

SHORT-TERM DISABILITY PLAN FOR EMPLOYEES OF

GRANGE INSURANCE COMPANY

INTEGRITY INSURANCE COMPANY

Effective as of March 1, 2021

SUMMARY PLAN DESCRIPTION

TABLE OF CONTENTS

	Page
SECTION 1 INTRODUCTION.....	1
Short-Term Disability Plan at a Glance.....	2
SECTION 2 HOW THE PLAN WORKS	3
Definitions.....	3
<i>Active Work or Actively at Work</i>	<i>3</i>
<i>Base Annual Earnings</i>	<i>3</i>
<i>Benefit Elimination Period</i>	<i>3</i>
<i>Disability/Disabled</i>	<i>3</i>
<i>Illness</i>	<i>3</i>
<i>Injury</i>	<i>3</i>
<i>Material and Substantial Duties.....</i>	<i>3</i>
<i>Physician.....</i>	<i>3</i>
<i>Regular occupation.....</i>	<i>3</i>
Eligibility and Participation	4
<i>When Benefits Begin</i>	<i>4</i>
<i>Benefit Schedule</i>	<i>5</i>
<i>Maternity Benefit.....</i>	<i>6</i>
<i>Reduction of Benefits.....</i>	<i>7</i>
<i>Recurring Periods of Disability</i>	<i>7</i>
Filing a Claim	7
Exclusions and Limitations.....	7
When STD Benefits End	7
SECTION 3 ADDITIONAL INFORMATION ABOUT THE PLAN.....	9
Administration of the Plan	9
Appealing a Denied Claim.....	9
Family and Medical Leave Act	10
The Employee Retirement Income Security Act of 1974 (ERISA).....	10
<i>Receive Information about Your Plan and Benefits.....</i>	<i>10</i>
<i>Prudent Actions by Plan Fiduciaries.....</i>	<i>11</i>
<i>Enforce Your Rights.....</i>	<i>11</i>
<i>Assistance with Your Questions.....</i>	<i>11</i>
FACT SHEET.....	12

SECTION 1 INTRODUCTION

Disability benefits provide important financial protection if a qualifying illness or injury prevents you from working. Grange (the “Company”) offers Short-Term Disability benefits through The Grange Insurance Company Short-Term Disability (STD) Plan (the “Plan”). The Plan is designed to provide salary protection during a period of extended absence from work due to illness or injury. The Plan is also designed to assist you in returning to work to help avoid any possible income loss in the future.

The major aspects of the Plan are summarized in this Summary Plan Description. Please read it carefully. It is important that you understand how the Plan works and the benefits available to you.

Complete details can be found only in the formal Plan documents, which govern the operation of the Plan. If there is any conflict between the information in this Summary Plan Description and the Plan document, the Plan Document will govern. The description of your rights under the Employee Retirement Income Security Act of 1974 (ERISA) at the end of this booklet explains more about the Plan document.

If you should have any questions that are not answered in this document, please discuss them with the Human Resources Department.

Short-Term Disability Plan at a Glance

The Short-Term Disability Plan contains the following significant features:

- Wage replacement schedule based on your years of service
- A bridge between your Paid Time Off (PTO) and Long-Term Disability Plan (LTD)
- Case management process to provide oversight and assistance with your care
- A benefit for up to 12 weeks of illness or injury
- Paid 100% by Grange

The Grange STD Plan provides income protection and assistance in getting you back to work faster

SECTION 2 HOW THE PLAN WORKS

Definitions

Certain terms are used in this Summary Plan Description. Knowing their meanings will help you better understand your Plan.

Active Work or Actively at Work means you are performing with reasonable continuity the material and substantial duties of your occupation at Grange or at a location to which Grange business requires you to travel.

Base Annual Earnings includes your salary plus commissions averaged over the preceding 12 months. It does not include bonuses or overtime.

Benefit Elimination Period is the period you must be disabled due to injury or illness before STD benefits become payable. These days do not have to be continuous. However, if you return to work 38.75 hours within your regularly scheduled work week or longer, the elimination period will start over.

Disability/Disabled means you are unable to perform the material and substantial duties of your regular occupation and you have a 20% or more loss in your monthly earnings and are under the regular care of a physician.

Illness means a physical or mental sickness. Illness may also refer to pregnancy (including abortion, miscarriage or childbirth) and includes elective medical procedures.

Injury refers to accidental loss or bodily harm that is the direct result of an accident and results in immediate disability.

Material and Substantial Duties are the essential tasks, functions and operation, and the skills, abilities, knowledge, training, and experience generally required by employers from those engaged in a particular occupation that cannot be reasonably eliminated or changed.

Physician is a licensed doctor practicing within the scope of his or her license and providing care and treatment to you that is appropriate for your condition and locality. "Physician" does not include you, your spouse or domestic partner, your immediate family (including parents, children, siblings or spouses of any of your immediate family—even if the relationship is by blood or marriage) or a person living in your household.

Regular occupation means the occupation you are routinely performing when your disability begins. Prudential will look at your occupation as it is normally performed instead of how the work tasks are performed for a specific employer at a specific location. (this is from LTD cert of coverage)

Eligibility and Participation

If you are classified by Grange as a full-time active associate working at least 38.75 hours a week, you are eligible for STD coverage. New hire associates are eligible for coverage as of the first day of the third month following their month of hire. For example, if an associate is hired in January, that person would become eligible for STD coverage on April 1.

If you are laid off or on an approved leave of absence from Grange, coverage continues until the end of the month following the month in which the layoff or approved leave of absence began. If you return to Grange after layoff or termination, you are eligible for coverage as if you were a new hire.

When Benefits Begin

STD benefits begin after you have been disabled for a specific length of time, known as the benefit elimination period. The benefit elimination period for Grange is your regularly scheduled work week, in which you have worked 38.75 hours. During this period, you must use Paid Time Off (PTO) to cover your absence until your STD benefits start. If your PTO balance is insufficient to cover the benefit elimination period, time off before STD begins will be unpaid. Your benefits begin the next business day after your benefit elimination period has been satisfied.

Grange's benefit elimination period is considered a "residual" elimination period meaning that the five days or 38.75 hours, do not have to be consecutive. The time off must be related to the same illness or diagnosis and the associate must provide medical documentation certifying the time away from work. However, if an associate return to work 38.75 hours within their regularly scheduled work week or longer, the elimination period will start over again.

An Example of How Your Benefit Elimination Period Works:

Julie begins to have pain in her wrist. She visits the doctor to determine the cause. Over the next several weeks, Julie works the following schedule, using PTO to take several days off when she is unable to work due to the pain in her wrist:

Day	Work Status
Monday February 2nd	Illness/PTO
Tuesday February 3rd	Illness/PTO
Wednesday, February 4th	At Work
Thursday, February 5th	At Work
Friday, February 6th	Illness/PTO
Monday, February 9th	Illness/PTO
Tuesday, February 10th	At Work
Wednesday, February 11th	At Work
Thursday, February 12th	Illness/PTO
Friday, February 13th	Illness/PTO – STD to begin

The doctor determines that Julie needs surgery on her wrist and will need to take more time off from work. Since the days she took off on February 2nd, 3rd, 6th, 9th and 12th were all related to her wrist and medically documented, these days count towards her benefit elimination period and Friday, February 13th is the first day of STD benefits.

However, if Julie had been at work on February 6th and 9th she would have been back for more than five consecutive working days and the time off on February 4th and 5th would not count towards her benefit elimination period. The benefit elimination period would begin again on February 12th.

If you return from a STD leave and have a re-occurrence of the same illness/injury within 30 days of returning to work, there will not be another benefit elimination period for STD benefits.

Benefit Schedule

The STD benefit that you receive is based on your years of service with Grange. You will receive a wage replacement benefit based on the following schedule:

Years of Service	100% Pay	80% Pay
<3	4 weeks	8 weeks
3+	6 weeks	6 weeks

Your benefit amount is based on your base annual earnings. The maximum benefit period is 12 weeks. After 12 weeks, you may be eligible to continue disability coverage if you are enrolled in the Grange Long-Term Disability Plan. Refer to the *Grange Long-Term Disability Plan Certificate of Insurance* or contact Human Resources for further information.

STD benefits are paid through Grange on the normal payroll cycle based on direction received from The Prudential Insurance Company of America (Prudential) who is the Claims Administrator. If you are enrolled in direct deposit for your paycheck, you will still receive a direct deposit for STD benefits. Your benefit amount will be rounded up to the next highest dollar amount. Your benefits are fully taxable and will be taxed like your regular pay. Please note that PTO may not be used to supplement STD pay.

An Example of Short-Term Disability Benefits:

John is a full-time Grange associate who has been with the Company for four years and has recently hurt his back. He visits his physician and his physician discovers that John has dislocated a disk in his back, will require surgery and will be out of work for at least 8 weeks, possibly more. John lets his manager know and calls Prudential immediately to begin filing an STD claim.

Based on John's base annual earnings of \$40,000 at the time of his disability, John earns \$770 a week. He will receive the following benefits:

Week 1: John uses 5 days of PTO to meet the benefit elimination period.

Weeks 2 – 7: Since John has been with Grange for more than 3 years, he will receive 100% (\$770/wk) of his pay for the next six weeks.

Week 8: John receives 80% of his pay (\$770 x .80) or \$616 this week.

Week 9: John is cleared by his doctor to return to work.

Maternity Benefit

The STD Plan, plus the elimination period, pays for up to 6 weeks of post-partum coverage for vaginal birth and up to 8 weeks of post-partum coverage for delivery via Caesarean Section. The STD benefit can be used with available PTO, parental leave, and unpaid leave if necessary, to extend your leave up to 12 weeks in conjunction with the Family and Medical Leave Act (FMLA). The order of use must occur as follows: PTO to meet elimination period, next, STD benefits, then parental leave benefits, any remaining PTO, followed by unpaid leave. Please note that PTO may not be used to supplement STD pay. For additional information, please see the section regarding the Family and Medical Leave Act included in this document.

An Example of Maternity Benefits:

Laura is expecting her first child and has four years of service. She has two weeks of PTO remaining for the year. She plans on taking the entire 12 weeks of leave to care for the new baby. This example assumes that Laura is having a vaginal delivery. Here is how Laura will be paid:

Week 1: Laura uses 5 days of PTO to meet the benefit elimination period.

Week 2 – 6: Since Laura has been employed for more than 3 years, she will receive 100% of her pay for the next 5 weeks to reach the maximum maternity benefit of 6 weeks.

Week 7-10: Laura will use the parental leave benefit which offers 4 weeks of paid leave at 100% of pay.

Week 11: Laura must use her remaining week of PTO.

Week 12: Laura may take the final week as unpaid time through FMLA after using her STD, parental leave and available PTO.

Reduction of Benefits

Your STD benefit payment will be reduced by the amount you receive or are entitled to receive as disability income payments under any state compulsory benefit act or law. This includes any workers' compensation payments received as part of a job-related injury. Unemployment benefits are also offset.

Recurring Periods of Disability

If you have a re-occurrence of the same illness/injury within 30 days of returning to work from an STD leave, there will not be another waiting period for STD benefits. If you return to active work for more than 30 days, the recurring disability will be treated as a new period of disability and you will need to satisfy a new benefit elimination period.

Filing a Claim

You must call Prudential directly at 1-877-367-7781 to file your STD claim as soon as you know you will be unable to work for more than 3 business days.

Let your manager know that you have filed an STD claim and how long you are expected to be on disability. Also, give your doctor permission to release information about your STD claim to Prudential's disability case manager. Then, complete and return all forms and information requested by Prudential to the address in the initial disability packet you will receive.

Exclusions and Limitations

The STD Plan does not cover any disability caused by, contributed to by, or resulting from the following:

- Intentionally self-inflicted injuries
- Active participation in a riot
- Commission of a crime for which you have been convicted under state or federal law
- War, declared or undeclared, or any act of war

When STD Benefits End

Your STD benefits end automatically on the earliest of the following dates:

- You receive benefits for 12 weeks
- You do not return to work as scheduled per your doctor's release or you are no longer disabled under the terms of the Plan.
- You terminate your employment with Grange

- You fail to comply with Grange's policy and requirements related to medical leaves
- You die

SECTION 3 ADDITIONAL INFORMATION ABOUT THE PLAN

Administration of the Plan

The Company is the Plan Sponsor and Plan Administrator. Prudential acts as the Claims Administrator.

Appealing a Denied Claim

If you or your beneficiary make a claim for benefits under the Plan, and all or part of the claim is denied, the Plan Administrator will notify you (or your beneficiary) within 90 days after receipt of the application by the Plan Administrator. This notice will state the following: specific reasons for the denial of the claim; specific reference to pertinent provisions of the Plan on which the denial is based; a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary; further steps which you or your beneficiary may take in order to have the claim reviewed (including a statement that you or your duly authorized representative may review plan documents and submit issues and comments regarding the claim to the Plan Administrator); and a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse determination on appeal.

The appeal process is stated below for your information.

1. Within 60 days after your receipt of the mailing of the Plan Administrator's notice of adverse benefit determination, you (or your beneficiary) may appeal that denial by filing a written, signed request for a full review of your claim with the Plan Administrator. You will be provided the opportunity to submit written comments, documents, records, and other information relating to the claim for benefits, and you shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. If a medical judgment is involved, the person reviewing your appeal will consult with a health care professional, who has appropriate training and experience in the field of medicine involved in the medical judgment and who had no role in the initial claim denial. The medical or vocational experts whose advice was obtained will be identified.
2. The Plan Administrator will render a decision with respect to your appeal within 60 days after the filing of the notice of appeal unless special circumstances require additional time. In such a case, the decision will be made within 120 days of the notice filing. The Plan Administrator will send you a written report of the decision, based on the facts, applicable provisions of the Plan and the administrative rules and regulations of the Plan.
3. The Plan Administrator's written report of the decision will state the specific reason or reasons for the adverse determination; reference the specific plan provisions on which the benefit determination is based; state that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; describe any voluntary appeal procedures offered by the Plan and your right to obtain the information about such procedures, and provide a statement of your rights to bring a civil action under Section 502(a) of ERISA following an adverse determination on appeal.
4. If you disagree with the final decision, you may then file a lawsuit seeking your benefit under ERISA. But courts generally require that you complete all the steps available to you under the

Plan's claims procedures in a timely manner before you seek relief through a lawsuit. This is called "exhausting your administrative remedies."

Family and Medical Leave Act

The Family and Medical Leave Act provides up to 12 weeks (or 26 weeks for military caregivers) of family and medical leave during any 12-month period to eligible associates. To qualify as FMLA leave, the associate must be taking the leave for one of the following reasons:

- Birth and care of a newborn child
- Placement of a child with you (adoption, foster care)
- Care of a spouse, child or parent with a serious health condition
- Certain circumstances surrounding care of or time with a family member in the military
- Your own serious health condition

If your leave is for one of the first four reasons above, your job will be held for 12 weeks (or 26 weeks for military exigency and military caregivers) as required by law. If you do not return to work at the end of that time, your employment will be terminated.

If your leave is for your own serious health condition and you have not elected LTD coverage, your employment will be terminated at the expiration of the STD benefit. Should you be released to return to work after the expiration of the STD period, you will be eligible to apply for any openings for which you may be qualified.

If your leave is for your own serious health condition and you have elected LTD coverage and your illness qualifies you for LTD benefits, you would remain an associate (for benefits purposes only) for up to two continuous years from the date your disability began. Your employment will terminate at the earliest of your release to return to work or you reach two years from the date your disability began. Upon your release to return to work, you will be eligible to apply for any openings for which you may be qualified. For more detailed information regarding FMLA, please see the Associate Guide *Time Away From Work Policy*.

The Employee Retirement Income Security Act of 1974 (ERISA)

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants are entitled to:

Receive Information about Your Plan and Benefits

- Examine, without charge, at the Plan Sponsor's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain upon written request to the Plan Sponsor, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of the summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. These people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Short-Term Disability benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the Plan and you do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and to pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

FACT SHEET

Plan Name

Grange Insurance Company Short-Term Disability Plan

IRS Employer Identification Number (EIN)

31-4192970

Plan Number

510

Plan Administrator

Grange Insurance Company
671 South High Street
P.O. Box 1218
Columbus, Ohio 43216-1218

Plan Sponsor

Grange Insurance Company
671 South High Street
P.O. Box 1218
Columbus, Ohio 43216-1218
(614) 445-2305

Agent for Service of Legal Process

Grange Insurance Company
Attention: General Counsel
671 South High Street
Columbus, Ohio 43206

Legal notice may also be served on the Plan Administrator.

End of Plan Year

December 31

Type of Plan

This Plan constitutes a welfare plan providing income replacement in the event of a short-term disability.

Contributions and Funding

Grange is responsible for funding the Plan. You are not responsible for or permitted to make contributions to the Plan. Benefits are paid through general payroll.