

# STANDARD INSURANCE COMPANY

A Stock Life Insurance Company  
900 SW Fifth Avenue  
Portland, Oregon 97204-1282  
(503) 321-7000

## CERTIFICATE

### GROUP LONG TERM DISABILITY INSURANCE

---

Policyholder:	The Regents of the University of Colorado, SOM Graduate Medical Education
Policy Number:	642496-A
Effective Date:	July 1, 2003

---

The Group Policy has been issued to the Policyholder. We certify that you will be insured as provided by the terms of the Policyholder's coverage under the Group Policy. If the terms of this Certificate differ from the terms of the Policyholder's coverage under the Group Policy, the latter will govern. If your coverage is changed by an amendment to the Group Policy, we will provide the Policyholder with a revised Certificate or other notice to be given to you.

Possession of this Certificate does not necessarily mean you are insured. You are insured only if you meet the requirements set out in this Certificate.

"You" and "your" mean the Member. "We", "us" and "our" mean Standard Life Insurance Company. Other defined terms appear with the initial letters capitalized. Section headings, and references to them, appear in boldface type.



President

## Table of Contents

COVERAGE FEATURES .....	1
GENERAL POLICY INFORMATION .....	1
SCHEDULE OF INSURANCE.....	1
PREMIUM CONTRIBUTIONS.....	2
INSURING CLAUSE.....	3
BECOMING INSURED .....	3
WHEN YOUR INSURANCE BECOMES EFFECTIVE .....	3
ACTIVE WORK PROVISIONS .....	4
CONTINUITY OF COVERAGE .....	4
WHEN YOUR INSURANCE ENDS.....	5
CONTINUED INSURANCE DURING SCHOOL VACATIONS .....	5
WAIVER OF PREMIUM.....	5
REINSTATEMENT OF INSURANCE .....	6
DEFINITION OF DISABILITY .....	6
RETURN TO WORK PROVISIONS .....	8
REASONABLE ACCOMMODATION EXPENSE BENEFIT .....	9
REHABILITATION PLAN PROVISION.....	10
TEMPORARY RECOVERY.....	10
WHEN LTD BENEFITS END .....	10
PREDISABILITY EARNINGS.....	11
SURVIVORS BENEFIT.....	12
BENEFITS AFTER INSURANCE ENDS OR IS CHANGED .....	12
EFFECT OF NEW DISABILITY .....	13
DISABILITIES EXCLUDED FROM COVERAGE.....	13
DISABILITIES SUBJECT TO LIMITED PAY PERIODS .....	14
LIMITATIONS .....	15
CLAIMS .....	15
ALLOCATION OF AUTHORITY .....	17
TIME LIMITS ON LEGAL ACTIONS .....	18
INCONTESTABILITY PROVISIONS .....	18
CLERICAL ERROR, AGENCY, AND MISSTATEMENT.....	19
TERMINATION OR AMENDMENT OF THE GROUP POLICY .....	19
DEFINITIONS.....	19

## Index of Defined Terms

Active Work, Actively At Work, 4  
Allowable Periods, 10  
Any Occupation, 7  
Any Occupation Period, 2  
  
Benefit Waiting Period, 2, 19  
  
Civil Union Partner, 20  
Contributory, 19  
CPI-W, 19  
  
Disabled, 6  
  
Eligibility Waiting Period, 1  
Evidence Of Insurability, 4  
  
Group Policy, 20  
Group Policy Effective Date, 1  
Group Policy Number, 1  
  
Hospital, 14  
  
Indexed Predisability Earnings, 20  
Injury, 20  
Insurance Increase, 8  
  
LTD Benefit, 20  
  
Material Duties, 7  
Maximum Benefit Period, 2, 20  
Medical Professional, 8  
Mental Disorder, 14  
  
Noncontributory, 20  
  
Other Limited Conditions, 14  
Own Occupation, 7  
Own Occupation Period, 2  
  
Physical Disease, 20  
Physician, 20  
Policyholder, 1  
Predisability Earnings, 11  
Preexisting Condition, 13  
Pregnancy, 20  
Prior Plan, 20  
Proof Of Loss, 16  
  
Qualified Medical Condition, 8  
Qualified Medical Condition Disability,  
7  
  
Reasonable Accommodation Expense  
Benefit, 9  
Rehabilitation Plan, 10  
  
Spouse, 20  
Substance Abuse, 14  
Survivors Benefit, 12  
  
Temporary Recovery, 10  
  
War, 13  
Work Earnings, 9

## COVERAGE FEATURES

This section contains many of the features of your long term disability (LTD) insurance. Other provisions, including exclusions, limitations, and Deductible Income, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

---

### GENERAL POLICY INFORMATION

Group Policy Number: 642496-A  
Policyholder: The Regents of the University of Colorado, SOM Graduate Medical Education  
Group Policy Effective Date: July 1, 2003  
Policy Issued in: Colorado

---

#### Member means:

1. An active .50 full time equivalent Intern, Resident or Fellow in training in a graduate medical education program funded by the University of Colorado School of Medicine, School of Dentistry, School of Pharmacy or affiliated hospital and designated as eligible by training program and Plan Administrator; and
2. Actively At Work (for purposes of the Member definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days); and
3. A citizen or resident of the United States or Canada, or a person in the United States with an approved Visa.

Member does not include a temporary or seasonal employee, a full-time member of the armed forces of any country, a leased employee, or an independent contractor.

#### Class Definition:

- Class 1: Interns, Residents & Fellows in a residency program; post graduate year one or two
- Class 2: Interns, Residents & Fellows in a residency program; post graduate year three or four
- Class 3: Interns, Residents & Fellows in a residency program; post graduate year five or more
- 

### SCHEDULE OF INSURANCE

Eligibility Waiting Period: You are eligible on one of the following dates:

If you are a Member on the Group Policy Effective Date, you are eligible on that date.

If you become a Member after the Group Policy Effective Date, you are eligible on the date you become a Member.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance.

---

Own Occupation Period: The first 60 months for which LTD Benefits are paid.  
Any Occupation Period: From the end of the Own Occupation Period to the end of the Maximum Benefit Period.

---

LTD Benefit:

For a Qualifying Medical Condition Disability: Class 1: \$3,000  
Class 2: \$3,500  
Class 3: \$4,000

For any other Disability: Class 1: \$3,000  
Class 2: \$3,500  
Class 3: \$4,000

Benefit Waiting Period: 90 days

Maximum Benefit Period: Determined by your age when Disability begins, as follows:

Age	Maximum Benefit Period
61 or younger .....	To age 65, or 3 years 6 months, if longer.
62 .....	3 years 6 months
63 .....	3 years
64 .....	2 years 6 months
65 .....	2 years
66 .....	1 year 9 months
67 .....	1 year 6 months
68 .....	1 year 3 months
69 or older.....	1 year

---

PREMIUM CONTRIBUTIONS

Insurance is: Noncontributory

## INSURING CLAUSE

If you become Disabled while insured under the Group Policy, we will pay LTD Benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

LT.IC.OT.1

## BECOMING INSURED

To become insured you must be a Member, complete your Eligibility Waiting Period, and meet the requirements in **Active Work Provisions** and **When Your Insurance Becomes Effective**.

Member means:

1. An active .50 full time equivalent Intern, Resident or Fellow in training in a graduate medical education program funded by the University of Colorado School of Medicine, School of Dentistry, School of Pharmacy or affiliated hospital and designated as eligible by training program and Plan Administrator; and
2. Actively At Work (for purposes of the Member definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days); and
3. A citizen or resident of the United States or Canada, or a person in the United States with an approved Visa.

You are not a Member if you are a temporary or seasonal employee, a full-time member of the armed forces of any country, a leased employee, or an independent contractor.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance. Your Eligibility Waiting Period is shown in the **Coverage Features**.

(VAR MBR DEF) LT.BL.OT.1X

## WHEN YOUR INSURANCE BECOMES EFFECTIVE

### A. When Insurance Becomes Effective

Subject to the **Active Work Provisions**, your insurance becomes effective as follows:

#### 1. Insurance Subject To Evidence Of Insurability

Insurance subject to Evidence Of Insurability becomes effective on the date we approve your Evidence Of Insurability.

#### 2. Insurance Not Subject To Evidence of Insurability

The **Coverage Features** states whether insurance is Contributory or Noncontributory.

##### a. Noncontributory Insurance

Noncontributory insurance not subject to Evidence Of Insurability becomes effective on the date you become eligible.

##### b. Contributory Insurance

You must apply in writing for Contributory insurance and agree to pay premiums. Contributory insurance not subject to Evidence Of Insurability becomes effective on:

- i. The date you become eligible if you apply on or before that date; or
- ii. The date you apply if you apply within 31 days after you become eligible.

Late application: Evidence Of Insurability is required if you apply more than 31 days after you become eligible.

**B. Takeover Provisions**

1. If you were insured under the Prior Plan on the day before the effective date of the Policyholder's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of the Policyholder's coverage under the Group Policy.
2. You must submit satisfactory Evidence Of Insurability to become insured if you were eligible for insurance under the Prior Plan for more than 31 days but were not insured.

**C. Evidence Of Insurability Requirement**

Evidence Of Insurability satisfactory to us is required:

- a. For late application for Contributory insurance.
- b. For Members eligible but not insured under the Prior Plan.
- c. For reinstatements if required.

Providing Evidence Of Insurability means you must:

1. Complete and sign our medical history statement;
2. Sign our form authorizing us to obtain information about your health;
3. Undergo a physical examination, if required by us, which may include blood testing; and
4. Provide any additional information about your insurability that we may reasonably require.

(VAR EOI) LT.EF.OT.1X

## **ACTIVE WORK PROVISIONS**

**A. Active Work Requirement**

You must be capable of Active Work on the day before the scheduled effective date of your insurance or your insurance will not become effective as scheduled. If you are incapable of Active Work because of Physical Disease, Injury, Pregnancy or Mental Disorder on the day before the scheduled effective date of your insurance, your insurance will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing with reasonable continuity the Material Duties of your Own Occupation the Policyholder's usual place of business.

**B. Changes In Insurance**

This Active Work requirement also applies to any increase in your insurance.

LT.AW.OT.1X

## **CONTINUITY OF COVERAGE**

If your Disability is subject to the Preexisting Condition Exclusion, LTD Benefits will be payable if:

1. You were insured under the Prior Plan on the day before the effective date of the Policyholder's coverage under the Group Policy;
2. You became insured under the Group Policy when your insurance under the Prior Plan ceased;
3. You were continuously insured under the Group Policy from the effective date of your insurance under the Group Policy through the date you became Disabled from the Preexisting Condition; and

4. Benefits would have been payable under the terms of the Prior Plan if it had remained in force, taking into account the preexisting condition exclusion, if any, of the Prior Plan.

For such a Disability, the amount of your LTD Benefit will be the lesser of:

- a. The monthly benefit that would have been payable under the terms of the Prior Plan if it had remained in force; or
- b. The LTD Benefit payable under the terms of the Group Policy, but without application of the Preexisting Condition Exclusion.

Your LTD Benefits for such a Disability will end on the earlier of the following dates:

- a. The date benefits would have ended under the terms of the Prior Plan if it had remained in force; or
- b. The date LTD Benefits end under the terms of the Group Policy.

(PX) LT.CC.OT.1X

### **WHEN YOUR INSURANCE ENDS**

Your insurance ends automatically on the earliest of:

1. The date the last period ends for which a premium contribution was made for your insurance.
2. The date the Group Policy terminates.
3. The date your training terminates.
4. The date you cease to be a Member. However, your insurance will be continued during the following periods when you are absent from Active Work, unless it ends under any of the above.
  - a. During the first 90 days of a temporary or indefinite administrative or involuntary leave of absence or sick leave, provided the Premiums are paid. A period when you are absent from Active Work as part of a severance or other employment termination agreement is not a leave of absence, even if you are receiving the same Predisability Earnings.
  - b. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.
  - c. During any other temporary leave of absence approved by the Policyholder in advance and in writing and scheduled to last 90 days or less. A period of Disability is not a leave of absence.

LT.EN.OT.1

### **CONTINUED INSURANCE DURING SCHOOL VACATIONS**

If you cease to be a Member because of a school break or vacation, your insurance will be continued during that period.

LT.SV.OT.1

### **WAIVER OF PREMIUM**

We will waive payment of premium for your insurance while LTD Benefits are payable.

LT.WP.OT.1



## **REINSTATEMENT OF INSURANCE**

If your insurance ends, you may become insured again as a new Member. However, the following will apply:

1. If you cease to be a Member because of a covered Disability, your insurance will end; however, if you become a Member again immediately after LTD Benefits end, the Eligibility Waiting Period will be waived and, with respect to the condition(s) for which LTD Benefits were payable, the Preexisting Condition Exclusion will be applied as if your insurance had remained in effect during that period of Disability.
2. If your insurance ends because you cease to be a Member for any reason other than a covered Disability, and if you become a Member again within 90 days, the Eligibility Waiting Period will be waived.
3. If your insurance ends because you fail to make a required premium contribution, you must provide Evidence Of Insurability to become insured again.
4. If your insurance ends because you are on a federal or state-mandated family or medical leave of absence, and you become a Member again immediately following the period allowed, your insurance will be reinstated pursuant to the federal or state-mandated family or medical leave act or law.
5. The Preexisting Conditions Exclusion will be applied as if insurance had remained in effect in the following instances:
  - a. If you become insured again within 90 days.
  - b. If required by federal or state-mandated family or medical leave act or law and you become insured again immediately following the period allowed under the family or medical leave act or law.
6. In no event will insurance be retroactive.

**LT.RE.OT.1**

## **DEFINITION OF DISABILITY**

You are Disabled if you meet the following definitions during the periods they apply:

- A. Own Occupation Definition Of Disability.
  - B. Any Occupation Definition Of Disability.
  - C. Qualified Medical Condition Disability.
- A. Own Occupation Definition Of Disability

During the Benefit Waiting Period and the Own Occupation Period you are required to be Disabled only from your Own Occupation.

You are Disabled from your Own Occupation if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder:

1. You are unable to perform with reasonable continuity the Material Duties of your Own Occupation; and
2. You suffer a loss of at least 20% in your Indexed Predisability Earnings when working in your Own Occupation.

Note: You are not Disabled merely because your right to perform your Own Occupation is restricted, including a restriction or loss of license.

During the Own Occupation Period you may work in another occupation while you meet the Own Occupation Definition Of Disability. However, you will no longer be Disabled when your Work Earnings from another occupation meet or exceed 80% of your Indexed Predisability Earnings.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as the occupation you are regularly performing for the Policyholder when Disability begins. In determining your Own Occupation, we are not limited to looking at the way you perform your job for the Policyholder, but we may also look at the way the occupation is generally performed in the national economy. If your Own Occupation involves the rendering of professional services and you are required to have a professional or occupational license in order to work, your Own Occupation is as broad as the scope of your license.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

#### B. Any Occupation Definition Of Disability

During the Any Occupation Period you are required to be Disabled from all occupations.

You are Disabled from all occupations if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of Any Occupation.

Any Occupation means any occupation or employment which you are able to perform, whether due to education, training, or experience, which is available at one or more locations in the national economy and in which you can be expected to earn at least 60% of your Indexed Predisability Earnings within twelve months following your return to work, regardless of whether you are working in that or any other occupation.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

#### C. Qualified Medical Condition Disability

1. You are considered Disabled if you are a Medical Professional and, as a result of a Qualified Medical Condition:

a. Your right to perform the Material Duties of your Own Occupation is restricted by:

- i. your state licensing board;
- ii. by a governing body other than the state licensing board; or
- iii. the Policyholder;

because the Material Duties of your Own Occupation on a routine basis include procedures which reasonably could pose a risk of transmission of the Qualified Medical Condition to patients; and

- b. You are unable to earn more than 80% of your Indexed Predisability Earnings because of disclosure of a Qualified Medical Condition; and
- c. You are not Disabled as a result of any other Physical Disease, Injury, Pregnancy or Mental Disorder.

The period while you are receiving LTD Benefits because of a Qualified Medical Condition Disability will not count toward your Own Occupation Period.

Your Own Occupation Period is shown in the **Coverage Features**.

2. **Qualified Medical Condition Exclusions:**

You are not covered for a Disability caused or contributed to by any of the exclusions listed in the section entitled **Disabilities Excluded From Coverage**. You are not covered for a Disability caused or contributed to by a Qualified Medical Condition if:

- a. You first test positive for the Qualified Medical Condition at any time before your insurance under the Group Policy or an Insurance Increase has been continuously in effect for 180 days; or
- b. You are eligible to receive LTD Benefits for any other Disability.

3. **Definitions For Qualified Medical Condition Disability**

Insurance Increase means any of the following:

- a. An elective increase in the amount of your LTD Benefit or the length of your Maximum Benefit Period.
- b. An elective decrease in the length of your Benefit Waiting Period.
- c. The addition of or an increase in any other benefit.

Medical Professional means: a Medical Doctor (M.D.)/Doctor of Dental Surgery (D.D.S.)/Doctor of Medical Dentistry (D.M.D.)/Doctor of Osteopathy (D.O.) licensed under state law and practicing within the scope of the license whose Own Occupation includes invasive procedures on a routine basis as Material Duties.

Qualified Medical Condition means you are infected with:

- a. Human Immunodeficiency Virus (HIV).
- b. Hepatitis B Virus (HBV).

The infection must be in an asymptomatic carrier state and must not present any physical or mental symptoms that cause you to be otherwise Disabled.

Infection with a Qualified Medical Condition must be proven by the ELISA-ELISA-WESTERN BLOT test protocol/a test licensed by the United States Food and Drug Administration and administered by standards established by the United States Centers for Disease Control. Any diagnostic test for a Qualified Medical Condition must not be self administered.

Your Own Occupation Period and Any Occupation Period are shown in the **Coverage Features**.

**LT2.DD.09X**

## **RETURN TO WORK PROVISIONS**

A. **Return To Work Responsibility**

During the Own Occupation Period no LTD Benefits will be paid for any period when you are able to work in your Own Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but you elect not to work.

During the Any Occupation Period no LTD Benefits will be paid for any period when you are able to work in Any Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but you elect not to work.

B. **Return To Work Incentive**

You may serve your Benefit Waiting Period while working if you meet the Own Occupation Definition Of Disability.

You are eligible for the Return To Work Incentive on the first day you work after the Benefit Waiting Period if LTD Benefits are payable on that date. The Return To Work Incentive changes 12 months after that date, as follows:

1. During the first 12 months, your Work Earnings will be Deductible Income as determined in a., b. and c:
  - a. Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your Work Earnings to that amount.
  - b. Determine 100% of your Indexed Predisability Earnings.
  - c. If a. is greater than b., the difference will be Deductible Income.
2. After those first 12 months, 50% of your Work Earnings will be Deductible Income.

#### C. Work Earnings Definition

Work Earnings means your gross monthly earnings from work you perform while Disabled, plus the earnings you could receive if you worked as much as you are able to, considering your Disability, in work that is reasonably available:

- a. In your Own Occupation during the Own Occupation Period; and
- b. In Any Occupation during the Any Occupation Period.

Work Earnings includes earnings from your Employer, any other employer, or self-employment, and any sick pay, vacation pay, annual or personal leave pay or other salary continuation earned or accrued while working.

Earnings from work you perform will be included in Work Earnings when you have the right to receive them. If you are paid in a lump sum or on a basis other than monthly, we will prorate your Work Earnings over the period of time to which they apply. If no period of time is stated, we will use a reasonable one.

In determining your Work Earnings we:

1. Will use the financial accounting method you use for income tax purposes, if you use that method on a consistent basis.
2. Will not be limited to the taxable income you report to the Internal Revenue Service.
3. May ignore expenses under section 179 of the IRC as a deduction from your gross earnings.
4. May ignore depreciation as a deduction from your gross earnings.
5. May adjust the financial information you give us in order to clearly reflect your Work Earnings.

If we determine that your earnings vary substantially from month to month, we may determine your Work Earnings by averaging your earnings over the most recent three-month period. During the Own Occupation Period you will no longer be Disabled when your average Work Earnings over the last three months exceed 80% of your Indexed Predisability Earnings. During the Any Occupation Period you will no longer be Disabled when your average Work Earnings over the last three months exceed 60% of your Indexed Predisability Earnings.

**LT.RW.OT.1X**

### **REASONABLE ACCOMMODATION EXPENSE BENEFIT**

If you return to work in any occupation for any employer, not including self-employment, as a result of a reasonable accommodation made by such employer, we will pay that employer a Reasonable Accommodation Expense Benefit of up to \$25,000, but not to exceed the expenses incurred.

The Reasonable Accommodation Expense Benefit is payable only if the reasonable accommodation is approved by us in writing prior to its implementation.

LT.RA.OT.1

### **REHABILITATION PLAN PROVISION**

While you are Disabled you may qualify to participate in a Rehabilitation Plan. Rehabilitation Plan means a written plan, program or course of vocational training or education that is intended to prepare you to return to work.

To participate in a Rehabilitation Plan you must apply on our forms or in a letter to us. The terms, conditions and objectives of the plan must be accepted by you and approved by us in advance. We have the sole discretion to approve your Rehabilitation Plan.

An approved Rehabilitation Plan may include our payment of some or all of the expenses you incur in connection with the plan, including:

- a. Training and education expenses.
- b. Family care expenses.
- c. Job-related expenses.
- d. Job search expenses.

LT.RH.OT.1

### **TEMPORARY RECOVERY**

You may temporarily recover from your Disability and then become Disabled again from the same cause or causes without having to serve a new Benefit Waiting Period. Temporary Recovery means you cease to be Disabled for no longer than the applicable Allowable Period. See **Definition Of Disability**.

#### **A. Allowable Periods**

1. During the Benefit Waiting Period: a total of 30 days of recovery.
2. During the Maximum Benefit Period: 180 days for each period of recovery.

#### **B. Effect Of Temporary Recovery**

If your Temporary Recovery does not exceed the Allowable Periods, the following will apply.

1. The Predisability Earnings used to determine your LTD Benefit will not change.
2. The period of Temporary Recovery will not count toward your Benefit Waiting Period, your Maximum Benefit Period or your Own Occupation Period.
3. No LTD Benefits will be payable for the period of Temporary Recovery.
4. No LTD Benefits will be payable after benefits become payable to you under any other disability insurance plan under which you become insured during your period of Temporary Recovery.
5. Except as stated above, the provisions of the Group Policy will be applied as if there had been no interruption of your Disability.

LT.TR.OT.1

### **WHEN LTD BENEFITS END**

Your LTD Benefits end automatically on the earliest of:

1. The date you are no longer Disabled.

2. The date your Maximum Benefit Period ends.
3. The date you die.
4. The date benefits become payable under any other LTD plan under which you become insured through employment during a period of Temporary Recovery.
5. The date you fail to provide proof of continued Disability and entitlement to LTD Benefits.
6. With respect to a Qualified Medical Condition Disability, the date the Qualified Medical Condition no longer presents a reasonable risk of transmission to patients.
7. With respect to a Qualified Medical Condition Disability, the date you fail to participate in a rehabilitation program designed by us.

(QMC REF) LT.BE.OT.1

## **PREDISABILITY EARNINGS**

Your Predisability Earnings will be based on your earnings in effect on your last full day of Active Work. Any subsequent change in your earnings after that last full day of Active Work will not affect your Predisability Earnings.

### **A. Partners, P.C. Partners, Owner-Employees, Sole Proprietors and S-Corporation Shareholders**

If you are a Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder, Predisability Earnings means your average monthly compensation from the Policyholder during the Policyholder's prior tax year. If you are a P.C. Partner, Predisability Earnings means the average monthly compensation received by your professional corporation from the Policyholder during the Policyholder's prior tax year. Your average monthly compensation is determined by adding the following amounts as reported on the applicable Schedule K-1, Schedule C, Form W-2 or S-Corporation federal income tax return, and dividing by 12 (or by the number of months you were a Partner, P.C. Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder if less than 12):

1. Your ordinary income from trade or business activity(ies).
2. Your guaranteed payments, if you are a Partner.
3. Your net profit from business.
4. Your compensation (as an officer), salary, or wages, if you are an S-Corporation Shareholder.

If you were not a Partner, P.C. Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder during the entire prior tax year, your Predisability Earnings will be your average monthly compensation for your period as a Partner, P.C. Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder.

### **B. All Other Members**

Predisability Earnings means your monthly rate of earnings from the Policyholder, including:

1. Commissions averaged over the preceding 12 months or over the period of your employment if less than 12 months.
2. Shift differential pay.

Predisability Earnings does not include:

1. Bonuses.
2. Overtime pay.
3. Any other extra compensation.

If you are paid on an annual contract basis, your monthly rate of earnings is one-twelfth (1/12th) of your annual contract salary.

If you are paid hourly, your monthly rate of earnings is based on your hourly pay rate multiplied by the number of hours you are regularly scheduled to work per month, but not more than 173 hours. If you do not have regular work hours, your monthly rate of earnings is based on the average number of hours you worked per month during the preceding 12 calendar months (or during your period of employment if less than 12 months), but not more than 173 hours.

#### C. All Members

Predisability Earnings includes:

1. Contributions you make through a salary reduction agreement with the Policyholder to:
  - a. An Internal Revenue Code (IRC) Section 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Predisability Earnings does not include the Policyholder's contributions on your behalf to any deferred compensation arrangement or pension plan.

(K1\_REG WITH COM) LT.PD.OT.1X

### **SURVIVORS BENEFIT**

If you die while LTD Benefits are payable, and on the date you die you have been continuously Disabled for at least 180 days, we will pay a Survivors Benefit according to 1 through 4 below.

1. The Survivors Benefit is a lump sum equal to 3 times your LTD Benefit without reduction by Deductible Income.
2. The Survivors Benefit will first be applied to reduce any overpayment of your claim.
3. The Survivors Benefit will be paid at our option to any one or more of the following:
  - a. Your surviving Spouse;
  - b. Your surviving unmarried children, including adopted children, under age 25;
  - c. Your surviving Spouse's unmarried children, including adopted children, under age 25; or
  - d. Any person providing the care and support of any person listed in a., b., or c. above.
4. No Survivors Benefit will be paid if you are not survived by any person listed in a., b., or c. above.

(MULTPL) LT.SB.OT.1

### **BENEFITS AFTER INSURANCE ENDS OR IS CHANGED**

During each period of continuous Disability, we will pay LTD Benefits according to the terms of the Group Policy in effect on the date you become Disabled. Your right to receive LTD Benefits will not be affected by:

1. Any amendment to the Group Policy that is effective after you become Disabled.
2. Termination of the Group Policy after you become Disabled.

LT.BA.OT.1

## **EFFECT OF NEW DISABILITY**

If a period of Disability is extended by a new cause while LTD Benefits are payable, LTD Benefits will continue while you remain Disabled. However, 1 and 2 apply.

1. LTD Benefits will not continue beyond the end of the original Maximum Benefit Period.
2. The **Disabilities Excluded From Coverage, Disabilities Subject To Limited Pay Periods, and Limitations** sections will apply to the new cause of Disability.

LT.ND.OT.1

## **DISABILITIES EXCLUDED FROM COVERAGE**

### A. War

You are not covered for a Disability caused or contributed to by War or any act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.

### B. Intentionally Self-Inflicted Injury

You are not covered for a Disability caused or contributed to by an intentionally self-inflicted Injury, while sane.

### C. Preexisting Condition

#### 1. Definition

Preexisting Condition means a mental or physical condition whether or not diagnosed or misdiagnosed:

- a. For which you have done or for which a reasonably prudent person would have done any of the following:
  - i. Consulted a physician or other licensed medical professional;
  - ii. Received medical treatment, services or advice;
  - iii. Undergone diagnostic procedures, including self-administered procedures;
  - iv. Taken prescribed drugs or medications;
- b. Which, as a result of any medical examination, including routine examination, was discovered or suspected;

at any time during the 90-day period just before your insurance becomes effective.

#### 2. Exclusion

You are not covered for a Disability caused or contributed to by a Preexisting Condition or medical or surgical treatment of a Preexisting Condition unless, on the date you become Disabled, you:

- a. Have been continuously insured under the Group Policy for 12 months; and
- b. Have been Actively At Work for at least one full day after the end of that 12 months.

### D. Loss Of License Or Certification

You are not covered for a Disability caused or contributed to by the loss of your professional license, occupational license or certification.



E. Violent Or Criminal Conduct

You are not covered for a Disability caused or contributed to by your committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing your official duties.

(WITH PRUDNT) LT.XD.CO.1

**DISABILITIES SUBJECT TO LIMITED PAY PERIODS**

A. Mental Disorders, Substance Abuse and Other Limited Conditions

Payment of LTD Benefits is limited to 24 months during your entire lifetime for a Disability caused or contributed to by any one or more of the following, or medical or surgical treatment of one or more of the following:

1. Mental Disorders;
2. Substance Abuse; or
3. Other Limited Conditions.

However, if you are confined in a Hospital solely because of a Mental Disorder at the end of the 24 months, this limitation will not apply while you are continuously confined.

Mental Disorder means any mental, emotional, behavioral, psychological, personality, cognitive, mood or stress-related abnormality, disorder, disturbance, dysfunction or syndrome, regardless of cause (including any biological or biochemical disorder or imbalance of the brain) or the presence of physical symptoms. Mental Disorder includes, but is not limited to, bipolar affective disorder, organic brain syndrome, schizophrenia, psychotic illness, manic depressive illness, depression and depressive disorders, anxiety and anxiety disorders.

Substance Abuse means use of alcohol, alcoholism, use of any drug, including hallucinogens, or drug addiction.

Other Limited Conditions means chronic fatigue conditions (such as chronic fatigue syndrome, chronic fatigue immunodeficiency syndrome, post viral syndrome, limbic encephalopathy, Epstein-Barr virus infection, herpesvirus type 6 infection, or myalgic encephalomyelitis), any allergy or sensitivity to chemicals or the environment (such as environmental allergies, sick building syndrome, multiple chemical sensitivity syndrome or chronic toxic encephalopathy), chronic pain conditions (such as fibromyalgia, reflex sympathetic dystrophy or myofascial pain), carpal tunnel or repetitive motion syndrome, temporomandibular joint disorder, or craniomandibular joint disorder.

However, Other Limited Conditions does not include neoplastic diseases, neurologic diseases, endocrine diseases, hematologic diseases, asthma, allergy-induced reactive lung disease, tumors, malignancies, or vascular malformations, demyelinating diseases, or lupus.

Hospital means a legally operated hospital providing full-time medical care and treatment under the direction of a full-time staff of licensed physicians. Rest homes, nursing homes, convalescent homes, homes for the aged, and facilities primarily affording custodial, educational, or rehabilitative care are not Hospitals.

B. Rules For Disabilities Subject To Limited Pay Periods

1. If you are Disabled as a result of a Mental Disorder or any Physical Disease or Injury for which payment of LTD Benefits is subject to a limited pay period, and at the same time are Disabled as a result of a Physical Disease, Injury, or Pregnancy that is not subject to such limitation, LTD Benefits will be payable first for conditions that are subject to the limitation.
2. No LTD Benefits will be payable after the end of the limited pay period, unless on that date you continue to be Disabled as a result of a Physical Disease, Injury, or Pregnancy for which payment of LTD Benefits is not limited.

LT.LP.OT.1

## LIMITATIONS

A. Care Of A Physician

You must be under the ongoing care of a Physician in the appropriate specialty as determined by us during the Benefit Waiting Period. No LTD Benefits will be paid for any period of Disability when you are not under the ongoing care of a Physician in the appropriate specialty as determined by us.

B. Return To Work Responsibility

During the Own Occupation Period no LTD Benefits will be paid for any period of Disability when you are able to work in your Own Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but you elect not to work.

During the Any Occupation Period, no LTD Benefits will be paid for any period of Disability when you are able to work in Any Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but elect not to work.

C. Rehabilitation Program

No LTD Benefits will be paid for any period of Disability when you are not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by us unless your Disability prevents you from participating.

D. Foreign Residency

Payment of LTD Benefits is limited to 12 months for each period of continuous Disability while you reside outside of the United States or Canada.

E. Imprisonment

No LTD Benefits will be paid for any period of Disability when you are confined for any reason in a penal or correctional institution.

LT.LM.OT.1

## CLAIMS

A. Filing A Claim

Claims should be filed on our forms. If we do not provide our forms within 15 days after they are requested, you may submit your claim in a letter to us. The letter should include the date disability began, and the cause and nature of the disability.

B. Time Limits On Filing Proof Of Loss

You must give us Proof Of Loss within 90 days after the end of the Benefit Waiting Period. If you cannot do so, you must give it to us as soon as reasonably possible, but not later than one year

after that 90-day period. If Proof Of Loss is filed outside these time limits, your claim will be denied. These limits will not apply while you lack legal capacity.

C. Proof Of Loss

Proof Of Loss means written proof that you are Disabled and entitled to LTD Benefits. Proof Of Loss must be provided at your expense.

For claims of Disability due to conditions other than Mental Disorders, we may require proof of physical impairment that results from anatomical or physiological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

D. Documentation

Completed claims statements, a signed authorization for us to obtain information, and any other items we may reasonably require in support of a claim must be submitted at your expense. If the required documentation is not provided within 45 days after we mail our request, your claim may be denied.

E. Investigation Of Claim

We may investigate your claim at any time.

At our expense, we may have you examined at reasonable intervals by specialists of our choice. We may deny or suspend LTD Benefits if you fail to attend an examination or cooperate with the examiner.

F. Time Of Payment

We will pay LTD Benefits within 60 days after you satisfy Proof Of Loss.

LTD Benefits will be paid to you at the end of each month you qualify for them. LTD Benefits remaining unpaid at your death will be paid to the person(s) receiving the Survivors Benefit. If no Survivors Benefit is paid, the unpaid LTD Benefits will be paid to your estate.

G. Notice Of Decision On Claim

We will evaluate your claim promptly after you file it. Within 45 days after we receive your claim we will send you: (a) a written decision on your claim; or (b) a notice that we are extending the period to decide your claim for 30 days. Before the end of this extension period we will send you: (a) a written decision on your claim; or (b) a notice that we are extending the period to decide your claim for an additional 30 days. If an extension is due to your failure to provide information necessary to decide the claim, the extended time period for deciding your claim will not begin until you provide the information or otherwise respond.

If we extend the period to decide your claim, we will notify you of the following: (a) the reasons for the extension; (b) when we expect to decide your claim; (c) an explanation of the standards on which entitlement to benefits is based; (d) the unresolved issues preventing a decision; and (e) any additional information we need to resolve those issues.

If we request additional information, you will have 45 days to provide the information. If you do not provide the requested information within 45 days, we may decide your claim based on the information we have received.

If we deny any part of your claim, you will receive a written notice of denial containing:

- a. The reasons for our decision.
- b. Reference to the parts of the Group Policy on which our decision is based.
- c. A description of any additional information needed to support your claim.
- d. Information concerning your right to a review of our decision.

## H. Review Procedure

If all or part of a claim is denied, you may request a review. You must request a review in writing within 180 days after receiving notice of the denial.

You may send us written comments or other items to support your claim. You may review and receive copies of any non-privileged information that is relevant to your request for review. There will be no charge for such copies. You may request the names of medical or vocational experts who provided advice to us about your claim.

The person conducting the review will be someone other than the person who denied the claim and will not be subordinate to that person. The person conducting the review will not give deference to the initial denial decision. If the denial was based on a medical judgement, the person conducting the review will consult with a qualified health care professional. This health care professional will be someone other than the person who made the original medical judgement and will not be subordinate to that person. Our review will include any written comments or other items you submit to support your claim.

We will review your claim promptly after we receive your request. Within 45 days after we receive your request for review we will send you: (a) a written decision on review; or (b) a notice that we are extending the review period for 45 days. If the extension is due to your failure to provide information necessary to decide the claim on review, the extended time period for review of your claim will not begin until you provide the information or otherwise respond.

If we extend the review period, we will notify you of the following: (a) the reasons for the extension; (b) when we expect to decide your claim on review; and (c) any additional information we need to decide your claim.

If we request additional information, you will have 45 days to provide the information. If you do not provide the requested information within 45 days, we may conclude our review of your claim based on the information we have received.

If we deny any part of your claim on review, you will receive a written notice of denial containing:

- a. The reasons for our decision.
- b. Reference to the parts of the Group Policy on which our decision is based.
- c. Information concerning your right to receive, free of charge, copies of non-privileged documents and records relevant to your claim.

## I. Assignment

The rights and benefits under the Group Policy are not assignable.

(REV PUB WRDG) LT.CL.OT.2

## **ALLOCATION OF AUTHORITY**

Except for those functions which the Group Policy specifically reserves to the Policyholder, we have full and exclusive authority to control and manage the Group Policy, to administer claims, and to interpret the Group Policy and resolve all questions arising in the administration, interpretation, and application of the Group Policy.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Group Policy and any claim under it;
3. The right to determine:
  - a. Eligibility for insurance;

- b. Entitlement to benefits;
- c. The amount of benefits payable; and
- d. The sufficiency and the amount of information we may reasonably require to determine a., b., or c., above.

Subject to the review procedures of the Group Policy, any decision we make in the exercise of our authority is conclusive and binding.

**LT.AL.OT.1X**

### **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after you have given us Proof Of Loss. No such action may be brought more than three years after the earlier of:

- 1. The date we receive Proof Of Loss; and
- 2. The time within which Proof Of Loss is required to be given.

**LT.TL.OT.1**

### **INCONTESTABILITY PROVISIONS**

#### **A. Incontestability Of Insurance**

Any statement made to obtain insurance or to increase insurance is a representation and not a warranty.

No misrepresentation will be used to reduce or deny a claim or contest the validity of insurance unless:

- 1. The insurance would not have been approved if we had known the truth; and
- 2. We have given you or any other person claiming benefits a copy of the signed written instrument which contains the misrepresentation.

After insurance has been in effect for two years during the lifetime of the insured, we will not use a misrepresentation to reduce or deny the claim, unless it was a fraudulent misrepresentation.

#### **B. Incontestability Of The Group Policy**

Any statement made by the Policyholder to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder will be used to deny a claim or to deny the validity of the Group Policy unless:

- 1. The Group Policy would not have been issued if we had known the truth; and
- 2. We have given the Policyholder a copy of a written instrument signed by the Policyholder which contains the misrepresentation.

The validity of the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums or fraudulent misrepresentations.

**LT.IN.OT.1X**

## **CLERICAL ERROR, AGENCY, AND MISSTATEMENT**

### **A. Clerical Error**

Clerical error by the Policyholder, or their respective employees or representatives will not:

1. Cause a person to become insured.
2. Invalidate insurance under the Group Policy otherwise validly in force.
3. Continue insurance under the Group Policy otherwise validly terminated.

### **B. Agency**

The Policyholder acts on their own behalf as your agent, and not as our agent. The Policyholder has no authority to alter, expand or extend our liability or to waive, modify or compromise any defense or right we may have under the Group Policy.

### **C. Misstatement Of Age**

If a person's age has been misstated, we will make an equitable adjustment of premiums, benefits, or both. The adjustment will be based on:

1. The amount of insurance based on the correct age; and
2. The difference between the premiums paid and the premiums which would have been paid if the age had been correctly stated.

**LT.CE.OT.IX**

## **TERMINATION OR AMENDMENT OF THE GROUP POLICY**

The Group Policy may be terminated by us or the Policyholder according to its terms. It will terminate automatically for nonpayment of premium. The Policyholder may terminate the Group Policy in whole, and may terminate insurance for any class or group of Members, at any time by giving us written notice.

Benefits under the Group Policy are limited to its terms, including any valid amendment. No change or amendment will be valid unless it is approved in writing by one of our executive officers and given to the Policyholder for attachment to the Group Policy. If the terms of the certificate differ from the Group Policy, the terms stated in the Group Policy will govern. The Policyholder, and their respective employees or representatives have no right or authority to change or amend the Group Policy or to waive any of its terms or provisions without our signed written approval.

We may change the Group Policy in whole or in part when any change or clarification in law or governmental regulation affects our obligations under the Group Policy, or with the Policyholder's consent.

Any such change or amendment of the Group Policy may apply to current or future Members or to any separate classes or groups of Members.

**LT.TA.OT.IX**

## **DEFINITIONS**

Benefit Waiting Period means the period you must be continuously Disabled before LTD Benefits become payable. No LTD Benefits are payable for the Benefit Waiting Period. See **Coverage Features**.

Contributory means insurance is elective and Members pay all or part of the premium for insurance.

CPI-W means the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. If the CPI-W is discontinued or changed, we may use a comparable index. Where required, we will obtain prior state approval of the new index.

Group Policy means the group LTD insurance policy issued by us to the Policyholder and identified by the Group Policy Number.

Indexed Predisability Earnings means your Predisability Earnings adjusted by the rate of increase in the CPI-W. During your first year of Disability, your Indexed Predisability Earnings are the same as your Predisability Earnings. Thereafter, your Indexed Predisability Earnings are determined on each anniversary of your Disability by increasing the previous year's Indexed Predisability Earnings by the rate of increase in the CPI-W for the prior calendar year. The maximum adjustment in any year is 10%. Your Indexed Predisability Earnings will not decrease, even if the CPI-W decreases.

Injury means an injury to the body.

LTD Benefit means the monthly benefit payable to you under the terms of the Group Policy.

Maximum Benefit Period means the longest period for which LTD Benefits are payable for any one period of continuous Disability, whether from one or more causes. It begins at the end of the Benefit Waiting Period. No LTD Benefits are payable after the end of the Maximum Benefit Period, even if you are still Disabled. See **Coverage Features**.

Noncontributory means (a) insurance is nonelective and the Policyholder pays the entire premium for insurance; or (b) the Policyholder requires all eligible Members to have insurance and to pay all or part of the premium for insurance.

Physical Disease means a physical disease entity or process that produces structural or functional changes in the body as diagnosed by a Physician.

Physician means a licensed M.D. or D.O., acting within the scope of the license. Physician does not include you or your Spouse, or the brother, sister, parent, or child of either you or your Spouse.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means the Policyholder's group long term disability insurance plan in effect on the day before the effective date of the Policyholder's participation under the Group Policy and which is replaced by coverage under the Group Policy.

Spouse means:

1. A person to whom you are legally married; or
2. Your Civil Union Partner. Civil Union Partner means a person who is party to a civil union with you as defined by applicable law.

For purposes of insurance under the Group Policy, Spouse does not include a person who is a full-time member of the armed forces of any country, a person from whom you are divorced, or a person from whom you have dissolved a civil union.

**LT.DF.OT.IX**

**CO/LTDC2000X**