these conditions:

1. it will be on one of the forms then usually issued by us, except term insurance; and
2. it will not take effect until after the Application Period ends; and

3. the premium for the policy will be based on:
 - a. the class of risk to which you belong; and
 - b. your age on the effective date of the policy; and
 - c. the form and amount of the policy; and
4. if item A(1) applies to you, the amount of the policy will not be more than the amount of your Life Benefits on the date the Life Benefits end; and
5. if item A(2) or item A(3) applies to you, the amount of the policy will not be more than the lesser of:
 - a. the amount of your Life Benefits on the date the Life Benefits end, less any amount of life insurance for which you may be eligible under any group policy which takes effect within 31 days after your Life Benefits end; and
 - b. \$10,000.

C. If You Die During the Application Period

If you die during the Application Period, we will pay a death benefit to the Beneficiary. The amount of the death benefit will be the highest amount of life insurance pursuant to item B(4) or B(5) for which a personal policy could have been issued. This death benefit will be paid even if you did not apply for a personal policy.

Form G.23000-1A

BENEFICIARY

A. Your Beneficiary

The "Beneficiary" is the person or persons you choose to receive any benefit payable because of your death.

You make your choice in writing in a manner approved by your Employer.

You may change the Beneficiary at any time in a manner consistent with your Employer's practices. You do not need the consent of the Beneficiary to make a change. When the Employer receives notification that you are changing the Beneficiary, the change will take effect as of the date you selected it. The change of Beneficiary will take effect even if you are not alive when it is received.

A change of Beneficiary will not apply to any payment made by us prior to the date the change was received by the Employer.

Your choice of a Beneficiary for a personal policy issued under RIGHT TO OBTAIN A PERSONAL POLICY OF LIFE INSURANCE ON YOUR OWN LIFE will be effective for This Plan.

B. More Than One Beneficiary

If, when you die, more than one person is your Beneficiary, they will share in the benefits equally, unless you have chosen otherwise.

C. Death of a Beneficiary

A person's rights as a Beneficiary end if:

1. that person dies before your death occurs; or
2. that person dies at the same time your death occurs; or
3. that person dies within 24 hours of your death.

The share for that person will be divided among the surviving persons you have named as Beneficiary, unless you have chosen otherwise.

D. No Beneficiary at Your Death

If there is no Beneficiary at your death for any amount of benefits payable because of your death, that amount will be paid to one or more of the following persons who are related to you and who survive you:

1. spouse;
2. children;
3. parent;
4. brother and sister.

However, we may instead pay all or part of that amount to your estate.

Any payment will discharge our liability for the amount so paid.

Form G.23000-G

RIGHT TO CONTINUE LIFE BENEFITS ON YOUR LIFE

A. When the Right to Continue Life Benefits Is Available

The right to continue Life Benefits will be available if you are Fully Disabled on the date when your Life Benefits would have ended because your employment ended.

B. What Must Be Done to Continue Life Benefits

In order to continue Life Benefits, you must, within 31 days of the date you receive notice of this right:

1. make a written request to us to continue the Life Benefits; and
2. make any payment which is required for the cost of the continued Life Benefits.

The notice and the request form will be furnished by the Employer.

If the conditions set forth in this Section B are complied with, the Life Benefits will continue to be in effect until the earliest of the dates set forth in Section C.

C. When Life Benefits End

Your Life Benefits will end on the earliest of:

1. 6 months after the date your Life Benefits would otherwise have ended; or
2. the date This Plan ends; or
3. the date This Plan is changed to end Life Benefits for your class; or

4. if a payment which is required by the Employer for the cost of your Life Benefits is not made, the last day of the period for which a required payment was made; or
5. the date the Employer fails to pay the required premium to us for your Life Benefits.

D. When the Right to Obtain a Personal Policy Is Available

You may have the right to obtain a personal policy from us if your Life Benefits end as set forth in item (1), (2), (3) or (5) of Section C.

The conditions under which a personal policy may be obtained are set forth in RIGHT TO OBTAIN A PERSONAL POLICY OF LIFE INSURANCE ON YOUR OWN LIFE.

Form G.23000-Leg-24-11

WHEN BENEFITS END

If This Plan ends in whole or in part, your benefits which are affected will end.

The end of any type of benefits on account of a Covered Person will not affect a claim which is incurred before those benefits ended.

Form G.23000-F

NOTICES

This certificate is of value to you. It should be kept in a safe place. Your Beneficiary should know where the certificate is kept.

As soon as your benefits end, you should consult your Employer to find out what rights, if any, you may have to continue your protection.

Our Home Office is located at One Madison Avenue, New York, New York 10010.

Form G.23000-E

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ERISA INFORMATION

NAME OF THE PLAN

Health and Welfare Benefit Plan

NAME AND ADDRESS OF EMPLOYER AND PLAN ADMINISTRATOR

Hallmark Cards, Inc.
25th and McGee Trafficway
Kansas City, MO 64108
(816) 274-5952

EMPLOYER IDENTIFICATION NUMBER AND PLAN NUMBER

44-0272180 514

TYPE OF PLAN

Employee Welfare Plan including:

Life Benefits

TYPE OF ADMINISTRATION

The above listed benefits are insured by Metropolitan Life Insurance Company, ("MetLife").

AGENT FOR SERVICE OF LEGAL PROCESS

For disputes arising under the Plan, service of legal process may be made upon the Plan Administrator at the above address. For disputes arising under those portions of the Plan insured by MetLife, service of legal process may be made upon MetLife at one of its local offices, or upon the supervisory official of the Insurance Department in the state in which you reside.

ELIGIBILITY FOR INSURANCE; DESCRIPTION OR SUMMARY OF BENEFITS

Your MetLife certificate describes the eligibility requirements for insurance under the Plan. It also includes a detailed description of insurance provided by MetLife under the Plan.

PLAN TERMINATION OR CHANGES

The group policy sets forth those situations in which the Employer and/or MetLife have the right to end the policy.

The Employer reserves the right to change or terminate the Plan at any time. Therefore, there is no guarantee that you will be eligible for the benefits described herein for the duration of your employment. Any such action will be taken only after careful consideration.

Your consent or the consent of your beneficiary is not required to terminate, modify, amend, or change the Plan.

In the event your coverage ends in accord with the "When Benefits End" provision of your certificate, you may still be eligible to receive benefits. The circumstances under which benefits are available are described in your MetLife certificate.

CONTRIBUTIONS AND DIVIDENDS

There are benefits insured under the group insurance coverages or the group insurance policy or policies which are combined for experience. This means that the costs of these coverages are determined on a combined basis, and the costs are accumulated from year to year. As a result, favorable experience under one or more coverage in a particular year may offset unfavorable experience on other coverages in the same year, or offset unfavorable experience of coverage in prior years.

Policy dividends declared by the insurer under the group insurance policy or policies may be used to reduce Hallmark Cards, Inc.'s cost for the coverages in the same or prior years. In the unlikely event that total dividends were to exceed Hallmark Cards, Inc.'s cumulative costs for the coverage, the excess would be used for the benefit of Employees covered by the group insurance policies.

In view of the fact that Hallmark Cards, Inc. has in the past, and expects in the future, to pay a substantial share of the combined cost of the insurance coverages, it is unlikely that any such excess of policy dividends over Hallmark Cards, Inc.'s costs will occur.

No contribution is required for Basic Life Benefits.

The total premium rate for insurance provided under the Plan by MetLife is set by MetLife.

PLAN YEAR

The Plan's fiscal records are kept on a Plan year basis beginning each January 1 and ending on the day before the next following January 1.

QUALIFIED DOMESTIC RELATIONS ORDERS / QUALIFIED MEDICAL CHILD SUPPORT ORDERS

You and your beneficiaries can obtain, without charge, from the Plan Administrator a copy of any procedures governing Qualified Domestic Relations Orders (QDRO) and Qualified Medical Child Support Orders (QMCSO).

CLAIMS INFORMATION

Procedures for Presenting Claims for Life Benefits

All claim forms needed to file for benefits under the group insurance program can be obtained from the Employer who will also be ready to answer questions about the insurance benefits and to assist you or, if applicable, your beneficiary in filing claims.

Life Benefits Claims

Routine Questions

If there is any question about a claim payment, an explanation may be requested from the Employer who is usually able to provide the necessary information.

Claim Submission

In submitting claims for Life benefits ("Benefits"), the claimant must complete the appropriate claim form and submit the required proof as described in the certificate.

Claim forms must be submitted in accordance with the instructions on the claim form.

Initial Determination

After MetLife receives your claim for Benefits, MetLife will review your claim and notify you of its decision to approve or deny your claim.

Such notification will be provided to you within a reasonable period, not to exceed 90 days from the date we received your claim, unless MetLife notifies you within that period that there are special circumstances requiring an extension of time of up to 90 additional days.

If MetLife denies your claim in whole or in part, the notification of the claims decision will state the reason why your claim was denied and reference the specific Plan provision(s) on which the denial is based. If the claim is denied because MetLife did not receive sufficient information, the claims decision will describe the additional information needed and explain why such information is needed. The notification will also include a description of the Plan review procedures and time limits, including a statement of your right to bring a civil action if your claim is denied after an appeal.

Appealing the Initial Determination

In the event a claim has been denied in whole or in part, you or, if applicable, your beneficiary can request a review of your claim by MetLife. This request for review should be sent in writing to Group Insurance Claims Review at the address of MetLife's office which processed the claim within 60 days after you or, if applicable, your beneficiary received notice of denial of the claim. When requesting a review, please state the reason you or, if applicable, your beneficiary believe the claim was improperly denied and submit in writing any written comments, documents, records or other information you or, if applicable, your beneficiary deem appropriate. Upon your written request, MetLife will provide you free of charge with copies of relevant documents, records and other information.

MetLife will re-evaluate all the information, will conduct a full and fair review of the claim, and you or, if applicable, your beneficiary will be notified of the decision. Such notification will be provided within a reasonable period not to exceed 60 days from the date we received your request for review, unless MetLife notifies you within that period that there are special circumstances requiring an extension of time of up to 60 additional days.

If MetLife denies the claim on appeal, MetLife will send you a final written decision that states the reason(s) why the claim you appealed is being denied, references any specific Plan provision(s) on which the denial is based, any voluntary appeal procedures offered by the Plan, and a statement of your right to bring a civil action if your claim is denied after an appeal. Upon written request, MetLife will provide you free of charge with copies of documents, records and other information relevant to your claim.

Discretionary Authority of Plan Administrator and Other Plan Fiduciaries

In carrying out their respective responsibilities under the Plan, the Plan Administrator and other Plan fiduciaries shall have discretionary authority to interpret the terms of the Plan and to determine eligibility for and entitlement to Plan benefits in accordance with the terms of the Plan. Any interpretation or determination made pursuant to such discretionary authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

STATEMENT OF ERISA RIGHTS

The following statement is required by federal law and regulation.

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, all Plan documents governing the Plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Employee benefit Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees.

If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.



FUTURE OF THE PLAN

It is hoped that the Plan will be continued indefinitely, but Hallmark Cards, Inc. reserves the right to change or terminate the Plan in the future. Any such action would be taken only after careful consideration.

The Board of Directors of Hallmark Cards, Inc. shall be empowered to amend or terminate the Plan or any benefit under the Plan at any time.