

UniCare Life & Health Insurance Company

FORD MOTOR COMPANY

Group Policy Number: 146363

Eligible Classes:

- **All active full time Hourly who are:**

- Seniority Non-Skilled (Hired on or after November 19, 2007)
- Skilled Trade who attained journeyman status on or after November 18, 2019
- Skilled Trades (Hired on or after November 18, 2019)

beginning on the first day after attaining one year of seniority, except those who are eligible for employer paid EDB to age 65 based on age and seniority.

- **All active full time Hourly who are:**

- Skilled Trades (hired or rehired prior to October 24, 2011)
- Skilled Trade (Hired after October 24, 2011 and prior to November 18, 2019)
- Former Entry Level who transitioned to regular employment during 2015
- Those who were hired or rehired after November 19, 2007 and before October 24, 2011 who attained Skilled Trades journeyman status prior to November 18, 2019

beginning on the day after attaining one year and one month of seniority, except those who are eligible for employer paid EDB to age 65 based on age and seniority:

Effective Date: January 1, 2015, as amended November 18, 2019

Your Group Optional Long-Term Disability Insurance Certificate for Buy-up Benefits

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IMPORTANT NOTICE

The Policy contains a Pre-Existing Conditions Exclusion. See the Exclusions section for important details.

Si necesita ayuda en español para entender este documento, puede solicitarla sin costo adicional, llamando al número de servicio al cliente que aparece al dorso de su tarjeta de identificación o en el folleto de inscripción.

Introduction

UniCare Life & Health Insurance Company (UniCare) certifies that it has issued a Group Policy insuring certain employees of the Plan Sponsor.

This Certificate describes the benefits provided as of the effective date, January 1, 2015 and amended November 18, 2019. For purposes of effective dates and ending dates under the Policy, all days begin at 12:01 a.m. and end at 12:00 midnight at the Plan Sponsor's address.

Certain terms of the Group Policy which affect Your insurance are contained in the following pages. UniCare has written this Certificate in plain English. However, a few terms and provisions are written as required by insurance law. UniCare urges You to read Your Certificate carefully and keep it in a safe place.

If the terms and provisions of the Certificate (issued to You) are different from the Policy (issued to the Plan Sponsor), the Policy will govern. Your coverage may be cancelled or changed in whole or in part under the terms and provisions of the Policy.

The Policy was issued in the state of Michigan. Its laws and rules will govern in resolving any questions about the Policy, except to the extent that the Policy may be governed by the Employee Retirement Income Security Act of 1974, as amended (ERISA).

While You remain insured, this booklet is Your Certificate of insurance. It replaces any prior booklet or certificate given to You for the types of insurance described here. It is void and of no effect if You are not entitled to or have ceased to be entitled to the insurance coverage. Many of the provisions of this Certificate are interrelated, and You should read the entire Certificate to get a full understanding of Your coverage. This Certificate also contains exclusions, so please be sure to read this Certificate carefully.

UniCare Life & Health Insurance Company



President and CEO



Secretary

Fraud: Any person who knowingly and with intent to injure, defraud or deceive any insurance company, files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a crime and may be subject to criminal and civil penalties.

Schedule of Benefits

About this Schedule

This Schedule of Benefits shows highlights of the coverage available under the Group Policy. Final interpretation of all provisions and coverages will be governed by the Group Policy on file with UniCare Life & Health Insurance Company at its Administrative Office.

Your amount of insurance is determined by this schedule.

Your Optional Long-Term Disability Benefits help to protect You from loss of income due to a Disability as defined under the Policy. Your Optional Long-Term Disability Benefits are subject to any limitations, maximums, exclusions and reductions under the Policy, including any reductions by Your Deductible Sources of Income. Refer to the Optional Long-Term Disability Insurance Benefits section for details about how Your Monthly Benefit Payment is calculated.

Optional Long-Term Disability Benefit

Benefit Percentage: 40% of base monthly earnings

Maximum Monthly Benefit: \$2800

Minimum Monthly Benefit: At no time will Your Monthly Benefit Payment be less than \$100 per month or 10% of the Gross Monthly Benefit amount, whichever is greater unless otherwise provided under the terms and conditions of the Policy.

Eligibility Waiting Period:

For Full-time Hourly Employees who are:

- Seniority Non-Skilled (Hired on or after November 19, 2007)
- Skilled Trade who attained journeyman status on or after November 18, 2019
- Skilled Trades (Hired on or after November 18, 2019)

First day following one year of seniority, excluding employees who are eligible for employer paid Extended Disability Benefits (EDB) to age 65 based on age and seniority

For Full-time Hourly Employees who are:

- Skilled Trades (hired or rehired prior to October 24, 2011)
- Skilled Trade (Hired after October 24, 2011 and prior to November 18, 2019)
- Former Entry Level who transitioned to regular employment during 2015
- Those who were hired or rehired after November 19, 2007 and before October 24, 2011 who attained Skilled Trades journeyman status prior to November 18, 2019

The day following one year and one month of seniority, excluding employees who are eligible for employer paid EDB to age 65 based on age and seniority

Proof of Insurability is required when the application is received more than 31 days after the employee's Eligibility Waiting Period.

Elimination Period: Exhaustion of Employer-paid EDB

Maximum Benefit Period: To age 65 or when the period specified in the Optional Long-Term Disability Limitations provision of the Policy ends, if that section applies

Schedule of Benefits

If You are eligible for Optional Long-Term Disability Benefits under the Policy, We will send You a Monthly Benefit Payment each month up to the Maximum Benefit Period.

Premium Contributions: Your coverage is Contributory. This means You pay all of the premium for Your Optional Long-Term Disability Benefit coverage. Monthly premium rates are based on Your attained age as of the first of the month following Your birthday. Premiums are payable monthly in advance, and will be deducted by payroll each month from your first monthly check for the premiums due in the following month.

If We receive notice that insurance is being terminated more than 60 days after such termination, We will limit the refund to 2 months premium.

Additional Benefits

ADDITIONAL BENEFIT FOR WORK INCENTIVE
ADDITIONAL BENEFIT FOR VOCATIONAL REHABILITATION

Specific information regarding the Policy and its terms may be obtained from the Plan Sponsor. The provisions, terms and conditions listed in any Policy document, including but not limited to this Certificate may be modified, amended, or changed at any time. Consent from any Insured or beneficiary is not required for such modification, amendment, or change.

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Definitions

Below, the definitions of the Policy are discussed. Where these terms are used in this Certificate, unless specified otherwise, they have the meaning explained here.

Accident or Accidental means accidental bodily Injury which is sustained independently of disease, Illness, or bodily infirmity.

Act or Law means the original enactments of the Act or Law, and all amendments.

Actively at Work means that You are performing the normal duties of Your Own Occupation, and working Your normal hours. You must be working the minimum number of hours per week required for the Plan Sponsor on a permanent full-time basis and must be paid regular earnings.

Your work site must be:

- at the Plan Sponsor's usual place of business; *or*
- at a location to which the Plan Sponsor's business requires You to travel.

You are not considered Actively at Work when You are off work or lose time due to Illness, Injury, Leave of Absence, strike or layoff. Paid days off will count as active work days if You were fully capable of performing normal duties of Your Own Occupation during the paid days off, provided that You were Actively at Work on the last working day prior to the paid days off.

Additional Benefit or **Additional Provision** means an addendum to the Policy which increases or limits coverage for a specified set of conditions. The provisions, limitations, and exclusions in the entire Policy will apply unless specifically stated otherwise in the Additional Benefit or Additional Provision.

Annual Earnings means Your basic annual wages from the Plan Sponsor that are in effect immediately prior to the date Your Disability begins. It does not include overtime, bonuses, commissions or other forms of extra compensation.

Certificate means this document which provides a description of the coverage available under the Policy.

Claimant means a person who has filed a claim for benefits under the Policy.

Class means a grouping of Insureds based on criteria agreed on between the Plan Sponsor and Us.

Contributory means that You pay all of the premium for the coverage.

Disabled and Disability are defined in the Coverage Provisions section of this Certificate.

Disability Work Earnings means monthly earnings which You receive while You are Disabled and working.

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Eligible Employee means You meet all of the following:

- You are a regular full-time employee of the Plan Sponsor, working for pay on a scheduled normal work week; *and*
- You perform that work at the Plan Sponsor's usual place of business, except for duties of a kind that must be done elsewhere; *and*
- You are in a covered employment Class named under the Group Policy; *and*
- You are covered under the Plan Sponsor's Extended Disability Benefit plan; *and*
- You are a legal citizen or legal resident of the United States or Canada. In the case of a legal resident, You will become ineligible for insurance if You leave the United States or Canada for one hundred eighty (180) or more consecutive days.

Temporary, seasonal, or contract employees are not included as Eligible Employees under the Policy.

Eligibility Waiting Period means the continuous length of time that You must serve in an eligible Class to reach Your eligibility date and begin Your coverage. The number of days for Your Eligibility Waiting Period is shown in the Schedule of Benefits.

Elimination Period means the period of continuous Disability which must be satisfied before You are eligible to receive benefits under the Policy. The Elimination Period is shown in the Schedule of Benefits of this plan and begins on the first day that You meet the Definition of Disability.

If You do return to work for less than 90 days during the Elimination Period, those days will interrupt the Elimination Period. However, the Disability will be treated as continuous if it is from the same or related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period.

Full-Time Basis means the ability to work and earn more than 80% of Your Indexed Monthly Earnings. Ability is based on capacity and not market availability.

Gainful Occupation means an occupation that is or can be expected to provide You with an income within 12 months of Your return to work, that exceeds 60% of Your Indexed Monthly Earnings.

Gross Monthly Benefit means Your gross Optional Long-Term Disability Benefit as calculated from the Schedule of Benefits, prior to any reductions for Deductible Sources of Income.

Hospital or Medical Facility means a facility accredited by JCAHO (Joint Commission on Accreditation of Health Care Organizations) duly licensed by the state to provide medical evaluation and treatment of patients under the direction of an active staff of licensed physicians.

Hospitalization means being an in-patient in a Hospital or Medical Facility 24 hours a day.

Illness means a sickness or disease and will include pregnancy. Disability resulting from the sickness or disease must begin while You are covered under the Policy.

Independent Medical Exam means an examination by a Physician of the appropriate specialty for Your condition at Our expense. Such examination, scheduled by Us, may be used for the purpose of determining eligibility for insurance or benefits, including eligibility under Additional Benefits or Additional Provisions, if any, associated with the Policy.

Indexed Monthly Earnings means Your Monthly Earnings adjusted on each anniversary of Monthly Benefit Payments by the lesser of 7% or the current annual percentage increase of the Consumer Price Index. Your Indexed Monthly Earnings may increase or remain the same, but will never decrease.

The Consumer Price Index (CPI-U) is 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-U).

Indexing is only used to determine Your percentage of lost earnings while You are Disabled and working, and in the determination of Gainful Occupation.

Injury means bodily injury resulting directly from an Accident and independent of all other causes, and which produces at the time of the Accident objective symptoms. The Injury must occur and Disability must begin while You are insured under the Policy. An Injury that occurs before You are covered under the Policy will be treated as an Illness for any subsequent claims.

Any Disability which begins 3 consecutive months or more after an Injury will be considered an Illness for the purpose of determining Optional Long-Term Disability benefits.

Insured means an individual covered under the Policy.

Optional Long-Term Disability Benefits are the monthly benefits provided under the terms of the Policy.

Leave of Absence means an arrangement where You and the Plan Sponsor agree that You will not be Actively at Work for a specific period of time and You are expected to be Actively at Work at the end of that period. If You become Disabled while on a Leave of Absence, Monthly Benefit Payments will be based upon Monthly Earnings as last reported to Us immediately prior to the beginning of the Leave of Absence. Refer to When Your Insurance Ends to determine how long Your coverage can be continued during a Leave of Absence.

Material and Substantial Duties means duties that:

- are normally required for the performance of Your Own Occupation or any occupation;
and
- cannot be reasonably omitted or modified, except that We will consider You able to perform the Material and Substantial duties if You are working or have the capability to work your normal scheduled work hours.

Monthly Benefit Payment means the amount of income replacement payable to You while You are Disabled, subject to the terms of the Policy, and after any amounts shown in the Deductible Sources of Income section of the Policy and any Disability Work Earnings have been subtracted.

Monthly Earnings means Your Annual Earnings divided by 12.

Motorized Vehicle means any self-propelled vehicle or conveyance, including but not limited to automobiles, trucks, motorcycles, ATV's, snow mobiles; tractors, golf carts, motorized scooters, lawn mowers, heavy equipment used for excavating, boats, and personal watercraft. Motorized Vehicle does not include a medically necessary motorized wheelchair.

Own Occupation means the occupation that You regularly performed and for which You were covered under the Policy immediately prior to the date Your Disability began. The occupation will be considered as it is generally performed in the national economy, and is not limited to the specific position You held with the Plan Sponsor.

Physician or Health Care Professional means:

- a person licensed to practice medicine in the jurisdiction where such services are performed; *or*
- any other person whose services must be treated as a Physician's for the purposes of the Policy according to applicable law. Each such person must be licensed in the jurisdiction where he or she performs the service and must act within the scope of that license. He or she must also be certified and/or registered if required by such jurisdiction.

Physician does not include:

- You
- Your Spouse
- Anyone employed by the Plan Sponsor, or any business partner of You or the Plan Sponsor
- Any member of Your immediate family, including Your and/or Your Spouse's:
 - Parents
 - Children (natural, step, or adopted)
 - Siblings
 - Grandparents
 - Grandchildren
 - In-Laws

Plan Sponsor means the employer who makes the Policy available to You.

Policy or Group Policy means the policy issued by Us to the Plan Sponsor and described in this Certificate.

Proof means evidence satisfactory to Us that the terms and provisions of the Policy have been met. Proof may include but is not limited to: questionnaires, physical exams, or Written documentation and records as required by Us. Proof must be received by Us at Our

Administrative Office. All Proof must be given at Your expense (or that of Your representative or beneficiary), unless otherwise specifically provided by the terms of the Policy. If any additional Proof is reasonably required by Us, You may be required to give Us authorization to obtain such additional Proof. The following are some specific types of Proof referenced under the Policy.

Proof of Claim or Proof of Disability means evidence satisfactory to Us that a person has satisfied the conditions and requirements for a benefit under the Policy. The Proof must establish:

- the nature and extent of the loss or condition; *and*
- Our obligation to pay the claim under the Policy; *and*
- the Claimant's right to receive payment.

Proof of Insurability means evidence satisfactory to Us of a person's health and other information related to insurability that We use which enables Us to determine whether the person can become insured, or is eligible for an increase in coverage.

Recurrent Disability means a Disability which is related or due to the same cause(s) as a prior Disability for which a benefit was payable.

Regular Care means:

- You are under the continuing care of and personally visit a Physician as frequently as is medically required according to standard medical practice, to effectively diagnose, manage and treat Your disabling condition(s); *and*
- You are receiving appropriate treatment and care of Your disabling condition(s) which conforms with standard medical practice by a Physician whose specialty and clinical experience is appropriate for Your disabling condition(s) according to standard medical practice.

Retirement Plan means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to employees and are not funded entirely by employee contributions.

Sign or Signed means use of any symbol or method executed or adopted by a person with the present intention to authenticate a record. Such authentication may be executed and/or transmitted by paper or electronic media, provided it is acceptable to Us and consistent with applicable law.

We, Us, and Our mean the insurer, UniCare Life & Health Insurance Company.

Wellness Programs include, but are not limited to appropriate programs for dietary and nutritional improvement, weight management, smoking cessation, abstention from excessive or illegal use of alcohol or narcotics, regular participation in exercise activities, stress management, pain management, behavioral therapy, coaching, and the regular taking of prescribed medications.

Written or Writing means a record which is on or transmitted by paper or electronic media which is acceptable to Us and consistent with applicable law.

You and Your means an Eligible Employee.

Other terms are defined elsewhere under the Policy.

When Insurance Begins and Ends

This section tells how You may become insured.

Obtaining Your Insurance

To obtain insurance under the Policy, You must be an Eligible Employee and be Actively at Work.

Specific information regarding the Group Policy and its terms may be obtained from the Plan Sponsor. If You are an Eligible Employee on the effective date of the Policy, You are eligible for insurance on that date.

Otherwise, You become eligible on the date You satisfy the Eligibility Waiting Period shown in the Schedule of Benefits.

If You have been continuously employed by the Plan Sponsor for a period of time equal to the Eligibility Waiting Period, we will waive the Eligibility Waiting Period when You enter an eligible Class.

Enrollment

You must enroll for Your insurance. You must agree to pay the required premium and complete and Sign a group enrollment form that is approved for that purpose by Us. If Proof of Insurability is required for any coverage, the completed Proof of Insurability statement must be sent to Us at our Administrative Office.

Effective Date of Insurance

Once You have become eligible for insurance, this section tells when Your insurance will begin. Except as explained in this section, Your insurance will begin the date You become eligible for such insurance.

The Plan Sponsor requires You to contribute the full cost of Your insurance. Any such Contributory insurance will not become effective for You before You Sign a form agreeing to make those contributions. The form may be obtained from Us. If You Sign the form more than 31 days after You became eligible, Your Contributory insurance will be deferred until the date We approve Your Written Proof of Insurability.

Your insurance begins on the first day You are Actively-at- Work coincident with or following *one* of the dates below:

- If Your application to become insured is completed on or before the earliest date on which You may become insured, Your insurance will take effect on that earliest date; *or*
- If Your application to become insured is completed no more than 31 days after the earliest date on which You may become insured, Your insurance will take effect on the date Your application has been completed; *or*
- If Your application to become insured is completed more than 31 days after the earliest date on which You may become insured, Your insurance will take effect on the date on which We have, in Writing, either approved Proof of Insurability or waived, in Writing, such requirement. Any Proof of Insurability must be provided without expense to Us.

If You are required to give Proof of Insurability for all or a portion of Your insurance, that insurance for which Proof of Insurability is required begins on the date We approve, in Writing, Your Proof of Insurability.

Delayed Effective Date of Your Insurance

If You are not Actively-at-Work on the date Your insurance would otherwise begin, Your insurance begins on the date You are again Actively at Work.

Becoming Insured Again After Your Insurance Ends

If Your employment ends and You are re-hired, You may become insured again on the same basis as a newly hired Eligible Employee subject to the provisions in the Effective Date of Insurance section. However, if Your employment is reinstated, You will not be required to satisfy a new Eligibility Waiting Period if:

- You enroll for this coverage within 31 days of your reinstatement; and
- You were insured for this coverage at the time You left the Plan Sponsor's employment; and
- Your Plan Sponsor-paid disability coverage is reinstated.

Proof of Insurability Provision

You must give Proof of Insurability:

- If You enroll for insurance under the Policy more than 31 days after the date You become an Eligible Employee; *or*
- If Your insurance would increase because of a change in Your Class membership or a change in the amount of Your Annual Earnings and the Plan Sponsor does not tell Us in Writing about the change within 31 days after the change occurs; *or*
- If Your insurance ended at Your request or because a premium was not paid by You and You are re-applying for coverage.

We will use the Proof of Insurability form and other information You give as Proof of Insurability to determine whether You can become insured. If the Proof of Insurability is not satisfactory to Us, the insurance for which You are required to give Proof of Insurability will not take effect. If the Proof is accepted, Your insurance will take effect on the date We approve Your Proof of Insurability in Writing.

Changes in Insurance

Change in Class or Monthly Earnings

The amount of Your insurance may change if:

- You become a member of a different Class; *or*
- The amount of Your Annual Earnings changes.

If the change would *increase* Your amount of insurance, the increase takes effect on the first day You are Actively at Work following the *latest* of the date:

- The change occurs; *or*
- The Plan Sponsor tells Us in Writing about a change in Class or a change in the amount of Your Annual Earnings; *or*
- We approve, in Writing, Your Proof of Insurability, if You are required to give Proof of Insurability.

If the change would *decrease* the amount of insurance, the decrease takes effect on the date of the change.

When Insurance Ends

Your insurance coverage will end on the first to occur of the following dates:

- the date the Policy is canceled; *or*
- The date on which You cease to be a member of a Class under the Policy; *or*
- The date Your employment terminates because you quit or are discharged. However, if your employment terminates:
 - a) Because you overstayed a leave, coverage terminates at the end of the month in which your seniority is broken; *or*
 - b) For any other reason not listed here, then coverage terminates at the end of the month in which employment terminates.

For the purpose of this provision, employment terminates when You are no longer Actively at Work, unless due to Disability; *or*

- The date the Policy is changed to end the insurance for Your Class; *or*
- The last day of the period for which premium was paid, if a premium is not paid when due; *or*
- Preceding the date of Your death; *or*
- The date Your Monthly Benefit Payments end, if You are not again Actively at Work the following day; *or*
- The date You cease to be an Eligible Employee as defined in the Definitions of the Policy; *or*
- You request, in Writing, for Your insurance to be terminated; *or*
- The date You cease to be Actively at Work. However, the Plan Sponsor may allow You to continue Your insurance (unless it ends due to any of the above reasons) during the following periods:
 - a) until the end of month following the month You cease to be Actively at Work due to a temporary layoff; *or*
 - b) during an absence from work due to a Leave of Absence that is in compliance with the Family Medical Leave Act of 1993 (“FLMA”) or applicable state, family and medical leave law; *or*
 - c) while You are on an approved non-medical leave of absence including while serving in the capacity of a Local Union Representative but not while serving in the capacity of an International Union Representative; *or*
 - d) while You are on a medical leave and receiving benefits under the Plan Sponsor’s EDB plan.

If You voluntarily terminate your insurance or stop paying for the insurance, the insurance terminates on the last day of the period for which premium was paid. If You want to reinstate the insurance, You may re-enroll with Proof of Insurability being required.

Any Leave of Absence must have been authorized in Writing by the Plan Sponsor. Unless otherwise specifically stated under the terms of the Policy, all premiums required by the Policy must be paid in order for any continuance of insurance provision to be applicable.

If coverage is continued in accordance with the Leave of Absence provisions above, such continued coverage will cease immediately if any one or more of the following events occurs:

- the leave terminates prior to the agreed upon date; *or*
- the Policy terminates; *or*
- You fail to pay premium when due; *or*
- the Policy no longer insures Your Class.

During the period that You are Disabled, Your Monthly Benefit Payments *will not* be affected by:

- termination or cancellation of the Plan Sponsor's Policy; *or*
- termination of Your coverage; *or*
- termination of Your employment; *or*
- any amendment to the Policy that becomes effective after the date You are Disabled.

Coverage Provisions

Description of the Coverage

The pages of this section specify when Policy benefits will be paid. Conditions governing whether, and how much benefit is paid are also discussed in this section.

To receive Policy benefits, You must be insured under the terms of the Policy, and as described in the When Insurance Begins and Ends section. Then, Your amounts of insurance are as shown in the Schedule of Benefits, subject to the terms of the Policy.

Definition of Disability and Disabled for Optional Long-Term Disability

Disabled and **Disability** mean during the Elimination Period and the next 24 months because of Your Injury or Illness, *all* of the following are true:

- You are unable to do the Material and Substantial Duties of Your Own Occupation on a Full-time basis; *and*
- You are receiving Regular Care from a Physician for that injury or illness; *and*
- Your Disability Work Earnings, if any, are equal to or less than 80% of Your Indexed Monthly Earnings.

Thereafter, Disabled and Disability mean because of Your Injury or Illness *all* of the following are true:

- You are unable to do the duties of any Gainful Occupation for which You are or may become reasonably qualified by education, training, or experience; *and*
- You are receiving Regular Care from a Physician for that injury or illness; *and*
- Your Disability Work Earnings, if any, are equal to or less than 60% of Your Indexed Monthly Earnings.

Your Disability must start while You are insured under the Policy.

Your loss of earnings must be a direct result of Your Injury or Illness. You will not be considered Disabled from an occupation solely due to:

- Loss, suspension, restriction or failure to maintain a professional license, occupational license, permit or certification; *or*
- Loss of earnings due to economic factors such as, but not limited to, recession, job elimination, job restructuring, temporary layoffs, pay cuts and job-sharing; *or*
- The Plan Sponsor's work schedule that is inconsistent with the normal work schedule of Your Own Occupation; *or*
- Your relationship with the Plan Sponsor or other employees of the Plan Sponsor; *or*
- Failure or inability of the Plan Sponsor to maintain the workplace in a manner consistent with the normal physical environment of Your Own Occupation; *or*

- Your inability to work more than 40 hours per week in the occupation, even if You were regularly required to work more than 40 hours per week prior to Your Injury or Illness.

Disability Work Earnings means for Optional Long-Term Disability benefits, monthly earnings which You receive while You are Disabled and working.

Optional Long-Term Disability Insurance Benefits

Optional Long-Term Disability benefits will be payable for a period of Disability in accordance with the terms of the Policy, if:

- The Disability starts while You are insured under the Policy; *and*
- The Disability continues during and past the Elimination Period; *and*
- We receive Proof of Your Disability.

The Optional Long-Term Disability Benefit and the Maximum Benefit Period are shown in the Schedule of Benefits. The Optional Long-Term Disability Benefit may be reduced in accordance with the provisions of the Deductible Sources of Income section of the Policy. The Optional Long-Term Disability Benefit will not:

- exceed Your amount of coverage; *or*
- be paid for longer than the Maximum Benefit Period.

You will begin to receive payments when We approve Your claim, provided the Elimination Period has been met. We will send You a payment each month for Optional Long-Term Disability benefits for any period for which We are liable.

Calculating Your Optional Long-Term Disability Benefit

Part A.

If You are Disabled and not working, or Disabled and working and Your Disability Work Earnings are less than or equal to 20% of Your Indexed Monthly Earnings.

We will use the following process to calculate Your Monthly Benefit Payment:

1. Multiply Your Monthly Earnings by 40%.
2. The maximum benefit is \$2800 per month.
3. Compare the answer from Item 1 with the maximum benefit. The lesser of these two amounts is Your Gross Monthly Benefit.
4. Subtract from Your Gross Monthly Benefit any Deductible Sources of Income.

The amount calculated in Item 4 is Your Monthly Benefit Payment.

Part B.

If You are Disabled and working, and Your Disability Work Earnings are more than 20% but less than or equal to 80% of Your Indexed Monthly Earnings.

During the first 12 months of payments, the sum of Your Monthly Benefit Payment plus Disability Work Earnings may be less than or equal to, but not more than, 100% of Your Indexed Monthly Earnings. If the sum exceeds 100% of Your Indexed Monthly Earnings, We will reduce Your payment under the Policy by the excess amount.

To determine whether the sum of Your Monthly Benefit Payment plus Disability Work Earnings is less than or equal to or exceeds 100% of Your Indexed Monthly Earnings, We will use the following process:

1. Multiply Your Monthly Earnings by 40%.
2. The maximum benefit is \$2800 per month.
3. Compare the answer from Item 1 with the maximum benefit per month. The lesser of these two amounts is Your Gross Monthly Benefit.
4. Add Your Disability Work Earnings to Your Gross Monthly Benefit.

If the answer in Item 4 above is less than or equal to 100% of Your Indexed Monthly Earnings, Your Monthly Benefit Payment will be Your Gross Monthly Benefit minus any Deductible Sources of Income.

If the answer in Item 4 above is greater than 100% of Your Indexed Monthly Earnings, We will use the following process to calculate Your Monthly Benefit Payment:

- a. Add Your Disability Work Earnings to Your Gross Monthly Benefit.
- b. From the answer in Item a, subtract Your Indexed Monthly Earnings. If the result is zero or less, record Your answer as zero.
- c. From Your Gross Monthly Benefit, subtract the answer in Item b and any Deductible Sources of Income.

The amount calculated in Item c is Your Monthly Benefit Payment.

After 12 months of Monthly Benefit Payments, You will receive payments based on the percentage of income You are losing due to Your Disability. We will use the following process to calculate Your Monthly Benefit Payment:

1. Subtract Your Disability Work Earnings from Your Indexed Monthly Earnings.
2. Divide the answer in Item 1 by Your Indexed Earnings. The result is Your percentage of lost earnings.
3. From Your Gross Monthly Benefit, subtract any Deductible Sources of Income.
4. Multiply the answer in Item 2 by the answer in Item 3.

The answer in Item 4 is Your Monthly Benefit Payment.

MINIMUM MONTHLY BENEFIT

The minimum Monthly Benefit Payment is the greater of:

- \$100; *or*
- 10% of your Gross Monthly Benefit.

We may apply this amount toward an outstanding overpayment, as described in the Recovery of Overpayment provision.

If Your Disability Work Earnings Fluctuate

If Your Disability Work Earnings routinely fluctuate widely from month to month, We may average Your Disability Work Earnings over the most recent three months to determine if Your claim should continue.

If We average Your Disability Work Earnings, then subject to the other terms of the Policy, We will not terminate Your claim unless the average of Your Disability Work Earnings for a three month period exceeds 80% of Your Indexed Monthly Earnings.

We will not pay You for any month during which Your Disability Work Earnings exceed the amount allowable under the Policy.

Cost of Living Freeze

After the first deduction for Social Security Benefits has been made to the Optional Long-Term Disability Benefit, the Monthly Benefit Payment will not be further reduced due to any cost of living increases for Social Security Benefits. This cost of living freeze does not apply to Disability Work Earnings or to any increases in income You earn from any form of employment.

Recurrent Disability Provision for Optional Long-Term Disability

If You have a Recurrent Disability, and after Your prior Disability ended, You return to work for the Plan Sponsor for less than 3 consecutive months, We will treat Your Disability as part of Your prior claim and You do not have to complete another Elimination Period.

Your Monthly Benefit Payment will be based on Your Monthly Earnings as of the date of Your initial claim.

Your Disability, as outlined above, will be subject to the same terms and conditions of the Policy as Your prior claim.

Your Disability will be treated as a new claim if Your current Disability:

- is unrelated to Your prior Disability; *or*
- after Your prior Disability ended, You returned to work for the Plan Sponsor for 3 or more consecutive months.

The new claim will be subject to all of the provisions of the Policy, and You will be required to satisfy a new Elimination Period.

If the Policy terminates, You will not be eligible for benefits under this provision, unless You became Disabled due to the Recurrent Disability prior to the Policy termination.

Period of Disability extended by a new condition

If a period of Disability is extended by a new condition while You are receiving Monthly Benefit Payments, then the extension of the period of Disability will be treated as a part of the same continuous period of Disability, subject to the same Maximum Benefit Period. All other requirements, limitations and exclusions of the Policy will apply to the new condition as well as to the original cause of Disability.

When Optional Long-Term Disability Benefits End

Monthly Benefit Payments end on the *earliest* of the date:

1. You are no longer Disabled under the terms of the Policy; *or*
2. You are no longer receiving, accepting or following Regular Care from a Physician; *or*
3. The Maximum Benefit Period from the Schedule of Benefits ends; *or*

4. The period specified in the Optional Long-Term Disability Limitations provision of the Policy ends, if that section applies; *or*
5. Preceding the date of Your death; *or*
6. We ask You for Proof that You are still Disabled, if We do not receive Proof of Disability within 31 days of Our request; *or*
7. We ask You for details about Your Deductible Sources of Income, including Your tax returns, if You do not give Us details within 31 days of Our request; *or*
8. We ask You to be examined by:
 - a Physician; *or*
 - a health care professional,if You do not reasonably cooperate with the examiner or if You unreasonably decline to be examined; *or*
9. You work, unless You are working as part of a Vocational Rehabilitation Program approved by Us; *or*
10. Your Disability Work Earnings exceed the amount allowable under the Policy; *or*
11. You cease to reside in the United States or Canada. If You are outside the United States or Canada for a total period of 6 months or more during any 12 consecutive months of Benefit Payments, You will be considered to have ceased to reside in the United States or Canada; *or*
12. You decline to participate in a Vocational Rehabilitation Program that We consider appropriate for You based on Your education, training, work experience, skills, interests and Disability; *or*
13. You are confined to a penal or correctional institution; *or*
14. With respect to a Mental Illness, that You are not under the continuing Regular Care of a Physician specializing in psychiatric care; *or*
15. With respect to Alcoholism and Drug Addiction, that You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by Us; *or*
16. You or Your Physician fail to submit any medical or psychiatric information requested by Us; *or*
17. You would be able to work in Your Own Occupation on a part-time basis earning more than 20% of Your Monthly Earnings, but choose not to do so; *or*

18. You would be able to increase Your current earnings to more than 80% of Your Monthly Earnings by increasing the number of hours worked or the number of duties performed in Your Own Occupation, but choose not to do so; *or*
19. You refuse to make a good faith effort to adhere to necessary Wellness Programs that your Physician has recommended and that are generally acknowledged by Physicians to cure, improve or reduce the disabling effect of the Illness or Injury for which You are claiming benefits under the Policy. We will work with your treating Physician to determine the necessary Wellness Programs, if any, in accordance with generally accepted medical standards.

We will give You 30 days prior written notice of Our intent to apply this provision for failure to adhere to Wellness Programs to terminate Your benefits. During those 30 days You will have an opportunity to begin or resume reasonable efforts to adhere to the medically necessary Wellness Programs. We will not terminate benefits if there is no reasonable basis for believing that You will be able to return to productive employment in your Own Occupation or another Gainful Occupation on a full-time or part-time basis if You adhere to the recommended Wellness Programs.

If it is determined that You have applied for benefits under fraudulent circumstances, benefit payments will cease and the appropriate fraud defense action will be taken.

Benefits after Policy Cancellation

Cancellation of the Policy does not by itself affect Your right to receive Optional Long-Term Disability Benefits for a Disability that begins while You are insured under the Policy. You must continue to comply with all requirements of the Policy. All terms and conditions of the Policy will apply.

Premium Waiver

With respect to Optional Long-Term Disability Benefits, We do not require premiums to be paid for the period during which You are receiving Monthly Benefit Payments. Premium payments will be required during the Elimination Period and after Your Monthly Benefit Payments end, if You continue to be insured under the Policy.

This premium waiver will begin on the premium due date that falls on or next follows the date You meet all of the conditions to qualify for premium waiver, as stated above.

We will continue to waive Your premiums until the first of the month following the date that the first of the following occurs:

- the date You are no longer Disabled;
- the end of the Maximum Benefit period from the Schedule of Benefits;
- the date Your coverage under the Policy ends.

If You return to work and are an Eligible Employee on the date premium waiver ends, Your coverage will be continued subject to payment of the required premium. If You are not an Eligible Employee on the date premium waiver ends, Your coverage will end.

Optional Long-Term Disability Limitations

Mental Illness, Alcoholism, Drug Addiction

Monthly Benefit Payments are limited to a maximum of 24 months during Your lifetime for Disability caused by or related to *any* of the following:

- Mental Illness; *or*
- Alcoholism; *or*
- Drug Addiction.

This is not a separate maximum for each condition or for each period of Disability. This is a combined maximum for all periods of Disability and for all of these conditions.

However, if You are confined to a Hospital or Medical Facility because of Disability at the end of the 24 months We will continue Monthly Benefit Payments during Your confinement and for up to 60 days after You are discharged if You are still Disabled.

If within 60 days after You are discharged You are re-confined for at least 10 consecutive days because of the same Disability, then We will make Monthly Benefit Payments during Your re-confinement and for up to 60 days after You are discharged if You are still Disabled.

Monthly Benefit Payments may end earlier than stated above in accordance with the conditions of the When Disability Benefits End section.

Mental Illness means any psychiatric or emotional illness or disease listed in the Diagnostic and Statistical Manual. Such conditions are usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment. Mental Illness includes, but is not limited to, each of the following:

- Neurotic disorders such as, but not limited to, anxiety, dissociative disorders, phobias, depression and obsessive compulsive disorders; *or*.
- Psychotic disorders such as, but not limited to, schizophrenia, dementia, paranoid psychosis and affective disorders; *or*
- Personality disorders such as, but not limited to, sociopathic personality; *or*
- Syndromes such as, but not limited to, organic brain syndromes, amnesia syndromes and organic delusional or hallucinogenic syndromes.

Mental Illness excludes demonstrable structural brain damage. We will not apply the Mental Illness limitation to dementia if Proof is given that the dementia is a result of stroke, trauma, viral infection, or Alzheimer's disease.

The Diagnostic and Statistical Manual is a reference work developed by the American Psychiatric Association and designed to provide guidelines for the diagnosis and classification of mental disorders. If the Diagnostic and Statistical Manual is discontinued or changed, another comparable reference may be used by Us.

Alcoholism means an addictive relationship or pattern of use of alcohol.

Drug Addiction means an addictive relationship or pattern of use of drugs, chemicals, or similar substances.

Special Conditions

Monthly Benefit Payments are limited to a maximum of 24 months during Your lifetime for Disability caused by or related to the conditions listed in this provision.

This is not a separate maximum for each condition or for each period of Disability. This is a combined maximum for all periods of Disability and for all of these conditions.

However, if You are confined to a Hospital or Medical Facility because of Disability at the end of the 24 months, We will continue Monthly Benefit Payments during Your confinement and for up to 60 days after You are discharged if You are still Disabled.

If within 60 days after You are discharged You are re-confined for at least 10 consecutive days because of the same Disability, then We will make Monthly Benefit Payments during Your re-confinement and for up to 60 days after You are discharged if You are still Disabled.

Monthly Benefit Payments may end earlier than stated above in accordance with the conditions of the *When Disability Benefits End* section.

Special Conditions include, but are not limited to:

1. Chronic fatigue syndrome;
2. Environmental allergic illness;
3. Headaches;
4. Fibromyalgia;
5. Fibrositis;
6. Stress-related pain;
7. Over-use syndrome;
8. Manifestations of Your condition which You tell Your Physician, that are not verifiable using tests, procedures or clinical examinations standardly accepted in the practice of medicine.
9. musculoskeletal and connective tissue disorders of the neck and back including any disease or disorder of the cervical, thoracic and lumbosacral back and its surrounding soft tissue including sprains and strains of joints and adjacent muscles, except:
 - a) arthritis;
 - b) ruptured intervertebral discs;
 - c) scoliosis;
 - d) spinal fractures;
 - e) osteopathies;
 - f) spinal tumors, malignancy or vascular malformations;
 - g) radiculopathies, documented by electromyogram;
 - h) spondylolisthesis, grade II or higher;
 - i) myelopathies and myelitis;
 - j) demyelinating diseases; or
 - k) traumatic spinal cord necrosis.

DEDUCTIBLE SOURCES OF INCOME

Deductible Sources of Income, except for Retirement Benefits, must be payable as a result of the same disability for which We pay a benefit. We will require You to apply for any of the Deductible Sources of Income for which You may be eligible, except for Retirement Benefits that would only be provided on a reduced basis. You may be required to sign a reimbursement agreement stating that if You receive any payments for Deductible Sources of Income, You will reimburse Us for any overpayment of benefits. You must immediately disclose to Us the amount of any retroactive payment You may receive from any of the Deductible Sources of Income.

The following are Deductible Sources of Income:

1. The amount that You receive, or are eligible to receive, under:
 - a workers' compensation law; *or*
 - an occupational disease law; *or*
 - any other Act or Law with similar intent.

2. The amount that You receive, or are eligible to receive, as disability income payments under any:
 - state compulsory benefit Act or Law; *or*
 - governmental retirement system as a result of Your employment with the Plan Sponsor; *or*
 - Veteran's Administration or any other foreign or domestic governmental agency; *or*
 - automobile liability insurance policy; *or*
 - individual disability income plans which are wholly or partially paid for by the Plan Sponsor; *or*
 - other group insurance plan; *or*
 - any plan or arrangement of disability coverage, whether insured or not, resulting from Your employment by or association with the Plan Sponsor or any employer, or resulting from Your membership in or association with any group, association, union or other organization.

3. The amount that You receive, or are eligible to receive, as disability payments or the amount You receive as retirement payments under:
 - The United States Social Security Act; *or*
 - the Canada Pension Plan; *or*
 - the Quebec Pension Plan; *or*
 - any similar plan or act.

We will not offset with any amount received by Your spouse or dependents.

4. The amount that You:
 - receive as disability payments under the Plan Sponsor's Retirement Plan;
 - voluntarily elect to receive as retirement payments under the Plan Sponsor's Retirement Plan;
 - are eligible to receive as retirement payments when You reach the later of age 62 or normal retirement age, as defined in the Plan Sponsor's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits which are paid due to disability and do not reduce the retirement benefit which would have been paid if the disability had not occurred.

Retirement payments will be those benefits which are paid based on the Plan Sponsor's contribution to the Retirement Plan. Disability benefits which reduce the retirement benefit under the plan will also be considered as a retirement payment.

Regardless of how the retirement funds from the Retirement Plan are distributed, We will consider the Plan Sponsor and Your contributions to be distributed simultaneously throughout Your lifetime.

5. The amount You receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).
6. The amount You receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.
7. The amount You receive under the mandatory portion of any "no fault" motor vehicle plan.
8. The amount You receive under any salary continuation or accumulated sick leave plans.
9. Commissions, severance allowance, sick pay or any similar employer sponsored paid time off plan where You receive income from the employer, vacation pay or any salary continuation plan. Any earnings from any work or employment may be used to reduce Your Monthly Benefit Payment unless otherwise specified by the terms of the Policy.

Lump Sum Payments

If You receive a lump sum payment of a Deductible Source of Income, We will deduct the lump sum from Your Monthly Benefit Payment by pro-rating the lump sum on a monthly basis over the time period for which the lump sum was given. If no time period is stated, the lump sum will be pro-rated based on the lesser of the Maximum Benefit Period or Your expected lifetime as determined by Us.

NON-DEDUCTIBLE SOURCES OF INCOME

We will not subtract from Your Monthly Benefit Payment any income You receive from the following:

1. 401(k) plans;
2. profit sharing plans;
3. thrift plans;
4. tax sheltered annuities;
5. stock ownership plans;
6. credit disability insurance;
7. non-qualified plans of deferred compensation;
8. military pension and disability income plans;
9. individual disability plans paid by the Employee;
10. a retirement plan from another plan sponsor;
11. individual retirement accounts (IRA).

If You May Qualify for Deductible Income Benefits

When We determine that You may qualify for benefits under items 1, 2 and 3 in the Deductible Sources of Income section, We will estimate Your entitlement to these benefits. We can reduce Your payment by the estimated amounts if such benefits:

- have not been awarded or denied; *or*
- have been denied and the denial is being appealed.

Estimate and Deduction for Social Security Benefits

You must apply for benefits under the Federal Social Security Act if there is a reasonable basis for application. To apply for Social Security benefits means to pursue such benefits until You receive approval from the Social Security Administration, or a notice of denial of benefits from an administrative law judge.

We will reduce the amount of Your Monthly Benefit Payments by the amount of Social Security benefits We estimate that You are eligible to receive because of Your Disability or retirement. We will start to do this after 6 months of Monthly Benefit Payments, unless We have received:

- Proof of the approval of Your claim for Social Security Benefits; *or*
- Proof of denial of Social Security Benefits, which shows that all levels of appeal have been exhausted.

However, within 6 months following the date You became Disabled, You must:

- Send Us Proof that You have applied for Social Security Benefits; *and*
- Sign a reimbursement agreement in which You agree to repay Us for any overpayments We may make to You under the Policy; *and*
- Sign a release that authorizes the Social Security Administration to provide information directly to Us regarding Your Social Security benefits eligibility.

If You do not satisfy the above requirements, We will reduce Your Monthly Benefit Payments by such estimated Social Security benefits starting with the first Monthly Benefit Payment coincident with the date You were eligible to receive Social Security benefits.

When You receive approval or final denial for Your claim for Social Security benefits as described above, You must notify Us immediately. We will adjust the amount of Your Monthly Benefit Payment. You must promptly repay Us for any overpayment.

Recovery of Overpayment

We have the right to recover any amount that We determine to be an overpayment. This includes any prior or current overpayment from any past, current or new payable claim under the Policy. An overpayment occurs if We determine that:

- The total amount paid by Us on Your claim is more than the total amount then due to You under the Policy; *or*
- Payment made by Us should have been made under another plan.

If such overpayment occurs, You have an obligation to reimburse Us in full within 60 days of Our Written notice to You.

If We do not receive reimbursement in full within 60 days, We may use any available legal means to collect the overpayment, including but not limited to one or both of the following:

- Taking legal action;
- Stopping or reducing any future payments under the Policy, including the Minimum Monthly Benefit or any Additional Benefit or Additional Provision benefits, which might otherwise be payable to You or any other Claimant or payee.

You must immediately disclose to Us the amount of any retroactive payment You may receive from any of the Deductible Sources of Income. We have the right to obtain any information We may require relating to Your eligibility, application or receipt of Deductible Sources of Income. You must provide Us with Your Signed authorization to obtain such information upon Our request.

Adjustment for Underpayment

If We determine that You have been paid less than You are entitled to under the Policy, We will pay You the difference in one lump sum.

Proration

Any Optional Long-Term Disability Benefit payable for less than a month will be prorated based on a 30 day month. The prorated amount may be less than the Minimum Monthly Benefit.

Awards of Damages and Right of Reimbursement

You will be required to reimburse Us for any benefits We pay to You if *both* of the following conditions are met:

1. Benefits are paid or payable under the Policy; *and*
2. You recover damages whether by action at law, settlement, or compromise from any person, organization, or legal entity that is or may be liable for any Illness, Injury, or other event giving rise directly or indirectly, to the Disability for which benefits are payable.

The term damages will include all lump sum or periodic payments however designated You receive under paragraph number 2 above. The provisions of this section shall apply whether or not the person, organization, or legal entity admits liability.

If You receive damages in one or more lump sum payments instead of in monthly or weekly payments, the amount You must reimburse to Us will be based on the amount of the award prorated over the period benefits have been or will be paid. You must provide satisfactory Proof of the award to Us, or We will reasonably estimate the amount to be reimbursed. The Plan Sponsor shall have rights to the first reimbursement and We will have rights to second reimbursement out of all funds You, Your parents if You are a minor, or Your legal representative, is or was able to obtain under the conditions outlined above.

Your lawyer may represent Our rights of reimbursement. However, We reserve the right to:

- Appoint another lawyer to act on Our behalf; *and*
- Commence an action to pursue Our rights of reimbursement directly against a third party.

As an Insured, You must:

- Agree to fully co-operate with Us in pursuing Our claim against the third party, including but not limited to the furnishing of any information, documents, or other assistance We may reasonably require.
- Agree to notify Us of any action You have or bring against any third party.

ADDITIONAL BENEFIT FOR VOCATIONAL REHABILITATION

If You are Disabled and receiving Monthly Benefit Payments under the Policy, You may be eligible for Vocational Rehabilitation services.

Vocational Rehabilitation Program means a program of services that have been approved by Us for the purpose of helping You to return to work. The Vocational Rehabilitation Program may include, at our sole discretion but is not limited to, the following services:

1. coordination with Your Plan Sponsor to assist You to return to work;
2. evaluation of adaptive equipment or job accommodations to allow You to work;
3. evaluation of possible workplace modifications which might allow You to return to work in Your Own Occupation or another job or occupation;
4. vocational evaluation to determine how Your disability may impact Your employment options;
5. job placement services, including resume preparation services and training in job-seeking skills;
6. alternative treatment plans such as recommendations for support groups, physical therapy, occupational therapy, or other treatment designed to enhance Your ability to work.

We will determine the extent to which these services may be provided. We will pay the service provider(s) for these services unless We agree to other arrangements.

Our decision to offer a Vocational Rehabilitation Program will be based on:

1. Your education, training and experience;
2. Your transferable skills;
3. Your physical and mental abilities;
4. Your motivation to return to active employment;
5. the labor force demand for workers in the proposed occupation in Your geographic area;
6. the expected liability for Your Optional Long-Term Disability claim.

To qualify for these services, You must:

1. have a Disability which prevents You from performing some or all of the Material and Substantial Duties of Your Own Occupation;
2. lack the skills, training, or experience You would need to perform another Gainful Occupation;
3. possess the physical and mental abilities You need to complete a rehabilitation program;
4. be reasonably expected to return to active employment with the assistance of these services.

A Vocational Rehabilitation Program proposal may be made either by Us, Your Physician or You. We will prepare a written program with input from You, Your Physician, Your current employer and/or Your prospective employer. Once We approve a program, You will be provided services according to the written program.

The written program will describe:

1. the goals of the Vocational Rehabilitation Program;
2. Our responsibilities;
3. Your responsibilities;
4. the responsibilities of any third party(ies) associated with this program;
5. the expected dates of the services;
6. the expected costs of the services;
7. the expected duration of the program.

We reserve the right to make the final decision concerning Your eligibility to take part in this program, and the amount of services You will be provided. The maximum amount payable under this benefit is \$3,000.

If You agree to participate in the program and fail to complete Your responsibilities under the program without Reasonable Cause, Your Monthly Benefit Payment may be reduced or discontinued.

Reasonable Cause means documented physical or mental impairments which leave You unable to take part in or complete the agreed upon program. It may also mean that You are involved in:

1. medical treatment which prevents or interferes with Your taking part in or completing the program; or
2. some other vocational rehabilitation program which conflicts with Your taking part in or completing the program developed by Us, and that program is reasonably expected to return You to active employment.

Additional Benefit for Work Incentive

If You participate in a Vocational Rehabilitation Program that is approved by Our Vocational Rehabilitation specialist, We may increase Your Gross Monthly Benefit by 5%, up to a maximum additional payment of \$750 per month, not to exceed the Maximum Monthly Benefit as shown in the Schedule of Benefits.

The Additional Benefit for Work Incentive will end on the earliest of the following dates:

1. You cease to be paid a Monthly Benefit Payment;
2. 12 months of Additional Benefit for Work Incentive have been paid;
3. You are no longer participating in a Vocational Rehabilitation Program; *or*
4. We determine that You are no longer eligible to participate in a Vocational Rehabilitation Program;
5. any other requirement or condition of the Policy is not met, including but not limited to those listed in the *When Disability Benefits End* section.

Exclusions

The following exclusions apply to any and all benefits under the Policy, including any Additional Benefits or Additional Provisions unless otherwise specifically referenced.

The Policy does not cover any disabilities or loss caused by, resulting from, or related to any of the following:

1. War or an act of war, declared or undeclared, whether civil or international;
2. Service in the armed forces, military reserves or National Guard of any country or international authority, or in a civilian unit serving with such forces;
3. Self-inflicted Injury or Illness or your attempt to commit suicide while sane or insane;
4. Active participation in a riot or civil commotion;
5. Participating in, committing or attempting to commit a felony, or any type of assault or battery, or engaging in an unlawful act or illegal occupation. This exclusion applies even if You plead to a lesser charge or no contest;
6. Operating any Motorized Vehicle if;
 - a) under the influence of any intoxicant or drug whether or not prescribed by a physician; *or*
 - b) Your blood alcohol concentration is in excess of the legal limit in the state in which the Accident or Injury occurred;
7. Any accident, Injury or Illness caused by, resulting from, or related to Your being under the influence of any illicit drug, narcotic, controlled substance or chemical;
8. Loss of professional license, occupational license or certification;
9. Any Pre-Existing Condition, as further defined in the Exclusions section.

In addition, the Policy will not pay a benefit for any period for which any of the following applies:

1. You are no longer receiving, accepting or following Regular Care from a Physician.
2. With respect to a mental disorder, any period during which You are not under the continuing Regular Care of a Psychiatrist specializing in psychiatric care. With respect to Alcoholism and Drug Addiction, any period during which You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by Us.
3. You have applied for benefits under fraudulent circumstances and these circumstances resulted in a conviction of fraud.
4. You unreasonably fail to submit to an Independent Medical Exam requested by Us.
5. You are confined to a penal or correctional institution.

6. Disability that results from cosmetic or reconstructive surgery, except for complications arising from such surgery. Disability that results from surgery that is necessary to correct a deformity caused by Illness or accidental Injury is covered.
7. You or Your Physician fail to provide any medical or any psychiatric records which We request.
8. Any period that any other requirement or condition of the Policy is not met, including but not limited to those listed in the When Disability Benefits End section.

No amount of Optional Long-Term Disability Benefit will be payable for any Disability which is caused by, contributed to by, or resulting from a Pre-Existing Condition.

A **Pre-Existing Condition** is any Injury or Illness for which You did, or an ordinarily prudent person would have done, any of the following within 3 months prior to the date on which You became insured under the Policy whether or not that condition is diagnosed at all or misdiagnosed during that period of time:

- visited or consulted a Physician, Hospital or Medical Facility; *or*
- took clinical tests or received treatment. This includes but is not limited to taking pills, injections or other medication to treat any condition.

This exclusion will not apply if the Elimination Period for the Disability begins after the date on which You have been insured under the Policy for at least 12 months.

GENERAL PROVISIONS

Assignment

You cannot assign Your rights or benefits under the Policy.

Currency

All payments made to or by Us will be made in United States dollars.

Class Membership

You may only be insured under one Class at any time.

Misrepresentation

Any statement You make in an application to become insured is a representation and not a warranty. No representation made by You in an application to become insured will be used to reduce or deny Your claim or contest the validity of Your insurance unless:

- Your insurance would not have been approved except for Your misrepresentation; *and*
- Your misrepresentation is contained in a Written instrument Signed by You; *and*
- We give You or Your representative a copy of the Written instrument that contains Your misrepresentation.

Incontestability

We will not use misrepresentations made by You in a Written application to contest 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 Your lifetime, unless the misrepresentations are fraudulent. This section does not prevent Us from using at any time a defense based on:

- non-payment of premium; *or*
- any other provision of the Policy; *or*
- any other defense that is allowed by law.

Misstatement of Age

If Your age or any other fact was misstated, We will use the correct facts to determine whether You are insured and if so, for what amount and duration.

Errors

You must be properly insured under the Policy. An error or omission by the Plan Sponsor or by Us will not cause You to become insured. An error or omission by the Plan Sponsor or by Us will not cancel insurance that should continue nor continue insurance that should end. The requirements and conditions of the Policy must be properly met for any change in the amount of Your insurance to take effect. We have the right to full recovery of any overpayments made. Such reimbursement will be required regardless of whether the overpayment occurred due to an error by Us or by You, Your representative or beneficiary, or the Plan Sponsor.

Agency

The Plan Sponsor or employer and any administrator appointed by the Plan Sponsor or employer shall not be considered Our agents for any purpose. We are not liable for any of their acts or omissions.

Changes to Policy

The Policy including this Certificate may be amended at any time by Written agreement between the Plan Sponsor and Us, without the consent of or notice to any other individual. Any amendment must be in writing and attached to the Policy. The amendment must bear the signature or a reproduction of the signature of the President, a Vice President, or Secretary of Our company.

If You are not Actively at Work on the effective date of the amendment, the effective date with respect to You will be the date that You are again Actively at Work. However, if the amendment would reduce the amount of Your insurance, the effective date with respect to You will be the effective date of the amendment.

It is understood that, if the Policy is amended during Your continuous period of Disability, the amendment will have no effect on the amount of insurance during that same continuous period of Disability.

Enforcement of Policy Terms

If at any time We do not enforce a provision of the Policy, We will still retain Our right to enforce that provision at Our option.

Claim and Payment Provisions

How to Claim Benefits

Due Written Proof of Claim is required in order to receive benefits under the Policy. Claim forms are available to You or Your beneficiary on request to the Plan Sponsor. For prompt payment, it is necessary that the claim documentation be complete.

Notice of Claim

Notice of a claim must be given within 30 days after a covered loss starts, or as soon as reasonably possible. Written notice can be given to Us at Our home office or to Our agent. Reference to a “loss” merely means that an event occurred or an expense was incurred for which a benefit is payable under the Policy. The notice must identify You along with the Group Policy number shown in this Certificate.

For a claim for loss due to Disability, You must notify Us immediately if You return to work in any capacity.

Claim Documentation

When We receive the notice of claim, We will send the Claimant forms for filing Proof of loss. If these forms are not given to the Claimant within 15 days, the Claimant can meet the Proof of loss requirements by giving Us a Written statement of the nature and extent of the loss within the time limit stated in the Proof of Disability or Other Loss section below.

Proof of Disability or Other Loss

Due Written Proof of Disability or other loss must be given to Us within 90 days after such loss. Failure to furnish the Proof within that time shall not invalidate or reduce the claim if the Proof is given as soon as reasonably possible. But, unless delayed by the Claimant’s legal incapacity, the required Proof must be furnished within 2 years of the specified time. If the Policy terminates, the Claimant must give Written notice and Proof of Disability or loss for a Disability or loss that began or occurred before the Policy ended within 90 days after the Policy terminated.

Proof of Disability will include information from Your Physician about Your condition. You must authorize the release of Your medical information. You must give Us any other information and items that We require to support Your claim. We reserve the right to determine if Your Proof of Disability is satisfactory in accordance with the Policy and any applicable Act or Law.

Filing Claim Documentation

The Proof of loss forms contain instructions as to how they should be completed and where they should be sent. Be sure to fully complete Your portion of the forms. Unanswered questions may delay the processing of Your claim.

Proof Of Continuing Disability

From time to time You must give Proof satisfactory to Us at Your expense that You are still Disabled. We will ask You for this Proof at reasonable intervals. Such Proof must be provided to Us within 30 days, or as soon as reasonably possible thereafter. We will stop benefit payments if You do not give Proof satisfactory to Us that You are still Disabled. We may require You to provide Us with the name and address for any Hospital, health facility or institution where You received treatment, including all attending physicians, and to give us Your Written authorization to obtain additional medical information, including but not limited to complete copies of medical records. We may investigate Your claim at any time.

Proof Of Financial Loss

We have the right to require Written Proof of Financial Loss. This includes, but is not limited to:

1. statements of Monthly Earnings and other written Proof of Your pre-disability income;
2. statements of income received from other sources while You are claiming benefits under the Policy;
3. evidence that due application has been made for all other available benefits;
4. tax returns and worksheets, tax statements, and accountants' statements; *and*
5. any other Proof that We may reasonably require.

We may perform financial audits at Our expense as often as We may reasonably require. Payment of benefits may be contingent upon Proof of financial loss being satisfactory to Us.

Payment of Claims

Upon receiving the required Proof of Disability or loss, We will pay any Disability benefits due during any period for which We are liable. Any balance remaining unpaid at the end of the period for which We are liable will be paid at that time.

Unless otherwise specifically provided by the terms of the Policy, all benefit payments will be made to:

- You, if living; *or*
- Your estate, if due to You after Your death.

If benefits are payable to Your estate, to a minor, or to a person who is incompetent, We may pay up to \$1,000 to any of Your relatives or any other person who We deem entitled to it as a result of having incurred expenses for Your maintenance, medical attendance, or burial. We will be discharged to the extent of any payments made in good faith under this provision.

Notice of Claim Decisions

We will send You Written notice of Our claim decision within 45 days after We receive due Proof of Your loss. If there are special circumstances that require more time, We will send You a Written notice within this timeframe that an additional 30 days is needed. If more time is still needed to make a claim determination, We will send You Written notice during this initial 30 day extension stating the special circumstances that require an additional 30 days. If We request additional information, You will have 45 days to respond to Our request, and We will send Written notice of Our claim decision within 30 days after We receive Your response.

If the claim is wholly or partly denied, Our notice will include:

1. Reasons for such denial;
2. Reference to specific Policy provisions, rules or guidelines on which the denial was based;
3. A description of the additional information needed to support Your claim;
4. Information concerning Your right to request that We review Our decision; *and*
5. A description of Our review procedures, and time limits, and notice to You of Your right to bring a civil action.

Reconsideration Of A Denied Claim

You may request Us to review Our denial of all or part of Your claim. This request must be in writing and must be received by Us no more than 180 days after You receive notice of Our claim decision. As part of this review, You may:

1. Send Us written comments;
2. Review any non-privileged information relating to Your claim; *and*
3. Provide Us with other information or Proof in support of Your claim.

We will review Your claim promptly after receiving Your request. We will advise You of the results of Our review within 45 days after We receive Your request, or within 90 days if there are special circumstances that require more time. If We request additional information, You will have 45 days to respond to Our request, and We will send written notice of Our claim decision within 30 days after We receive Your response. Our decision will be in Writing and will include reference to specific Policy provisions, rules or guidelines on which the decision was based, and notice to You of Your right to bring a civil action.

Legal Actions

There are time limits as to when legal action can be taken to obtain Policy benefits. No legal action can be taken until 60 days after Written Proof of loss has been given as discussed above. No legal action can be taken more than 3 years after Written Proof of loss was required by the above terms. Legal action with respect to a claim that has been denied, in whole or in part, shall be contingent upon having obtained Our reconsideration of that claim as explained in the above Reconsideration of a Denied Claim provision.

Examinations

We may require that You undergo an Independent Medical Exam at reasonable intervals. No benefits will be paid beyond any date that:

- due Proof that You remain Disabled is not provided when requested by Us; *or*
- You do not allow a Physician to examine You when required by Us.

If You die, We may require an autopsy, unless it is prohibited by law. Such exam or autopsy as required by this section will be at Our expense.

We may require You to be examined at Our expense by one or more Physicians, Health Care Professionals, or vocational evaluators of Our choice. We may require examinations at any time and as often as reasonably necessary. The examinations may include such testing as We determine necessary to administer the terms and conditions of the Policy, including but not limited to medical testing and vocational testing. We will deny or stop benefit payments if You decline to be examined or if You do not cooperate with the examiner. Additionally, We reserve the right to have You interviewed by Our authorized representative.

Release of Information

You agree that We may request, and anyone may give to Us, any information, (including copies of records) about an Illness, Injury or condition for which benefits are claimed, and that We may give similar information if requested to anyone providing similar benefits to You.



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