



**Group Long Term
Disability Insurance**

**A guide to
your benefits**

You've made a good decision
in choosing Anthem® Blue Cross
Life and Health Insurance Company

Plan Sponsor:

Policy:

Class:

Class Description:

NOTE: If You are 65 years or older at the time Your Certificate is issued, You may examine Your certificate and, within 30 days, decide to cancel and request a refund of premiums paid.

anthem.com/ca

Benefits Guide

Section Contents

Section I. - Your Certificate of Coverage

Section II. - ERISA Information

Section III. - Notice of Privacy Practices

Section IV. - Value Added Services

Note: The Notice of Privacy Practices and the Value Added Services are not a part of Your Certificate of Coverage and do not modify your insured benefits.

The Value Added Services are provided based on negotiated agreements between the insurance company and certain service providers. Although the insurance company endeavors to make these services available to all policyholders and certificateholders as described below, modifications to our agreements with service providers may require that services be periodically modified or terminated. Such modification or termination of services may be made based on cost to the insurer, availability of services, or other business reasons at the discretion of the insurer or service providers.

1.	Resource Advisor
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2.	Special Offers@Anthem
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This Group, on behalf of itself and its participants, hereby expressly acknowledges its understanding this policy constitutes a contract solely between this Group and Anthem Blue Cross Life and Health Insurance Company, which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association") permitting Anthem Blue Cross Life and Health Insurance Company to use the Blue Cross and/or Blue Shield Service Mark in California and that Anthem Blue Cross Life and Health Insurance Company is not contracting as the agent of the Association. This Group further acknowledges and agrees that it has not entered into this policy based upon representations by any person other than Anthem Blue Cross Life and Health Insurance Company and that no person, entity, or organization other than Anthem Blue Cross Life and Health Insurance Company shall be held accountable or liable to this Group for any of Anthem Blue Cross Life and Health Insurance Company's obligations to the Group created under this policy. This paragraph shall not create any additional obligations whatsoever on the part of Anthem Blue Cross Life and Health Insurance Company other than those obligations created under other provisions of this agreement.

ANTHEM BLUE CROSS LIFE AND HEALTH INSURANCE COMPANY
DISABILITY INCOME INSURANCE
REQUIRED DISCLOSURE STATEMENT

The following paragraph is included in the disclosure if the plan has a pre-existing condition exclusion.

This policy contains a pre-existing condition exclusion. A pre-existing condition is a condition for which medical advice was given, treatment was recommended by or received from a physician within the number of months specified in Your booklet prior to Your becoming insured under this Policy. Please see the Exclusions section for important details.

This Policy does not pay benefits for any disability which is related to any of the following, or for any of the following specified periods: (1) 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) participation in, committing or attempting to commit a felony, or any type of assault or battery, or engaging in an illegal occupation; (6) operating any motorized vehicle if (a) You are 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 illness or injury caused by or during employment for wage or profit, if You are eligible for coverage under Workers' Compensation insurance as allowed by the Plan Sponsor's state of domicile; (10) You are no longer receiving, accepting or following regular care from a physician, except for a period wherein the physician certifies that treatment is not warranted; (11) for 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; (12) You have applied for benefits under fraudulent circumstances and these circumstances resulted in a conviction of fraud; and (13) You unreasonably fail to submit to an independent medical exam requested by us.

The following paragraph is included in the disclosure if the plan has a limitation for mental illness, alcoholism, or drug addiction.

This Policy limits benefit payments for mental illness, alcoholism and drug addiction to 24 months.

This Policy reduces by any of the following deductible sources of income: (1) the amount You receive or are eligible to receive under a workers compensation law, occupational disease law, or any other act or law with similar intent; (2) the amount You receive or are eligible to receive as disability income payments under any state compulsory benefit act or law, governmental retirement system as a result of Your employment with the Plan Sponsor, Veteran's Administration or other foreign or domestic governmental agency, automobile liability insurance

policy, individual disability income plan which is wholly or partially paid for by the Plan Sponsor, other group insurance plan, or any plan or arrangement of disability coverage, whether insured or not, resulting from Your employment 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; (3a) the amount that You, Your spouse and children receive, or are eligible to receive as disability payments because of Your disability under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension plan, or any similar plan or act; (3b) the amount that You receive, or are eligible to receive, as retirement payments, or the amount Your spouse and children receive as retirement payments because You are receiving retirement payments under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or any similar plan or act; (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, or 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; (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; (10) any amounts from partnership, proprietorship draws, or similar draws.

The following paragraph is included in the disclosure if the plan has a termination age.

This Policy terminates benefits at age 65 or Your normal retirement age under the 1983 amendments to the United States Social Security Act. Additional payments may be made in accordance with the maximum benefit period table found in Your booklet.

The above disclosure statement is a very brief summary of Your Policy.

The Policy itself sets forth the rights and obligations of both You and the insurance company. It is therefore important that You:

READ YOUR POLICY CAREFULLY

COMPLAINT NOTICE

Should you have any complaints or questions regarding your coverage, and this certificate was delivered by a broker, you should first contact the broker. You may also contact us at:

**Anthem Blue Cross Life and Health Insurance Company
Customer Service
21555 Oxnard Street
Woodland Hills, CA 91367
818-234-2700**

If the problem is not resolved, you may also contact the California Department of Insurance at:

**California Department of Insurance
Claims Service Bureau, 11th Floor
300 South Spring Street
Los Angeles, California 90013
1-800-927-HELP (4357) – In California
1-213-897-8921 – Out of California
1-800-482-4833 – Telecommunication Device for the Deaf
E-mail Inquiry: “Consumer Services” link at
www.insurance.ca.gov**

Section I.	Your Certificate of Coverage
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Long Term Disability Insurance

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

The policy does not replace or affect the requirements for coverage by any Worker's Compensation or state disability insurance.

**Anthem Blue Cross Life and Health Insurance Company
21555 Oxnard Street
Woodland Hills, CA 91367
818-234-2700**

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Table of Contents

Section I

Introduction.....

Schedule of Benefits

Long Term Disability Benefit

Definitions.....

When Insurance Begins and Ends.....

Coverage Provisions.....

Calculating Your Long Term Disability Benefit.....

Exclusions

Uniform Compulsory Provisions.....

Other Provisions.....

Section II

ERISA Information

Section III

Notice of Privacy Practices.....

Section IV

Value Added Services

Introduction

Anthem Blue Cross Life and Health Insurance Company certifies that it has issued a Group Policy insuring certain eligible employees of the Plan Sponsor

This Certificate describes the benefits provided as of the effective date. 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. Anthem Blue Cross Life and Health has written this Certificate in plain English. However, a few terms and provisions are written as required by insurance law. Anthem Blue Cross Life and Health 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 Group Policy was issued in the state of California. 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.

Anthem Blue Cross Life and Health Insurance Company
21555 Oxnard Street
Woodland Hills, CA 91367



J. Brian Ternan
President and CEO

Fraud: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

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 Anthem Blue Cross Life and Health Insurance Company at its Administrative Office.

Your amount of insurance is determined by this schedule.

Your Long Term Disability Benefits help to protect You from loss of income due to a Disability as defined under the Policy. Your 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 Long Term Disability Insurance Benefits section for details about how Your Monthly Benefit Payment is calculated.

Long Term Disability Benefit

Benefit Percentage: %

Maximum Monthly Benefit: \$

[Proof of Insurability is required for any amount for which application is received more than 31 days after the employee is initially eligible to purchase the insurance.]

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

Elimination Period: The *longer* of:

- days; or
- until the expiration of any Employer sponsored short term disability benefits.

Maximum Benefit Period: If You are eligible for Long Term Disability Benefits under the Policy, We will send You a Monthly Benefit Payment each month up to the Maximum Benefit Period. Your Maximum Benefit Period is based on Your age at Disability as follows:

Benefit Period Option 1 of 4 (SSNRA)

Social Security Normal Retirement Age duration (SSNRA)

For a disability which begins before You reach age 60, the Maximum Benefit Period will be until the Social Security Normal Retirement Age (SSNRA) as shown in the following table:

<u>Year of Birth</u>	<u>*Social Security Normal Retirement Age</u>
Before 1938	65 years
1938	65 years and 2 months
1939	65 years and 4 months
1940	65 years and 6 months
1941	65 years and 8 months
1942	65 years and 10 months
1943-1954	66 years
1955	66 years and 2 months
1956	66 years and 4 months
1957	66 years and 6 months
1958	66 years and 8 months
1959	66 years and 10 months
1960 and after	67 years

* Age at which **you** are entitled to unreduced Social Security benefits based on the Social Security Amendments of 1983.

For a disability which starts on or after You reach age 60, the Maximum Benefit Period will be determined according to the following table:

<u>Your Age When Disability Begins</u>	<u>Maximum Benefit Period</u>
Less than age 60	To Social Security Normal Retirement Age (SSNRA)*
Age 60	60 months or to SSNRA*, whichever is greater
Age 61	48 months or to SSNRA*, whichever is greater
Age 62	42 months or to SSNRA*, whichever is greater
Age 63	36 months or to SSNRA*, whichever is greater
Age 64	30 months or to SSNRA*, whichever is greater
Age 65	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

Benefit Period Option 2 of 4 (To Age 65)

ADEA – 65 Reducing Benefit Duration (RBD)

<u>Age When Disability Begins</u>	<u>Maximum Benefit Period</u>
Less than age 60	To age 65, but not less than 5 years
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
Age 69 and over	12 months

Benefit Period Option 3 of 4 (5 year)

5 Years RBD

<u>Age When Disability Begins</u>	<u>Maximum Benefit Period</u>
Less than age 61	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
Age 69 and over	12 months

Benefit Period Option 4 of 4 (2 year)

2 Years RBD

<u>Age When Disability Begins</u>	<u>Maximum Benefit Period</u>
Less than age 66	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

Premium Contributions: Your coverage is Contributory. This means You pay all or part of the premium for Your Long Term Disability Benefit coverage.

OR

Your coverage is Non-Contributory. This means Your Employer pays all of Your premium for Your Long Term Disability coverage.

Additional Benefits

Additional Benefit for Survivor (Lump Sum)

Additional Benefit for Vocational Rehabilitation with Additional Benefit for Work Incentive

Additional Benefit for Social Security Assistance

Additional Benefit for Workplace Modification Program

Additional Benefit for Work Retention Assistance

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.

Sample

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 Actively at Work if You were fully capable of performing the 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 Pre-disability Earnings means Your annual salary from the Plan Sponsor in effect immediately prior to Your date of disability. Commissions, bonuses, overtime pay, and extra compensation will be excluded when determining Your salary. Annual Pre-disability Earnings will be determined according to the Plan Sponsor's records.

Your amount of insurance will be calculated based on the lesser of Your Annual Pre-disability Earnings as calculated above or the premium actually received by us.

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 or a portion 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.

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 of at least 30 of hours required per 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 Class named under the Policy; *and*
- You are a legal citizen or legal resident of the United States or Canada. 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 determined by the Plan Sponsor.

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 LTD Elim Period is 60

If You do return to work for 30 or less 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 a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 60 day Elimination Period within a total period of not more than 90 consecutive days.

if LTD Elim Period is 90

If You do return to work for 45 days or less 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 a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 90 days Elimination Period within a total period of not more than 135 consecutive days.

if LTD Elim Period is 120

If You do return to work for 60 days or less 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 a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 120 days Elimination Period within a total period of not more than 180 consecutive days.

if LTD Elim Period is 180

If You do return to work for 90 days or less 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 a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 180 days Elimination Period within a total period of not more than 270 consecutive days.

if LTD Elim Period is 365

If You do return to work for 182 days or less 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 a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 365 days Elimination Period within a total period of not more than 547 consecutive days.

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

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

[Guaranteed Issue Amount means an amount of insurance for which We do not require Proof of Insurability.]

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 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 the Additional Benefits or Additional Provisions, if any, associated with the Policy.

Indexed means Your Monthly Pre-disability 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 Pre-disability 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.

Injury means bodily injury resulting from an Accident, 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 more than 60 days after an Injury will be considered an Illness for the purpose of determining Long Term Disability benefits.

Insured means an individual covered under 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 Pre-disability Earnings as last reported and paid to Us immediately prior to the beginning of the Leave of Absence. Refer to *When Insurance Ends* to determine how long Your coverage can be continued during a Leave of Absence.

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

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 Pre-Disability Earnings means Your Annual Pre-Disability 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.

Part-Time Basis means the ability to work and earn between 20% and 80% of Your Indexed Monthly Pre-Disability Earnings. Ability is based on capacity and not market availability.

Physician 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 or other organization that has entered into an agreement with Us as outlined in the Policy.

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

Prior Plan means a group plan providing similar Long Term Disability insurance benefits carried by the Plan Sponsor on the day before the Policy's effective date with Us.

Proof means evidence which allows the determination 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, an Insured 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 which allows the determination 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 of a person's health and other information related to insurability that is used 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 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, Anthem Blue Cross Life and Health Insurance Company.

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 first day of the month coinciding with or next following the date You satisfy the Eligibility Waiting Period.

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. We will apply any prior period of work with the Plan Sponsor toward the Eligibility Waiting Period to determine the date You are eligible for insurance.

Enrollment

If you contribute to the cost of your Coverage:

You must apply for Your insurance if the coverage is Contributory.

An application for You to become insured must be completed on a form approved for that purpose by Us. The Plan Sponsor must send the completed application to Us at Our Administrative Office. If Proof of Insurability is required for any coverage, the completed Proof of Insurability statement must be sent to us at our Administrative Office.

If you do not contribute to the cost of your Coverage:

You must enroll for Your insurance if the coverage is not Contributory.

An enrollment form for You to become insured must be completed on a form approved for that purpose by Us. The Plan Sponsor must send the completed enrollment form to Us at Our Administrative Office.

Effective Date of Insurance

This section tells when Your insurance will begin once You have become eligible and are Actively at Work.

Except as explained in this section, Your insurance will begin on the first day of the Policy month coinciding with or next following the date You become eligible for such insurance.

The Plan Sponsor may require You to contribute toward the 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 the Plan Sponsor. 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.

If Your coverage is **not** Contributory, Your insurance begins on the first day You are Actively at Work following the date that You become an Eligible Employee and have satisfied the Eligibility Waiting Period. An application to become insured must be completed on a form approved for that purpose by Us. The Plan Sponsor must send Your completed enrollment to Us at our Administrative Office unless We and the Plan Sponsor have agreed that the Plan Sponsor will retain the applications.

If Your coverage *is* Contributory, 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 on which 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.

[Proof of Insurability Provision

You must give Proof of Insurability:

- If You pay all or part of the premium for Your insurance and You apply for insurance under the Policy more than 31 days after the date You become an Eligible Employee; *or*
- If You pay all or part of the premium for Your insurance and Your insurance would increase because of a change in Your Class membership or a change in the amount of Annual Pre-disability Earnings or Your election and the Plan Sponsor does not tell Us in

- Writing about the change within 31 days after the change occurs; *or*
- If You pay all or part of the premium for Your insurance and Your insurance ended at Your request or because a premium was not paid by You and You are re-applying for coverage; *or*
- For insurance for which You pay all or part of the premium if You were entitled to coverage under the Prior Plan and You had declined coverage[; *or*] [.]
- [If You apply for a Long Term Disability Benefit that exceeds the Guaranteed Issue Amount, if required.]

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.]

[Guaranteed Issue Amount: The maximum Long Term Disability amount for which a covered person can become insured without furnishing Proof of Insurability is as stated in the Schedule of Benefits.

If You are eligible for more than the Guaranteed Issue Amount as shown in the Schedule of Benefits, You will be limited to the Guaranteed Issue Amount until You give Us Proof of Insurability. If the Proof is accepted, the additional amount of insurance will take effect on the date We approve Your Proof of Insurability. Future increases will also require Proof of Insurability.

We may require that You undergo an Independent Medical Exam as part of Your Proof of Insurability.]

Changes in Insurance

Change in Class or Monthly Pre-Disability Earnings

The amount of Your insurance may change if:

- You become a member of a different Class; *or*
- The amount of Your Annual Pre-Disability 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 Pre-Disability 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:

1. The date the Policy is canceled; *or*
2. The date on which You cease to be a member of a Class under the Policy; *or*
3. The date Your employment terminates. For the purpose of this provision, employment terminates when You are no longer Actively at Work, unless due to Disability; *or*
4. The date the Policy is changed to end the insurance for Your Class; *or*
5. The last day of the period for which premium was paid, if a premium is not paid within the Policy's grace period; *or*
6. Preceding the date of Your death; *or*
7. The date Your Monthly Benefit Payments end, if You are not again Actively at Work the following day; *or*
8. The date You cease to be an Eligible Employee as defined in the Definitions of the Policy; *or*
9. You request, in Writing, for Your insurance to be terminated; *or*
10. The date You cease to be Actively at Work. However, the Plan Sponsor may continue Your insurance unless it ends due to any of the above reasons during the following periods:
 - a) until the end of month 3 following the date You cease to be Actively at Work due to a temporary layoff; *or*
 - b) until the end of month 3 following the date You cease to be Actively at Work due to a Leave of Absence or due to Your being called to active duty as a reservist with the U.S. Armed Forces Reserve; *or*
 - c) during an absence from work due to a Leave of Absence that is in compliance with the Family Medical Leave Act of 1993 ("FMLA") or applicable state, family and medical leave law; *or*
 - d) during the longest of the periods in above items (a), (b), and (c), if You cease to be Actively at Work due to Your being called to active duty as a reservist with the U.S. Armed Forces.

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 premium 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 Your employer ceases to be an associated employer with the Plan Sponsor; *or*
- You or the Plan Sponsor 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.

Continuity of Coverage upon Transfer of Insurance Carriers

In order to prevent loss of coverage for You because of a transfer of insurance carriers, this provision will provide coverage for certain plan members as follows:

Failure to be in Active Employment Due to Injury or Illness

If You are not Actively at Work due to Injury, illness, leave of absence or temporary layoff on the date the Plan Sponsor changes insurance carriers to Anthem Blue Cross Life and Health, and You were covered under the prior policy at the time the Anthem Blue Cross Life and Health Policy became effective, We will provide continuity of coverage under the Anthem Blue Cross Life and Health Policy. In order for this provision to apply, the prior policy must have provided similar coverage to the Anthem Blue Cross Life and Health Policy.

If You are not Actively at Work due to injury, illness, leave of absence or temporary layoff on the effective date of the Anthem Blue Cross Life and Health Policy, and You would otherwise be eligible to become insured under the Policy, We will provide limited coverage under the Anthem Blue Cross Life and Health Policy. Coverage under this provision will begin on the Anthem Blue Cross Life and Health Policy effective date and will continue until the earliest of:

- the end of the month following the date You return to active employment; *or*
- the end of any period of continuance or extension provided under the prior policy; *or*
- the date coverage would otherwise end, according to the provisions of the Anthem Blue Cross Life and Health Policy.

Your coverage under this provision is subject to payment of premium.

Any benefits payable under this provision will be paid as if the prior policy had remained in force. We will reduce Your Monthly Benefit Payment by any amount for which the prior carrier is liable.

If coverage ends under this provision, or if You were not covered under the prior policy on the date that policy terminated, the Effective Date of Insurance provision under the Anthem Blue Cross Life and Health Policy will apply.

No Benefits are payable under this provision for any period of Disability:

- that begins prior to this Policy's effective date; *or*
- for which benefits are paid under the Prior Plan; *or*

- for which benefits would have been paid under the Prior Plan in the absence of this provision.

Continuity of Coverage – Disability due to a Pre-existing Condition

We may waive the Pre-Existing Condition Exclusion of the Policy to make a benefit payment for Your Disability which is caused by, contributed to by, or resulting from a Pre-Existing Condition if:

- You were insured by the prior policy at the time the Plan Sponsor changed insurance carriers to Anthem Blue Cross Life and Health; *and*
- You have been continuously covered under the Policy from the effective date of the Plan Sponsor’s Anthem Blue Cross Life and Health Policy through the date Your Disability began.

In order to receive a payment, You must satisfy:

- The terms of Anthem Blue Cross Life and Health’s Pre-Existing Condition Exclusion; *or*
- The terms of the prior policy’s pre-existing condition provision, if benefits would have been paid had that policy remained in force.

If You satisfy the terms of the Pre-Existing Condition Exclusion of Anthem Blue Cross Life and Health’s Policy, We will determine Your Monthly Benefit Payments according to Anthem Blue Cross Life and Health Policy provisions.

If You do not satisfy the terms of the Pre-Existing Condition Exclusion of Anthem Blue Cross Life and Health’s Policy, but You do satisfy the terms of the prior policy’s pre-existing condition provision:

- Your Monthly Benefit Payment will be the lesser of:
 - The monthly benefit payment that would have been payable under the terms of the prior policy if it had remained in force; *or*
 - The monthly benefit payment according to Anthem Blue Cross Life and Health’s Policy provisions; *and*
- Benefits will end on the earlier of
 - The date benefits would otherwise end under the Anthem Blue Cross Life and Health Policy, as described under the *When Disability Benefits End* provision; *or*
 - The date benefits would have ended under the prior policy’s provisions if it had remained in force.

If You do not satisfy either Anthem Blue Cross Life and Health’s Policy or the prior policy’s pre-existing condition provisions as described above, We will not make any payments.

We will require proof that You were insured under the prior policy.

All other terms and conditions of the Anthem Blue Cross Life and Health Policy will apply.

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.

(To Age 65 or SSNRA Definition of Disability)

Definition of Disability and Disabled for Long Term Disability

You will be considered disabled if You meet the definition of Total Disability, included below:

Total Disability means that, as a result of Illness or Injury, You are not able to perform with reasonable continuity the Substantial and Material Acts necessary to pursue your Own Occupation in the usual or customary way.

Own Occupation means the employment, business, trade, or profession that involves the Substantial and Material Acts of the occupation You were regularly performing for the employer when Your disability began. Own Occupation is not necessarily limited to the specific job You performed for the employer.

Substantial and Material Acts means the important tasks, functions, and operations generally required by employers from those engaged in Your Own Occupation that cannot be reasonably omitted or modified.

In determining what Substantial and Material Acts are necessary to pursue Your Own Occupation, We will first look at the specific duties required by Your employer. If You are unable to perform one or more of these duties with reasonable continuity, We will then determine whether those duties are customarily required of other employees engaged in Your Own Occupation. If any specific, material duties required of You by Your employer differ from the material duties customarily required of other employees engaged in Your Own Occupation, then We will not consider those duties in determining what Substantial and Material Acts are necessary to pursue Your Own Occupation.

(2 year Option)

Definition of Disability and Disabled for Long Term Disability

You will be considered disabled if You meet the definition of Total Disability *or* the definition of Partial Disability included below:

Total Disability means that:

- during the Elimination Period and for the first 24 months of disability benefits, as a result of Illness or Injury, You are not able to perform with reasonable continuity the

Substantial and Material Acts necessary to pursue Your Own Occupation in the usual or customary way; *and*

- following the first 24 months of disability benefits, as a result of Illness or Injury, You are not able to engage with reasonable continuity in any occupation in which You could reasonably be expected to perform satisfactorily in light of Your age, education, training, experience, station in life, and physical and mental capacity.

Partial Disability means that:

- during the Elimination Period and for the first 24 months of disability benefits, while working in Your Own Occupation, as a result of Illness or Injury, You are unable to earn more than 80% of Your Monthly Indexed Pre-disability Earnings.
- following the first 24 months of disability benefits, as a result of Illness or Injury, You are not able to perform with reasonable continuity in any occupation in which You could reasonably be expected to perform satisfactorily in light of Your age, education, training, experience, station in life, and physical and mental capacity, or that You are unable to earn more than 60% of Your Monthly Indexed Pre-disability Earnings in any occupation.

Own Occupation means any employment, business, trade, or profession that involves the Substantial and Material Acts of the occupation You were regularly performing for the employer when Your disability began. Own Occupation is not necessarily limited to the specific job You performed for the employer.

Substantial and Material Acts means the important tasks, functions, and operations generally required by employers from those engaged in Your Own Occupation that cannot be reasonably omitted or modified.

In determining what Substantial and Material Acts are necessary to pursue Your Own Occupation, We will first look at the specific duties required by Your employer. If You are unable to perform one or more of these duties with reasonable continuity, We will then determine whether those duties are customarily required of other employees engaged in Your Own Occupation. If any specific, material duties required of You by Your employer differ from the material duties customarily required of other employees engaged in Your Own Occupation, then We will not consider those duties in determining what Substantial and Material Acts are necessary to pursue Your Own Occupation.

(3 year Option)

Definition of Disability and Disabled for Long Term Disability

You will be considered disabled if You meet the definition of Total Disability *or* the definition of Partial Disability included below:

Total Disability means that:

- during the Elimination Period and for the first 36 months of disability benefits, as a result of Illness or Injury, You are not able to perform with reasonable continuity the Substantial and Material Acts necessary to pursue Your Own Occupation in the usual or customary way; *and*

- following the first 36 months of disability benefits, as a result of Illness or Injury, You are not able to engage with reasonable continuity in any occupation in which You could reasonably be expected to perform satisfactorily in light of Your age, education, training, experience, station in life, and physical and mental capacity.

Partial Disability means that:

- during the Elimination Period and for the first 36 months of disability benefits, while working in Your Own Occupation, as a result of Illness or Injury, You are unable to earn more than 80% of Your Monthly Indexed Pre-disability Earnings.
- following the first 36 months of disability benefits, as a result of Illness or Injury, You are not able to perform with reasonable continuity in any occupation in which You could reasonably be expected to perform satisfactorily in light of Your age, education, training, experience, station in life, and physical and mental capacity, or that You are unable to earn more than 60% of Your Monthly Indexed Pre-disability Earnings in any occupation.

Own Occupation means any employment, business, trade, or profession that involves the Substantial and Material Acts of the occupation You were regularly performing for the employer when Your disability began. Own Occupation is not necessarily limited to the specific job You performed for the employer.

Substantial and Material Acts means the important tasks, functions, and operations generally required by employers from those engaged in Your Own Occupation that cannot be reasonably omitted or modified.

In determining what Substantial and Material Acts are necessary to pursue Your Own Occupation, We will first look at the specific duties required by Your employer. If You are unable to perform one or more of these duties with reasonable continuity, We will then determine whether those duties are customarily required of other employees engaged in Your Own Occupation. If any specific, material duties required of You by Your employer differ from the material duties customarily required of other employees engaged in Your Own Occupation, then We will not consider those duties in determining what Substantial and Material Acts are necessary to pursue Your Own Occupation.

Long Term Disability Insurance Benefits

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 Long Term Disability Benefit and the Maximum Benefit Period are shown in the Schedule of Benefits. The Long Term Disability Benefit may be reduced in accordance with the provisions of the Deductible Sources of Income section of the Policy. The 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 Long Term Disability benefits for any period for which We are liable.

Calculating Your 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 20% of Your Indexed Monthly Pre-disability Earnings, We will use the following process to calculate Your Monthly Benefit Payment:

1. Multiply Your Monthly Pre-Disability Earnings by %.
2. The maximum benefit is \$ 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 at least 20% but less than or equal to 80% of Your Indexed Monthly Pre-disability 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 Pre-disability Earnings. If the sum exceeds 100% of Your Indexed Monthly Pre-disability 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 Monthly Pre-disability Earnings; We will use the following process:

1. Multiply Your Monthly Pre-disability Earnings by %.
2. The maximum benefit is \$ 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 Pre-disability 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 Pre-disability 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 Pre-disability 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 Pre-disability Earnings.
2. Divide the answer in Item 1 by Your Indexed Monthly Pre-disability 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.

We may require You to send Proof of Your monthly Disability Work Earnings each month. We will adjust Your Monthly Benefit Payment based on Your monthly Disability Work Earnings.

As part of Your Proof of Disability Work Earnings, We may require that You send Us any appropriate financial records which We believe necessary as Proof of Your income.

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.

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

If Your Disability Work Earnings Fluctuate

if def of disability= 2 yr, 3yr or 5yr own occ; delete if = to age 65 (RBD) or SSNRA

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, We will not terminate Your claim unless:

- during the first 24 months of Monthly Benefit Payments, the average of Your Disability Work Earnings for a three month period exceeds 80% of Your Indexed Monthly Pre-disability Earnings; *or*
- beyond 24 months of Monthly Benefit Payments, the average of Your Disability Work Earnings for a three month period exceeds 60% of Your Indexed Monthly Pre-disability Earnings.

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

If Your Disability Work Earnings Fluctuate

if = to age 65 (RBD) or SSNRA

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, 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 Pre-disability 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 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 Long Term Disability

If You have a Recurrent Disability, and after Your prior Disability ended, You return to work for the Plan Sponsor for 6 months or less, 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 Pre-disability 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 more than 6 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 Long Term Disability Benefits End

Monthly Benefit Payments end on the first to occur of the following dates:

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, except for a period wherein the Physician certifies that treatment is not warranted; *or*
3. The Maximum Benefit Period from the Schedule of Benefits ends; *or*
4. The period specified in the 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 90 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 90 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 under the terms and conditions of the Additional Benefit for Vocational Rehabilitation provided by the Policy; *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 Monthly Benefit Payments, You will be considered to have ceased to reside in the United States or Canada; *or*
 12. You unreasonably refuse to try or attempt work with the assistance of:
 - Modifications to Your work environment, functional job elements or work schedule; *or*
 - Adaptive equipment or devices -that a qualified Physician has indicated will accommodate the limiting factors of the Injury or Illness for which You are claiming benefits under the Policy or will enable You to perform the Substantial and Material Acts of an occupation from which the Policy requires You to be considered Disabled in order to receive benefits; *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 care of an appropriate specialist 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 are no longer under the appropriate care of a Physician; *or*
 17. You or Your Physician unreasonably fail to submit any medical or psychiatric information requested by Us; *or*
 18. You would be able to work in Your Own Occupation on a Part-Time Basis earning 60% or more of Your Monthly Pre-disability Earnings, but choose not to do so; *or*
 19. You would be able to increase Your current earnings to more than 80% of Your Monthly Pre-disability Earnings by increasing the number of hours worked or the number of duties performed in Your Own Occupation, but choose not to do so.

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 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 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 premium due date that falls on or next follows the first of the following to occur:

- The date You are no longer Disabled; *or*
- The end of the Maximum Benefit period from the Schedule of Benefits; *or*
- 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.

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 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 a compulsive or habitual pattern of use of drugs, chemicals, or similar substances.

Sample

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 reasonably be entitled, 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 under:
 - A worker's compensation law; *or*
 - An occupational disease law; *or*
 - Any other Act or Law with similar intent.

2. The amount that You 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*
 - 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.

Primary Integration

- [3. The amount that You 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.]

Family Integration

- [3a. The amount that You, Your spouse, and children receive as disability payments because of Your Disability under:

- The United States Social Security Act; *or*
 - the Canada Pension Plan; *or*
 - the Quebec Pension Plan; *or*
 - any similar plan or act.
- 3b. The amount that You receive as retirement payments or the amount Your spouse and children receive as retirement payments because You are receiving 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.]
4. The amount that You:
- Receive as disability payments under the Plan Sponsor’s Retirement Plan; *or*
 - Voluntarily elect to receive as retirement payments under the Plan Sponsor’s Retirement Plan; *or*
 - 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 due to Your Disability under any salary continuation or accumulated sick leave plans.

9. Commissions, sick pay or any similar employer sponsored paid time off where You receive income from the employer, or any salary continuation plan due to Your Disability. 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.

10. Any amounts from partnership, proprietorship draws, or similar draws.

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. pension plans for partners;
9. military pension and disability income plans;
10. individual disability plans paid by the Employee;
11. a retirement plan from another plan sponsor;
12. individual retirement accounts (IRA);
13. retirement benefits from the United States Social Security Act if Your Disability begins after age 65 and You were already receiving such retirement benefits prior to Your Disability.

If You May Qualify for Deductible Income Benefits

You must apply for benefits listed in the *Deductible Sources of Income* section of the Policy, if there is a reasonable basis that You may be entitled to them. When We determine that You may qualify for benefits under items 1, 2 and 3 or 3a (if included in Your plan), from the *Deductible Sources of Income* section, We will estimate Your entitlement to these benefits. We can reduce Your payment by the estimated amounts if:

- You have not applied for the benefits or You have failed to pursue them with reasonable diligence; *and*
- We have a reasonable belief that You are entitled to the benefits, and that we have a means for reasonably estimating the payable amount.

Deduction for Social Security Benefits

You must apply for benefits under the Federal Social Security Act if there is a reasonable basis for application. If the Social Security Administration denies such benefits, You are required to appeal the initial denial.

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.

When You receive approval, or 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 overpayment. This includes any prior or current overpayment from any past, current or new payable claim under the Policy. An overpayment occurs if:

- 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 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 You have been paid less than You are entitled to under the Policy, We will pay You the difference in a lump sum.

Proration

Any Long Term Disability Benefit payable for less than a week will be prorated based on a 7 day week. 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 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 pro-rated over the period benefits have been or will be paid. You must provide Proof of the award to Us. Our rights shall be to the first 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 SURVIVOR

We will pay a lump sum benefit to Your eligible survivor when Proof is received that You died:

- after Your Disability had continued for 180 or more consecutive days; *and*
- while You were receiving a Monthly Benefit Payment.

This Additional Benefit for Survivor will be an amount equal to three times the Last Monthly Benefit for Long Term Disability. Any Additional Benefit for Survivor will be applied first to reduce any outstanding overpayment.

We will pay the Additional Benefit for Survivor to Your legal spouse, if living. If Your spouse is not living, We will pay the Additional Benefit divided into equal shares to Your children. Children must be under age 26, unmarried, and dependent on You for support and maintenance. Children include step-children, adopted children, and foster children. If there is no person entitled to the Additional Benefit for Survivor living at the time of Your death, the Additional Benefit will be paid to Your estate. Our payment to Your estate discharges Us of all liability under this Additional Benefit to the extent of the payment, and shall be valid and effective against all claims by others representing or claiming to represent Your children. Benefits otherwise payable to a minor child may be made instead to an adult who submits Proof that he or she has assumed custody and support of the child. One example of such Proof is a court order granting custody of the minor child to the adult.

Last Monthly Benefit means, for the purpose of this provision, the Gross Monthly Benefit amount paid to You immediately prior to Your death.

ADDITIONAL BENEFIT FOR VOCATIONAL REHABILITATION

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

Vocational Rehabilitation Program means services which we will help You to obtain, such as the following, that may reasonably be expected to help You to return to active employment:

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.

The services must be agreed to by You, by Us, and by Your Physician. The extent to which these services are provided will be determined 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;
and
6. the expected liability for Your 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 Substantial and Material Acts of Your Own Occupation;
2. lack the skills, training, or experience You would need to perform another occupation;
3. possess the physical and mental abilities You need to complete a rehabilitation program;
and
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 statement of the proposed Vocational Rehabilitation services with input from You, Your Physician, Your current employer and/or Your prospective employer. Once the services are approved, You will be provided services according to the written program.

The written statement will describe:

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

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.

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 Monthly Benefit Payment 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. You are no longer eligible to participate in a Vocational Rehabilitation , based on the provisions of the Additional Benefit for Vocational Rehabilitation;
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.

ADDITIONAL BENEFIT FOR SOCIAL SECURITY ASSISTANCE

If You are receiving Monthly Benefit Payments from Us, We may provide assistance to You about filing Your claim for Social Security disability benefits or appealing a denial of Your claim for Social Security disability benefits.

If You receive Social Security disability benefits, this may enable You to receive Medicare after 24 months of disability payments, protect Your Social Security retirement benefits, and Your family may also be eligible for Social Security benefits.

We can assist You in obtaining Social Security disability benefits by:

- helping You obtain medical and vocational evidence; *and*
- helping You find appropriate legal representation; *and*
- by reimbursing pre-approved case management expenses.

ADDITIONAL BENEFIT FOR WORKPLACE MODIFICATION

If You are Disabled and are receiving a Monthly Benefit Payment from Us, an Additional Benefit for Workplace Modification may be payable to accommodate You in returning to work. We may reimburse up to 100% of the costs reasonably incurred for modifications to the workplace to accommodate Your return to work, and to assist You in remaining at work.

The amount We pay will not exceed the lesser of:

1. two times Your Monthly Benefit Payment; *or*
2. \$10,000; *or*
3. The actual cost of the modification.

To qualify for this reimbursement, You must:

1. be Disabled according to the terms of the Policy; *and*
2. have the reasonable expectation of returning to active employment and remaining in active employment with the assistance of the proposed workplace modification.

We must receive a written proposal of the planned workplace modification. This proposal must include:

1. input from the Plan Sponsor, You and Your Physician;
2. the purpose of the proposed workplace modification;
3. the expected completion date of the workplace modification; *and*
4. the cost of workplace modification.

We will reimburse the costs of the workplace modification when We:

1. approve the proposals in writing;
2. receive Proof that the workplace modification is complete; *and*
3. receive Proof of the costs incurred for the workplace modification.

The Additional Benefit for Workplace Modification is available on a one-time basis.

ADDITIONAL BENEFIT FOR WORK RETENTION ASSISTANCE

If You:

1. have a medical condition or functional impairment that You report to Us and that has the reasonable potential to result in a Disability under the Policy, according to generally accepted medical standards; *but*
2. have not yet become Disabled,

We may provide Vocational Rehabilitation services and assistance determined necessary and appropriate to minimize the effects of such condition or impairment and to assist You in retaining the ability to perform the Substantial and Material Acts of Your Own Occupation or of another appropriate gainful occupation offered by the Plan Sponsor. The services must be agreed to by You, by Us, and by Your Physician, and will be based on the provisions of the Additional Benefit for Rehabilitation.

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. Disability or loss caused or substantially contributed to by war or any 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. Disability or loss caused or substantially contributed to by any attempt at suicide or intentionally self-inflicted injury, while sane or insane;
4. Disability or loss caused or substantially contributed to by active participation in a riot, insurrection, or terrorist activity;
5. Disability or loss caused or substantially contributed to by committing or attempting to commit a felony.
6. Disability or loss in consequence of the Insured being intoxicated, as defined by the jurisdiction where the disability or loss occurred;
7. Disability or loss caused or substantially contributed to by voluntary intake of any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions
8. Disability or loss caused or materially contributed to by engaging in an illegal occupation;
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. With respect to a mental disorder, any period during which You are not under the continuing regular care of an appropriate specialist 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 not, by Us.
2. You have applied for benefits under fraudulent circumstances and these circumstances resulted in a conviction of fraud.
3. You unreasonably fail to submit to an Independent Medical Exam requested by Us.
4. Disability results from cosmetic or reconstructive surgery, except for complications arising from such surgery, or surgery necessary to correct a deformity caused by Illness or accidental Injury.

5. 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 Ends* section.

If your professional or occupational license or your certification is suspended, revoked or surrendered, loss of your license or certification, by itself, does not mean you are disabled.

Your Disability must start while You are insured under the Policy. At the time of claim, Proof of Disability based on medical evaluation by a Physician will be required. Thereafter, no benefits are payable for any period of disability during which you are not under the Regular Care of a Physician, or You or Your Physician unreasonably fail to provide Proof of continuing Disability, or any medical or any psychiatric records which We request.

Pre-Existing Condition Exclusion

12/6/24 option

You are not covered for a Disability caused or substantially contributed to by a Pre-Existing Condition or medical or surgical treatment of a Pre-Existing Condition. You have a Pre-Existing Condition if:

1. (a) You received medical treatment, care or services for a diagnosed condition or took prescribed medication for a diagnosed condition in the 12 months prior to Your effective date of coverage under the Policy; *or*
(b) You suffered from a diagnosed physical or mental condition which was misrepresented or not disclosed in Your application, (i) for which You received a Physician's treatment within 12 months prior to Your effective date of coverage under the Policy, or (ii) which caused symptoms within 12 months prior to Your effective date of coverage under the Policy; *and*
2. The Disability caused or substantially contributed to by the condition begins in the first 24 months after Your effective date of coverage under the Policy. However, if You have been free of treatment for the condition for a period of 6 months while insured under the Policy, Your condition will not be considered a Pre-Existing Condition following this 6 month period during which You were treatment free.

3/6/12 option

You are not covered for a Disability caused or substantially contributed to by a Pre-Existing Condition or medical or surgical treatment of a Pre-Existing Condition. You have a Pre-Existing Condition if:

1. (a) You received medical treatment, care or services for a diagnosed condition or took prescribed medication for a diagnosed condition in the 3 months prior to Your effective date of coverage under the Policy; *or*
(b) You suffered from a diagnosed physical or mental condition which was misrepresented or not disclosed in Your application, (i) for which You received a Physician's treatment within 3 months prior to Your effective date of coverage under the Policy, or (ii) which caused symptoms within 3 months prior to Your effective

date of coverage under the Policy; *and*

2. The Disability caused or substantially contributed to by the condition begins in the first 12 months after Your effective date of coverage under the Policy. However, if You have been free of treatment for the condition for a period of 6 months while insured under the Policy, Your condition will not be considered a Pre-Existing Condition following this 6 month period during which You were treatment free.

3/12 option

You are not covered for a Disability caused or substantially contributed to by a Pre-Existing Condition or medical or surgical treatment of a Pre-Existing Condition. You have a Pre-Existing Condition if:

1. (a) You received medical treatment, care or services for a diagnosed condition or took prescribed medication for a diagnosed condition in the 3 months prior to Your effective date of coverage under the Policy; *or*
(b) You suffered from a diagnosed physical or mental condition which was misrepresented or not disclosed in Your application, (i) for which You received a Physician's treatment within 3 months prior to Your effective date of coverage under the Policy, or (ii) which caused symptoms within 3 months prior to Your effective date of coverage under the Policy; *and*
2. The Disability caused or substantially contributed to by the condition begins in the first 12 months after Your effective date of coverage under the Policy.

12/24 option

You are not covered for a Disability caused or substantially contributed to by a Pre-Existing Condition or medical or surgical treatment of a Pre-Existing Condition. You have a Pre-Existing Condition if:

1. (a) You received medical treatment, care or services for a diagnosed condition or took prescribed medication for a diagnosed condition in the 12 months prior to Your effective date of coverage under the Policy; *or*
(b) You suffered from a diagnosed physical or mental condition which was misrepresented or not disclosed in Your application, (i) for which You received a Physician's treatment within 12 months prior to Your effective date of coverage under the Policy, or (ii) which caused symptoms within 12 months prior to Your effective date of coverage under the Policy; *and*
2. The Disability caused or substantially contributed to by the condition begins in the first 24 months after Your effective date of coverage under the Policy.

Uniform Compulsory Provisions

Entire Contract, Changes

This Policy, the application of the employer, if any, and the individual applications, if any, of the employees constitutes the entire contract between the parties, and any statement made by the employer or by any employee shall, in the absence of fraud, be deemed a representation and not a warranty. No such statement shall avoid the insurance or reduce the benefits under this Policy or be used in defense to a claim hereunder unless it is contained in a written application, nor shall any such statement of the employer, except a fraudulent misstatement, be used at all to void this Policy after it has been in force for two years from the date of its issue, nor shall any such statement of any employee eligible for coverage under the Policy, except a fraudulent misstatement, be used at all in defense to a claim for loss incurred or disability as defined in the Policy commencing after the insurance coverage with respect to which claim is made has been in effect for two years from the date it became effective.

No change in this Policy shall be valid unless approved by an executive officer of the insurer and unless such approval be endorsed herein or attached hereto. No agent has authority to change this Policy or waive any of its provisions.

Time Limit on Certain Defenses

After two years from the date of issue of this policy, no misstatement, except a fraudulent misstatement, made by you in your application shall be used to void the policy; and after two years from the effective date of the coverage with respect to which any claim is made no misstatement of any employee eligible for coverage under the policy, except a fraudulent misstatement, made in an application under the policy shall be used to deny a claim for loss incurred or disability (as defined in the policy) commencing after expiration of such two years.

No claim for loss incurred or disability (as defined in the policy) commencing after two years from the effective date of the insurance coverage with respect to which the claim is made shall be reduced or denied on the ground that a disease or physical condition, not excluded from coverage by name or specific description effective on the date of loss, had existed prior to the effective date of the coverage with respect to which the claim is made.

Grace Period

A grace period of 31 days will be granted for the payment of premiums accruing after the first premium, during which grace period the Policy shall continue in force, but the employer shall be liable to the insurer for the payment of the premium accruing for the period the Policy continues in force.

Notice of Claim

Written notice of claim must be given to the insurer within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the claimant to the insurer at:

Anthem Blue Cross Life and Health Insurance Company
Claims Service Center
P.O. Box 105448
Atlanta, GA 30348-5448

with information sufficient to identify the insured employee, shall be deemed notice to the insurer.

Claim Forms

The insurer, upon receipt of a written notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

Proof of Loss

Written proof of loss must be furnished to the insurer, in case of claim for loss for which this policy provides any periodic payment contingent upon continuing loss, within 90 days after the termination of the period for which the insurer is liable, and in case of claim for any other loss, within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the employee, later than one year from the time proof is otherwise required.

Time of Payment of Claim

Indemnities payable under this policy for any loss other than loss for which this policy provides periodic payments will be paid to the insured employee as they accrue immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnity for loss for which this policy provides periodic payment will be paid monthly to the insured employee and any balance remaining unpaid upon the termination of the period of liability will be paid immediately upon receipt of due written proof.

Physical Examination and Autopsy

The insurer at its own expense shall have the right and opportunity to examine the person of any individual whose injury or sickness is the basis of claim when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death, where it is not forbidden by law.

Legal Actions

No action at law or in equity shall be brought to recover on this policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

Sample

Other 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.

Misstatement of Age or Other Facts

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 while You are not Actively at Work

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 the 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.

Proof Of Continuing Disability

From time to time You must give Proof to Us at Your expense that You are still Disabled. We will ask You for this Proof at reasonable intervals. We will stop Monthly Benefit Payments if You do not give Proof that You are still Disabled. 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;
2. statements of income received from other sources while disabled;
3. evidence that due application has been made for all other available benefits;
4. tax returns, 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.

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:

- Send Us written comments;
- Review any non-privileged information relating to Your claim; *and*
- 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.

Section II.**ERISA Information****Required by the Employee Retirement Income Security Act (ERISA) of 1974**

This information is included in this certificate at the request of the Plan (as identified below) and reflects information provided by the Plan.

Name of Plan:

Plan Sponsor:

Employer Identification Number:

ERISA Plan Number:

Coverage:

Long Term Disability Insurance

Type of Plan:

Employee welfare benefit plan providing group benefits, including disability benefits

Type of Administration:

ERISA Group Contract

Plan Administrator:

Agent for Service of Legal Process:

Eligibility:

All benefit eligible employees

ERISA Plan Year:

Cost of Benefits:

The premiums for this insurance plan are paid by

Statement of ERISA rights

The following statement is required by federal law and regulation:

As a participant of the Employee Welfare Benefit Plan for Employees of , you are entitled to valuable financial protection – beyond your paycheck – that is provided by this plan. These benefits have been summarized and described for you in this Certificate so that you will have the facts you need for reference.

Your group health care benefits have been affected by The Employee Retirement Income Security Act of 1974 (ERISA) since September 2, 1974. ERISA was signed into law to provide additional protection of your rights under this plan. The law does not require a company to provide benefits, but it does set standards for any benefits a company wishes to offer. It also requires that you be fully informed of the benefits you can expect to receive and your rights under ERISA.

It is your right to know about your benefit plans in detail. Therefore, in addition to the information provided in this Certificate, you will receive each year – at no cost – a summary of the annual report of the plan's financial activities. You can also review the various plan documents at your place of work or receive copies of them at reasonable cost, if you file a written request with the Plan Administrator.

You also have a right to expect that the people who are responsible for the activities of the plan, who are called fiduciaries, act prudently and in your best interest. The plan fiduciaries have always acted in this manner, and have a commitment to the company to continue to do so. They also have a commitment under ERISA to make up any losses they may cause the plan through any imprudence.

If your claim for a benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim.

There are steps you can take to enforce your rights. You have a right to file suit if:

- A fiduciary has misused funds;
- The company improperly denies you a benefit;
- The company fails to furnish within 30 days any documents you have requested in writing; or
- The company discriminates against you for asserting your rights.

We doubt that will ever happen, but the right to file suit and to get the Department of Labor to help you is yours. The court will decide who should pay court costs and legal fees and could require the Plan Administrator to provide materials you requested and pay you up to \$110 a day until you receive the materials. If you are successful the court may order the person you have sued to pay these costs and fees.

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

The company cannot dismiss you or discriminate against you to prevent you from obtaining benefits or exercising your rights under ERISA.

If you have any questions about this plan or your rights under ERISA, please contact the Plan Administrator who will be glad to help you. You can also obtain such information at the nearest Area Office of the U.S. Labor-Management Service Administration, Department of Labor.

OR

CLAIMS DISCLOSURE NOTICE REQUIRED BY ERISA Disability Insurance

The Certificate contains information on reporting claims, including the time limitations on submitting a claim. Claim forms may be obtained from the Plan Administrator or Anthem. In addition to this information, if this plan is subject to ERISA, ERISA applies some additional claim procedure rules. The additional rules required by ERISA are set forth below. To the extent that the ERISA claim procedure rules are more beneficial to you, they will apply in place of any similar claim procedure rules included in the certificate.

Anthem must notify you, within 45 days after they receive your claim for benefits, that they have it and what they determine your benefits to be. If they need more than 45 days to determine your benefits, due to reasons beyond their control, they must notify you within that 45 day period that they need more time to determine your benefits. They may extend the time to determine what your benefits are twice. But, in any case, even with an extension, or extensions, they cannot take more than 105 days to determine your benefits. If you do not submit all the necessary information for your claim to Anthem, they must notify you within the 45 days after they get it and tell you what information is missing. You have 45 days to provide them with the information they need to process your claim.

If your claim is denied in whole or in part, you will receive a written notice of the denial within 45 days after Anthem has all the information they need to process your claim, if the information is received in a timely manner. The 45 day period may be extended up to a total of 105 days if they need more time to process your claim for reasons beyond their control. The written notice will explain the reason for the adverse benefit determination and the plan provisions upon which the adverse benefit determination was made. You have 180 days to appeal their adverse benefit determination. Your appeal must be in writing. Within 45 days after they receive your appeal, they must notify you of their decision about it. (The 45 day period may be extended for up to a total of 90 days if they need more time to process your claim for reasons beyond their control.) Their notice to you of their decision will be in writing.

Note: You, your beneficiary, or a duly authorized representative may appeal any denial of a claim for benefits with Anthem and request a review of the denial. In connection with such a request:

- Documents pertinent to the administration of the Plan may be reviewed free of charge;
and
- Issues outlining the basis of the appeal may be submitted.

You may have representation throughout the appeal and review procedure.

Section III. Notice of Privacy Practices

Note: The following Notice of Privacy Practices is not a part of Your Certificate of Coverage and does not modify your insured benefits.

STATE NOTICE OF PRIVACY PRACTICES

We keep the health and financial information of our current and former members private as required by law, accreditation standards, and our rules. This notice explains your rights. It also explains our legal duties and privacy practices. We are required by state law to give you this notice.

Your Personal Information

We may collect, use, and share your nonpublic personal information (PI) as described in this notice. If we use or disclose PI for underwriting purposes, we are prohibited from using or disclosing PI that is genetic information of an individual for such purposes.

PI identifies a person and is often gathered in an insurance matter. Because PI is defined as any information that can be used to make judgments about your health, finances, character, habits, hobbies, reputation, career and credit, we take reasonable safety measures to protect the PI we have about you.

Collection of Personal Information

We may collect PI about you. PI may be about your health. It may also be demographic, such as your name, address, and birth date or financial, such as your credit card number. In most cases, you are our most important source for this information. We may also collect or check PI by speaking to others, such as your doctor or hospital. We may also contact other insurance companies to whom you have applied. We collect PI about your dealings with us and others acting on our behalf. This includes data about claims, medical history, eligibility, and payment. We may collect this PI by letter, telephone, personal contact, or electronic request.

Sharing Personal Information

Your PI is used to manage your coverage well. We do not share the PI of current or former members with others unless you tell us that it is OK for us to do so. We will only share PI without your OK when allowed by law. Here are some samples of when we may give PI to others:

- To third parties that do services for us. They must agree to protect your PI as required by law.
- To third parties so they can give us PI to determine eligibility for benefits or to spot or put a stop to criminal action, fraud, or misrepresentation.
- To our agents and brokers, other insurance companies, self-insured groups, or insurance support groups as needed to spot or put a stop to criminal action, fraud, or misrepresentation.
- To our agents and brokers, other insurance companies, self-insured groups, or insurance support groups as needed to give you the right service or to carry out an insurance matter that has to do with you or a covered member of your family. For example, we may share PI with another insurance company to help manage insurance benefits. In some states, the person who gets the information is not allowed to share it with others without your OK unless you are told about it ahead of time and are given a chance to find out if your PI was shared.

- To a doctor, hospital, or other medical provider to confirm coverage or benefits. To tell you about a medical problem that you may not be aware of. To carry out an operational or service audit.
- To insurance regulatory agencies.
- In response to a court order. This includes a search warrant or subpoena.
- To law enforcement or governmental authority to protect ourselves against an act of fraud, or if we reasonably believe that illegal activities have taken place.
- To industry and professional groups who carry out actuarial and research studies. Normally, the results of such studies benefit our members and the general public. That is why we would share data for that type of purpose. PI is removed to a point that it is still useful before sharing it with researchers. If it is shared, you will not be identified in any report that results from the research. All PI given to researchers is treated in a private manner.
- To your group health plan if reasonably needed to report claims experience or carry out an audit of our services. In some states, we are only allowed to give information on a group level (no PI) for these reasons.
- To a peer review group for review of the service or conduct of a doctor, hospital, or other medical provider.
- To a policyholder to give them information on the status of an insurance matter.
- To the government to decide your eligibility for health benefits if the government may be held responsible.
- To state governments to protect the public health and welfare. But only as needed to allow them to perform their duties when reporting is required or allowed by law.
- To an affiliate when it has to do with an audit of our company, or for marketing an insurance product or service. The affiliate must agree not to share the PI for any other reason or to those who are not affiliated. In some states, we may not share health care information for these reasons. In some states, we are required to get your OK in writing before we share any PI for these reasons.
- To a party to a sale, merger, or consolidation of all or part of our business. We can only share the PI reasonably needed to allow the person getting it to make business choices about the purchase. The person who gets the PI agrees not to share it with others unless allowed by state law.
- To a person who we know has a legal or beneficial interest in an insurance policy. No medical record information is shared unless allowed by state law. Only PI reasonably needed to allow such person to protect his or her interests in such policy is shared.
- To a non-affiliated party to market a product or service. In these cases, information that has to do with your medical records, character, habits, mode of living or reputation, is not shared. The non-affiliated party will only use the limited information to market the product or service. We will only share your information in this way if we gave you the chance to opt-out (see below). In some states, and under HIPAA, we may only share your PI with third parties for marketing reasons if we get an OK in writing from you.
- As otherwise allowed or required by law.

Information obtained from a report prepared by an insurance support group may be kept by the group and made known to other persons. These groups are companies that routinely take part in gathering data about persons just to give the data to an insurance company.

Opt-out Opportunity

If we take part in an activity that would require us to give you a chance to opt-out, we will contact you. We will tell you how you can let us know that you do not want us to use or share your PI for that activity.

Your Rights

Under state law, you have a number of rights that have to do with your PI.

Access. You may ask for access to certain recorded PI that we can reasonably locate and get for you.

Amendment. You may ask us to correct, change, or delete recorded PI we have if you think it is wrong.

To ask for access or to change your PI, call Customer Service at the phone number printed on your ID card. They can give you the address to send the request. They can also give you any forms we have that may help you with this process. We will need your full name, address, date of birth, all ID numbers and details about what PI you want to access or change.

How we protect information

We are dedicated to protecting your PI. We set up a number of policies and practices to help make sure this PI is kept secure.

We keep your oral, written, and electronic PI safe using physical, electronic, and procedural means. These safeguards follow federal and state laws. Some of the ways we keep your PI safe include offices that are kept secure, computers that need passwords, and locked storage areas and filing cabinets. We require our employees to protect PI through written policies and procedures. The policies limit access to PI to only those employees who need the data to do their job. Employees are also required to wear ID badges to help keep people who do not belong out of areas where sensitive data is kept. Also, where required by law, our affiliates and non-affiliates must protect the privacy of data we share in the normal course of business. They are not allowed to give personal information to others without your written OK, except as allowed by law.

Complaints

If you think we have not protected your privacy, you can file a complaint with us. We will not take action against you for filing a complaint.

Contact Information

Please call Customer Service at the phone number printed on your ID card. They can help you apply your rights, file a complaint, or talk with you about privacy issues.

Copies and Changes

You have the right to get a new copy of this notice at any time. Even if you have agreed to get this notice by electronic means, you still have the right to a paper copy. We reserve the right to change this notice. A revised notice will apply to PI we already have about you as well as any we may get in the future. We are required by law to follow the privacy notice that is in effect at this time. We may tell you about any changes to our notice in a number of ways. We may tell you

about the changes in a member newsletter or post them on our website. We may also mail you a letter to tell you about changes.

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.

This Notice is provided by Anthem Blue Cross Life and Health Insurance Company.

Sample

Section IV.	Value Added Services
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Note: The Value Added additional services are not a part of Your Certificate of Coverage and do not modify your insured benefits.

The Value Added Services are provided based on negotiated agreements between the insurance company and certain service providers. Although the insurance company endeavors to make these services available to all policyholders and certificateholders as described below, modifications to our agreements with service providers may require that services be periodically modified or terminated. Such modification or termination of services may be made based on cost to the insurer, availability of services, or other business reasons at the discretion of the insurer or service providers.

1.	Resource Advisor
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When you feel pressure from everyday problems like work-related stress or family issues, Resource Advisor can help you get emotional, legal and financial support. No issue is too big or too small – and there's no extra cost to you.

Call us – support is one phone call away 24/7

You and your family can talk to a Resource Advisor counselor by phone who can:

- Give you advice and arrange for up to three visits with a counselor, if you need it.
- Put you in touch with a financial advisor if you have money problems.
- Connect you with a lawyer if you need legal help. You can meet by phone or in person.

Let us help if your identity is stolen

If your wallet or purse is lost or your identity stolen, we'll assign a Fraud Resolution Specialist to help get your identity back and restore your good credit.

- Placing "fraud alerts" on credit reports and with creditors.
- Closing bank and credit card accounts where your identity is an issue.
- Arranging a phone meeting with a financial counselor.
- Setting up a meeting with a lawyer on issues around the identity theft (each visit must be for a separate issue.)

Go online for help any time...and a lot more

When you visit www.ResourceAdvisorCA.Anthem.com you'll find:

- Tips on handling difficult life events and a depression screening tool.
- Parenting information. There's even a child and elder care provider finder.
- Financial tools to help you plan for major purchases or life events.
- You and your family members can register for identity monitoring at no cost.
- State-specific online wills and a legal library.

Give added support to beneficiaries when they need it most.

Providing your loved ones with a little extra comfort and emotional support after you're gone is a lasting gift. Resource Advisor gives your beneficiaries:

- Three meetings with a mental health professional.
- Meetings with a legal and/or financial professional.
- Copies of *The Healing Book: Facing the Death-and Celebrating the Life-of Someone You Love*. This is a great resource book to talk to children about loss.
- Beneficiary Companion* services to help your family with estate details like closing bank accounts, credit cards and utilities.

* Beneficiary Companion services are provided by Europ Assistance USA, an independent company providing these services on behalf of Anthem Blue Cross Life and Health Insurance Company.

Keep Resource Advisor close at hand. Just cut out and carry this wallet card.

Get support, advice and resources 24/7.

Call 888-209-7840 or visit
www.ResourceAdvisorCA.Anthem.com

Then log in with the program name:
AnthemResourceAdvisor

Note: if you retire, you can only use Resource Advisor until your retirement starts.

2.

Save money with SpecialOffers@Anthem

Saving money is good. Saving money on things that are good for you – that's even better. With SpecialOffers@Anthem, you can receive discounts on products and services that help promote better health and well being. And, there's no extra cost to you. SpecialOffers@Anthem is just one of the perks of being a member.

Log on to www.anthem.com/ca/specialoffers for details on discounts in categories like Family & Home, Fitness & Health, Medicine & Treatment, Vision, Hearing & Dental.

Sample

Sample

Anthem Blue Cross Life and Health Insurance Company

21555 Oxnard Street

Woodland Hills, CA 91367

818-234-2700