# RELIANCE STANDARD
## LIFE INSURANCE COMPANY

Home Office: Schaumburg, Illinois • Administrative Office: Philadelphia, Pennsylvania

**POLICYHOLDER:** Youth and Shelter Services, Inc. **POLICY NUMBER:** LTD 128168

**EFFECTIVE DATE:** November 1, 2016

**ANNIVERSARY DATES:** November 1, 2017 and each November 1st thereafter.

**PREMIUM DUE DATES:** The first Premium is due on the Effective Date. Further Premiums are due monthly, in advance, on the first day of each month.

This Policy is delivered in Iowa and is governed by its laws and/or the Employee Retirement Income Security Act of 1974 ("ERISA") as amended, where applicable.

Reliance Standard Life Insurance Company is referred to as "we", "our" or "us" in this Policy.

The Policyholder and any subsidiaries, divisions or affiliates are referred to as "you", "your" or "yours" in this Policy.

We agree to provide insurance to you in exchange for the payment of Premium and a signed Application. This Policy provides income replacement benefits for Total Disability from Sickness or Injury. It insures those Eligible Persons for the Monthly Benefit shown on the Schedule of Benefits. The insurance is subject to the terms and conditions of this Policy.

The Effective Date of this Policy is shown above. This Policy stays in effect as long as Premium is paid when due. The "TERMINATION OF THIS POLICY" section of the GENERAL PROVISIONS explains when the insurance terminates.

This Policy is signed by our President and Secretary.

Secretary

President

**GROUP LONG TERM DISABILITY INSURANCE**
**NON-PARTICIPATING**

**RELIANCE STANDARD LIFE INSURANCE COMPANY**

Home Office: Schaumburg, Illinois
Administrative Office: Philadelphia, Pennsylvania

| | | | |
|---|---|---|---|
| **GROUP POLICY NUMBER:** | LTD 128168 | **POLICY EFFECTIVE DATE:** | November 1, 2016 |
| **POLICY DELIVERED IN:** | Iowa | **ANNIVERSARY DATE:** | November 1st in each year |

Application is made to us by: Youth and Shelter Services, Inc.

This Application is completed in duplicate, one copy to be attached to your Policy and the other returned to us.

It is agreed that this Application takes the place of any previous application for your Policy.

Signed at _____ this_____day of _____.

Policyholder: _____

By: _____
(Signature)

_____
(Title)

Please sign and return.



*BC1COAPLTD 12816811/01/2016*RSL
*BC2COAPYouth and Shelter Services, Inc.

**RELIANCE STANDARD LIFE INSURANCE COMPANY**

Home Office: Schaumburg, Illinois
Administrative Office: Philadelphia, Pennsylvania

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This Application is completed in duplicate, one copy to be attached to your Policy and the other returned to us.

It is agreed that this Application takes the place of any previous application for your Policy.

Signed at _____ this_____day of _____.

Policyholder: _____

By: _____
(Signature)

_____
(Title)

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## SCHEDULE OF BENEFITS

**NAME OF SUBSIDIARIES, DIVISIONS OR AFFILIATES TO BE COVERED:** NONE

**ELIGIBLE CLASSES:** Each active, Full-time employee, except any person employed on a temporary or seasonal basis, according to the following classifications:

CLASS 1: Executive, Director and Manager

CLASS 2: Employee, except an employee covered in any other class

**INDIVIDUAL EFFECTIVE DATE:** The first of the month coinciding with or next following the day the person becomes eligible.

**INDIVIDUAL REINSTATEMENT:** 6 months

**MINIMUM PARTICIPATION REQUIREMENTS:** Percentage: 100% Number of Insureds: 10

**LONG TERM DISABILITY BENEFIT**

**ELIMINATION PERIOD:** 90 consecutive days of Total Disability.

**MONTHLY BENEFIT:** The Monthly Benefit is an amount equal to 60% of Covered Monthly Earnings, payable in accordance with the section entitled Benefit Amount.

**MINIMUM MONTHLY BENEFIT:** In no event will the Monthly Benefit payable to an Insured be less than the greater of:
(1) 10% of the Covered Monthly Earnings multiplied by the Monthly Benefit percentage(s) as shown above; or
(2) $100

**MAXIMUM MONTHLY BENEFIT:**

CLASS 1: $8,000 (this is equal to a maximum Covered Monthly Earnings of $13,333).

CLASS 2: $6,000 (this is equal to a maximum Covered Monthly Earnings of $10,000).

**MAXIMUM DURATION OF BENEFITS:** Benefits will not accrue beyond the longer of: the Duration of Benefits; or Normal Retirement Age; specified below:

| Age at Disablement | Duration of Benefits (in years) |
|---|---|
| 61 or less | To Age 65 |
| 62 | 3 ½ |
| 63 | 3 |
| 64 | 2 ½ |
| 65 | 2 |
| 66 | 1 ¾ |
| 67 | 1 ½ |
| 68 | 1 ¼ |
| 69 or more | 1 |

OR

Normal Retirement Age as defined by the 1983 Amendments to the United States Social Security Act and determined by the Insured's year of birth, as follows:

| Year of Birth | Normal Retirement Age |
|---|---|
| 1937 or before | 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 thru 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 |

**CHANGES IN MONTHLY BENEFIT:** Increases in the Monthly Benefit are effective on the first of the month coinciding with or next following the date of the change, provided the Insured is Actively at Work on the effective date of the change. If the Insured is not Actively at Work on that date, the effective date of the increase in the benefit amount will be deferred until the date the Insured returns to Active Work. Decreases in the Monthly Benefit are effective on the first of the month coinciding with or next following the date the change occurs.

**CONTRIBUTIONS:**

CLASS 1: Insured: 0%

Premium contributions will be included in the Insured's gross income.

For purposes of filing the Insured's Federal Income Tax Return, this means that under the law as of the date this Policy was issued, the Insured's Monthly Benefit might be treated as non-taxable. It is recommended that the Insured contact his/her personal tax advisor.

CLASS 2: Insured: 0%

Premium contributions will not be included in the Insured's gross income.

For purposes of filing the Insured's Federal Income Tax Return, this means that under the law as of the date this Policy was issued, the Insured's Monthly Benefit might be treated as taxable. It is recommended that the Insured contact his/her personal tax advisor.

## DEFINITIONS

"Actively at Work" and "Active Work" mean actually performing on a Full-time basis the material duties pertaining to his/her job in the place where and the manner in which the job is normally performed. This includes approved time off such as vacation, jury duty and funeral leave, but does not include time off as a result of an Injury or Sickness.

"Any Occupation" means an occupation normally performed in the national economy for which an Insured is reasonably suited based upon his/her education, training or experience.

"Claimant" means an Insured who makes a claim for benefits under this Policy for a loss covered by this Policy as a result of an Injury to or a Sickness of the Insured.

CLASS 1: "Covered Monthly Earnings" means the Insured's monthly salary received from you on the first of the month just before the date of Total Disability, prior to any deductions to a 401(k) and Section 125 plan. Covered Monthly Earnings does not include commissions, overtime pay, bonuses, incentive pay or any other special compensation not received as Covered Monthly Earnings.

CLASS 2: "Covered Monthly Earnings" means the Insured's monthly salary received from you on the first of the month just before the date of Total Disability, prior to any deductions to a 401(k) and Section 125 plan. Covered Monthly Earnings does not include commissions, overtime pay, bonuses, incentive pay or any other special compensation not received as Covered Monthly Earnings.

If hourly paid employees are insured, the number of hours worked during a regular work week, not to exceed forty (40) hours per week, times 4.333, will be used to determine Covered Monthly Earnings. If an employee is paid on an annual basis, then the Covered Monthly Earnings will be determined by dividing the basic annual salary by 12.

"Eligible Person" means a person who meets the Eligibility Requirements of this Policy.

"Elimination Period" means a period of consecutive days of Total Disability, as shown on the Schedule of Benefits page, for which no benefit is payable. It begins on the first day of Total Disability.

Interruption Period: If, during the Elimination Period, an Insured returns to Active Work for less than 30 days, then the same or related Total Disability will be treated as continuous. Days that the Insured is Actively at Work during this interruption period will not count towards the Elimination Period. This interruption of the Elimination Period will not apply to an Insured who becomes eligible under any other group long term disability insurance plan.

"Full-time" means working for you for a minimum of 30 hours during a person's regular work week.

"Hospital" or "Institution" means a facility licensed to provide care and Treatment for the condition causing the Insured's Total Disability.

"Injury" means bodily Injury resulting directly from an accident, independent of all other causes. The Injury must cause Total Disability which begins while insurance coverage is in effect for the Insured.

"Insured" means a person who meets the Eligibility Requirements of this Policy and is enrolled for this insurance.

"Physician" means a duly licensed practitioner who is recognized by the law of the state in which treatment is received as qualified to treat the type of Injury or Sickness for which claim is made. The Physician may not be the Insured or a member of his/her immediate family.

"Premium" means the amount of money needed to keep this Policy in force.

"Regular Care" means Treatment that is administered as frequently as is medically required according to guidelines established by nationally recognized authorities, medical research, healthcare organizations, governmental agencies or rehabilitative organizations. Care must be rendered personally by the Insured's Physician according to generally accepted medical standards in the Insured's locality, be of a demonstrable medical value and be necessary to meet his/her basic health needs.

"Regular Occupation" means the occupation the Insured is routinely performing when Total Disability begins. We will look at the Insured's occupation as it is normally performed in the national economy, and not the unique duties performed for a specific employer or in a specific locale.

"Retirement Benefits" mean money which the Insured is entitled to receive upon early or normal retirement or disability retirement under:

(1) any plan of a state, county or municipal retirement system, if such pension benefits include any credit for employment with you;
(2) Retirement Benefits under the United States Social Security Act of 1935, as amended or under any similar plan or act; or
(3) an employer's retirement plan where payments are made in a lump sum or periodically and do not represent contributions made by an Insured.

Retirement Benefits do not include:

(1) a federal government employee pension benefit;
(2) a thrift plan;
(3) a deferred compensation plan;
(4) an individual retirement account (IRA);
(5) a tax sheltered annuity (TSA);
(6) a stock ownership plan; or
(7) a profit sharing plan; or
(8) section 401(k), 403(b) or 457 plans.

"Sickness" means illness or disease causing Total Disability which begins while insurance coverage is in effect for the Insured. Sickness includes pregnancy, childbirth, miscarriage or abortion, or any complications therefrom.

CLASS 1: "Totally Disabled" and "Total Disability" mean, that as a result of an Injury or Sickness, during the Elimination Period and thereafter an Insured cannot perform the material duties of his/her Regular Occupation;

(1) "Partially Disabled" and "Partial Disability" mean that as a result of an Injury or Sickness an Insured is capable of performing the material duties of his/her Regular Occupation on a part-time basis or some of the material duties on a full-time basis. An Insured who is Partially Disabled will be considered Totally Disabled, except during the Elimination Period; and
(2) "Residual Disability" means being Partially Disabled during the Elimination Period. Residual Disability will be considered Total Disability.

CLASS 2: "Totally Disabled" and "Total Disability" mean, that as a result of an Injury or Sickness:

(1) during the Elimination Period and for the first 24 months for which a Monthly Benefit is payable, an Insured cannot perform the material duties of his/her Regular Occupation;
    (a) "Partially Disabled" and "Partial Disability" mean that as a result of an Injury or Sickness an Insured is capable of performing the material duties of his/her Regular Occupation on a part-time basis or some of the material duties on a full-time basis. An Insured who is Partially Disabled will be considered Totally Disabled, except during the Elimination Period;
    (b) "Residual Disability" means being Partially Disabled during the Elimination Period. Residual Disability will be considered Total Disability; and
(2) after a Monthly Benefit has been paid for 24 months, an Insured cannot perform the material duties of Any Occupation. We consider the Insured Totally Disabled if due to an Injury or Sickness he or she is capable of only performing the material duties on a part-time basis or part of the material duties on a full-time basis.

If an Insured is employed by you and requires a license for such occupation, the loss of such license for any reason does not in and of itself constitute "Total Disability".

"Treatment" means care consistent with the diagnosis of the Insured's Injury or Sickness that has its purpose of maximizing the Insured's medical improvement. It must be provided by a Physician whose specialty or experience is most appropriate for the Injury or Sickness and conforms with generally accepted medical standards to effectively manage and treat the Insured's Injury or Sickness.

## CERTAIN RESPONSIBILITIES OF THE POLICYHOLDER

For the purposes of this Policy, you act on your behalf or as the employee's agent. Under no circumstances will you be deemed our agent.

### Compliance With Americans With Disabilities Act (ADA)

It is your responsibility to establish and maintain procedures which comply with the employer responsibilities of the Americans With Disabilities Act of 1990, as amended.

### Compliance With The Employee Retirement Income Security Act (ERISA)

It is your responsibility to establish and maintain procedures which comply with the employer and/or Plan Administrator responsibilities of ERISA and the accompanying regulations, where applicable.

### Distribution Of Certificates Of Insurance

A Certificate of Insurance will be provided to you for each Insured covered under this Policy. The Certificate will outline the insurance coverage, and explain the provisions, benefits and limitations of this Policy. It is your responsibility to distribute the appropriate Certificates and any updates or other notices from us to each Insured.

### Maintenance Of Records

It is your responsibility to maintain sufficient records of each Insured's insurance, including additions, terminations and changes. We reserve the right to examine these records at the place where they are kept during normal business hours or at a place mutually agreeable to you and us. Such records must be maintained by you for at least 3 years after this Policy terminates.

### Reporting Of Eligibility And Coverage Amounts

It is your responsibility to notify us on a timely basis of all individuals eligible for coverage under this Policy, of all individuals whose eligibility for coverage ends and of all changes in individual coverage amounts.

It is your responsibility to provide accurate census and salary information on all Insureds on or before each Anniversary Date, if we request such information.

### Timely Payment Of Premiums

It is your responsibility to pay all premiums required under this Policy when due. Any change in the premium contribution basis must be approved by us.

## TRANSFER OF INSURANCE COVERAGE

If an employee was covered under any group long term disability insurance plan maintained by you prior to this Policy's Effective Date, that employee will be insured under this Policy, provided that he/she is Actively At Work and meets all of the requirements for being an Eligible Person under this Policy on its Effective Date.

If an employee was covered under the prior group long term disability insurance plan maintained by you prior to this Policy's Effective Date, but was not Actively at Work due to Injury or Sickness on the Effective Date of this Policy and would otherwise qualify as an Eligible Person, coverage will be allowed under the following conditions:

(1) The employee must have been insured with the prior carrier on the date of the transfer; and

(2) Premiums must be paid; and

(3) Total Disability must begin on or after this Policy's Effective Date.

If an employee is receiving long term disability benefits, becomes eligible for coverage under another group long term disability insurance plan, or has a period of recurrent disability under the prior group long term disability insurance plan, that employee will not be covered under this Policy. If premiums have been paid on the employee's behalf under this Policy, those premiums will be refunded.

**Pre-existing Conditions Limitation Credit**

If an employee is an Eligible Person on the Effective Date of this Policy, any time used to satisfy the Pre-existing Conditions Limitation of the prior group long term disability insurance plan will be credited towards the satisfaction of the Pre-existing Conditions Limitation of this Policy.

## GENERAL PROVISIONS

**ENTIRE CONTRACT:** The entire contract between you and us is this Policy, your Application (a copy of which is attached at issue) and any attached amendments.

**CHANGES:** No agent has authority to change or waive any part of this Policy. To be valid, any change or waiver must be in writing, signed by either our President, a Vice President, or a Secretary. The change or waiver must also be attached to this Policy.

**TIME LIMIT ON CERTAIN DEFENSES:** After this Policy has been in force for two (2) years from its Effective Date, no statement made by you shall be used to void this Policy; and no statement by any Insured on a written application for insurance shall be used to reduce or deny a claim after the Insured's insurance coverage, with respect to which claim has been made, has been in effect for two (2) years.

**RECORDS MAINTAINED:** You must maintain records of all Insureds. Such records must show the essential data of the insurance, including new persons, terminations, changes, etc. This information must be reported to us regularly. We reserve the right to examine the insurance records maintained at the place where they are kept. This review will only take place during normal business hours.

**CLERICAL ERROR:** Clerical errors in connection with this Policy or delays in keeping records for this Policy, whether by you, us, or the Plan Administrator:

(1) will not terminate insurance that would otherwise have been effective; and
(2) will not continue insurance that would otherwise have ceased or should not have been in effect.

If appropriate, a fair adjustment of premium will be made to correct a clerical error.

**MISSTATEMENT OF AGE:** If an Insured's age is misstated, the Premium will be adjusted. If the Insured's benefit is affected by the misstated age, it will also be adjusted. The benefit will be changed to the amount the Insured is entitled to at his/her correct age.

**NOT IN LIEU OF WORKERS' COMPENSATION:** This Policy is not a Workers' Compensation Policy. It does not provide Workers' Compensation benefits.

**CONFORMITY WITH STATE LAWS:** Any section of this Policy, which on its Effective Date, conflicts with the laws of the state in which this Policy is issued, is amended by this provision. This Policy is amended to meet the minimum requirements of those laws.

**CERTIFICATE OF INSURANCE:** We will send to you an individual certificate for each Insured. The certificate will outline the insurance coverage, state this Policy's provisions that affect the Insured, and explain to whom benefits are payable.

**TERMINATION OF THIS POLICY:** You may cancel this Policy at any time by giving us written notice. This Policy will be cancelled on the date we receive your notice or, if later, the date requested in your notice.

This Policy will terminate at the end of the Grace Period if Premium has not been paid by that date.

We may cancel this Policy within thirty-one (31) days of written notice prior to the date of cancellation, only:

(1) if the number of Insureds is less than the Minimum Participation Number shown on the Schedule of Benefits; or
(2) if the percentage of Eligible Persons insured is less than the Minimum Participation Percentage shown on the Schedule of Benefits.

You will still owe us any Premium that is not paid up to the date this Policy is cancelled. We will return, pro-rata, any part of the Premium paid beyond the date this Policy is cancelled.

Termination of this Policy will not affect any claim which was covered prior to termination, subject to the terms and conditions of this Policy.

## CLAIMS PROVISIONS

**NOTICE OF CLAIM:** Written notice must be given to us within thirty-one (31) days after a Total Disability covered by this Policy occurs, or as soon as reasonably possible. The notice should be sent to us at our Administrative Office or to our authorized agent. The notice should include your name, the Policy Number and the Insured's name.

**CLAIM FORMS:** When we receive the notice of claim, we will send the Claimant the claim forms to file with us. We will send them within fifteen (15) days after we receive notice. If we do not, then proof of Total Disability will be met by giving us a written statement of the type and extent of the Total Disability. The statement must be sent within ninety (90) days after the loss began.

**WRITTEN PROOF OF TOTAL DISABILITY:** For any Total Disability covered by this Policy, written proof must be sent to us within ninety (90) days after the Total Disability occurs. If written proof is not given in that time, the claim will not be invalidated nor reduced if it is shown that written proof was given as soon as was reasonably possible. In any event, proof must be given within one (1) year after the Total Disability occurs, unless the Claimant is legally incapable of doing so.

**PAYMENT OF CLAIMS:** When we receive written proof of Total Disability covered by this Policy, we will pay any benefits due. Benefits that provide for periodic payment will be paid for each period as we become liable.

We will pay benefits to the Insured, if living, or else to his/her estate.

If the Insured has died and we have not paid all benefits due, we may pay up to $1,000 to any relative by blood or marriage, or to the executor or administrator of the Insured's estate. The payment will only be made to persons entitled to it. An expense incurred as a result of the Insured's last illness, death or burial will entitle a person to this payment. The payments will cease when a valid claim is made for the benefit. We will not be liable for any payment we have made in good faith.

Reliance Standard Life Insurance Company shall serve as the claims review fiduciary with respect to the insurance policy and the Plan. The claims review fiduciary has the discretionary authority to interpret the Plan and the insurance policy and to determine eligibility for benefits. Decisions by the claims review fiduciary shall be complete, final and binding on all parties.

**ARBITRATION OF CLAIMS:** Any claim or dispute arising from or relating to our determination regarding the Insured's Total Disability may be settled by arbitration when agreed to by the Insured and us in accordance with the Rules for Health and Accident Claims of the American Arbitration Association or by any other method agreeable to the Insured and us. In the case of a claim under an Employee Retirement Income Security Act (hereinafter referred to as ERISA) Plan, the Insured's ERISA claim appeal remedies, if applicable, must be exhausted before the claim may be submitted to arbitration. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction over such awards.

Unless otherwise agreed to by the Insured and us, any such award will be binding on the Insured and us for a period of twelve (12) months after it is rendered assuming that the award is not based on fraudulent information and the Insured continues to be Totally Disabled. At the end of such twelve (12) month period, the issue of Total Disability may again be submitted to arbitration in accordance with this provision.

Any costs of said arbitration proceedings levied by the American Arbitration Association or the organization or person(s) conducting the proceedings will be paid by us.

**PHYSICAL EXAMINATION AND AUTOPSY:** We will, at our expense, have the right to have a Claimant interviewed and/or examined:

(1) physically;
(2) psychologically; and/or
(3) psychiatrically;

to determine the existence of any Total Disability which is the basis for a claim. This right may be used as often as it is reasonably required while a claim is pending.

We can have an autopsy made unless prohibited by law.

**LEGAL ACTIONS:** No legal action may be brought against us to recover on this Policy within sixty (60) days after written proof of loss has been given as required by this Policy. No action may be brought after three (3) years (Kansas, five (5) years; South Carolina, six (6) years) from the time written proof of loss is received.

## INDIVIDUAL ELIGIBILITY, EFFECTIVE DATE AND TERMINATION

**GENERAL GROUP:** The general group will be your employees and employees of any subsidiaries, divisions or affiliates named on the Schedule of Benefits page.

**ELIGIBILITY REQUIREMENTS:** A person is eligible for insurance under this Policy if he/she is a member of an Eligible Class, as shown on the Schedule of Benefits page.

**EFFECTIVE DATE OF INDIVIDUAL INSURANCE:** If you pay the entire Premium due for an Eligible Person, the insurance for such Eligible Person will go into effect on the Individual Effective Date, as shown on the Schedule of Benefits page.

If an Eligible Person pays a part of the Premium, he/she must apply in writing for the insurance to go into effect. He/she will become insured on the latest of:

(1) the Individual Effective Date as shown on the Schedule of Benefits page, if he/she applies on or before that date;
(2) on the first of the month coinciding with or next following the date he/she applies, if he/she applies within thirty-one (31) days from the date he/she first met the Eligibility Requirements; or
(3) on the first of the month coinciding with or next following the date we approve any required proof of health acceptable to us. We require this proof if a person applies:
    (a) after thirty-one (31) days from the date he/she first met the Eligibility Requirements; or
    (b) after he/she terminated this insurance but remained in an Eligible Class as shown on the Schedule of Benefits page.

The insurance for an Eligible Person will not go into effect on a date he/she is not Actively at Work because of a Sickness or Injury. The insurance will go into effect after the person is Actively at Work for one (1) full day in an Eligible Class, as shown on the Schedule of Benefits page.

**TERMINATION OF INDIVIDUAL INSURANCE:** The insurance of an Insured will terminate on the first of the following to occur:

(1) the date this Policy terminates;
(2) the date the Insured ceases to meet the Eligibility Requirements;
(3) the end of the period for which Premium has been paid for the Insured; or
(4) the date the Insured enters military service (not including Reserve or National Guard).

**INDIVIDUAL REINSTATEMENT:** The insurance of a terminated person may be reinstated if he/she returns to Active Work with you within the period of time as shown on the Schedule of Benefits page. He/she must also be a member of an Eligible Class, as shown on the Schedule of Benefits page, and have been:

(1) on a leave of absence approved by you; or
(2) on temporary lay-off.

The person will not be required to fulfill the Eligibility Requirements of this Policy again. The insurance will go into effect after he/she returns to Active Work for one (1) full day. If a person returns after having resigned or having been discharged, he/she will be required to fulfill the Eligibility Requirements of this Policy again. If a person returns after terminating insurance at his/her request or for failure to pay Premium when due, proof of health acceptable to us must be submitted before he/she may be reinstated.

## PREMIUMS

**PREMIUM PAYMENT:** All Premiums are to be paid by you to us, or to an authorized agent, on or before the due date. The Premium Due Dates are stated on this Policy's face page.

**PREMIUM RATE:** The Premium due will be the rate per $100.00 of the entire amount of Covered Monthly Earnings then in force. We will furnish to you the Premium Rate on this Policy's Effective Date and when it is changed. We have the right to change the Premium Rate:

(1) when the extent of coverage is changed by amendment;
(2) on any Premium Due Date after the Policy has been in force for twenty-six (26) month(s);
(3) on any Premium Due Date on or after the first Policy Anniversary if your entire group's Covered Monthly Earnings changes by 15% or more from such group's Covered Monthly Earnings on this Policy's Effective Date; or
(4) at any time if there is a change in federal or state laws, insurance programs or retirement benefits that would impact our liability.

We will not change the Premium Rate due to (2) or (3) above more than once in any twelve (12) month period. We will tell you in writing at least thirty-one (31) days before the date of a change due to (2), (3) or (4) above.

**GRACE PERIOD**: You may pay the Premium up to thirty-one (31) days after the date it is due. This Policy stays in force during this time. If the Premium is not paid during the grace period, this Policy will terminate. You will still owe us the Premium up to the date this Policy terminates.

**WAIVER OF PREMIUM:** No Premium is due us for an Insured while he/she is receiving Monthly Benefits from us. Once Monthly Benefits cease due to the end of his/her Total Disability, Premium payments must begin again if insurance is to continue.

## BENEFIT PROVISIONS

**INSURING CLAUSE:** We will pay a Monthly Benefit if an Insured:

(1) is Totally Disabled as the result of a Sickness or Injury covered by this Policy;
(2) is under the regular care of a Physician;
(3) has completed the Elimination Period; and
(4) submits satisfactory proof of Total Disability to us.

**BENEFIT AMOUNT:** To figure the benefit amount payable:

(1) multiply an Insured's Covered Monthly Earnings by the benefit percentage(s), as shown on the Schedule of Benefits page;
(2) take the lesser of the amount:
    (a) of step (1) above; or
    (b) the Maximum Monthly Benefit, as shown on the Schedule of Benefits page; and
(3) subtract Other Income Benefits, as shown below, from step (2) above.

We will pay at least the Minimum Monthly Benefit, as shown on the Schedule of Benefits page.

**OTHER INCOME BENEFITS:** Other Income Benefits are:

(1) disability income benefits an Insured is eligible to receive because of his/her Total Disability under any group insurance plan(s);
(2) disability income benefits an Insured is eligible to receive because of his/her Total Disability under any governmental retirement system, except benefits payable under a federal government employee pension benefit;
(3) all benefits (except medical or death benefits) including any settlement made in place of such benefits (whether or not liability is admitted) an Insured is eligible to receive because of his/her Total Disability under:
    (a) Workers' Compensation Laws;
    (b) occupational disease law;
    (c) any other laws of like intent as (a) or (b) above; and
    (d) any compulsory benefit law;
(4) with respect to Class 1, any of the following that the Insured is eligible to receive:
    (a) any formal salary continuance plan;
    (b) wages, salary or other compensation, excluding the amount allowable when engaged in Rehabilitative Employment; and
    (c) commissions or monies from you, including vested renewal commissions, but, excluding commissions or monies that the Insured earned prior to Total Disability which are paid after Total Disability has begun;
(5) with respect to Class 2, any of the following that the Insured is eligible to receive from you:
    (a) any formal salary continuance plan;
    (b) wages, salary or other compensation, excluding the amount allowable when engaged in Rehabilitative Employment; and
    (c) commissions or monies, including vested renewal commissions, but, excluding commissions or monies that the Insured earned prior to Total Disability which are paid after Total Disability has begun;
(6) that part of disability benefits paid for by you that an Insured is eligible to receive because of his/her Total Disability under a group retirement plan; and
(7) that part of Retirement Benefits paid for by you that an Insured is eligible to receive under a group retirement plan; and
(8) disability or Retirement Benefits under the United States Social Security Act, the Canadian pension plans, or any other government plan for which:
    (a) an Insured is eligible to receive because of his/her Total Disability or eligibility for Retirement Benefits; and
    (b) an Insured's dependents are eligible to receive due to (a) above.

Disability and early Retirement Benefits will be offset only if such benefits are elected by the Insured or if election would not reduce the amount of his/her accrued normal Retirement Benefits then funded.

Retirement Benefits under number (8) above will not apply to disabilities which begin after age 70 for those Insureds already receiving Social Security Retirement Benefits while continuing to work beyond age 70.

Benefits above will be estimated if the benefits:

(1) have not been applied for; or
(2) have been applied for and a decision is pending; or
(3) have been denied and the denial may be appealed.

The Monthly Benefit will be reduced by the estimated amount. 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 cannot be further appealed.

If we have underpaid any benefit for any reason, we will make a lump sum payment. If we have overpaid any benefit for any reason, the overpayment must be repaid to us. At our option, we may reduce the Monthly Benefit or ask for a lump sum refund. If we reduce the Monthly Benefit, the Minimum Monthly Benefit, if any, as shown on the Schedule of Benefits page, would not apply. Interest does not accrue on any underpaid or overpaid benefit unless required by applicable law.

For each day of a period of Total Disability less than a full month, the amount payable will be 1/30th of the Monthly Benefit.

**COST OF LIVING FREEZE:** After the initial deduction for any Other Income Benefits, the Monthly Benefit will not be further reduced due to any cost of living increases payable under these Other Income Benefits.

**LUMP SUM PAYMENTS:** If Other Income Benefits are paid in a lump sum, the sum will be prorated over the period of time to which the Other Income benefits apply. If no period of time is given, the sum will be prorated over sixty (60) months.

**TERMINATION OF MONTHLY BENEFIT:** The Monthly Benefit will stop on the earliest of:

(1) the date the Insured ceases to be Totally Disabled;
(2) the date the Insured dies;
(3) the Maximum Duration of Benefits, as shown on the Schedule of Benefits page, has ended; or
(4) the date the Insured fails to furnish the required proof of Total Disability.

**RECURRENT DISABILITY:** If, after a period of Total Disability for which benefits are payable, an Insured returns to Active Work for at least six (6) consecutive months, any recurrent Total Disability for the same or related cause will be part of a new period of Total Disability. A new Elimination Period must be completed before any further Monthly Benefits are payable.

If an Insured returns to Active Work for less than six (6) months, a recurrent Total Disability for the same or related cause will be part of the same Total Disability. A new Elimination Period is not required. Our liability for the entire period will be subject to the terms of this Policy for the original period of Total Disability.

This Recurrent Disability section will not apply to an Insured who becomes eligible for insurance coverage under any other group long term disability insurance plan.

## WORKSITE MODIFICATION PROVISION

If an Insured is Totally Disabled, participating in a rehabilitation program and receiving a Monthly Benefit and he/she is able to return to Active Work should you make a modification to the Insured's worksite, then you may be eligible for Worksite Modification Reimbursement.

You will be reimbursed for 100% of the actual and reasonable expenses paid for eligible worksite modifications to accommodate the Insured's return to Active Work, up to a maximum reimbursement of $2,000.00. Such Worksite Modification Reimbursement will not impact any maximum benefit payable to the Insured.

Eligible worksite modifications include:

1. providing the Insured with a more accessible parking space or entrance**;** or

2. removing items from the worksite which represent barriers or hazards to the Insured; or

3. special seating, furniture or equipment for the Insured's work station; or

4. providing special training materials or translation services during the Insured's training; or

5. any other services that we deem necessary to help the Insured return to Active Work with you.

In order for this reimbursement to be payable, the Insured must have a Total Disability that results solely from the Insured's inability to perform his or her Regular Occupation at your worksite. The Insured must also have the physical and mental abilities needed to perform his or her Regular Occupation or another occupation at your worksite, but only with the help of the proposed worksite modification.

A worksite modification may first be proposed by either you, the Insured or his or her Physician, or by us. A written proposal must then be developed with input from you, the Insured or his or her Physician. The proposal must state the purpose of the proposed worksite modification, the times, dates and costs of the modifications. Any proposal must be in writing and is subject to our approval, your approval and the approval of the Insured prior to any reimbursement being paid.

Once the worksite modification has been approved in writing, you must make the worksite modification. Upon receipt of proof satisfactory to us that the modifications for the Insured have been made as approved and you have paid the person or organization that provided the worksite modification, we will then reimburse you up to the limit shown above.

## EXCLUSIONS

We will not pay a Monthly Benefit for any Total Disability caused by:

(1) an act of war, declared or undeclared; or
(2) an intentionally self-inflicted Injury; or
(3) the Insured committing a felony; or
(4) an Injury or Sickness that occurs while the Insured is confined in any penal or correctional institution.

## LIMITATIONS

**MENTAL OR NERVOUS DISORDERS:** Monthly Benefits for Total Disability caused by or contributed to by mental or nervous disorders will not be payable beyond an aggregate lifetime maximum duration of twenty-four (24) months unless the Insured is in a Hospital or Institution at the end of the twenty-four (24) month period. The Monthly Benefit will be payable while so confined, but not beyond the Maximum Duration of Benefits.

If an Insured was confined in a Hospital or Institution and:
(1) Total Disability continues beyond discharge;
(2) the confinement was during a period of Total Disability; and
(3) the period of confinement was for at least fourteen (14) consecutive days;
then upon discharge, Monthly Benefits will be payable for the greater of:
(1) the unused portion of the twenty-four (24) month period; or
(2) ninety (90) days;
but in no event beyond the Maximum Duration of Benefits, as shown on the Schedule of Benefits page.

Mental or Nervous Disorders are defined to include disorders which are diagnosed to include a condition such as:
(1) bipolar disorder (manic depressive syndrome);
(2) schizophrenia;
(3) delusional (paranoid) disorders;
(4) psychotic disorders;
(5) depressive disorders;
(6) anxiety disorders;
(7) somatoform disorders (psychosomatic illness);
(8) eating disorders; or
(9) mental illness.

**SUBSTANCE ABUSE:** Monthly Benefits for Total Disability due to alcoholism or drug addiction will be payable while the Insured is a participant in a Substance Abuse Rehabilitation Program. The Monthly Benefit will not be payable beyond twenty-four (24) months.

If, during a period of Total Disability due to Substance Abuse for which a Monthly Benefit is payable, an Insured is able to perform Rehabilitative Employment, the Monthly Benefit, less 50% of any of the money received from this Rehabilitative Employment will be paid until: (1) the Insured is performing all the material duties of his/her Regular Occupation on a full-time basis; or (2) the end of twenty-four (24) consecutive months from the date that the Elimination Period is satisfied, whichever is earlier. All terms and conditions of the Rehabilitation Benefit will apply to Rehabilitative Employment due to Substance Abuse.

"Substance Abuse" means the pattern of pathological use of a Substance which is characterized by:
(1) impairments in social and/or occupational functioning;
(2) debilitating physical condition;
(3) inability to abstain from or reduce consumption of the Substance; or
(4) the need for daily Substance use for adequate functioning.

"Substance" means alcohol and those drugs included on the Department of Health, Retardation and Hospitals' Substance Abuse list of addictive drugs, except tobacco and caffeine are excluded.

A Substance Abuse Rehabilitation Program means a program supervised by a Physician or a licensed rehabilitation specialist approved by us.

**PRE-EXISTING CONDITIONS:** Benefits will not be paid for a Total Disability:
(1) caused by;
(2) contributed to by; or
(3) resulting from;
a Pre-existing Condition unless the Insured has been Actively at Work for one (1) full day following the end of twelve (12) consecutive months from the date he/she became an Insured.

"Pre-Existing Condition" means any Sickness or Injury for which the Insured received medical Treatment, consultation, care or services, including diagnostic procedures, or took prescribed drugs or medicines, during the three (3) months immediately prior to the Insured's effective date of insurance.

## SPECIFIC INDEMNITY BENEFIT

If the Insured suffers any one of the Losses listed below from an accident resulting in an Injury, we will pay a guaranteed minimum number of Monthly Benefit payments, as shown below. However:

(1) the Loss must occur within one hundred and eighty (180) days; and
(2) the Insured must live past the Elimination Period.

| For Loss of: | Number of Monthly Benefit Payments: |
|---|---|
| Both Hands | 46 Months |
| Both Feet | 46 Months |
| Entire Sight in Both Eyes | 46 Months |
| Hearing in Both Ears | 46 Months |
| Speech | 46 Months |
| One Hand and One Foot | 46 Months |
| One Hand and Entire Sight in One Eye | 46 Months |
| One Foot and Entire Sight in One Eye | 46 Months |
| One Arm | 35 Months |
| One Leg | 35 Months |
| One Hand | 23 Months |
| One Foot | 23 Months |
| Entire Sight in One Eye | 15 Months |
| Hearing in One Ear | 15 Months |

"Loss(es)" with respect to:

(1) hand or foot, means the complete severance through or above the wrist or ankle joint;
(2) arm or leg, means the complete severance through or above the elbow or knee joint; or
(3) sight, speech or hearing, means total and irrecoverable Loss thereof.

If more than one (1) Loss results from any one accident, payment will be made for the Loss for which the greatest number of Monthly Benefit payments is provided.

The amount payable is the Monthly Benefit, as shown on the Schedule of Benefits page, with no reduction from Other Income Benefits. The number of Monthly Benefit payments will not cease if the Insured returns to Active Work.

If death occurs after we begin paying Monthly Benefits, but before the Specific Indemnity Benefit has been paid according to the above schedule, the balance remaining at time of death will be paid to the Insured's estate, unless a beneficiary is on record with us under this Policy.

Benefits may be payable longer than shown above as long as the Insured is still Totally Disabled, subject to the Maximum Duration of Benefits, as shown on the Schedule of Benefits page.

## SURVIVOR BENEFIT - LUMP SUM

We will pay a benefit to an Insured's Survivor when we receive proof that the Insured died while:

(1) he/she was receiving Monthly Benefits from us; and
(2) he/she was Totally Disabled for at least one hundred and eighty (180) consecutive days.

The benefit will be an amount equal to 3 times the Insured's last Monthly Benefit. The last Monthly Benefit is the benefit the Insured was eligible to receive right before his/her death. It is not reduced by wages earned while in Rehabilitative Employment.

A benefit payable to a minor may be paid to the minor's legally appointed guardian. If there is no guardian, at our option, we may pay the benefit to an adult that has, in our opinion, assumed the custody and main support of the minor. We will not be liable for any payment we have made in good faith.

"Survivor" means an Insured's spouse. If the spouse dies before the Insured or if the Insured was legally separated, then the Insured's natural, legally adopted or step-children, who are under age twenty-five (25) will be the Survivors. If there are no eligible Survivors, payment will be made to the Insured's estate, unless a beneficiary is on record with us under this Policy.

## WORK INCENTIVE AND CHILD CARE BENEFITS

### WORK INCENTIVE BENEFIT

During the first twelve (12) months of Rehabilitative Employment during which a Monthly Benefit is payable, we will not offset earnings from such Rehabilitative Employment until the sum of:

(1) the Monthly Benefit prior to offsets with Other Income Benefits; and
(2) earnings from Rehabilitative Employment;

exceed 100% of the Insured's Covered Monthly Earnings. If the sum above exceeds 100% of Covered Monthly Earnings, our Benefit Amount will be reduced by such excess amount until the sum of (1) and (2) above equals 100%.

### CHILD CARE BENEFIT

We will allow a Child Care Benefit to an Insured if:

(1) the Insured is receiving benefits under the Work Incentive Benefit;
(2) the Insured's Child(ren) is (are) under 14 years of age;
(3) the child care is provided by a non-relative; and
(4) the charges for child care are documented by a receipt from the caregiver, including social security number or taxpayer identification number.

During the twelve (12) month period in which the Insured is eligible for the Work Incentive Benefit, an amount equal to actual expenses incurred for child care, up to a maximum of $250.00 per month, will be added to the Insured's Covered Monthly Earnings when calculating the Benefit Amount under the Work Incentive Benefit.

Child(ren) means: the Insured's unmarried child(ren), including any foster child, adopted child or step child who resides in the Insured's home and is financially dependent on the Insured for support and maintenance.

## EXTENSION OF COVERAGE UNDER THE FAMILY AND MEDICAL LEAVE ACT AND UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

**Family and Medical Leave of Absence:**

We will continue the Insured's coverage in accordance with your policies regarding leave under the Family and Medical Leave Act of 1993, as amended, or any similar state law, as amended, if:

(1) the premium for such Insured continues to be paid during the leave; and
(2) you have approved the Insured's leave in writing and provide a copy of such approval within thirty-one (31) days of our request.

As long as the above requirements are satisfied, we will continue coverage until the later of:

(1) the end of the leave period required by the Family and Medical Leave Act of 1993, as amended; or
(2) the end of the leave period required by any similar state law, as amended.

**Military Services Leave of Absence:**

We will continue the Insured's coverage in accordance with your policies regarding Military Services Leave of Absence under USERRA if the premium for such Insured continues to be paid during the leave.

As long as the above requirement is satisfied, we will continue coverage until the end of the period required by USERRA.

This Policy, while coverage is being continued under this Military Services Leave of Absence extension, does not cover any loss which occurs while on active duty in the military if such loss is caused by or arises out of such military service, including but not limited to war or any act of war, whether declared or undeclared.

While the Insured is on a Family and Medical Leave of Absence for any reason other than his or her own illness, injury or disability or Military Services Leave of Absence he or she will be considered Actively at Work. Any changes such as revisions to coverage due to age, class or salary changes, as applicable, will apply during the leave except that increases in the amount of insurance, whether automatic or subject to election, will not be effective for an Insured who is not considered Actively at Work until the Insured has returned to Active Work for one (1) full day.

A leave of absence taken in accordance with the Family and Medical Leave Act of 1993 or USERRA will run concurrently with any other applicable continuation of insurance provision in this Policy.

The Insured's coverage will cease under this extension on the earliest of:

(1) the date this Policy terminates; or
(2) the end of the period for which premium has been paid for the Insured; or
(3) the date such leave should end in accordance with your policies regarding Family and Medical Leave of Absence and Military Services Leave of Absence in compliance with the Family and Medical Leave Act of 1993, as amended and USERRA. Coverage will not be terminated for an Insured who becomes Totally Disabled during the period of the leave and who is eligible for benefits according to the terms of this Policy. Any Monthly Benefit which becomes payable will be based on the Insured's Covered Monthly Earnings immediately prior to the date of Total Disability.

Should you choose not to continue the Insured's coverage during a Family and Medical Leave of Absence and/or Military Services Leave of Absence, the Insured's coverage will be reinstated.

## EXTENDED DISABILITY BENEFIT

We will pay an Extended Disability Benefit to an Insured if the Insured:

(1) meets all the requirements of Total Disability of this Policy; and
(2) is receiving a Total Disability Benefit under this Policy that will be exhausted because the Maximum Duration of Benefits has ended; and
(3) is unable to function without another person's Direct Assistance or verbal direction due to:

    (a) an inability to perform at least two Activities of Daily Living (ADL) as defined; or
    (b) Cognitive Impairment as defined; and

(4) is either:

    (a) confined as an Inpatient in a Skilled Nursing Home, Rehabilitation Facility or Rehabilitative Hospital in which patients receive care from licensed medical professionals; or
    (b) receiving Home Health Care or Hospice Care; and

(5) makes a Written Request for this benefit within thirty (30) days after the Maximum Duration of Benefits has ended.

The Extended Disability Benefit:

(1) will be an amount equal to 85% of the Monthly Benefit after offsets with Other Income Benefits which was payable prior to the Insured qualifying for the Extended Disability Benefit up to a maximum of $5,000 per month; and
(2) is payable for a maximum of sixty (60) months measured from the date that the Maximum Duration of Benefits has ended.

**Definitions**:

"Activities of Daily Living (ADL)" means:

(1) Bathing - the ability to wash oneself in the tub or shower or by sponge bath from a basin without Direct Assistance;
(2) Dressing - the ability to change clothes without Direct Assistance, including fastening and unfastening any medically necessary braces or artificial limbs;
(3) Eating/Feeding - the ability to eat without Direct Assistance, once food has been prepared and made available;
(4) Transferring - the ability to move in and out of a chair or bed without Direct Assistance, except with the aid of equipment (including support and other mechanical devices); and
(5) Toileting - the ability to get to and from and on and off the toilet, to maintain a reasonable level of personal hygiene and to adjust clothing without Direct Assistance.

"Cognitively Impaired" and "Cognitive Impairment" means the Insured's confusion or disorientation due to organic changes in the brain resulting in a deterioration or loss in intellectual capacity as confirmed by cognitive or other tests satisfactory to us.

"Direct Assistance" means the Insured requires continuous help or oversight to be able to perform the Activity of Daily Living (ADL).

"Home Health Care" means medical and non-medical services, provided in an Insured's residence due to Injury or Sickness, including: visiting nurse services; physical, respiratory, occupational or speech therapy; nutritional counseling; and home health aide services. Home Health Care services must be: (1) prescribed by and provided under the supervision of a Physician; and (2) rendered by a licensed home health care provider who is not a member of the Insured's immediate family. Home Health Care does not include: homemaker, companion and home delivered meals services; nor informal care services provided by family members of the Insured.

"Hospice Care" means a program of care which coordinates the special needs of a person with a Terminal Illness. Hospice Care must be: (1) prescribed by and provided under the supervision of a Physician; and (2) rendered by a licensed hospice care provider who is not a member of the Insured's immediate family.

"Inpatient" means a person confined in a Skilled Nursing Home, Rehabilitation Facility or Rehabilitative Hospital, for whom a daily room and board charge is made.

"Pre-existing Condition" means with respect to the Extended Disability Benefit only, any Sickness or Injury for which the Insured received medical treatment, consultation, care or services, including diagnostic procedures, or took prescribed drugs or medicines, during the three (3) months immediately preceding the Insured's effective date of insurance.

"Rehabilitation Facility or Rehabilitative Hospital" means any facility or Hospital that is licensed in the state in which it is operating to provide rehabilitation services, therapy or retraining to the Insured to enable him or her to walk, communicate, and/or function as a member of society.

"Skilled Nursing Home" means a facility or part of a facility that is licensed or certified in the state in which it is operating to provide Skilled Nursing Care.

"Skilled Nursing Care" means that level of care which:

(1) requires the training and skills of a Registered Nurse;
(2) is prescribed by a Physician;
(3) is based on generally recognized and accepted standards of health care by the American Medical Association; and
(4) is appropriate for the diagnosis and treatment of the Insured's Sickness or Injury.

"Terminal Illness" means a Sickness or physical condition that is certified by a Physician in a written statement, on a form prescribed by us, to reasonably be expected to result in death in less than 12 months.

"Written Request" means a request made, in writing, by the Insured to us.

Pre-existing Conditions Limitation:

With respect to the Extended Disability Benefit only, benefits will not be paid for a Total Disability:

(1) caused by;
(2) contributed to by; or
(3) resulting from;

a Pre-existing Condition unless the Insured has been Actively at Work for one (1) full day following the end of twelve (12) consecutive months measured from the Insured's effective date of insurance with us.

No benefits will be paid under the Extended Disability Benefit if the Insured's Total Disability occurred before the Insured's effective date of insurance with us.

The Extended Disability Benefit will cease to be payable on the earliest of the following dates:

(1) the date the Insured dies; or
(2) the date the Insured no longer meets the requirements of Total Disability of this Policy; or
(3) the date the Insured:

    (a) is no longer confined as an Inpatient in a Skilled Nursing Home, Rehabilitative Facility or Rehabilitation Hospital; or
    (b) is no longer receiving Home Health Care or Hospice Care; or

(4) the date the Insured is no longer considered Cognitively Impaired; or
(5) the date the Insured is no longer unable to perform at least two Activities of Daily Living (ADL); or
(6) the date the Insured receives his or her sixtieth (60th) monthly Extended Disability Benefit payment.

The Extended Disability Benefit will not be payable for Total Disability which is caused by or results from conditions for which Monthly Benefits are specifically limited by this Policy such as Mental or Nervous Disorders, alcoholism, drug addiction, or other Substance Abuse, musculoskeletal and connective tissue disorders, chronic fatigue syndrome, Environmental Allergic or Reactive Illness, or Self-Reported Conditions.

If this Policy contains a Survivor Benefit, Activities of Daily Living Benefit (ADL), Catastrophic Care Benefit, Supplemental Pension Benefit, Living Benefit, Cost of Living Benefit or a Conversion Privilege, such benefits are not applicable when receiving benefits under the Extended Disability Benefit.

## REHABILITATION BENEFIT

"Rehabilitative Employment" means work in Any Occupation for which the Insured's training, education or experience will reasonably allow. The work must be approved by a Physician or a licensed or certified rehabilitation specialist approved by us. Rehabilitative Employment includes work performed while Partially Disabled, but does not include performing all the material duties of his/her Regular Occupation on a full-time basis.

If an Insured is receiving a Monthly Benefit because he/she is considered Totally Disabled under the terms of this Policy and is able to perform Rehabilitative Employment, we will continue to pay the Monthly Benefit less an amount equal to 50% of earnings received through such Rehabilitative Employment.

If an Insured is able to perform Rehabilitative Employment when Totally Disabled due to Substance Abuse, we will continue to pay the Monthly Benefit less an amount equal to 50% of earnings received through such Rehabilitative Employment. This Monthly Benefit is payable for a maximum of twenty-four (24) consecutive months from the date the Elimination Period is satisfied.

An Insured will be considered able to perform Rehabilitative Employment if a Physician or licensed or certified rehabilitation specialist approved by us determines that he/she can perform such employment.

**RELIANCE STANDARD LIFE INSURANCE COMPANY**

**AMENDATORY RIDER**

It is hereby understood and agreed that the Policy will be amended by the addition of the following:

**Applicable to Vermont Residents Only**

The following sections/provisions of this Policy are amended to comply with Vermont law:

1. **Schedule of Benefits section, Elimination Period provision.**

   The Elimination Period will be the lesser of the number of days shown on the Schedule of Benefits in this policy or:

   For Benefit Periods 2 years and greater: 365 days.

   For Benefit Periods greater than 1 year but less than 2 years: 180 days.

2. **Limitations section, Mental or Nervous Disorders and/or Substance Abuse, if such limitations are included in this Policy.**

   If this Policy contains limitations in coverage for mental or nervous disorders and/or substance abuse, such limitations will not apply to Vermont residents. Coverage for these conditions will be treated the same as other conditions that may entitle the Insured to full benefits.

3. **Limitations section, Pre-existing Conditions, if such limitation is included in this Policy.**

   The pre-existing condition provision time period in the definition of Pre-existing Condition shall be the lesser of the time period shown on the Limitations form in this policy or twelve (12) months.

   The period of time during which the Insured becomes Totally Disabled due to a Pre-existing Condition and a benefit is not payable for such Total Disability is the lesser of the time period as shown in this policy or twelve (12) months.

All other terms and conditions remain unchanged.

**RELIANCE STANDARD LIFE INSURANCE COMPANY**



Secretary

**NOTICE OF PROTECTION PROVIDED BY**
**IOWA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION**

This notice provides a brief summary of the Iowa Life and Health Insurance Guaranty Association (the "Association") and the protection it provides for policyholders. This safety net was created under Iowa law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Iowa law, with funding from assessments paid by other insurance companies.

The basic protections provided by the Association are:

Life Insurance
- $300,000 in death benefits
- $100,000 in cash surrender and withdrawal values

Health Insurance
- $500,000 in basic hospital, medical-surgical or major medical insurance benefits
- $300,000 in disability income protection insurance benefits
- $300,000 in long-term care insurance benefits
- $100,000 in other types of health insurance benefits

Annuities
- $250,000 in annuity benefits, cash surrender and withdrawal values

The maximum amount of protection for each individual, regardless of the number of policies or contracts, is $350,000. Special rules may apply with regard to hospital, medical-surgical and major medical insurance benefits.

**Note: Certain policies and contracts may not be covered or fully covered.** If coverage is available, it will be subject to substantial limitations and exclusions. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also various residency requirements under Iowa law.

To learn more about the Association and the protections it provides, as well as those relating to group contracts or retirement plans, please visit the Association's website at www.ialifega.org, or contact:

Iowa Life and Health Insurance
Guaranty Association
700 Walnut Street, Suite 1600
Des Moines, IA 50309
(515) 248-5712

Iowa Insurance Division
330 Maple Street
Des Moines, IA 50319
(515) 281-5705

Information about the financial condition of insurers is available from a variety of sources, including financial rating agencies such as AM Best Company, Fitch Inc., Moody's Investors Service, Inc., and Standard & Poor's. That information may be accessed from the "Helpful Links & Information" page located on the website of the Iowa Insurance Division at www.iid.state.ia.us.

The Association is subject to supervision and regulation by the Commissioner of the Iowa Insurance Division. Persons who desire to file a complaint to allege a violation of the laws governing the Association may contact the Iowa Insurance Division. State law provides that any suit against the Association shall be brought in the Iowa District Court in Polk County, Iowa.

**Insurance companies and agents are not allowed by Iowa law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and Iowa law, then Iowa law will control.**