

**UNIMERICA LIFE INSURANCE COMPANY  
OF NEW YORK**

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**GROUP LONG TERM DISABILITY  
CERTIFICATE OF COVERAGE**

**FOR**

**EASTERN SUFFOLK BOCES**

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**POLICY NUMBER: LTD-304367**  
**EFFECTIVE DATE: December 1, 2015**

**NY  
(9-16)**

## TABLE OF CONTENTS

Schedule of Benefits.....	1
General Definitions .....	3
Certificate General Provisions.....	4
Covered Person Eligibility, Effective Date and Termination Provisions.....	6
Working Returns Long Term Disability Insurance for Covered Person .....	8
Child Care Expense Benefit .....	18
Minimum Indemnity Benefit .....	19

## SCHEDULE OF BENEFITS

### Class of Employees

This schedule covers the following class(es) of Employees of companies and affiliates controlled by the Policyholder:

Each active, Full-time Educator Unit Employee, Adult Nursing Instructor Unit Employee, Para Educators Unit Employee, Administrative and Supervisory Unit Employee, UPSEU Employee, CSEA 8768-01 Unit Employee, Data Processing Middle Management Unit Employee, BOCES Staff Developers of Eastern Suffolk, Cabinet and Administrative Council Employee, Non-Represented Certified Administrator, Non-Represented Technical Administrator, Non-Represented Clerical, Confidential Clerical, or Component District Service Provider and other Non-Represented Certificated Employee working 30 hours or more per week, except an employee included in any other class and any person employed on a temporary or seasonal basis.

### Description of Class:

Employees are considered full-time if they customarily work: 30 hours per week

### Employee Waiting Period:

An Employee is eligible for insurance on the later of the following dates:

1. The Group Policy's Effective date, December 1, 2015
2. The first day of the month following the date he begins continuous employment with the Policyholder

### Covered Person Insurance:

#### Long Term Disability Benefit:

**Benefit Percent:** 66 2/3% of the Covered Person's Pre-Disability Monthly Earnings. The Covered Person's benefit may be reduced by Other Income Benefits and Disability Earnings. Some disabilities may not be insured under the Policy.

#### Pre-Disability Monthly Earnings Definition:

One-twelfth (1/12) of the Covered Person's annual contract salary as determined by the Covered Person's Employer. Pre-Disability Monthly Earnings do not include commissions, bonuses, overtime pay, and other extra compensation.

**Maximum Monthly Benefit:** \$7,000

**Minimum Monthly Benefit:** Greater of \$100 or 10% of Gross Disability Payment

**Elimination Period:** Greater of: 90 days or the exhaustion of accumulated sick leave (PTO) – Benefits begin the day after completion of the Elimination Period.

**Accumulation of Elimination Period:** 15 days

## SCHEDULE OF BENEFITS (continued)

### Maximum Benefit Period:

Reducing Benefit Duration reflecting Social Security Normal Retirement Age

Age at Disability	Maximum Benefit Period
	Greater of SSNRA * or
Less than age 60	To age 65
Age 60	60 Months
Age 61	48 Months
Age 62	42 Months
Age 63	36 Months
Age 64	30 Months
Age 65	24 Months
Age 66	21 Months
Age 67	18 Months
Age 68	15 Months
69 and over	12 Months

\*SSNRA means the Social Security Normal Retirement Age as figured by the 1983 amendment or any later amendment to the Social Security Act.

Premium contributions are waived while the Covered Person is receiving Long Term Disability payments.

## GENERAL DEFINITIONS

The male pronoun, whenever used in the Policy, includes the female.

**Active Work or Actively at Work:** The Covered Person reports for work at his usual place of employment or any other business location where he is required to travel and is able to perform the material and substantial duties of his regular occupation for the entire normal workday. The Covered Person must be working at least the minimum number of hours per week in an Eligible Class, as shown in the Schedule of Benefits.

Unless Disabled on the prior workday or on the day of absence, a Covered Person will be considered Actively at Work on the following days:

- 1 a Saturday, Sunday or holiday which is not a scheduled workday;
- 2 a paid vacation day, or other scheduled or unscheduled non-workday; or
- 3 an excused or emergency leave of absence (except medical leave).

**Contributory or Non-Contributory Insurance:** Contributory Insurance is insurance for which the Covered Person must apply and agree to make the required premium contributions. Non-Contributory Insurance is insurance for which the Covered Person does not have to make any premium contributions.

**Covered Person:** The Employee insured under the Policy. References to "Covered Person," "Covered Persons" and "Covered Person's" throughout this Certificate are references to a Covered Person.

**Employee:** A person who is:

- a. directly employed in the normal business of the Policyholder; and
- b. paid for services by the Policyholder; and
- c. Actively at Work for the Policyholder, or any subsidiary or affiliate insured under the Policy.

No director or officer of a Policyholder will be considered an Employee unless he meets the above conditions.

**Hospital or Medical Facility:** A short-term, acute, general hospital, which: (i) is primarily engaged in providing, by or under the continuous supervision of Physicians, Treatment and care for the condition for which benefits are payable under the Policy; (ii) has organized departments of medicine and major surgery; (iii) has a requirement that every patient must be under the care of a Physician; (iv) provides 24-hour nursing service by or under the supervision of a registered professional nurse; (v) if located in New York State, has in effect a hospitalization review plan applicable to all patients which meets at least the standards set forth in section 1861(k) of United States Public Law 89-97, (42 USCA 1395xk); (vi) is duly licensed by the agency responsible for licensing such hospitals; and (vii) is not, other than incidentally, a facility that primarily provides custodial, education or rehabilitative care, or long-term institutional care on a residential basis.

**Injury:** A bodily Injury resulting directly from an accident and independently of all other causes.

**Physician:** A practitioner of the healing arts who is:

1. duly licensed in the state in which the Treatment is received; and
2. practicing within the scope of that license.

The term Physician does not include the Covered Person, the Covered Person's spouse, children, parents, parents-in-law, or siblings.

**Regular Care:** The Covered Person personally visits a Physician as often as is medically required to effectively manage and treat his disabling condition(s), according to generally accepted medical standards. The Covered Person is receiving appropriate Treatment and care, according to generally accepted medical standards, by a Physician whose specialty or experience is appropriate for the disabling condition(s).

**Sickness:** An illness, disease, pregnancy or complication of pregnancy.

**Treatment:** consultation, advice, tests, attendance or observation, supplies or equipment, including the prescription or use of prescription drugs or medicines.

**We, Our and Us:** Unimerica Life Insurance Company of New York.

## CERTIFICATE GENERAL PROVISIONS

**Discretionary Authority:** When making a benefit determination under the Policy, We have discretionary authority to determine the Covered Person's eligibility, if applicable, for benefits and to interpret the terms and provisions of the Policy. This provision applies, however, only where the interpretation of the Policy is governed by the Employee Retirement Income Security Act (ERISA).

**Fraud:** We will focus on all means necessary to support fraud detection, investigation, and prosecution. It may be a crime if the Covered Person or the employer knowingly, and with intent to injure, defraud or deceive Us, files a claim containing any false, incomplete, or misleading information. These actions, as well as submission of false information, will result in denial of the Covered Person's claim, and are subject to prosecution and punishment to the full extent under state and/or federal law. We will pursue all appropriate legal remedies in the event of insurance fraud.

**Incontestability:** We may not contest the validity of the Policy, except for the non-payment of premiums or fraudulent misrepresentations, after it has been in force for two years from its date of issue. No statement made by any Covered Person relating to his insurability shall be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to the contest for a period of two years during such person's lifetime, nor unless it is contained in a written instrument signed by him.

**Information To Be Furnished:** The Policyholder may be required to furnish any information needed to administer the Policy. Clerical error by the Policyholder will not:

1. affect the amount of insurance which would otherwise be in effect; or
2. continue insurance which otherwise would be terminated; or
3. result in the payment of benefits not otherwise payable.

Once an error is discovered, an equitable adjustment in premium will be made. If the premium adjustment involves the return of unearned premium, the amount of the return will be limited to the 12-month period, which precedes the date We receive proof such an adjustment should be made. We may inspect any of the Policyholder's records which relate to the Policy.

**Misstatement Of Age:** If a Covered Person's age has been misstated, premiums will be subject to an equitable adjustment. If the amount of the benefit depends upon age, then the benefit will be that which would have been payable, based upon the person's correct age.

**Payment of Premiums:** No insurance provided by the Policy will be in effect until the first premium for such insurance is paid. For insurance to remain in effect, each subsequent premium must be paid on or before its due date. The Policyholder is responsible for paying all premiums as they become due. Premiums are payable on or before their due dates at Our Home Office. A Grace Period of 31 days from the Premium Due Date will be allowed for the payment of each premium after the first premium payment. During the Grace Period, the insurance will remain in effect provided the premium is paid before the end of the Grace Period. Payment of Premium for a period before it is due will not guarantee that the insurance will remain in effect for that period.

**Premium Rate Change:** We have the right to change premium rates as of any Premium Due Date but not more than once in any 12 month period. We will notify the Policyholder in writing at least 31 days prior to the change in rates.

The premium rate may change prior to this time however, for reasons that affect the insured risk, which include:

1. a change occurs in benefits;
2. a division, subsidiary, or affiliated company is added or deleted;
3. the number of Employees insured changes by 10% or more;
4. a new Law or a change in any existing Law is enacted which applies to the Policy.

A change may take effect on an earlier date if both the Policyholder and We agree to it. Except in the case of fraud, premium adjustments, refunds or charges will be made for only the current Policy year.

## **CERTIFICATE GENERAL PROVISIONS (continued)**

**Records:** The Policyholder must furnish all information required by Us to:

1. compute premiums; and
2. maintain necessary administrative records.

Records of the Policyholder, which have a bearing on insurance, will be available for inspection by Us at any reasonable time.

**Workers' Compensation:** The Policy is not to be construed to provide benefits required by Workers' Compensation laws.

## **COVERED PERSON ELIGIBILITY, EFFECTIVE DATE AND TERMINATION PROVISIONS**

**Covered Person's Eligibility:** Employees who work on a full-time basis for a Policyholder are eligible for insurance after completion of the required Employee Waiting Period, provided they are in a class of Employees who are included. Employees will be considered to work on a full-time basis if they customarily work at least the number of hours per week shown in the Schedule of Benefits.

An Employee will become eligible for insurance on the latest of the following dates:

1. the Effective Date of the Policy;
2. the end of the Employee Waiting Period shown in the Schedule of Benefits;
3. the date the Policy is changed to include the Employee's class; or
4. the date the Employee enters a class eligible for insurance.

**Effective Date of Covered Person Insurance:** If an Employee is not Actively at Work on the date his insurance is scheduled to take effect, it will take effect on the day after the date he returns to Active Work. If the Employee's insurance is scheduled to take effect on a non-working day, his Active Work status will be based on the last working day before the scheduled Effective Date of his insurance.

An Employee must use forms provided by Us when applying for insurance.

The Employee's insurance will be effective at 12:01 A.M. Eastern Standard time as follows:

1. if it is Non-contributory, on the date the Employee becomes eligible for insurance, regardless of when he applies, or
2. if it is Contributory, and the Employee makes application within 31 days after the date he first became eligible, on the later of:
  - a. the date the Employee is eligible for insurance, regardless of when he applies; or
  - b. the date the Employee's application is approved by Us if evidence of insurability is required.

**Family and Medical Leave of Absence:** If the Covered Person is on a Family or Medical Leave of Absence, his insurance will be governed by his employer's policy on Family and Medical Leaves of Absence.

We will continue the Covered Person's insurance if the cost of his insurance continues to be paid and his Leave of Absence is approved in advance and in writing by his employer.

The Covered Person's insurance will continue for up to the greater of:

1. the leave period required by the Federal Family and Medical Leave Act of 1993; or
2. the leave period required by applicable state law.

While the Covered Person is on a Family or Medical Leave of Absence, We will use earnings from his employer just prior to the date his Leave of Absence started to determine Our payments to him.

If the Covered Person's insurance does not continue during a Family or Medical Leave of Absence, then when he returns to Active Work:

1. he will not have to meet a new Employee Waiting Period including a Waiting Period for insurance of a Pre-Existing Condition, if applicable; and
2. he will not have to give Us evidence of insurability to reinstate the insurance he had in effect before his Leave of Absence began.

However, time spent on a Leave of Absence, without insurance, does not count toward satisfying his Employee Waiting Period.



## **COVERED PERSON ELIGIBILITY, EFFECTIVE DATE AND TERMINATION PROVISIONS (continued)**

**Termination of Covered Person Insurance:** The Covered Person's insurance will terminate at 12:00 midnight Eastern Standard time on the earliest of the following dates:

1. the last day of the period for which a premium payment is made, if the next payment is not made;
2. the date he becomes a member of the armed forces on active duty, except for duty of 30 days or less for training in the Reserves or National Guard;
3. the date he ceases to be a member of a class eligible for insurance; the date the Policy terminates, or a specific benefit terminates; or
4. the date he ceases to be Actively at Work. The Policyholder may deem the Covered Person's employment continued during an approved layoff or leave of absence. In such cases, insurance will not continue more than 1 month from the date the layoff or leave begin.
5. the date he is no longer Actively at Work due to a labor dispute, including but not limited to a strike, work slow down or lock out.
6. the Policyholder or a participating entity has performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact under the terms of the Policy;
7. We cease to offer group or blanket policies in the small or large group market; or
8. the Policyholder ceases to meet the requirements for a group under New York Insurance Law or a participating employer, labor union, association or other entity ceases membership or participation in the group to which the policy is issued. Coverage terminated pursuant to this paragraph shall be done uniformly without regard to any health status-related factor relating to any Covered Person.

## WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON

**Determination of Disability:** The Covered Person is Disabled or has a Disability when We determine that:

1. he is not Actively at Work and is unable to perform some or all of the Material and Substantial Duties of his Regular Occupation due to his Sickness or Injury; and
2. he has a 20% or more loss in adjusted Pre-Disability Monthly Earnings due solely to the same Sickness or Injury; and
3. he is under the Regular Care of a Physician.

After 36 months of payments, the Covered Person is Disabled when We determine that due to the same Sickness or Injury, he is unable to perform some or all of the material and substantial duties of any Gainful Occupation for which he is reasonably fitted by education, training or experience and he continues to suffer a 40% or more loss in his adjusted Pre-Disability Monthly Earnings due solely to the Sickness or Injury.

**Material and Substantial Duties:** duties that

1. are normally required for the performance of the Covered Person's Regular Occupation; and
2. cannot be reasonably omitted or modified.

**Regular Occupation means:** the occupation which the Covered Person is routinely performing when his Disability occurs. We will look at the Covered Person's occupation as it is normally performed in the national economy instead of how the work tasks are performed for a specific employer or at a specific location.

Disability must begin while the Covered Person is insured under the Policy.

The loss of a professional or occupational license or certification, work permit, or visa does not, in itself, mean the Covered Person is Disabled. Additionally, economic factors, such as recession, job obsolescence, pay-cuts and job sharing will not be considered in determining whether the Covered Person meets the definition of Disability/Disabled.

We require the Covered Person to be under the Regular Care of a Physician for the Sickness or Injury causing his Disability in order to be eligible to receive payments from Us.

We may require the Covered Person to be examined by Physicians, other medical practitioners or vocational experts of Our choice. We will pay for these examinations. We can require examinations as often as it is reasonable to do so. We may also require the Covered Person to be interviewed by an authorized representative of Ours. Refusal to be examined or interviewed may result in denial or termination of his claim.

**Transplant Benefit:** If, while insured under the Policy, the Covered Person donates an organ for an Organ Transplant Procedure, and as a result he becomes Disabled, We will consider him to be Disabled as a result of Sickness and his Elimination Period will be waived. Disability resulting from an Organ Transplant Procedure will have a limited pay period of 12 months. This benefit will be payable only once in the Covered Person's lifetime. Benefit payments will be subject to all of the provisions contained in the Policy, except for those that are in conflict with the provisions of this Transplant Benefit.

**Organ Transplant Procedure means:** the Covered Person donates any of the following for transplantation into another person: kidney, liver, lung, skin or bone marrow.

**Calculating the Monthly Payment:** The Benefit Percent and Maximum Monthly Benefit are shown in the Schedule of Benefits.

If the Covered Person is Disabled and not working, or working and earning less than 20% of his Pre-Disability Monthly Earnings:

Calculate the Covered Person's Monthly Payment as follows:

1. Multiply the Covered Person's Pre-Disability Monthly Earnings by the Benefit Percent.
2. Compare the result in Step 1 with the Maximum Monthly Benefit.
3. The lesser of these two amounts is the Covered Person's monthly Gross Disability Payment.

## **WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)**

4. Subtract from his monthly Gross Disability Payment all Other Income Benefit amounts that he receives or is eligible to receive. The result is the Covered Person's Monthly Payment.

In no event will the Covered Person's Monthly Payment exceed the Maximum Monthly Benefit.

If the Covered Person is Disabled and working, earning between 20% and 80% of his adjusted Pre-Disability Monthly Earnings:

Calculate the Covered Person's Gross Disability Payment as follows:

1. Multiply his Pre-Disability Monthly Earnings by the Benefit Percent.
2. Compare the result in Step 1 with the Maximum Monthly Benefit.
3. The lesser of these two amounts is the Covered Person's Gross Disability Payment, which is used in the benefit calculation below.

When the Covered Person first returns to work during a period of disability, the Work Incentive Benefit establishes that, for 24 months, his Monthly Payment, as determined above, will not be reduced as long as Payment does not exceed 100% of his adjusted Pre-Disability Monthly Earnings.

During the period of time that the Work Incentive Benefit applies:

1. Add the Covered Person's monthly Disability Earnings to his Gross Disability Payment, as calculated above.
2. Compare the result in Step 1 to his adjusted Pre-Disability Monthly Earnings.
3. If the result from Step 2 is less than or equal to 100% of the Covered Person's adjusted Pre-Disability Monthly Earnings, We will not further reduce his Monthly Payment, as calculated above.
4. If the result in Step 2 is greater than 100% of the Covered Person's adjusted Pre-Disability Monthly Earnings, We will subtract the amount over 100% from his Monthly Payment, as calculated above. This is the amount We will pay the Covered Person each month.

After the period of time that the Work Incentive Benefit applies:

1. Subtract the Covered Person's Disability Earnings from his adjusted Pre-Disability Monthly Earnings.
2. Divide the result in Step 1 by his adjusted Pre-Disability Monthly Earnings. This is his percentage of lost earnings.
3. Multiply the Covered Person's Monthly Payment, as calculated above, by the answer in Step 2. This is the amount We will pay the Covered Person each month.

After the Elimination Period, if the Covered Person is Disabled for only part of a month, We will send him 1/30<sup>th</sup> of his Monthly Payment for each day of Disability.

**Gross Disability Payment means:** the payment amount before We subtract Other Income Benefits and Disability Earnings.

**Elimination Period means:** the length of time the Covered Person must be continuously Disabled before a benefit is payable. The Elimination Period begins on the first day of Disability. If the Covered Person returns to work for a period of time not to exceed the Accumulation of Elimination Period and cannot continue, he will not have to begin a new Elimination Period. However, We will count only those days he is Disabled toward satisfying the Elimination Period. The Elimination Period and the Accumulation of Elimination Period are shown in the Schedule of Benefits.

**Disability Earnings mean:** the earnings, which the Covered Person receives while Disabled, and working.

## WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)

**Adjusted Pre-Disability Monthly Earnings:** The Covered Person's Pre-Disability Monthly Earnings adjusted on each anniversary of benefit payments by the lesser of 5% or the current annual percentage increase in the Consumer Price Index (CPI-W). The Covered Person's adjusted Pre-Disability Monthly Earnings may increase or remain the same, but will never decrease. This manner of indexing is only used to determine the Covered Person's percentage of lost earnings while he is Disabled and working and in the determination of Gainful Occupation. Consumer Price Index (CPI-W) means: the index for Urban Wage Earners and Clerical Workers published by the U.S. Department of Labor. We reserve the right to use some other similar measurement if the Department of Labor changes or stops publishing the CPI-W.

**Receipt of Disability Payments:** The Covered Person will begin to receive payments when We approve his claim, provided the Elimination Period has been met and he is Disabled. We will send him a payment each month for any period for which We are liable. If he is Disabled and working, proof of Disability Earnings will be required before benefits are paid.

**Disability During a Covered Layoff or Leave of Absence:** If the Covered Person becomes Disabled while he is on a covered Layoff or Leave of Absence, We will calculate his benefit using his Pre-Disability Monthly Earnings from his employer in effect just prior to the date his absence begins.

**Fluctuation of Disability Earnings:** If the Covered Person's Disability Earnings fluctuate, We may average his Disability Earnings over the most recent 6 months to determine if his claim should continue subject to all other terms and conditions in the Policy.

If We average his Disability Earnings, We will not terminate his claim unless the average of his Disability Earnings from the last 6 months exceeds 80% of his adjusted Pre-Disability Monthly Earnings.

We will not pay the Covered Person for any month during which Disability Earnings exceed the amount allowable under the Policy.

**Other Income Benefits:** We will subtract from the Covered Person's Gross Disability Payment the following Other Income Benefits:

1. any benefits and awards he receives or is eligible to receive under:
  - a. Workers' Compensation Law;
  - b. occupational disease Law; or
  - c. any other similar Act or Law.
2. any Disability income benefits he receives or is eligible to receive under:
  - a. any compulsory benefit Act or Law;
  - b. any other group insurance policy with the employer or with an association;
  - c. any other group insurance policy with another employer under which he becomes insured while he is Disabled under the Policy; or
  - d. any governmental retirement system as the result of his job with his employer.
3. any benefits under the United States Social Security Act, The Canada Pension Plan, The Quebec Pension Plan, the Jones Act, and any other similar plan or Act. Benefits include:
  - a. Disability benefits he is eligible to receive and any disability benefits his spouse or his children receive or are eligible to receive as a result of his Disability.
  - b. retirement benefits he receives and any retirement benefits his spouse or his children receive as a result of his receipt of retirement benefits.

If the Covered Person's Disability begins after his 70<sup>th</sup> birthday, and he was receiving Social Security retirement benefits before his Disability began, then We will not reduce Our payments to him by these retirement benefits.

**Pension Plan means:** a plan that provides retirement benefits and which is not wholly funded by Employee contributions. The term does not include a profit sharing plan, a thrift

## **WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)**

plan, an individual retirement account (IRA), a tax sheltered annuity plan (TSA), a stock ownership plan or a non-qualified plan of deferred compensation.

4. any benefits he receives from the employer's sick leave or formal salary continuation plan.
5. any benefits from the employer's retirement plan, the Public Employees Retirement System and the State Teachers Retirement System he:
  - a. receives as disability benefits;
  - b. voluntarily chooses to receive as retirement benefits; or
  - c. receives as retirement benefits once he reaches the greater of age 62 or normal retirement age, as defined in his employer's Retirement Plan.

Regardless of how the retirement funds from the plan are distributed, for the purposes of determining Our payment to the Covered Person, We consider Employee and employer contributions to be distributed at the same time throughout the Covered Person's lifetime.

We will not reduce payments the Covered Person receives from Us for his contributions to the employer's retirement plan, or for amounts he rolls over or transfers to an eligible Retirement Plan.

Disability benefits under a retirement plan are benefits that are paid due to disability and which do not reduce the retirement benefits which would have been paid if the disability had not occurred.

Retirement benefits under a retirement plan are benefits that are paid based on the Covered Person's employer's contribution to the retirement plan. Disability benefits that reduce the retirement benefits under the plan will also be considered a retirement benefit.

6. Eligible retirement plan is defined in Section 402 of the Internal Revenue Code of 1986 and includes future amendments to Section 402 affecting the definition.
7. any benefits for loss of time or lost wages he receives from the mandatory portion of a no-fault motor vehicle insurance plan, or automobile liability insurance policy.
8. any amount he receives under any unemployment compensation Law.
9. any amounts he receives from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.

If the Covered Person receives any of the Other Income Benefits in a lump sum payment, We will pro-rate the lump sum on a monthly basis over the time period for which the sum was given. If no time period is stated, the sum will be pro-rated on a monthly basis to the end of the Covered Person's Maximum Benefit Period.

Other Income Benefits must be payable as a result of the same Disability for which the Covered Person is receiving a payment from Us, except for retirement benefits.

We will NOT subtract from the Covered Person's Gross Disability Payment any amounts he receives from the following sources:

1. 401(k) plans
2. profit sharing plans
3. thrift plans
4. tax sheltered annuities
5. stock ownership plans
6. non-qualified plans of deferred compensation
7. Pension plans for partners
8. military pension and military disability income plans



## WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)

9. credit disability insurance
10. franchise disability income plans
11. a retirement plan from another employer
12. Individual Retirement Accounts (IRA)
13. individual disability income plans
14. informal salary continuation plans

**Affect of Other Income Benefits on Payment:** If subtracting Other Income Benefits results in a zero benefit, We will pay the Covered Person the Minimum Monthly Benefit shown in the Schedule of Benefits. The Minimum Monthly Benefit, however, may be applied toward an outstanding overpayment.

**Cost of Living Increases:** After the first deduction for each of the Other Income Benefits, We will not further reduce the amount of the Covered Person's Monthly Payment under the Policy due to cost of living increases he receives from any of the sources described in the "Other Income Benefits" section.

**Estimating Amounts of Other Income Benefits:** We have the right to estimate the amount of benefits the Covered Person may be eligible to receive under the "Other Income Benefits" section. We can reduce Our payments to him by the estimated amount if:

1. he has not been awarded but has not been denied such benefits; or
2. he has been denied such benefits and the denial is being appealed; or
3. he is reapplying for such benefits.

We will NOT reduce Our payments to the Covered Person by the estimated amount if:

1. he applies or reapplies for the benefits and appeals his denial through all of the administrative levels We believe are necessary; or
2. he signs Our reimbursement agreement form stating that he promises to pay Us any overpayment caused by an award.

If We reduce Our payments to the Covered Person by an estimated amount:

1. We will adjust Our payment to him when he provides proof of the amount awarded; or
2. We will issue a lump sum refund of the estimated amount if he was denied benefits and has completed all appeals (or reapplications) We believe are necessary.

**Termination of Benefits:** We will stop sending the Covered Person payments and his claim will end on the earliest of:

1. the date he is no longer Disabled according to the terms of the Policy;
2. the date he reaches the end of the Maximum Benefit Period;
3. the date he fails to provide proof of continuing Disability;
4. the date his Disability Earnings exceed the amount allowable under the Policy;
5. the date he is able to increase his Disability Earnings by increasing the number of hours he works or the number of duties he performs but he chooses not to do so;
6. the date he refuses to be examined by a Physician, if such an exam is requested by Us;
7. the date he refuses to be interviewed by one of Our representatives;
8. the date he ceases to be under the Regular Care of a Physician;
9. the date he dies.

If the Covered Person is a citizen of the United States and is receiving Treatment outside of the United States, We may require him to return to the United States for Treatment. Failure to do so when requested may result in termination of benefits.

## **WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)**

### **Limitations:**

#### **Mental Illness and Substance Abuse Limitation**

Disabilities due to Mental Illness or Substance Abuse have a limited pay period. The limited pay period is 24 months per disability. We will continue to send the Covered Person payments beyond the limited pay period if he is confined to a Hospital or Medical Facility. If he is still Disabled when he is discharged, We will send him payments for a recovery period of up to 90 days. If he becomes re-confined at any time during the recovery period and remains confined for at least 14 days in a row, We will send payments during that additional confinement and for one additional recovery period up to 90 more days.

In no case will benefits be paid beyond the Maximum Benefit Period.

**Mental Illness means:** any Sickness, disease or disorder, which is:

1. listed in the current edition of the Diagnostic and Statistical Manual of Mental Health Disorders (or any successor diagnostic manual) published by the American Psychiatric Association; and
2. usually treated by a mental health provider or other qualified provider, using psychotherapy, psychotropic drugs or other similar methods of Treatment.

Mental Illness includes any such conditions whether or not related to an underlying physical, genetic, chemical, organic or biological cause, although it may be associated with physical symptoms, manifestations or expressions. Specific conditions include, but are not limited to:

1. bipolar disorder;
2. depression and depressive disorders;
3. psychoses;
4. mood disorders;
5. manic-depressive illness;
6. anxiety disorders;
7. stress disorders including post-traumatic stress disorders;
8. somatoform disorders;
9. factitious disorders;
10. eating disorders;
11. adjustment disorders; and
12. personality disorders.

For purposes of the Policy, Mental Illness does not include coma (unless a consequence of Substance Abuse), mental retardation or Alzheimer's disease and other forms of dementia with an objectifiable

**Substance Abuse means:** alcoholism, or the non-medical use of narcotics, sedatives, stimulants, hallucinogens, or any other such substance, whether or not prescribed by a Physician.

**General Exclusions:** We will not cover a Disability under the Policy if it is due to:

1. an act or accident of war, declared or undeclared, whether civil or international, and any substantial armed conflict between organized forces of a military nature;
2. intentionally self-inflicted Injuries;
3. active participation in a riot; or
4. committing or attempting to commit a felony.

## WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)

### **Pre-Existing Condition Limitation: 3/12**

Benefits will not be paid during the first 12 months after the Covered Person's Effective Date of insurance if the Disability is caused or contributed to by a Pre-Existing Condition.

**Pre-Existing Condition means:** any Sickness or Injury including Mental Illness, Substance Abuse or Subjective Symptoms for which the Covered Person, within 3 months prior to his Effective Date of insurance was diagnosed by or received Treatment from a legally qualified Physician.

We will credit the amount of time the Covered Person was continuously insured under his prior group Long Term Disability plan towards time he is insured under this Plan to determine if he satisfies the Pre-Existing Condition Limitation, provided that his prior coverage was substantially similar to his coverage under this Plan, and his prior coverage ended not more than 63 days before his coverage under this Plan became effective, excluding any Waiting Period under this Plan.

**Continuity Of Insurance Upon Transfer Of Insurance Carriers:** In order to prevent loss of insurance for a Covered Person because of a transfer of insurance carriers, We will provide insurance for certain Employees as follows:

Employees who are not Actively at Work due to Sickness or Injury:

We will insure the Employee under the Policy if the prior group insurance policy insured him and the cost of his insurance under the prior group insurance policy was paid.

Our payments to the Employee will be limited to the lesser of the Monthly Payment under this Policy or the monthly payment the prior group insurance policy would have paid him, had that policy stayed in effect. Our payments will be reduced by any amount the prior group insurance policy is responsible for paying.

Employees who are Disabled due to a Pre-Existing Condition:

If the Employee was insured by the prior group insurance policy within 60 days prior to becoming eligible for insurance under this Policy, he is Actively at Work and he is insured under this Policy, then he may be eligible for payments under this Policy if his Disability is due to a Pre-Existing Condition.

In order to receive payments from Us, the Employee must satisfy the Pre-Existing Condition Limitation test of:

1. this Policy; or
2. the prior group insurance policy had that policy stayed in effect.

We will give credit toward continuous time covered under both policies. We will determine Our payments using the provisions of this Policy, but the Employee's Weekly Payment will not be more than the maximum monthly payment of the prior group insurance policy.

The Employee's Monthly Payment will end on the earlier of the following:

1. the end of the Maximum Benefit Period under this Policy;
2. the date benefits would have ended under the prior group insurance policy, if the policy had stayed in effect.

Once the Employee has satisfied the Pre-Existing Condition Limitation test of either policy, he will be eligible for a Monthly Payment in accordance with this provision.

**Recurrent Disability:** If the Covered Person's current Disability is related or due to the same causes(s) as his prior Disability for which We made a payment, We will treat his current Disability as part of his prior claim. He will not have to complete another Elimination Period if he returns to Active Work for his employer on a full time basis for 6 consecutive months or less. His Disability will be subject to the same terms of the Policy as his prior claim and will be treated as a continuation of that Disability.

Any Disability which occurs after 6 consecutive months from the date the Covered Person's prior claim ended will be treated as a new claim. His new claim will be subject to all of the provisions, including the Elimination Period.



## **WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)**

If the Covered Person returns to work for another Employer, We will treat a Recurrent Disability the same as established above for the first 6 months following his return to work. Any Recurrent Disability that occurs more than 6 months but less than 12 months after the end of the Covered Person's prior Disability will be treated as a continuation of the prior Disability, but the Covered Person will be required to complete a new Elimination Period.

If the Covered Person becomes entitled to benefits under any other Group Short Term Disability policy, he will not be eligible for payments under the Policy.

**Recurrent Disability means:** a Disability that is:

1. caused by a worsening in the Covered Person's condition; and
2. due to the same cause(s) as his prior Disability for which We made a payment.

**Lump Sum Survivor Benefit:** When We receive proof that the Covered Person died, We will pay in accordance with the Beneficiary section, a lump sum benefit equal to 3 of the Covered Person's monthly Gross Disability Payment if, on the date of the Covered Person's death:

1. his Disability had continued for 180 or more consecutive days; and
2. he was receiving or was entitled to receive a Monthly Payment under the Policy.

If the Covered Person has no living spouse or children, payment will be made to his estate. However, We will first apply the survivor benefit to any overpayment which may exist on the Covered Person's claim.

**Workplace Modification Benefit:** A workplace modification benefit may be payable to the Covered Person's employer if a change is made to the work environment or the way a job is performed to allow the Covered Person to be Actively at Work and to perform the Material and Substantial Duties of his Regular Occupation, or any Gainful Occupation.

To qualify for a benefit:

1. the Covered Person must be Disabled under the terms of the Policy;
2. the employer must agree to make the necessary modifications so that the Covered Person can return to work; and
3. any proposed modifications to the work place must be in writing and approved by Us prior to implementation.
4. In considering any proposed modifications, We have the right to have the Covered Person evaluated by a Physician or other health care professional, or a vocational rehabilitation specialist of Our choice.

When the above qualifications are met, the Covered Person's employer will be reimbursed for the cost of the modification up to a maximum amount for the Workplace Modification Benefit. This benefit is available to the Covered Person on a one-time-only basis, at Our discretion, and will be paid in addition to any other Disability benefits for which the Covered Person qualifies. The Workplace Modification Benefit maximum is \$5,000.

**Rehabilitation Services:** A rehabilitation program is available to assist the Covered Person in his return to work. Participation in this program is voluntary on the part of the Covered Person and will be offered at Our discretion.

Our vocational rehabilitation specialists will review the Covered Person's file to determine if rehabilitation services might help him return to a Gainful Occupation. Once the review is completed, We may offer and pay for a return to work program. We will work with the Covered Person's Physician and other appropriate specialists to develop a plan that best suits the Covered Person's needs.

The return to work program may include, but is not limited to, the following services:

1. coordination with the Covered Person's employer to assist him in his return to work;
2. evaluation of adaptive equipment to allow the Covered Person to work;
3. vocational evaluation to determine how his Disability may impact his employment options;

## **WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)**

4. job placement services;
5. resume preparation;
6. job seeking skills training;
7. retraining for a new occupation; or
8. assistance with relocation that may be part of an approved return to work program.

We reserve the right to make the final decision concerning the Covered Person's eligibility to take part in a rehabilitation program and the amount of any services he will be provided.

During the Covered Person's participation in an approved rehabilitation program, his Gross Disability Payment will be increased by 5% for Rehabilitation Services.

In addition, We will make monthly payments to the Covered Person for 3 months following the date his Disability ends if We determine he is no longer Disabled while:

1. he is participating in Our rehabilitation program; and
2. he is not able to find employment.

**Employee Outreach Services:** We may provide Employee Outreach Services for a Covered Person who has a medical disability accompanied by psychosocial problems that may interfere with his recovery and return to work.

Employee Outreach Services will be provided at our discretion and may include, but are not limited to:

1. service provider referrals; and
2. identifying available community and state resources that may be helpful in the Covered Person's recovery and return to work.

**Social Security Assistance:** If the Covered Person is receiving a payment from Us, We can provide advice to him regarding his Social Security Disability benefits claim and assist him with his application or appeal.

Receiving Social Security Disability benefits may enable:

1. him to receive Medicare after 24 months of disability payments;
2. him to protect his retirement benefits; and
3. his family to be eligible for Social Security benefits.

We can assist the Covered Person in obtaining Social Security disability benefits by:

1. helping him find appropriate legal representation or other assistance;
2. obtaining medical and vocational evidence; and
3. reimbursing pre-approved case management expenses.

### **Claim Information:**

**Notice of Claim:** Written notice of a claim must be given to Us at Our Home Office by the Covered Person within 30 days after the date his Disability begins. If it is not possible, written notice must be given as soon as it is reasonably possible to do so.

The claim form is available from the Covered Person's employer, or can be requested from Us. If the Covered Person does not receive the form from Us within 15 days of his request, written proof of claim should be sent to Us without waiting for the form. Written proof should establish facts about the claim such as date of occurrence, nature and extent of the Disability.

The Covered Person must notify Us immediately when he returns to work in any capacity.

**Filing a Claim:** The Covered Person and his employer must fill out their own section of the claim form and then give it to the Covered Person's attending Physician. The Physician should fill out his section of the form and send it directly to Us.

## **WORKING RETURNS LONG TERM DISABILITY INSURANCE FOR COVERED PERSON (continued)**

**Proof of Claim:** Written proof of claim must be filed within 120 days after the Covered Person's Elimination Period ends. However, if it is not possible to give proof within 120 days, it must be given as soon as it is reasonably possible after the time proof is otherwise required, except in the absence of legal capacity.

Proof of claim must include:

1. the date the Covered Person's Disability began;
2. appropriate documentation of the Disabling disorder;
3. the extent of the Covered Person's Disability, including restrictions and limitations preventing him from being Actively at Work and performing his Regular Occupation;
4. the appropriate documentation of the Covered Person's earnings;
5. the name and address of any Hospital or Medical Facility where the Covered Person received Treatment;
6. the name and address of all Physicians providing Regular Care or specialty care.

We may request that the Covered Person send proof of continuing Disability, satisfactory to Us, indicating that he is under the Regular Care of a Physician. This proof, provided at the Covered Person's expense, must be received within 30 days of a request by Us.

In some cases, the Covered Person will be required to give Us authorization to obtain additional medical information, and to provide non-medical information as part of his proof of claim, or proof of continuing Disability. We will deny a Covered Person's claim or stop sending him payments if the appropriate information is not submitted.

**Payment of Claim:** Except as otherwise noted for specified additional benefits that may be included in the Policy, all benefits are payable to the Covered Person. If a benefit is payable to the Covered Person's estate, to a minor or to someone who is not competent to give a valid release, We have the right to pay up to \$1,000 to any of the Covered Person's relatives whom We consider entitled. Any amount We pay in good faith releases Us from further liability, but only for the amount paid.

**Overpayment of Claim:** We have the right to recover any overpayments due to:

1. fraud;
2. any error We make in processing a claim; and
3. the Covered Person's receipt of Other Income Benefits.

The Covered Person must reimburse Us in full. We will determine the method by which the repayment is to be made. We have the right to recover overpayment from the Covered Person's spouse if living, otherwise children under the age 26, the beneficiary or beneficiaries or the estate.

**Beneficiary:** Benefits are payable to the Covered Person's spouse or to a beneficiary or beneficiaries designated by the Covered Person, other than the Policyholder; but if there is no designated beneficiary as to all or any part this benefit at the death of the Covered Person, then the benefit payable for which there is no designated beneficiary shall be payable to the estate of the Covered Person, except that We may in such case, at Our option, pay such benefit to any one or more of the following surviving relatives of the Covered Person: wife, husband, mother, father, child or children, brothers or sisters.

**Legal Action:** The Covered Person may not bring suit to recover under this section until 60 days after he has given Us written proof of loss. No suit may be brought more than three years after the date of loss.

**WORKING RETURNS LONG TERM DISABILITY INSURANCE**  
**OPTIONAL BENEFITS**  
**CHILD CARE EXPENSE BENEFIT**

While the Covered Person is participating in an approved Rehabilitation Program, We will pay a Child Care Expense Benefit when the Covered Person is Disabled and is incurring expenses to provide care to a child under the age of 13 or to a child age 13 or older who needs ongoing personal care assistance.

The payment of the Child Care Expense Benefit will begin immediately after the Covered Person begins participating in the Rehabilitation Program.

Our payment of the Child Care Expense Benefit will:

1. be \$250 per month, per Dependent Child; and
2. not exceed \$1,000 per month for all child care expenses combined.

To receive this benefit, the Covered Person must provide satisfactory proof that he is incurring expenses that entitle him to the Child Care Expense Benefit. Expenses must be charged by a child care provider who is licensed to provide such services in the jurisdiction in which the services are provided.

The Child Care Expense Benefit will end on the earlier of the following:

1. the date the Covered Person is no longer incurring child care expenses for dependents;
2. the date the Covered Person is no longer participating in an approved Rehabilitation program; or
3. the date benefits terminate under the Termination of Benefits provision of the Policy.

The Child Care Expense Benefit is paid in addition to any other payments the Covered Person receives under the Policy.

If there is no Dependent Child who qualifies for the Child Care Expense Benefit, We will pay the Covered Person a lump sum benefit of \$250.

**WORKING RETURNS LONG TERM DISABILITY INSURANCE**  
**OPTIONAL BENEFITS**  
**MINIMUM INDEMNITY BENEFIT**

When Injury results in any of the Specific Losses listed below within 100 days after the date of an insured accident, We will consider the Covered Person to be Disabled for purposes of this Minimum Indemnity Benefit. The Covered Person will be entitled to a Monthly Payment as calculated in the Calculating the Monthly Payment section of the Policy for the length of time stated below. He will not be required to complete the Elimination Period prior to receiving payments under this Benefit.

<b>Specific Loss</b>	<b>Months Payable</b>
Loss of both hands	48 months
Loss of both feet	48 months
Loss of the entire sight of both eyes	48 months
Loss of speech and hearing	48 months
Loss of one hand and one foot	48 months
Loss of one hand and the entire sight of one eye	48 months
Loss of one foot and the entire sight of one eye	48 months
Loss of one hand	24 months
Loss of one foot	24 months
Loss of the entire sight of one eye	24 months
Loss of speech or hearing	12 months
Loss of the thumb and index finger of the same hand	12 months

Loss of sight means total and irrecoverable loss of sight. Loss of hands or feet means severance at or above the wrist or ankle. Loss of thumb and index finger means the actual, complete and permanent severance through or above the metacarpophalangeal joints. Loss of speech means the total and irrecoverable loss of speech. Loss of hearing means total and irrecoverable loss of hearing.

The Covered Person must provide us with adequate proof of claim. The proof of claim must be signed by the Physician treating the condition that qualifies the Covered Person for benefits under this provision.

Any of the losses described above will be considered total and irrecoverable if such loss cannot be restored or corrected by medical or surgical Treatment.

If more than one loss results from any one accident, We will pay the Minimum Indemnity Benefit only for that loss with the greatest number of Months Payable.

The Minimum Indemnity Benefit will no longer be payable on the earliest of the following dates:

1. the date the Covered Person has received the number of Monthly Payments applicable to his Specific Loss; or
2. the date benefits would otherwise terminate under the Termination of Benefits provision of the Policy.

This Minimum Indemnity Benefit is paid in addition to any other payments the Covered Person receives under the Policy.