



## Multnomah County Oregon

Your Group Disability Plans

For Non-Represented Employees,  
Members of Local 701  
and Local 88-4

Policy No. 387790-013

Underwritten by Unum Life Insurance Company of America

06-2014

## Coverages

Short Term Disability ..... Section one

Long Term Disability ..... Section Two

## **Section One**

Short Term Disability



## CERTIFICATE OF COVERAGE

Unum Life Insurance Company of America (referred to as Unum) welcomes you as a client.

This is your certificate of coverage as long as you are eligible for coverage and you become insured. You will want to read it carefully and keep it in a safe place.

Unum has written your certificate of coverage in plain English. However, a few terms and provisions are written as required by insurance law. If you have any questions about any of the terms and provisions, please consult Unum's claims paying office. Unum will assist you in any way to help you understand your benefits.

If the terms and provisions of the certificate of coverage (issued to you) are different from the policy (issued to the policyholder), the policy will govern. Your coverage may be cancelled or changed in whole or in part under the terms and provisions of the policy.

The policy is delivered in and is governed by the laws of the governing jurisdiction and to the extent applicable by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments. When making a benefit determination under the policy, Unum has discretionary authority to determine your eligibility for benefits and to interpret the terms and provisions of the policy.

For purposes of effective dates and ending dates under the group policy, all days begin at 12:01 a.m. and end at 12:00 midnight at the Policyholder's address.

Unum Life Insurance Company of America  
2211 Congress Street  
Portland, Maine 04122

## TABLE OF CONTENTS

BENEFITS AT A GLANCE.....	B@G-STD-1
SHORT TERM DISABILITY PLAN.....	B@G-STD-1
CLAIM INFORMATION.....	STD-CLM-1
SHORT TERM DISABILITY .....	STD-CLM-1
GENERAL PROVISIONS .....	EMPLOYEE-1
SHORT TERM DISABILITY .....	STD-BEN-1
BENEFIT INFORMATION.....	STD-BEN-1
OTHER BENEFIT FEATURES .....	STD-OTR-1
GLOSSARY .....	GLOSSARY-1

# BENEFITS AT A GLANCE

## SHORT TERM DISABILITY PLAN

This short term disability plan provides financial protection for you by paying a portion of your income while you are disabled. The amount you receive is based on the amount you earned before your disability began. In some cases, you can receive disability payments even if you work while you are disabled.

### EMPLOYER'S ORIGINAL PLAN

**EFFECTIVE DATE:** July 1, 2001

**POLICY NUMBER:** 387790 013

### ELIGIBLE GROUP(S):

All Exempt Employees, Local 701-Operating Engineers, and members of Local 88-4 in active employment in the United States with the Employer

### MINIMUM HOURS REQUIREMENT:

Employees must be working at least 20 hours per week.

### WAITING PERIOD:

For employees in an eligible group on or before July 1, 2001: None

For employees entering an eligible group after July 1, 2001: First of the month coincident with or next following the date you enter an eligible group

### WHO PAYS FOR THE COVERAGE:

Your Employer pays the cost of your coverage.

### ELIMINATION PERIOD:

30 days for disability due to an injury

30 days for disability due to a sickness

Benefits begin the day after the elimination period is completed.

### WEEKLY BENEFIT:

60% of weekly earnings to a maximum benefit of \$700 per week

**Your payment may be reduced by deductible sources of income and disability earnings. Some disabilities may not be covered under this plan.**

### MAXIMUM PERIOD OF PAYMENT:

9 weeks

Premium payments are required for your coverage while you are receiving payments under this plan.

Your Short Term Disability plan does not cover disabilities due to an occupational sickness or injury.

### REHABILITATION AND RETURN TO WORK ASSISTANCE BENEFIT:

10% of your gross disability payment to a maximum benefit of \$250 per week.

In addition, we will make weekly payments to you for 3 weeks following the date your disability ends if we determine you are no longer disabled while:

- you are participating in the Rehabilitation and Return to Work Assistance program; and
- you are not able to find employment.

**OTHER FEATURES:**

Minimum Benefit

**The above items are only highlights of this plan. For a full description of your coverage, continue reading your certificate of coverage section.**

The plan includes enrollment, risk management and other support services related to your Employer's Benefit Program.



## **CLAIM INFORMATION**

### **SHORT TERM DISABILITY**

#### ***WHEN DO YOU NOTIFY UNUM OF A CLAIM?***

We encourage you to notify us of your claim as soon as possible, so that a claim decision can be made in a timely manner. Written notice of a claim should be sent within 30 days after the date your disability begins. However, you must send Unum written proof of your claim no later than 90 days after your elimination period. If it is not possible to give proof within 90 days, it must be given no later than 1 year after the time proof is otherwise required except in the absence of legal capacity.

The claim form is available from your Employer, or you can request a claim form from us. If you do not receive the form from Unum within 15 days of your request, send Unum written proof of claim without waiting for the form.

You must notify us immediately when you return to work in any capacity.

#### ***HOW DO YOU FILE A CLAIM?***

You and your Employer must fill out your own sections of the claim form and then give it to your attending physician. Your physician should fill out his or her section of the form and send it directly to Unum.

#### ***WHAT INFORMATION IS NEEDED AS PROOF OF YOUR CLAIM?***

Your proof of claim, provided at your expense, must show:

- that you are under the **regular care** of a **physician**;
- the appropriate documentation of your weekly earnings;
- the date your disability began;
- the cause of your disability;
- the extent of your disability, including restrictions and limitations preventing you from performing your regular occupation; and
- the name and address of any **hospital or institution** where you received treatment, including all attending physicians.

We may request that you send proof of continuing disability indicating that you are under the regular care of a physician. This proof, provided at your expense, must be received within 45 days of a request by us.

In some cases, you will be required to give Unum authorization to obtain additional medical information and to provide non-medical information as part of your proof of claim, or proof of continuing disability. Unum will deny your claim, or stop sending you payments, if the appropriate information is not submitted.

#### ***TO WHOM WILL UNUM MAKE PAYMENTS?***

Unum will make payments to you.

## ***WHAT HAPPENS IF UNUM OVERPAYS YOUR CLAIM?***

Unum has the right to recover any overpayments due to:

- fraud;
- any error Unum makes in processing a claim; and
- your receipt of deductible sources of income.

You must reimburse us in full. We will determine the method by which the repayment is to be made.

Unum will not recover more money than the amount we paid you.

## GENERAL PROVISIONS

### ***WHAT IS THE CERTIFICATE OF COVERAGE?***

This certificate of coverage is a written statement prepared by Unum and may include attachments. It tells you:

- the coverage for which you may be entitled;
- to whom Unum will make a payment; and
- the limitations, exclusions and requirements that apply within a plan.

### ***WHEN ARE YOU ELIGIBLE FOR COVERAGE?***

If you are working for your Employer in an eligible group, the date you are eligible for coverage is the later of:

- the plan effective date; or
- the day after you complete your **waiting period**.

### ***WHEN DOES YOUR COVERAGE BEGIN?***

When your Employer pays 100% of the cost of your coverage under a plan, you will be covered at 12:01 a.m. on the date you are eligible for coverage.

When you and your Employer share the cost of your coverage under a plan or when you pay 100% of the cost yourself, you will be covered at 12:01 a.m. on the latest of:

- the date you are eligible for coverage, if you apply for insurance on or before that date;
- the date you apply for insurance, if you apply within 31 days after your eligibility date; or
- the date Unum approves your application, if **evidence of insurability** is required.

Evidence of insurability is required if you:

- are a late applicant, which means you apply for coverage more than 31 days after the date you are eligible for coverage; or
- voluntarily cancelled your coverage and are reapplying.

An evidence of insurability form can be obtained from your Employer.

### ***WHAT IF YOU ARE ABSENT FROM WORK ON THE DATE YOUR COVERAGE WOULD NORMALLY BEGIN?***

If you are absent from work due to injury, sickness, temporary layoff or leave of absence, your coverage will begin on the date you return to **active employment**.

### ***ONCE YOUR COVERAGE BEGINS, WHAT HAPPENS IF YOU ARE TEMPORARILY NOT WORKING?***

If you are on a temporary **layoff**, and if premium is paid, you will be covered through the end of the month after you cease to be actively at work on regular work days.

If you are on an approved paid **leave of absence**, and if premium is paid, coverage will be continued through the end of the month following 6 months after the leave of absence begins, except for Workers Compensation Supplemental Pay leaves.

If you are on an approved unpaid leave of absence, and if premium is paid, coverage will be continued through the end of the month following the month in which the leave of absence begins. This provision also applies to Workers Compensation Supplemental Pay leaves.

### ***WHEN WILL CHANGES TO YOUR COVERAGE TAKE EFFECT?***

Once your coverage begins, any increased or additional coverage will take effect immediately if you are in active employment or if you are on a covered layoff or leave of absence. If you are not in active employment due to injury or sickness, any increased or additional coverage will begin on the date you return to active employment.

Any decrease in coverage will take effect immediately but will not affect a **payable claim** that occurs prior to the decrease.

### ***WHEN DOES YOUR COVERAGE END?***

Your coverage under the policy or a plan ends on the earliest of:

- the date the policy or a plan is cancelled;
- the date you no longer are in an eligible group, but are not eligible for coverage under Unum policy 387791;
- the date your eligible group is no longer covered;
- the last day of the period for which you made any required contributions;
- the last day you are in active employment except as provided under the covered layoff or leave of absence provision; or
- the end of the month following the date you are no longer in an eligible group but eligible for coverage under Unum policy 387791.

Unum will provide coverage for a payable claim which occurs while you are covered under the policy or plan.

### ***WHAT ARE THE TIME LIMITS FOR LEGAL PROCEEDINGS?***

You can start legal action regarding your claim 60 days after proof of claim has been given and up to 3 years from the time proof of claim is required, unless otherwise provided under federal law.

### ***HOW CAN STATEMENTS MADE IN YOUR APPLICATION FOR THIS COVERAGE BE USED?***

Unum considers any statements you or your Employer make in a signed application for coverage a representation and not a warranty. If any of the statements you or your Employer make are not complete and/or not true at the time they are made, we can:

- reduce or deny any claim; or
- cancel your coverage from the original effective date.

We will use only statements made in a signed application as a basis for doing this.

If the Employer gives us information about you that is incorrect, we will:

- use the facts to decide whether you have coverage under the plan and in what amounts; and
- make a fair adjustment of the premium.

***DOES THE POLICY REPLACE OR AFFECT ANY WORKERS' COMPENSATION OR STATE DISABILITY INSURANCE?***

The policy does not replace or affect the requirements for coverage by any workers' compensation or state disability insurance.

***DOES YOUR EMPLOYER ACT AS YOUR AGENT OR UNUM'S AGENT?***

For purposes of the policy, your Employer acts on its own behalf or as your agent. Under no circumstances will your Employer be deemed the agent of Unum.

## **SHORT TERM DISABILITY BENEFIT INFORMATION**

### ***HOW DOES UNUM DEFINE DISABILITY?***

You are disabled when Unum determines that:

- you are **limited** from performing the **material and substantial duties** of your **regular occupation** due to your **sickness or injury**; and
- you have a 20% or more loss in weekly earnings due to the same sickness or injury.

The loss of a professional or occupational license or certification does not, in itself, constitute disability.

We may require you to be examined by a physician, other medical practitioner and/or vocational expert of our choice. Unum will pay for this examination. We can require an examination as often as it is reasonable to do so. We may also require you to be interviewed by an authorized Unum Representative.

### ***HOW LONG MUST YOU BE DISABLED BEFORE YOU ARE ELIGIBLE TO RECEIVE BENEFITS?***

You must be continuously disabled through your **elimination period**.

If your disability is the result of an injury that occurs while you are covered under the plan, your elimination period is 30 days.

If your disability is the result of a sickness, your elimination period is 30 days.

### ***CAN YOU SATISFY YOUR ELIMINATION PERIOD IF YOU ARE WORKING?***

Yes, provided you meet the definition of disability.

### ***WHEN WILL YOU BEGIN TO RECEIVE PAYMENTS?***

You will begin to receive payments when we approve your claim, providing the elimination period has been met and you are disabled. We will send you a payment weekly for any period for which Unum is liable.

After the elimination period, if you are disabled for less than 1 week, we will send you 1/7th of your payment for each day of disability.

### ***HOW MUCH WILL UNUM PAY YOU IF YOU ARE DISABLED?***

We will follow this process to figure your payment:

1. Multiply your weekly earnings by 60%.
2. The maximum **weekly benefit** is \$700.
3. Compare the answer from Item 1 with the maximum weekly benefit. The lesser of these two amounts is your **gross disability payment**.
4. Subtract from your gross disability payment any **deductible sources of income**.

The amount figured in Item 4 is your **weekly payment**.

### ***WHAT ARE YOUR WEEKLY EARNINGS?***

"Weekly Earnings" means your basic gross weekly income from your Employer in effect just prior to your date of disability. It includes your basic income before taxes. It is prior to any deductions made for pre-tax contributions to a qualified deferred compensation plan, Section 125 plan, or flexible spending account. It does not include income received from pay premiums such as shift differential pay, swing shift pay, or bi-lingual pay, commissions, bonuses, overtime pay, any other extra compensation or income received from sources other than your Employer

### ***WHAT WILL WE USE FOR WEEKLY EARNINGS IF YOU BECOME DISABLED DURING A COVERED LAYOFF OR LEAVE OF ABSENCE?***

If you become disabled while you are on a covered layoff or leave of absence, we will use your weekly earnings from your Employer in effect just prior to the date your absence begins.

### ***HOW MUCH WILL UNUM PAY YOU IF YOU ARE DISABLED AND WORKING?***

We will send you the weekly payment if you are disabled and your weekly disability earnings, if any, are less than 20% of your weekly earnings.

If you are disabled and your weekly **disability earnings** are from 20% through 80% of your weekly earnings, you will receive payments based on the percentage of income you are losing due to your disability. We will follow this process to figure your payment:

1. Subtract your disability earnings from your weekly earnings.
2. Divide the answer in Item 1 by your weekly earnings. This is your percentage of lost earnings.
3. Multiply your weekly payment as shown above by the answer in Item 2.

This is the amount Unum will pay you for each week.

Unum may require you to send proof of your disability earnings each week. We will adjust your weekly payment based on your disability earnings.

As part of your proof of disability earnings, we can require that you send us appropriate financial records which we believe are necessary to substantiate your income.

### ***HOW CAN WE PROTECT YOU IF YOUR DISABILITY EARNINGS FLUCTUATE?***

If your disability earnings routinely fluctuate widely from week to week, Unum will average your disability earnings over the most recent 3 weeks to determine if your claim should continue.

If Unum averages your disability earnings, we will not terminate your claim unless the average of your disability earnings from the last 3 weeks exceeds 80% of weekly earnings.

We will not pay you for any week during which disability earnings exceed 80% of weekly earnings.

### **WHAT ARE DEDUCTIBLE SOURCES OF INCOME?**

Unum will subtract from your gross disability payment the following deductible sources of income:

1. The amount that you receive or are entitled to receive as disability income payments under any:
  - state compulsory benefit **act** or **law**.
  - other group insurance plan.
2. The amount that you receive:
  - under the mandatory portion of any "no fault" motor vehicle **plan**.
  - under Title 46, United States Code Section 688 (The Jones Act).
  - from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.
3. The amount that you:
  - receive as disability payments under your Employer's **retirement plan**.
  - voluntarily elect to receive as retirement payments under your Employer's retirement plan.
  - receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer'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 based on your Employer's contribution to the retirement plan. Disability benefits which reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the retirement plan are distributed, Unum will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible retirement plan. Unum will use the definition of eligible retirement plan as defined in Section 402 of the Internal Revenue Code including any future amendments which affect the definition.

Unum will only subtract deductible sources of income which are payable as a result of the same disability.

### **WHAT ARE NOT DEDUCTIBLE SOURCES OF INCOME?**

Unum will not subtract from your gross disability payment income you receive from, but not limited to, the following:



- 401(k) plans
- profit sharing plans
- thrift plans
- tax sheltered annuities
- stock ownership plans
- non-qualified plans of deferred compensation
- pension plans for partners
- military pension and disability income plans
- credit disability insurance
- franchise disability income plans
- a retirement plan from another Employer
- individual retirement accounts (IRA)
- individual disability income plans
- **salary continuation** or **accumulated sick leave** plans

**WHAT IF SUBTRACTING DEDUCTIBLE SOURCES OF INCOME RESULTS IN A ZERO BENEFIT? (Minimum Benefit)**

The minimum weekly payment is: \$25.

Unum may apply this amount toward an outstanding overpayment.

**WHAT IF UNUM DETERMINES YOU MAY QUALIFY FOR DEDUCTIBLE INCOME BENEFITS?**

When we determine that you may qualify for benefits under Item(s) 1 in the deductible sources of income section, we will estimate your entitlement to these benefits. We can reduce your payment by the estimated amounts if such benefits:

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

Your Short Term Disability payment will NOT be reduced by the estimated amount if you:

- apply for the disability payments under Item(s) 1 in the deductible sources of income section and appeal your denial to all administrative levels Unum feels are necessary; and
- sign Unum's payment option form. This form states that you promise to pay us any overpayment caused by an award.

If your payment has been reduced by an estimated amount, your payment will be adjusted when we receive proof:

- of the amount awarded; or
- that benefits have been denied and all appeals Unum feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

If you receive a lump sum payment from any deductible sources of income, the lump sum will be pro-rated on a weekly basis over the time period for which the sum was given. If no time period is stated, the sum will be pro-rated on a weekly basis to the end of the maximum period of payment.

## **HOW LONG WILL UNUM CONTINUE TO SEND YOU PAYMENTS?**

Unum will send you a payment each week up to the **maximum period of payment**. Your maximum period of payment is 9 weeks during a continuous period of disability.

## **WHEN WILL PAYMENTS STOP?**

We will stop sending you payments and your claim will end on the earliest of the following:

- when you are able to work in your regular occupation on a **part-time basis** but you choose not to;
- the end of the maximum period of payment;
- the date you are no longer disabled under the terms of the plan, unless you are eligible to receive benefits under Unum's Rehabilitation and Return to Work Assistance program;
- the date you fail to cooperate or participate in Unum's Rehabilitation and Return to Work Assistance program;
- the date you fail to submit proof of continuing disability;
- after 12 months of payments if you are considered to reside outside the United States or Canada. You will be considered to reside outside these countries when you have been outside the United States or Canada for a total period of 6 months or more during any 12 consecutive months of benefits;
- the date your disability earnings exceed the amount allowable under the plan;
- the date you die.

## **WHAT DISABILITIES ARE NOT COVERED UNDER YOUR PLAN?**

Your plan does not cover any disabilities caused by, contributed to by, or resulting from your:

- **occupational sickness or injury**, however, Unum will cover disabilities due to occupational sicknesses or injuries for partners or sole proprietors who cannot be covered by a workers' compensation law.
- intentionally self-inflicted injuries.
- active participation in a riot.
- loss of a professional license, occupational license or certification.
- commission of a crime for which you have been convicted under state or federal law.

Your plan will not cover a disability due to war, declared or undeclared, or any act of war.

Unum will not pay a benefit for any period of disability during which you are incarcerated.

## **WHAT HAPPENS IF YOU RETURN TO WORK FULL TIME AND YOUR DISABILITY OCCURS AGAIN?**

1. If your current disability is related to or due to the same cause(s) as your prior disability for which Unum made a payment:

Unum will treat your current disability as part of your prior claim and you will not have to complete another elimination period when you are performing any occupation for your Employer on a full time basis for 14 consecutive days or less.

If you return to work on the 15th day, your current disability will be treated as a new claim. The new claim will be subject to all of the provisions of this plan and you will be required to satisfy a new elimination period.

2. If your current disability is unrelated to your prior disability for which Unum made a payment:

Unum will treat your current disability as part of your prior claim and you will not have to complete another elimination period when you are performing any occupation for your Employer on a full time basis for less than 1 full day.

Your disability, as outlined above, will be subject to the same terms of the plan as your prior claim.

If you do not satisfy Item 1 or 2 above, your disability will be treated as a new claim and will be subject to all of the policy provisions.

If you become entitled to payments under any other group short term disability plan, you will not be eligible for payments under the Unum plan.

## **SHORT TERM DISABILITY**

### **OTHER BENEFIT FEATURES**

#### ***HOW CAN UNUM'S REHABILITATION AND RETURN TO WORK ASSISTANCE PROGRAM HELP YOU RETURN TO WORK?***

Unum has a vocational Rehabilitation and Return to Work Assistance program available to assist you in returning to work. We will determine whether you are eligible for this program, at our sole discretion. In order to be eligible for rehabilitation services and benefits, you must be medically able to engage in a return to work program.

Your claim file will be reviewed by one of Unum's rehabilitation professionals to determine if a rehabilitation program might help you return to gainful employment. As your file is reviewed, medical and vocational information will be analyzed to determine an appropriate return to work program.

If we determine you are eligible to participate in a Rehabilitation and Return to Work Assistance program, you must participate in order to receive disability benefits. We will make the final determination of your eligibility for participation in the program.

We will provide you with a written Rehabilitation and Return to Work Assistance plan developed specifically for you. You must comply with the terms of the Rehabilitation and Return to Work Assistance plan in order to receive disability benefits.

The rehabilitation program may include at our sole discretion, but is not limited to, the following services and benefits:

- coordination with your Employer to assist you to return to work;
- adaptive equipment or job accommodations to allow you to work;
- vocational evaluation to determine how your disability may impact your employment options;
- job placement services;
- resume preparation;
- job seeking skills training; or
- education and retraining expenses for a new occupation.

#### ***WHAT ADDITIONAL BENEFITS WILL UNUM PAY WHILE YOU PARTICIPATE IN A REHABILITATION AND RETURN TO WORK ASSISTANCE PROGRAM?***

We will pay an additional disability benefit of 10% of your gross disability payment to a maximum benefit of \$250 per week.

This benefit is not subject to policy provisions which would otherwise increase or reduce the benefit amount such as Deductible Sources of Income.

In addition, we will make weekly payments to you for 3 weeks following the date your disability ends if we determine you are no longer disabled while:

- you are participating in the Rehabilitation and Return to Work Assistance program; and
- you are not able to find employment.

This benefit payment may be paid in a lump sum.

***WHEN WILL REHABILITATION AND RETURN TO WORK ASSISTANCE BENEFITS END?***

Benefit payments will end on the earliest of the following dates:

- the date Unum determines that you are no longer eligible to participate in Unum's Rehabilitation and Return to Work Assistance program; or
- any other date on which weekly payments would stop in accordance with this plan.

## GLOSSARY

**ACTIVE EMPLOYMENT** means you are working for your Employer for earnings that are paid regularly and that you are performing the material and substantial duties of your regular occupation. You must be working at least the minimum number of hours as described under Eligible Group(s) in each plan.

Your work site must be:

- your Employer's usual place of business;
- an alternative work site at the direction of your Employer, including your home; or
- a location to which your job requires you to travel.

Normal vacation is considered active employment.  
Temporary and seasonal workers are excluded from coverage.

**DEDUCTIBLE SOURCES OF INCOME** means income from deductible sources listed in the plan which you receive or are entitled to receive while you are disabled. This income will be subtracted from your gross disability payment.

**DISABILITY EARNINGS** means the earnings which you receive while you are disabled and working, plus the earnings you could receive if you were working to your **maximum capacity**.

**ELIMINATION PERIOD** means a period of continuous disability which must be satisfied before you are eligible to receive benefits from Unum.

**EMPLOYEE** means a person who is in active employment in the United States with the Employer.

**EMPLOYER** means the Policyholder, and includes any division, subsidiary or affiliated company named in the policy.

**EVIDENCE OF INSURABILITY** means a statement of your medical history which Unum will use to determine if you are approved for coverage. Evidence of insurability will be at Unum's expense.

**GRACE PERIOD** means the period of time following the premium due date during which premium payment may be made.

**GROSS DISABILITY PAYMENT** means the benefit amount before Unum subtracts deductible sources of income and disability earnings.

**HOSPITAL OR INSTITUTION** means an accredited facility licensed to provide care and treatment for the condition causing your disability.

**INJURY** means a bodily injury that is the direct result of an accident and not related to any other cause. Injury which occurs before you are covered under the plan will be treated as a sickness. Disability must begin while you are covered under the plan.

**INSURED** means any person covered under a plan.

**LAW, PLAN OR ACT** means the original enactments of the law, plan or act and all amendments.

**LAYOFF** or **LEAVE OF ABSENCE** means you are temporarily absent from active employment for a period of time that has been agreed to in advance in writing by your Employer.

Your normal vacation time or any period of disability is not considered a temporary layoff or leave of absence.

**LIMITED** means what you cannot or are unable to do.

**MATERIAL AND SUBSTANTIAL DUTIES** means duties that:

- are normally required for the performance of your regular occupation; and
- cannot be reasonably omitted or modified.

**MAXIMUM CAPACITY** means, based on your restrictions and limitations, the greatest extent of work you are able to do in your regular occupation, that is reasonably available.

**MAXIMUM PERIOD OF PAYMENT** means the longest period of time Unum will make payments to you for any one period of disability.

**OCCUPATIONAL SICKNESS OR INJURY** means a sickness or injury that was caused by or aggravated by any employment for pay or profit.

**PART-TIME BASIS** means the ability to work and earn between 20% and 80% of your weekly earnings.

**PAYABLE CLAIM** means a claim for which Unum is liable under the terms of the policy.

**PHYSICIAN** means:

- a person performing tasks that are within the limits of his or her medical license; and
- a person who is licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- a person with a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients; or
- a person who is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction.

Unum will not recognize you, or your spouse, children, parents or siblings as a physician for a claim that you send to us.

**PLAN** means a line of coverage under the policy.

**REGULAR CARE** means:

- you personally visit a physician as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat your disabling condition(s); and
- you are receiving the most appropriate treatment and care which conforms with generally accepted medical standards, for your disabling condition(s) by a physician whose specialty or experience is the most appropriate for your disabling condition(s), according to generally accepted medical standards.

**REGULAR OCCUPATION** means the occupation you are routinely performing when your disability begins. Unum will look at your occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific employer or at a specific location.

**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. Retirement Plan includes but is not limited to any plan which is part of any federal, state, county, municipal or association retirement system.

**SALARY CONTINUATION OR ACCUMULATED SICK LEAVE** means continued payments to you by your Employer of all or part of your weekly earnings, after you become disabled as defined by the Policy. This continued payment must be part of an established plan maintained by your Employer for the benefit of all employees covered under the Policy. Salary continuation or accumulated sick leave does not include compensation paid to you by your Employer for work you actually perform after your disability begins. Such compensation is considered disability earnings, and would be taken into account in calculating your weekly payment.

**SICKNESS** means an illness or disease. Disability must begin while you are covered under the plan.

**WAITING PERIOD** means the continuous period of time (shown in each plan) that you must be in active employment in an eligible group before you are eligible for coverage under a plan.

**WE, US** and **OUR** means Unum Life Insurance Company of America.

**WEEKLY BENEFIT** means the total benefit amount for which an employee is insured under this plan subject to the maximum benefit.

**WEEKLY EARNINGS** means your gross weekly income from your Employer as defined in the plan.

**WEEKLY PAYMENT** means your payment after any deductible sources of income have been subtracted from your gross disability payment.

**YOU** means an employee who is eligible for Unum coverage.



## **Additional Claim and Appeal Information**

### **APPLICABILITY OF ERISA**

If this policy provides benefits under a Plan which is subject to the Employee Retirement Income Security Act of 1974 (ERISA), the following provisions apply. Whether a Plan is governed by ERISA is determined by a court, however, your Employer may have information related to ERISA applicability. If ERISA applies, the following items constitute the Plan: the additional information contained in this document, the policy, including your certificate of coverage, and any additional summary plan description information provided by the Plan Administrator. Benefit determinations are controlled exclusively by the policy, your certificate of coverage, and the information in this document.

### **HOW TO FILE A CLAIM**

If you wish to file a claim for benefits, you should follow the claim procedures described in your insurance certificate. To complete your claim filing, Unum must receive the claim information it requests from you (or your authorized representative), your attending physician and your Employer. If you or your authorized representative has any questions about what to do, you or your authorized representative should contact Unum directly.

### **CLAIMS PROCEDURES**

Unum will give you notice of the decision no later than 45 days after the claim is filed. This time period may be extended twice by 30 days if Unum both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies you of the circumstances requiring the extension of time and the date by which Unum expects to render a decision. If such an extension is necessary due to your failure to submit the information necessary to decide the claim, the notice of extension will specifically describe the required information, and you will be afforded at least 45 days within which to provide the specified information. If you deliver the requested information within the time specified, any 30 day extension period will begin after you have provided that information. If you fail to deliver the requested information within the time specified, Unum may decide your claim without that information.

If your claim for benefits is wholly or partially denied, the notice of adverse benefit determination under the Plan will:

- state the specific reason(s) for the determination;
- reference specific Plan provision(s) on which the determination is based;
- describe additional material or information necessary to complete the claim and why such information is necessary;
- describe Plan procedures and time limits for appealing the determination, and your right to obtain information about those procedures and the right to bring a lawsuit under Section 502(a) of ERISA following an adverse determination from Unum on appeal; and

- disclose any internal rule, guidelines, protocol or similar criterion relied on in making the adverse determination (or state that such information will be provided free of charge upon request).

Notice of the determination may be provided in written or electronic form. Electronic notices will be provided in a form that complies with any applicable legal requirements.

## **APPEAL PROCEDURES**

You have 180 days from the receipt of notice of an adverse benefit determination to file an appeal. Requests for appeals should be sent to the address specified in the claim denial. A decision on review will be made not later than 45 days following receipt of the written request for review. If Unum determines that special circumstances require an extension of time for a decision on review, the review period may be extended by an additional 45 days (90 days in total). Unum will notify you in writing if an additional 45 day extension is needed.

If an extension is necessary due to your failure to submit the information necessary to decide the appeal, the notice of extension will specifically describe the required information, and you will be afforded at least 45 days to provide the specified information. If you deliver the requested information within the time specified, the 45 day extension of the appeal period will begin after you have provided that information. If you fail to deliver the requested information within the time specified, Unum may decide your appeal without that information.

You will have the opportunity to submit written comments, documents, or other information in support of your appeal. You will have access to all relevant documents as defined by applicable U.S. Department of Labor regulations. The review of the adverse benefit determination will take into account all new information, whether or not presented or available at the initial determination. No deference will be afforded to the initial determination.

The review will be conducted by Unum and will be made by a person different from the person who made the initial determination and such person will not be the original decision maker's subordinate. In the case of a claim denied on the grounds of a medical judgment, Unum will consult with a health professional with appropriate training and experience. The health care professional who is consulted on appeal will not be the individual who was consulted during the initial determination or a subordinate. If the advice of a medical or vocational expert was obtained by the Plan in connection with the denial of your claim, Unum will provide you with the names of each such expert, regardless of whether the advice was relied upon.

A notice that your request on appeal is denied will contain the following information:

- the specific reason(s) for the determination;
- a reference to the specific Plan provision(s) on which the determination is based;
- a statement disclosing any internal rule, guidelines, protocol or similar criterion relied on in making the adverse determination (or a statement that such information will be provided free of charge upon request);

- a statement describing your right to bring a lawsuit under Section 502(a) of ERISA if you disagree with the decision;
- the statement that you are entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records or other information relevant to the determination; and
- the statement that "You or your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency".

Notice of the determination may be provided in written or electronic form. Electronic notices will be provided in a form that complies with any applicable legal requirements.

Unless there are special circumstances, this administrative appeal process must be completed before you begin any legal action regarding your claim.

## **OTHER RIGHTS**

Unum, for itself and as claims fiduciary for the Plan, is entitled to legal and equitable relief to enforce its right to recover any benefit overpayments caused by your receipt of deductible sources of income from a third party. This right of recovery is enforceable even if the amount you receive from the third party is less than the actual loss suffered by you but will not exceed the benefits paid you under the policy. Unum and the Plan have an equitable lien over such sources of income until any benefit overpayments have been recovered in full.

## **DISCRETIONARY ACTS**

The Plan, acting through the Plan Administrator, delegates to Unum and its affiliate Unum Group discretionary authority to make benefit determinations under the Plan. Unum and Unum Group may act directly or through their employees and agents or further delegate their authority through contracts, letters or other documentation or procedures to other affiliates, persons or entities. Benefit determinations include determining eligibility for benefits and the amount of any benefits, resolving factual disputes, and interpreting and enforcing the provisions of the Plan. All benefit determinations must be reasonable and based on the terms of the Plan and the facts and circumstances of each claim.

Once you are deemed to have exhausted your appeal rights under the Plan, you have the right to seek court review under Section 502(a) of ERISA of any benefit determinations with which you disagree. The court will determine the standard of review it will apply in evaluating those decisions.

## **Section Two**

Long Term Disability

**TABLE OF CONTENTS**

CERTIFICATE OF COVERAGE . . . . . 1  
PLAN OUTLINE . . . . . 2  
TERMS YOU SHOULD KNOW . . . . . 6  
ENROLLMENT AND DATE INSURANCE STARTS . . . . . 9  
DISABILITY . . . . . 10  
RECURRENT DISABILITY . . . . . 12  
SURVIVOR BENEFIT . . . . . 13  
GENERAL EXCLUSIONS . . . . . 13  
PRE-EXISTING CONDITION EXCLUSION . . . . . 13  
MENTAL ILLNESS LIMITATION . . . . . 14  
CONTINUITY OF COVERAGE UPON TRANSFER OF  
INSURANCE CARRIERS . . . . . 14  
TERMINATION . . . . . 15  
SOME GENERAL INFORMATION TO KNOW . . . . . 16



## PLAN OUTLINE

### Description of Eligible Classes

Exempt Employees, Local 701-Operating Engineers and Local 88-4

#### Amount of Insurance

- 60% (benefit percentage) of basic monthly earnings not to exceed the maximum monthly benefit, less other income benefits.

Note: This benefit is subject to reductions for earnings as provided in the section titled "How is the benefit figured?"

- The maximum monthly benefit is \$4,000.
- The minimum monthly benefit is \$50.

#### Maximum Benefit Period

Age at Disability	Maximum Benefit Period
Less than age 60	To age 65 but not less than 60 months
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

#### Elimination Period:

- 90 days

**Minimum Requirement for Active Employment:** 20 hours per week

#### Definition of Basic Monthly Earnings

"Basic monthly earnings" means your basic gross monthly income from your Employer in effect just prior to your date of disability. It includes your basic income before taxes. It is prior to any deductions made for pre-tax contributions to a qualified deferred compensation plan, Section 125 plan, or flexible spending account. It does not include income received from pay premiums such as shift differential pay, swing shift pay or bi-lingual pay, commissions, bonuses, overtime pay, any other extra compensation, or income received from sources other than your Employer.

**Waiting Period:**

- If you were in an eligible class on or before the policy effective date:  
None
- If you entered an eligible class after the policy effective date: First of the month coinciding with or next following date of active employment

You must be in continuous active employment in an eligible class during the specified waiting period.

**Contributions**

- The cost of your insurance is paid entirely by your employer.

**Changes Effective**

Subject to the delayed effective date exceptions, changes in insurance take effect immediately.



## Continuation of Your Insurance During Certain Absences

Type of Absence	Time Limit
Temporary Layoff	Coverage ends at the end of the month after the employee ceases to be actively at work on regular work days.
Paid Leave of Absence other than Family and Medical Leave	If you are on an approved paid leave of absence, and if premium is paid, coverage will be continued through the end of the month following six months after the leave of absence begins, except for Workers Compensation Supplemental Pay leaves.
Unpaid Leave of Absence other than family and Medical Leave	If you are on an approved unpaid leave of absence, and if premium is paid, coverage will be continued through the end of the month following the month in which the approved unpaid leave of absence begins. This Provision also applies to Workers Compensation Supplemental Pay leaves.
Family and Medical Leave of Absence	<p>UNUM will continue your insurance in accordance with your employer's Human Resource policy on family and medical leaves of absence - as if you were in active employment, if the following conditions are met:</p> <ol style="list-style-type: none"><li>1. premiums are paid, and</li><li>2. your employer has approved your leave in writing.</li></ol> <p>Coverage will be continued for up to the greater of:</p> <ol style="list-style-type: none"><li>1. the leave period required by the federal Family and Medical Leave Act of 1993, and any amendment, or</li><li>2. the leave period required by applicable state law.</li></ol>

If coverage is not continued during a family or medical leave of absence, upon your return to active employment:

1. no new waiting periods will be applied.
2. no new pre-existing conditions exclusions or limitations will be applied, and
3. no evidence of insurability will be required to reinstate the coverage in effect on the date before the leave began.

The time period in the Pre-Existing Condition Exclusion will continue to run through your family or medical leave of absence.

### **Discretionary Authority**

In making any benefits determination under the policy, we shall have the discretionary authority both to determine your eligibility for benefits and to construe the terms of the policy.

## TERMS YOU SHOULD KNOW

Many terms used in your certificate of coverage have special meanings. A list of these terms and meanings follows:

- "Active employment" means you must be working:
  1. for your employer on a full-time basis and paid regular earnings (temporary or seasonal employees are excluded);
  2. at least the minimum number of hours shown in the plan outline; and either
  3. at your employer's usual place of business; or
  4. at a location to which your employer's business requires you to travel.
- "Basic monthly earnings" - as defined in the plan outline.
- "Disability" or "disabled" - see the end of these terms.
- "Disability benefits," when used with the term retirement plan, means money which is payable under a retirement plan due to disability as defined in that plan. However, if a disability benefit payment reduces the amount of money which would have been paid as a retirement benefit under the plan if the disability had not occurred, then the disability benefit payment will be deemed a retirement benefit as defined in this Certificate of Coverage.
- "Eligibility date" means the date you become eligible for insurance after completing the waiting period shown in the plan outline.
- "Elimination period" means a period of consecutive days of disability for which no benefit is payable. The elimination period is shown in the plan outline and begins on the first day of disability.

Note: If disability stops during the elimination period for any 30 (or less) days, then the disability will be treated as continuous. But days that you are not disabled will not count toward the elimination period.

- "Employee" means a person in active employment with the employer.
- "Employer" means the policyholder and includes any division, any subsidiary or any affiliated company named in the policy.
- "Evidence of insurability" means a statement or proof of your medical history upon which we will determine your acceptance for insurance.
- "Gross monthly benefit" means your benefit amount before any reduction for other income benefits and earnings.
- "Home office" means the UNUM Life Insurance Company of America, 2211 Congress Street, Portland, Maine 04122.
- "Indexed pre-disability earnings" means your basic monthly earnings in effect just prior to the date your disability began adjusted on the first anniversary of benefit payments and each following anniversary. Each adjustment will be based on the lesser of 10% or the current annual percentage increase in the Consumer Price Index.

Note: The Consumer Price Index (CPI-W) 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-W.

- "Injury" means bodily injury resulting directly from an accident and independently of all other causes. The injury must occur and disability must begin while you are insured under the policy.

- "Male pronoun" whenever used includes the female.
- "Monthly benefit" means the amount we will pay you when you are disabled.
- "Physician" means a person who is:
  1. operating within the scope of his license; and either
  2. licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
  3. legally qualified as a medical practitioner and required to be recognized, under the policy for insurance purposes, according to the insurance statutes or the insurance regulations of the governing jurisdiction.

It will not include you or your spouse, daughter, son, father, mother, sister or brother.

- "Retirement benefits," when used with the term retirement plan, means money which:
  1. is payable under a retirement plan either in a lump sum or in the form of periodic payments;
  2. does not represent contributions made by you (payments which represent your contributions are deemed to be received over your expected remaining life regardless of when such payments are actually received); and
  3. is payable upon:
    - a. early or normal retirement; or
    - b. disability if the payment does reduce the amount of money which would have been paid at the normal retirement age under the plan if the disability had not occurred.
- "Retirement plan" means a plan which provides your retirement benefits and which is not funded wholly by your contributions. The term shall not include a profit-sharing plan, a thrift plan, an individual retirement account (IRA), a tax sheltered annuity (TSA), a stock ownership plan, or a non-qualified plan of deferred compensation.

Note: "Employer's retirement plan" is deemed to include any union retirement plan for which you are eligible and any retirement plan:

1. which is part of any federal, state, county, municipal or association retirement system; and
  2. for which you are eligible as a result of employment with the employer.
- "Sickness" means illness or disease. It includes pregnancy unless excluded in the General Exclusion section of this certificate of coverage. Disability must begin while you are insured under the policy.
  - "Waiting period," as shown in the plan outline, means the continuous length of time you must serve in an eligible class to reach your eligibility date.
  - "You" and "your" means you, the employee.

- "Disability" and "disabled" mean that because of injury or sickness:
  1. you cannot perform each of the material duties of your regular occupation; and
  2. after benefits have been paid for 24 months, you cannot perform each of the material duties of any gainful occupation for which you are reasonably fitted by training, education or experience; or
  3. you, while unable to perform all of the material duties of your regular occupation on a full-time basis, are:
    - a. performing at least one of the material duties of your regular occupation or another occupation on a part-time or full-time basis; and
    - b. earning currently at least 20% less per month than your indexed pre-disability earnings due to that same sickness or injury.

For employees employed as airplane pilots, co-pilots or crew members

- "Disability" and "disabled" mean that because of injury or sickness you cannot perform each of the material duties of any gainful occupation for which you are reasonably fitted by training, education or experience. The loss of a pilot's license for any reason does not, in itself, constitute disability.

## ENROLLMENT AND DATE INSURANCE STARTS

### **When can you enroll?**

You can enroll if you are:

1. in active employment with your employer; and
2. in a class eligible for insurance.

### **When does insurance start?**

Insurance will start at 12:01 a.m. on the day determined as follows, but only if you enroll for insurance with us through your employer on a form satisfactory to us.

If you do not contribute toward the plan's cost, your insurance will start on your eligibility date.

But no initial, increased or additional insurance will apply to you if you are not in active employment on the effective date of such insurance because of a disability. Such insurance will start for you on the day you return to active employment.

## DISABILITY

### **When do disability benefits become payable?**

We will pay you a monthly benefit after the end of the elimination period when we receive proof that you:

1. are disabled due to sickness or injury; and
2. require the regular attendance of a physician.

### **What conditions must be met for benefit payments to continue?**

We will pay you as long as you remain disabled and require the regular attendance of a physician. But we will not pay any longer than the maximum benefit period shown in the plan outline.

Also, you must give us proof of these facts, at your own expense, when we ask for it.

### **How is the benefit figured?**

To figure the amount of your monthly benefit:

1. Take the lesser of:
  - a. 60% of your basic monthly earnings; or
  - b. the amount of the maximum monthly benefit shown in the plan outline;and
2. Deduct other income benefits from this amount.

But, if you are earning more than 20% of your indexed pre-disability earnings in your regular occupation or another occupation, then the monthly benefit will be reduced by 50% of your monthly earnings received while you are disabled.

The benefit payable will never be less than the minimum monthly benefit shown in the plan outline.

Proof of your monthly earnings must be given to us on a quarterly basis. Benefit payments will be adjusted upon receipt of this proof of earnings.

### **What are "other income benefits"?**

Other income benefits means those benefits as follows:

1. The amount for which you are eligible under:
  - a. Workers' or Workmen's Compensation Law;
  - b. occupational disease law; or
  - c. any other act or law of like intent.
2. The amount of any disability income benefits for which you are eligible under any compulsory benefit act or law.
3. The amount of any disability income benefits for which you are eligible under:
  - a. any other group insurance plan other than group credit insurance or group mortgage disability insurance;
  - b. any governmental retirement system as a result of your job with your employer.
4. The amount of benefits from your employer's retirement plan you:
  - a. receive as disability benefits;
  - b. voluntarily elect to receive as retirement benefits; or

- c. are eligible to receive as retirement benefits when you reach the greater of age 62 or normal retirement age, as defined in your employer's retirement plan.

As used here, "receive" does not include any amount rolled over or transferred to any eligible retirement plan as that term is defined in Section 402 of the Internal Revenue Code and any future amendments which affect the definition of an eligible retirement plan.

5. The amount of disability or retirement benefits under the United States Social Security Act, The Canada Pension Plan, or the Quebec Pension Plan, or any similar plan or act, as follows:
  - a. disability benefits for which:
    - i. you are eligible; and
    - ii. your spouse, child or children are eligible because of your disability; or
  - b. retirement benefits received by:
    - i. you; and
    - ii. your spouse, child or children because of your receipt of the retirement benefits.
6. The amount of any sick pay or other salary continuation you receive from your employer, but not including vacation pay.
7. The amount which you receive from compromise, settlement or other method as a result of a claim for any of items 1 through 6 above.

Note: With respect to items 3 and 4, if the disability or retirement plan has two or more payment options, the Company will reduce your benefit by the amount of the plan option which provides, or comes closest to providing, a monthly income to you for life with no survivor benefit. This will be true even if you select a different option.

#### Rules for Other Income Benefits:

Each month your benefit will be reduced by the other income benefits for the same monthly period, even if you actually receive the other income benefits in another month.

If you receive any other income benefits periodically other than monthly, the Company will determine the monthly equivalent and use that amount to reduce your benefit.

These other income benefits, except retirement benefits, must be payable as a result of the same disability for which we pay a benefit.

Item 5.b will not apply to disabilities which begin after age 70 if you are already receiving Social Security retirement benefits while continuing to work beyond age 70.

Benefits under item 5.a above will be estimated if such benefits:

1. have not been awarded; and
2. have not been denied; or
3. have been denied and the denial is being appealed.

The monthly benefit will be reduced by the estimated amount. But, these benefits will not be estimated provided that you:

1. apply for benefits under item 5.a; and



2. request and sign our Agreement Concerning Benefits.

This agreement states that you promise to repay us any overpayment caused by an award received under item 5.a. If benefits have been estimated, the monthly benefit will be adjusted when we receive proof:

1. of the amount awarded; or
2. that benefits have been denied and the denial is not being appealed.

In the case of 2. directly above, a lump sum refund of the estimated amounts will be made.

"Law", "plan", or "act" means the initial enactment and all amendments.

**What happens if you receive increases in these other income benefits?**

After the first deduction for each of the other income benefits, we will not further reduce your monthly benefit due to any cost of living increases payable under these other income benefits.

**What if you receive a lump sum payment?**

We will prorate other income benefits which are paid in a lump sum on a monthly basis over the time period for which the sum is given. If no time period is stated, the sum will be prorated on a monthly basis over your expected lifetime as determined by us.

**When do these benefits cease?**

Disability benefits will cease on the earliest of:

1. the date you are no longer disabled;
2. the date you die;
3. the end of the maximum benefit period;
4. the date your current earnings exceed 80% of your indexed pre-disability earnings.

## RECURRENT DISABILITY

**What happens if you try to return to work and become disabled again?**

"Recurrent Disability" is a disability which is related to a prior disability for which you received a monthly benefit.

We will treat a recurrent disability as part of the prior disability if, after receiving disability benefits, you:

1. return to your regular occupation on a full-time basis for less than six months; and
2. perform all the material duties of your occupation.

Benefit payments will be subject to the terms of this plan for the prior disability.

If you return to your regular occupation on a full-time basis for six months or more, a recurrent disability will be treated as a new period of disability. You must complete another elimination period.

In order to prevent overinsurance because of duplication of benefits, benefits payable under this Recurrent Disability provision will cease if benefits are payable to you under any other group long term disability policy.

## SURVIVOR BENEFIT

### **What happens to your benefit if you die?**

We will pay a benefit to your eligible survivor when we receive proof that you died:

1. after disability had continued for 90 or more consecutive days; and
2. while receiving a monthly benefit.

The benefit will be an amount equal to three times your gross monthly benefit.

If payment becomes due to your children, payment will be made to:

1. your children; or
2. a person named by us to receive payments on your children's behalf. This payment will be valid and effective against all claims by others representing or claiming to represent your children.

"Eligible survivor" means your spouse or domestic partner, if living, otherwise your children under age 25.

"Domestic partner" means an adult of the same or opposite sex who has an emotional, physical and financial relationship to you, similar to that of a spouse; as evidence by the following facts:

- you and your domestic partner shares financial responsibility for a joint household and intend to continue an exclusive relationship indefinitely;
- you and your domestic partner each are at least (18) years of age;
- you and your domestic partner are both mentally competent to enter into a binding contract;
- you and your domestic partner share a residence and have done so for at least 12 months;
- neither you nor your domestic partner are married to, or legally separated from anyone else;
- you and your domestic partner are not related to one another by blood closer than would bar marriage; and
- neither you nor your domestic partner is a domestic partner of anyone else.

## GENERAL EXCLUSIONS

### **What disabilities aren't covered?**

We will not cover any disability due to:

1. war, declared or undeclared, or any act of war;
2. intentionally self-inflicted injuries;
3. active participation in a riot.

## PRE-EXISTING CONDITION EXCLUSION

### **Are there any other disabilities not covered?**

Yes, we will not cover any disability:

1. caused by, contributed to by, or resulting from a pre-existing condition; and
2. which begins in the first 12 months after your effective date.

"Pre-existing condition" means a sickness or injury for which you received medical treatment, consultation, care or services including diagnostic measures, or had taken prescribed drugs or medicines in the three months prior to your effective date.

## MENTAL ILLNESS LIMITATION

### **Are benefits limited for mental illness?**

Benefits for each period of disability due to mental illness will not exceed 24 months of monthly benefit payments unless the insured is in a hospital or institution at the end of the 24-month period. We will pay the monthly benefit during the confinement.

We will not pay the monthly benefit beyond the maximum benefit period.

"Hospital" or "institution" means facilities licensed to provide care and treatment for the condition causing your disability.

"Mental illness" means mental, nervous or emotional diseases or disorders of any type.

## CONTINUITY OF COVERAGE UPON TRANSFER OF INSURANCE CARRIERS

### **Are you covered if you are not in active employment due to injury or sickness?**

We will cover you, subject to premium payments, if you:

1. were insured with the prior carrier at the time of transfer; and
2. are not in active employment due to injury or sickness.

The benefit payable will be that which would have been paid by the prior carrier had coverage remained in force, less any benefit for which the prior carrier is liable.

### **Will a disability due to a pre-existing condition be covered?**

Benefits may be payable for a disability due to a pre-existing condition if you:

1. were insured by the prior carrier at the time of transfer; and
2. were in active employment and insured under this plan on its effective date.

We will pay you the benefits under this plan if you satisfy the pre-existing condition exclusion under:

1. this plan; or
2. the prior carrier's policy, considering continuous time insured under both policies.

The benefit will be determined according to this plan's benefit schedule, but it will not exceed the prior carrier's benefit percentage, cost of living adjustment benefit and maximum monthly benefit. No benefit will be paid if you cannot satisfy the pre-existing condition exclusion of 1. or 2. directly above.

## TERMINATION

### When does your insurance terminate?

You will cease to be insured on the earliest of the following dates:

1. the date the policy terminates;
2. the date you are no longer in an eligible class;
3. the date your class is no longer included for insurance;
4. the last day for which you made any required employee contribution;
5. the date employment terminates. Cessation of active employment will be deemed termination of employment, except:
  - a. if you are disabled, your insurance will be continued, according to the Waiver of Premium provision, for a disabled employee during:
    - i. the elimination period; and
    - ii. the period during which premium is being waived.
  - b. your employer may continue your insurance by paying the required premium, subject to the following:
    - i. Insurance may be continued for the time shown in the plan outline if you are:
      - a) temporarily laid off; or
      - b) given leave of absence.
    - ii. The employer must act so as not to discriminate unfairly among employees in similar situations.

## SOME GENERAL INFORMATION TO KNOW

### **When must we be notified of a claim?**

You must give us written notice of claim within 30 days of the date disability starts. If that is not possible, you must notify us as soon as you can.

When we receive your written notice of claim, we will send you our claim forms. If you do not receive the forms within 15 days after you sent the notice, you can send written proof of claim without waiting for the form.

### **When does proof of claim have to be given?**

You must give us proof of claim no later than 90 days after the end of the elimination period.

If it is not possible for you to give proof within these time limits, it must be given as soon as reasonably possible. But you may not give proof later than one year after the time it is otherwise required.

You must give us proof of continued disability and regular attendance of a physician within 45 days of the date we request the proof.

The proof must cover:

1. the date disability started;
2. the cause of disability; and
3. how serious the disability is.

### **When are claims paid?**

When we receive proof of claim, benefits payable under the policy will be paid monthly during any period for which we are liable.

### **Who are claims paid to?**

All benefits are payable to you. But if a benefit is payable to your estate, or if you are a minor, or you are not competent, we have the right to pay up to \$1,000 to any of your relatives whom we consider entitled. If we pay benefits in good faith to a relative, we will not have to pay such benefits again.

### **What are our examination rights?**

We, at our expense, will have the right and opportunity to have an employee, whose injury or sickness is the basis of claim:

1. examined by a physician, other health professional, or vocational expert of our choice; and/or
2. interviewed by an authorized Company representative. This right may be used as often as reasonably required.

### **How can statements made in any application for this insurance be used?**

In the absence of fraud, all statements you made when applying for this insurance and providing evidence of insurability are considered representations and not warranties (absolute guarantees). No statements by you will be used to reduce or deny a claim unless a copy of your statements has been given to you.

### **Can legal proceedings be started at any time?**

No, you or your authorized representative cannot start any legal action:

1. until 60 days after proof of claim has been given; nor
2. more than 3 years after the time proof of claim is required.

### **What happens if facts are misstated?**

If relevant facts about you were not accurate:

1. a fair adjustment of premium will be made; and
2. the true facts will decide if and in what amount insurance is valid.

**Does this coverage affect workers' or workmen's compensation?**

The policy is not in lieu of, and does not affect, any requirement for coverage by workers' or workmen's compensation insurance.

**Can the policyholder act as our agent?**

For all purposes of the policy, the policyholder acts on its own or as your agent. Under no circumstances will the policyholder be deemed our agent.