Anthem Life

Long Term Disability Insurance

A guide to your benefits

You've made a good decision in choosing Anthem® Life

Plan Sponsor: **Southeast, Inc.**
Policy: W43000
Class: 01
Class Description: Full-Time Employees

anthem.com

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

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Section I.	Your Certificate of Coverage

Long Term Disability Insurance

Anthem Life Insurance Company
Post Office Box 182361
Columbus, Ohio 43218-2361
1 (800) 551-7265

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Introduction

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

This Certificate describes the benefits provided as of the effective date. For purposes of effective dates and ending dates under the Policy, all days begin at 12:01 a.m. and end at 12:00 midnight at the Plan Sponsor's address.

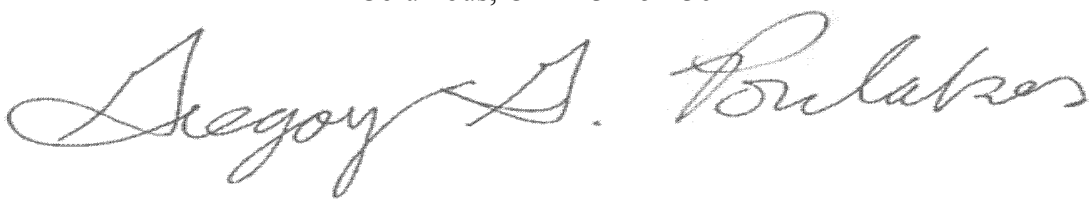
Certain terms of the Group Policy which affect Your insurance are contained in the following pages. Anthem Life has written this Certificate in plain English. However, a few terms and provisions are written as required by insurance law. Anthem Life urges You to read Your Certificate carefully and keep it in a safe place.

If the terms and provisions of the Certificate (issued to You) are different from the Policy (issued to the Plan Sponsor), the Policy will govern. Your coverage may be cancelled or changed in whole or in part under the terms and provisions of the Policy.

The Group Policy was issued in the state of Ohio. Its laws and rules will govern in resolving any questions about the Group Policy, except to the extent that the Policy may be governed by the Employee Retirement Income Security Act of 1974, as amended (ERISA).

While You remain insured, this booklet is Your Certificate of insurance. It replaces any prior booklet or Certificate given to You for the types of insurance described here. It is void and of no effect if You are not entitled to or have ceased to be entitled to the insurance coverage. Many of the provisions of this Certificate are interrelated, and You should read the entire Certificate to get a full understanding of Your coverage. This Certificate also contains exclusions, so please be sure to read this Certificate carefully.

Anthem Life Insurance Company
Administrative Office
P.O. Box 182361
Columbus, OH 43215-2361



Gregory G. Poulakos
President

Fraud: Any person who knowingly and with intent to injure, defraud or deceive any insurance company files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a crime and may be subject to criminal and civil penalties.

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Schedule of Benefits

About this Schedule

This Schedule of Benefits shows highlights of the coverage available under the Group Policy. Final interpretation of all provisions and coverages will be governed by the Group Policy on file with Anthem Life Insurance Company at its Administrative Office.

Your amount of insurance is determined by this schedule.

Your Long Term Disability Benefits help to protect You from loss of income due to a Disability as defined under the Policy. Your Long Term Disability Benefits are subject to any limitations, maximums, exclusions and reductions under the Policy, including any reductions by Your Deductible Sources of Income. Refer to the Long Term Disability Insurance Benefits section for details about how Your Monthly Benefit Payment is calculated.

Long Term Disability Benefit

Benefit Percentage: **67%**

Maximum Monthly Benefit: **$6,000**

Minimum Monthly Benefit: The minimum Monthly Benefit Payment is $50.

Proof of Insurability means evidence satisfactory to Us of a person's health and other information related to insurability that We use which enables Us to determine whether the person can become insured, or is eligible for an increase in coverage.

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

Elimination Period: The *longer* of 90 days; *or*

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

If You do return to work for 45 or less days during the Elimination Period, those days will interrupt the Elimination Period. However, the Disability will be treated as continuous if it is from the same or a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 90 day Elimination Period within a total period of not more than 135 consecutive days.

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

Social Security Normal Retirement Age duration (SSNRA)

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

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

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

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

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

Premium Contributions:

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

Additional Benefits:

- Survivor (Lump Sum)
- Vocational Rehabilitation with Additional Benefit for Work Incentive
- Social Security Assistance
- Workplace Modification Program
- Work Retention Assistance
- LTD Conversion

Specific information regarding the Policy and its terms may be obtained from the Plan Sponsor. The provisions, terms and conditions listed in any Policy document, including but not limited to this Certificate may be modified, amended, or changed at any time. Consent from any Insured or beneficiary is not required for such modification, amendment, or change.

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Definitions

Below, the definitions of the Policy are discussed. Where these terms are used in this Certificate, unless specified otherwise, they have the meaning explained here.

Accident or **Accidental** means accidental bodily Injury which is sustained independently of disease, Illness, or bodily infirmity.

Act or Law means the original enactments of the Act or Law, and all amendments.

Actively at Work means that You are performing the normal duties of Your Own Occupation and working Your normal hours. You must be working the minimum number of hours per week required for the Plan Sponsor on a permanent full-time basis and must be paid regular earnings.

Your work site must be:

- at the Plan Sponsor's usual place of business; *or*
- at a location to which the Plan Sponsor's business requires You to travel.

You are not considered Actively at Work when You are off work or lose time due to Illness, Injury, Leave of Absence, Strike or Layoff. Paid days off will count as Actively at Work if You were fully capable of performing the normal duties of Your Own Occupation during the paid days off, provided that You were Actively at Work on the last working day prior to the paid days off.

Additional Benefit or Additional Provision means an addendum to the Policy which increases or limits coverage for a specified set of conditions. The provisions, limitations, and exclusions in the entire Policy will apply unless specifically stated otherwise in the Additional Benefit or Additional Provision.

Annual Earnings means Your annual salary from the Plan Sponsor in effect immediately prior to Your date of disability. Annual Earnings will include commissions averaged over the prior 12 months. But if You have not been employed for 12 months, Your commission earnings shall be Your average commissions earned during the period You have been employed by the Plan Sponsor.

Bonuses, overtime pay and extra compensation will be excluded when determining Your salary. Annual Earnings will be determined according to the Plan Sponsor's records.

Annual Earnings will be calculated based on the lesser of Your Annual Earnings as calculated above or the amount actually received by Us.

Certificate means this document which provides a description of the coverage available under the Policy.

Claimant means a person who has filed a claim for benefits under the Policy.

Class means a grouping of Insureds based on criteria agreed on between the Plan Sponsor and Us.

Contributory means that You pay all or a portion of the premium for the coverage.

Disabled and Disability are defined in the Coverage Provisions section of this Certificate.

Disability Work Earnings are defined in the Coverage Provisions section of this Certificate.

Eligible Employee means You meet all of the following:

- You are a regular full-time employee of the Plan Sponsor, working for pay on a scheduled normal week of at least 30 hours required per week; *and*
- You perform that work at the Plan Sponsor's usual place of business, except for duties of a kind that must be done elsewhere, *and*
- You are in a covered Class named under the Policy; *and*
- You are a legal citizen or legal resident of the United States or Canada. In the case of a legal resident, the person will become ineligible for insurance if he or she leaves the United States or Canada for one hundred eighty (180) or more consecutive days.

Temporary, seasonal, or contract employees are not included as Eligible Employees under the Policy.

Eligibility Waiting Period means the continuous length of time that You must serve in an eligible Class to reach Your eligibility date and begin Your coverage. The number of days for Your Eligibility Waiting Period is determined by the Plan Sponsor.

Elimination Period means the period of continuous Disability which must be satisfied before You are eligible to receive benefits under the Policy. The Elimination Period is shown in the Schedule of Benefits of this plan and begins on the first day You meet the Definition of Disability.

If You do return to work for 45 days or less during the Elimination Period, those days will interrupt the Elimination Period. However, the Disability will be treated as continuous if it is from the same or related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 90 day Elimination Period within a total period of not more than 135 consecutive days.

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

Gainful Occupation means an occupation that is or can be expected to provide You with an income within 12 months of Your return to work that exceeds 60% of Your Indexed Monthly Earnings.

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

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

Hospital or Medical Facility means a facility accredited by JCAHO (Joint Commission on Accreditation of Health Care Organizations) duly licensed by the state to provide medical evaluation and treatment of patients under the direction of an active staff of licensed physicians.

Hospitalization means being an in-patient 24 hours a day.

Illness means a sickness or disease and will include pregnancy. Disability resulting from the sickness or disease must begin while You are covered under the Policy.

Independent Medical Exam means an examination by a Physician of the appropriate specialty for Your condition at Our expense. Such examination, scheduled by Us may be used for the purpose of determining eligibility for insurance or benefits, including eligibility under the Additional Benefits or Additional Provisions, if any, associated with the Policy.

Indexed Monthly Earnings means Your Monthly Earnings adjusted on each anniversary of Monthly Benefit Payments by the lesser of 7% or the current annual percentage increase of the Consumer Price Index. Your Indexed Monthly Earnings may increase or remain the same, but will never decrease.

The Consumer Price Index (CPI-U) is published by the U.S. Department of Labor. We reserve the right to use some other similar measurement if the Department of Labor changes or stops publishing the (CPI-U).

Indexing is only used to determine Your percentage of lost earnings while You are Disabled and working, and in the determination of Gainful Occupation.

Injury means bodily injury resulting directly from an Accident and independent of all other causes, and which produces at the time of the Accident objective symptoms. The Injury must occur and Disability must begin while You are insured under the Policy. An Injury that occurs before You are covered under the Policy will be treated as an Illness for any subsequent claims.

Any Disability which begins more than 60 days after an Injury will be considered an Illness for the purpose of determining Long Term Disability benefits.

Insured means an individual covered under the Policy.

Leave of Absence means an arrangement where You and the Plan Sponsor agree that You will not be Actively at Work for a specific period of time and You are expected to be Actively at Work at the end of that period. If You become Disabled while on a Leave of Absence, Benefit Payments will be based upon Earnings as last reported and premiums paid to Us immediately prior to the beginning of the Leave of Absence. Refer to *When Your Insurance Ends* to determine how long Your coverage can be continued during a Leave of Absence.

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

Material and Substantial Duties means duties that:

- Are normally required for the performance of Your Own Occupation or any occupation; *and*
- Cannot be reasonably omitted or modified except that We will consider You able to perform the Material and Substantial duties if You are working or have the capability to work your normal scheduled work hours.

Monthly Benefit Payment means the amount of income replacement payable to You while You are Disabled, subject to the terms of the Policy, and after any amounts shown in the Deductible Sources of Income section of the Policy and any Disability Work Earnings have been subtracted.

Monthly Earnings means Your Annual Earnings divided by 12.

Motorized Vehicle means any self-propelled vehicle or conveyance, including but not limited to automobiles, trucks, motorcycles, ATV's, snowmobiles, tractors, golf carts, motorized scooters, lawn mowers, heavy equipment used for excavating, boats, and person watercraft. Motorized Vehicle does not include a medically necessary motorized wheelchair.

Own Occupation means the occupation that You regularly performed and for which You were covered under the Policy immediately prior to the date Your Disability began. The occupation will be considered as it is generally performed in the national economy, and is not limited to the specific position You held with the Plan Sponsor.

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

Physician means:

- a person licensed to practice medicine in the jurisdiction where such services are performed; *or*
- any other person whose services must be treated as a Physician's for the purposes of the Policy according to applicable law. Each such person must be licensed in the jurisdiction where he or she performs the service and must act within the scope of that license. He or she must also be certified and/or registered if required by such jurisdiction.

Physician does not include:

- You
- Your Spouse
- Anyone employed by the Plan Sponsor, or any business partner of You or the Plan Sponsor.
- Any member of Your immediate family, including Your and/or Your Spouse's:
  - Parents;
  - Children (natural, step, or adopted);
  - Siblings;
  - Grandparents;
  - Grandchildren;
  - In-Laws.

Plan Sponsor means the employer or other organization that has entered into an agreement with Us as outlined in the Policy.

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

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

Proof means evidence satisfactory to Us that the terms and provisions of the Policy have been met. Proof may include but is not limited to: questionnaires, physical exams, or Written documentation and records as required by Us. Proof must be received by Us at Our Administrative Office. All Proof must be given at Your expense (or that of Your representative or beneficiary), unless otherwise specifically provided by the terms of the Policy. If any additional Proof is reasonably required by Us, an Insured may be required to give Us authorization to obtain such additional Proof. The following are some specific types of Proof referenced under the Policy:

Proof of Claim or **Proof of Disability** means evidence satisfactory to Us that a person has satisfied the conditions and requirements for a benefit under the Policy. The Proof must establish:

- the nature and extent of the loss or condition; *and*
- our obligation to pay the claim under the Policy; *and*

- the Claimant's right to receive payment.

Proof of Insurability means evidence satisfactory to Us of a person's health and other information related to insurability which enables Us to determine whether the person can become insured, or is eligible for an increase in coverage.

Recurrent Disability means a Disability which is related or due to the same cause(s) as a prior Disability for which a benefit was payable.

Regular Care means:

- You are under the continuing care of and personally visit a Physician as frequently as is medically required according to standard medical practice, to effectively diagnose, manage and treat Your disabling condition(s); *and*
- You are receiving appropriate treatment and care of Your disabling condition(s) which conforms with standard medical practice by a Physician whose specialty and clinical experience is appropriate for Your disabling condition(s) according to standard medical practice.

Retirement Plan means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to employees and are not funded entirely by employee contributions.

Sign or **Signed** means the use by a person of a symbol or method with the present intention to authenticate a record. Such authentication may be executed and/or transmitted by paper or electronic media, provided it is acceptable to Us and consistent with applicable law.

We, **Us**, and **Our** mean the insurer Anthem Life Insurance Company

Wellness Programs include, but are not limited to appropriate programs for dietary and nutritional improvement, weight management, smoking cessation, abstention from excessive or illegal use of alcohol or narcotics, regular participation in exercise activities, stress management, pain management, behavioral therapy, coaching, and the regular taking of prescribed medications.

Written and **Writing** means a record which is on or transmitted by paper or electronic media which is acceptable to Us and consistent with applicable law.

You and **Your** means an Eligible Employee.

Other terms are defined elsewhere under the Policy.

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When Insurance Begins and Ends

This section tells how You may become insured.

Obtaining Your Insurance

To obtain insurance under the Policy, You must be an Eligible Employee and be Actively at Work.

Specific information regarding the Group Policy and its terms may be obtained from the Plan Sponsor.

If You are an Eligible Employee on the effective date of the Policy, You are eligible for insurance on that date. Otherwise, You become eligible on the first day of the month coinciding with or next following the date You satisfy the Eligibility Waiting Period.

If You have been continuously employed by the Plan Sponsor for a period of time equal to the Eligibility Waiting Period, we will waive the Eligibility Waiting Period when You enter an eligible Class. We will apply any prior period of work with the Plan Sponsor toward the Eligibility Waiting Period to determine the date You are eligible for insurance.

Enrollment

If you contribute to the cost of your Coverage:

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

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

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

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

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

Effective Date of Insurance

Once You have become eligible for insurance, this section tells when Your insurance will begin.

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

The Plan Sponsor may require You to contribute toward the cost of Your insurance. Any such Contributory insurance will not become effective for You before You Sign a form agreeing to make those contributions. The form may be obtained from the Plan Sponsor. If You Sign the form more than 31 days after You became eligible, Your Contributory insurance will be deferred until the date We approve Your Written Proof of Insurability.

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

If Your coverage ***is*** Contributory, Your insurance begins on the first day You are Actively at Work coincident with or following *one* of the dates below:

- If Your application to become insured is completed *on or before the earliest date* on which You may become insured, Your insurance will take effect on that earliest date; *or*
- If Your application to become insured is completed *no more than* 30 days after the earliest date on which You may become insured, Your insurance will take effect on that earliest date; *or*
- If Your application to become insured is completed *more than* 30 days after the earliest date on which You may become insured, Your insurance will take effect on the date on which We have, in Writing, either approved Proof of Insurability or waived, in Writing, such requirement. Any Proof of Insurability must be provided without expense to Us.

If You are required to give Proof of Insurability for all or a portion of Your insurance, that insurance for which Proof of Insurability is required begins on the date We approve, in Writing, Your Proof of Insurability.

Delayed Effective Date of Your Insurance

If You are not Actively at Work on the date Your insurance would otherwise begin, Your insurance begins on the date You are again Actively at Work.

Proof of Insurability Provision

You must give Proof of Insurability:

- If You pay all or part of the premium for Your insurance and You apply for insurance under the Policy more than 31 days after the date You become an Eligible Employee; *or*
- If You pay all or part of the premium for Your insurance and Your insurance would increase because of a change in Your Class membership or a change in the amount of Your election and the Plan Sponsor does not tell Us in Writing about the change within 31 days after the change occurs; *or*
- If You pay all or part of the premium for Your insurance and Your insurance ended at Your request or because a premium was not paid by You and You are re-applying for coverage; *or*
- For insurance for which You pay all or part of the premium if You were entitled to coverage under the Prior Plan and You had declined coverage; *or*
- If You apply for a Long Term Disability Benefit that exceeds the Guaranteed Issue Amount, if required.

We will use the Proof of Insurability form and other information You give as Proof of Insurability to determine whether You can become insured. If the Proof of Insurability is not satisfactory to Us, the insurance for which You are required to give Proof of Insurability will not take effect. If the Proof is accepted, Your insurance will take effect on the date We approve Your Proof of Insurability in Writing

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

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

We may, at Our discretion, require that You undergo an Independent Medical Exam as part of Your Proof of Insurability.

Changes in Your Insurance

Change in Class or Earnings

The amount of Your insurance may change if:

- You become a member of a different Class; *or*

- The amount of Your Annual Earnings changes.

If the change would *increase* Your amount of insurance, the increase takes effect on the first day You are Actively at Work following the *latest* of the date:

- The change occurs; *or*
- The Plan Sponsor tells Us in Writing about a change in Class or a change in the amount of Your Annual Earnings; *or*
- We approve, in Writing, Your Proof of Insurability, if You are required to give Proof of Insurability.

If the change would *decrease* the amount of insurance, the decrease takes effect on the date of the change.

When Insurance Ends

Your insurance coverage will end on the *earliest* of the following dates:

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

Any Leave of Absence must have been authorized in Writing by the Plan Sponsor. Unless otherwise specifically stated under the terms of the Policy, all premium required by the Policy must be paid in order for any continuance of insurance provision to be applicable.

If coverage is continued in accordance with the Leave of Absence provisions above, such continued coverage will cease immediately if any one or more of the following events occurs:

- the leave terminates prior to the agreed upon date; *or*
- the Policy terminates or Your employer ceases to be a associated employer with the Plan Sponsor; *or*
- You or the Plan Sponsor fail to pay premium when due; *or*
- the Policy no longer insures Your Class.

During the period that You are Disabled, Your Monthly Benefit Payments *will not* be affected by:

- termination or cancellation of the Plan Sponsor's Policy; *or*
- termination of Your coverage; *or*
- termination of Your employment; *or*
- any amendment to the Policy that becomes effective after the date You are Disabled.

Continuity of Coverage upon Transfer of Insurance Carriers

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

Failure to be in Active Employment Due to Injury or Illness

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

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

- the end of the month following the date You return to active employment; *or*

- the end of any period of continuance or extension provided under the prior policy; *or*
- the date coverage would otherwise end, according to the provisions of the Anthem Life Policy.

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

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

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

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

- that begins prior to this Policy's effective date; *or*
- for which benefits are paid under the prior plan; *or*
- for which benefits would have been paid under the Prior Plan in the absence of this provision.

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

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

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

In order to receive a payment, You must satisfy:

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

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

If You do not satisfy the terms of the Pre-Existing Condition Exclusion of Anthem Life's Policy but You do satisfy the terms of the prior policy's pre-existing condition provision:

- Your Monthly Benefit Payment will be the lesser of:
  - The monthly benefit payment that would have been payable under the terms of the prior policy if it had remained in force; *or*
  - The monthly benefit payment according to Anthem Life's Policy provisions; *and*

- Benefits will end on the earlier of
  - The date benefits would otherwise end under the Anthem Life Policy, as described under the When Disability Benefits End provision; or
  - The date benefits would have ended under the prior policy's pre-existing condition provisions as described above, We will not make any payments.

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

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

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

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Coverage Provisions

Description of the Coverage

The pages of this section specify when Policy benefits will be paid. Conditions governing whether, and how much benefit is paid are also discussed in this section.

To receive Policy benefits, You must be insured under the terms of the Policy, and as described in the *When Insurance Begins and Ends* section. Then, Your amounts of insurance are as shown in the Schedule of Benefits, subject to the terms of the Policy.

Definition of Disability and Disabled for Long Term Disability Insurance

Disabled and **Disability** mean during the Elimination Period and the next 24 months because of Your Injury or Illness, *all* of the following are true:

- You are unable to do the Material and Substantial Duties of Your Own Occupation; *and*
- You are receiving Regular Care from a Physician for that Injury or Illness; *and*
- Your Disability Work Earnings, if any, are less than or equal to 80% of Your Indexed Monthly Earnings.

Thereafter, Disabled and Disability mean because of Your Injury or Illness *all* of the following are true:

- You are unable to do the duties of any Gainful Occupation for which You are or may become reasonably qualified by education, training, or experience; *and*
- You are receiving Regular Care from a Physician for that Injury or Illness; *and*
- Your Disability Work Earnings, if any, are less than or equal to 60% of Your Indexed Monthly Earnings.

Your Disability must start while You are insured under the Policy.

Your loss of earnings must be a direct result of Your Injury or Illness. You will not be considered Disabled from an occupation solely due to:

- Loss, suspension, restriction or failure to maintain a professional license, occupational license, permit or certification; *or*
- Loss of earnings due to economic factors such as, but not limited to, recession, job elimination, job restructuring, temporary layoffs, pay cuts and job-sharing; *or*
- The Plan Sponsor's work schedule that is inconsistent with the normal work schedule of Your Own Occupation; *or*

- Your relationship with the Plan Sponsor or other employees of the Plan Sponsor; *or*
- Failure or inability of the Plan Sponsor to maintain the workplace in a manner consistent with the normal physical environment of Your Own Occupation; *or*
- Your inability to work more than 40 hours per week in the occupation, even if You were regularly required to work more than 40 hours per week prior to Your Injury or Illness.

Disability Work Earnings means for Long Term Disability benefits, monthly earnings which You receive while You are Disabled and working.

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Long Term Disability Insurance Benefits

Long Term Disability benefits will be payable for a period of Disability in accordance with the terms of the Policy, if:

- The Disability starts while You are insured under the Policy; *and*
- The Disability continues during and past the Elimination Period; *and*
- We receive Proof of Your Disability.

The Long Term Disability Benefit and the Maximum Benefit Period are shown in the Schedule of Benefits. The Long Term Disability Benefit may be reduced in accordance with the provisions of the Deductible Sources of Income section of the Policy. The Long Term Disability Benefit will not:

- Exceed Your amount of coverage; *or*
- Be paid for longer than the Maximum Benefit Period.

You will begin to receive payments when We approve Your claim, provided the Elimination Period has been met. We will send You a payment each month for Long Term Disability benefits for any period for which We are liable.

Calculating Your Long Term Disability Benefit

Part A.
If You are Disabled and not working, or Disabled and working and Your Disability Work Earnings are less than 20% of Your Indexed Monthly Earnings.

We will use the following process to calculate Your Monthly Benefit Payment:

1. Multiply Your Monthly Earnings by 67%.
2. The maximum benefit is $6,000 per month.
3. Compare the answer from Item 1 with the maximum benefit. The lesser of these two amounts is Your Gross Monthly Benefit.
4. Subtract from Your Gross Monthly Benefit any Deductible Sources of Income.

The amount calculated in Item 4 is Your Monthly Benefit Payment.

Part B.
If You are Disabled and working, and Your Disability Work Earnings are at least 20% but less than or equal to 80% of Your Indexed Monthly Earnings.

During the first 12 months of payments, the sum of Your Monthly Benefit Payment plus Disability Work Earnings may be less than or equal to, but not more than 100% of Your Indexed Monthly Earnings. If the sum exceeds 100% of Your Indexed Monthly Earnings, We will reduce Your payment under the Policy by the excess amount.

To determine whether the sum of Your Monthly Benefit Payment plus Disability Work Earnings is less than or equal to or exceeds 100% of Your Indexed Monthly Earnings, We will use the following process:

1. Multiply Your Monthly Earnings by 67%.
2. The maximum benefit is $6,000 per month.
3. Compare the answer from Item 1. with the maximum benefit per month. The lesser of these two amounts is Your Gross Monthly Benefit.
4. Add Your Disability Work Earnings to Your Gross Monthly Benefit.

If the answer in Item 4 above is less than or equal to 100% of Your Indexed Monthly Earnings, Your Monthly Benefit Payment will be Your Gross Monthly Benefit minus any Deductible Sources of Income.

If the answer in Item 4 above is greater than 100% of Your Indexed Monthly Earnings, We will use the following process to calculate Your Monthly Benefit Payment.

a. Add Your Disability Work Earnings to Your Gross Monthly Benefit.
b. From the answer in Item a, subtract Your Indexed Monthly Earnings. If the result is zero or less, record Your answer as zero.
c. From Your Gross Monthly Benefit, subtract the answer in Item b and any Deductible Sources of Income.

The amount calculated in Item c is Your Monthly Benefit Payment.

After 12 months of Monthly Benefit Payments, You will receive payments based on the percentage of income You are losing due to Your Disability. We will use the following process to calculate Your Monthly Benefit Payment:

1. Subtract Your Disability Work Earnings from Your Indexed Monthly Earnings.
2. Divide the answer in Item 1 by Your Indexed Monthly Earnings. The result is Your percentage of lost earnings.
3. From Your Gross Monthly Benefit, subtract any Deductible Sources of Income.
4. Multiply the answer in Item 2 by the answer in Item 3.

The answer in Item 4 is Your Monthly Benefit Payment.

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

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

Minimum Monthly Benefit: The minimum Monthly Benefit Payment is: $50

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

If Your Disability Work Earnings Fluctuate

If Your Disability Work Earnings routinely fluctuate widely from month to month, We may average Your Disability Work Earnings over the most recent three months to determine if Your claim should continue.

If We average Your Disability Work Earnings, We will not terminate Your claim unless:

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

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

Cost of Living Freeze

After the first deduction for Social Security Benefits has been made to the Long Term Disability Benefit, the Monthly Benefit Payment will not be further reduced due to any cost of living increases for Social Security Benefits. This cost of living freeze does not apply to Disability Work Earnings or to any increases in income You earn from any form of employment.

Recurrent Disability Provision for Long Term Disability

If You have a Recurrent Disability, and after Your prior Disability ended, You return to work for the Plan Sponsor for 6 months or less, We will treat Your Disability as part of Your prior claim and You do not have to complete another Elimination Period.

Your Monthly Benefit Payment will be based on Your Monthly Earnings as of the date of Your initial claim.

Your Disability, as outlined above, will be subject to the same terms and conditions of the Policy as Your prior claim.

Your Disability will be treated as a new claim if Your current Disability:

- is unrelated to Your prior Disability; or
- after Your prior Disability ended, You returned to work for the Plan Sponsor for more than 6 consecutive months.

The new claim will be subject to all of the provisions of the Policy and You will be required to satisfy a new Elimination Period.

If the Policy terminates You will not be eligible for benefits under this provision, unless You became Disabled due to the Recurrent Disability prior to the Policy termination.

Period of Disability extended by a new condition

If a period of Disability is extended by a new condition while You are receiving Monthly Benefit Payments, then the extension of the period of Disability will be treated as a part of the same continuous period of Disability, subject to the same Maximum Benefit Period. All other requirements, limitations and exclusions of the Policy will apply to the new condition as well as to the original cause of Disability.

When Long Term Disability Benefits End

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

1. You are no longer Disabled under the terms of the Policy; *or*
2. You are no longer receiving, accepting or following Regular Care from a Physician; *or*
3. The Maximum Benefit Period from the Schedule of Benefits ends; *or*
4. The period specified in the Long Term Disability Limitations provision of the Policy ends, if that section applies; *or*
5. Preceding the date of Your death; *or*
6. We ask You for Proof that You are still Disabled, if We do not receive Proof of Disability within 31 days of Our request; *or*
7. We ask You for details about Your Deductible Sources of Income, including Your tax returns, if You do not give Us details within 31 days of Our request; *or*
8. We ask You to be examined by:
    - a Physician; *or*
    - a health care professional,

   if You do not reasonably cooperate with the examiner or if You unreasonably decline to be examined; *or*
9. You work, unless You are working as part of a Vocational Rehabilitation Program approved by Us; *or*
10. Your Disability Work Earnings exceed the amount allowable under the Policy; *or*
11. You cease to reside in the United States or Canada. If You are outside the United States or Canada for a total period of 6 months or more during any 12 consecutive months of Monthly Benefit Payments, You will be considered to have ceased to reside in the United States or Canada; *or*
12. You refuse to try or attempt work with the assistance of
    - Modifications to Your work environment, functional job elements or work schedule; *or*

- Adaptive equipment or devices, that a qualified Physician has indicated will accommodate the limiting factors of the Injury or Illness for which You are claiming benefits under the Policy or will enable You to perform the Material and Substantial duties of an occupation from which the Policy requires You to be considered Disabled in order to receive benefits; *or*

13. You are confined to a penal or correctional institution; *or*
14. With respect to a Mental Illness, that You are not under the continuing Regular Care of a Physician specializing in psychiatric care; *or*
15. With respect to Alcoholism and Drug Addiction, that You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by Us: *or*
16. You or Your Physician fail to submit any medical or psychiatric information requested by Us; *or*
17. You would be able to work in Your Own Occupation on a part-time basis earning 20% or more of Your Monthly Earnings, but choose not to do so; *or*
18. You would be able to increase Your current earnings to more than 80% of Your Monthly Earnings by increasing the number of hours worked or the number of duties performed in Your Own Occupation, but choose not to do so, *or*
19. You refuse to make a good faith effort to adhere to necessary Wellness Programs that your Physician has recommended and that are generally acknowledged by Physicians to cure, improve or reduce the disabling effect of the illness or Injury for which You are claiming benefits under the Policy. We will work with your treating Physician to determine the necessary Wellness Programs, if any, in accordance with generally accepted medical standards.

    We will give you 30 day's prior written notice of Our intent to apply these provisions for failure to adhere to Wellness programs to terminate Your benefits. During those 30 days You will have an opportunity to begin or resume reasonable efforts to adhere to the medically necessary Wellness Programs. We will not terminate benefits if there is no reasonable basis for believing that You will be able to return to productive employment in your Own Occupation or another Gainful Occupation on a full-time or part-time basis if You adhere to the recommended Wellness Programs.

If it is determined that You have applied for benefits under fraudulent circumstances, benefit payments will cease and the appropriate fraud defense action will be taken.

Benefits after Policy Cancellation

Cancellation of the Policy does not by itself affect Your right to receive Long Term Disability Benefits for a Disability that begins while You are insured under the Policy. You must continue to comply with all requirements of the Policy. All terms and conditions of the Policy will apply.

Premium Waiver

With respect to Long Term Disability Benefits, We do not require premiums to be paid for the period during which You are receiving Monthly Benefit Payments. Premium payments will be required during the Elimination Period and after Your Monthly Benefit Payments end, if You continue to be insured under the Policy.

This premium waiver will begin on the premium due date that falls on or next follows the date You meet all of the conditions to qualify for premium waiver, as stated above.

We will continue to waive Your premiums until the premium due date that falls on or next follows the first of the following to occur:

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

If You return to work and are an Eligible Employee on the date premium waiver ends, Your coverage will be continued subject to payment of the required premium. If You are not an Eligible Employee on the date premium waiver ends, Your coverage will end.

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Long Term Disability Limitations

Mental Illness, Alcoholism, Drug Addiction

Monthly Benefit Payments are limited to a maximum of 24 months during Your lifetime for Disability caused by or related to *any* of the following:

- Mental Illness; *or*
- Alcoholism; *or*
- Drug Addiction

This is not a separate maximum for each condition or for each period of Disability. This is a combined maximum for all periods of Disability and for all these conditions.

However, if You are confined to a Hospital or Medical Facility because of Disability at the end of the 24 months We will continue Monthly Benefit Payments during Your confinement and for up to 60 days after You are discharged if You are still Disabled.

If within 60 days after You are discharged You are re-confined for at least 10 consecutive days because of the same Disability, then We will make Monthly Benefit Payments during Your re-confinement and for up to 60 days after You are discharged if You are still Disabled.

Monthly Benefit Payments may end earlier than stated above in accordance with the conditions of the *When Disability Benefits End* section.

Mental Illness means any psychiatric or emotional illness or disease listed in the Diagnostic and Statistical Manual. Such conditions are usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment. Mental Illness includes, but is not limited to, each of the following:

- Neurotic disorders such as, but not limited to, anxiety, dissociative disorders, phobias, depression and obsessive compulsive disorders; or
- Psychotic disorders such as, but not limited to, schizophrenia, dementia, paranoid psychosis and affective disorders; or
- Personality disorders such as, but not limited to, sociopathic personality; or
- Syndromes such as, but not limited to, organic brain syndromes, amnesia syndromes and organic delusional or hallucinogenic syndromes.

Mental Illness excludes demonstrable structural brain damage. We will not apply the Mental Illness limitation to dementia if Proof is given that the dementia is a result of stroke, trauma, viral infection, or Alzheimer's disease.

The Diagnostic and Statistical Manual is a reference work developed by the American Psychiatric Association and designed to provide guidelines for the diagnosis and classification of mental disorders. If the Diagnostic and Statistical Manual is discontinued or changed, another comparable reference may be used by Us.

Alcoholism means an addictive relationship or pattern of use of alcohol.

Drug Addiction means an addictive relationship or pattern of use of drugs, chemicals, or similar substances.

Deductible Sources of Income

Deductible Sources of Income, except for Retirement Benefits, must be payable as a result of the same disability for which We pay a benefit. We will require You to apply for any of the Deductible Sources of Income for which You may be eligible, except for Retirement Benefits that would only be provided on a reduced basis. You may be required to sign a reimbursement agreement stating that if You receive any payments for Deductible Sources of Income, You will reimburse Us for any overpayment of benefits. You must immediately disclose to Us the amount of any retroactive payment You may receive from any of the Deductible Sources of Income.

The following are Deductible Sources of Income:

- The amount that You receive, or are eligible to receive, under:
    - A worker's compensation law; *or*
    - An occupational disease law; *or*
    - Any other Act or Law with similar intent.

2. The amount that You receive, or are eligible to receive, as disability income payments under any:
    - state compulsory benefit Act or Law; *or*
    - governmental retirement system as a result of Your employment with the Plan Sponsor; *or*
    - veteran's Administration or any other foreign or domestic governmental agency; *or*
    - automobile liability insurance policy; *or*
    - other group insurance plan; *or*
    - any plan or arrangement of disability coverage, whether insured or not, resulting from Your employment by or association with the Plan Sponsor or any employer, or resulting from Your membership in or association with any group, association, union or other organization.

3a. The amount that You, Your spouse, and children receive, or are eligible to receive, as disability payments because of Your Disability under:
    - the United States Social Security Act; *or*
    - the Canada Pension Plan; *or*
    - the Quebec Pension Plan; *or*
    - any similar plan or act.

3b. The amount that You receive, or are eligible to receive, as retirement payments or the amount Your spouse and children receive as retirement payments because You are receiving retirement payments under:
    - the United States Social Security Act; or
    - the Canada Pension Plan; or
    - the Quebec Pension Plan; or
    - any similar plan or act.

4. The amount that You:

- Receive as disability payments under the Plan Sponsor's Retirement Plan; *or*
- Voluntarily elect to receive as retirement payments under the Plan Sponsor's Retirement Plan; *or*
- are eligible to receive as retirement payments when You reach the later of age 62 or normal retirement age, as defined in the Plan Sponsor's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits which are paid due to disability and do not reduce the retirement benefit which would have been paid if the disability had not occurred.

Retirement payments will be those benefits which are paid based on the Plan Sponsor's contribution to the Retirement Plan. Disability benefits which reduce the retirement benefit under the plan will also be considered as a retirement payment.

Regardless of how the retirement funds from the Retirement Plan are distributed, We will consider the Plan Sponsor and Your contributions to be distributed simultaneously throughout Your lifetime.

5. The amount You receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).
6. The amount You receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.
7. The amount You receive under the mandatory portion of any "no fault" motor vehicle plan.
8. Commissions, severance allowance.
9. Any amounts from partnership, proprietorship draws, or similar draws.

Lump Sum Payments

If You receive a lump sum payment of a Deductible Source of Income, We will deduct the lump sum from Your Monthly Benefit Payment by pro-rating the lump sum on a monthly basis over the time period for which the lump sum was given. If no time period is stated, the lump sum will be pro-rated based on the lesser of the Maximum Benefit Period or Your expected lifetime as determined by Us.

Non-Deductible Sources of Income

We will not subtract from Your Monthly Benefit Payment any income You receive from the following:

1. 401(k) plans;
2. profit sharing plans;
3. thrift plans;
4. tax sheltered annuities;
5. stock ownership plans;
6. credit disability insurance;
7. non-qualified plans of deferred compensation;

8. pension plans for partners;
9. military pension and disability income plans;
10. individual disability plans;
11. a retirement plan from another plan sponsor;
12. individual retirement accounts (IRA);
13. salary continuation (except to the limited extent provided in the sentence below.)
14. accumulated sick leave (except to the limited extent provided in the sentence below.)
15. employer-sponsored paid time off or vacation pay (except to the limited extent provided in the sentence below.)

If salary continuation or accumulated sick leave plan payments, employer-sponsored paid time off or vacation pay, plus the Weekly Benefit Payment and Your Disability Work Earnings exceed 100% of Your Weekly Earnings, We will subtract the amount in excess of 100% from Your Weekly Benefit Payment.

If You May Qualify for Deductible Income Benefits

When We determine that You may qualify for benefits under items 1, 2 and 3 in the Deductible Sources of Income section, We will estimate Your entitlement to these benefits. We can reduce Your payment by the estimated amounts if such benefits:

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

Estimate and Deduction for Social Security Benefits

You must apply for benefits under the Federal Social Security Act if there is a reasonable basis for application. To apply for Social Security benefits means to pursue such benefits until You receive approval from the Social Security Administration, or a notice of denial of benefits from an administrative law judge.

We will reduce the amount of Your Monthly Benefit Payments by the amount of Social Security benefits We estimate that You, Your spouse or children are eligible to receive because of Your Disability or retirement. We will start to do this after 24 months of Monthly Benefit Payments, unless We have received:

- Proof of the approval of Your claim for Social Security Benefits; *or*
- Proof of denial of Social Security Benefits, which shows that all levels of appeal have been exhausted.

However, within 6 months following the date You became Disabled; You must:

- Send us Proof that You have applied for Social Security Benefits; *and*
- Sign a reimbursement agreement in which You agree to repay Us for any overpayments We may make to You under the Policy; *and*
- Sign a release that authorizes the Social Security Administration to provide information directly to Us regarding Your Social Security benefits eligibility.

If You do not satisfy the above requirements, We will reduce Your Monthly Benefit Payments by such estimated Social Security benefits starting with the first Monthly Benefit Payment coincident with the date You were eligible to receive Social Security benefits.

When You receive approval or final denial for Your claim for Social Security benefits as described above, You must notify Us immediately. We will adjust the amount of Your Weekly Benefit Payment. You must promptly repay Us for any overpayment.

Recovery of Overpayment

We have the right to recover any amount that We determine to be an overpayment. This includes any prior or current overpayment from any past, current or new payable claim under the Policy. An overpayment occurs if We determine that:

- The total amount paid by Us on Your claim is more than the total amount then due to You under the Policy; *or*
- Payment made by Us should have been made under another plan.

If such overpayment occurs, You have an obligation to reimburse Us in full within 60 days of Our Written notice to You.

If We do not receive reimbursement in full within 60 days, We may, at Our sole discretion, use any available legal means to collect the overpayment, including but not limited to one or both of the following:

- Taking legal action;
- Stopping or reducing any future payments under the Policy, including the Minimum Weekly Benefit or any Additional Benefit or Additional Provision benefits, which might otherwise be payable to You or any other Claimant or payee.

You must immediately disclose to Us the amount of any retroactive payment You may receive from any of the Deductible Sources of Income. We have the right to obtain any information We may require relating to Your eligibility, application or receipt of Deductible Sources of Income. You must provide Us with Your Signed authorization to obtain such information upon Our request.

Adjustment for Underpayment

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

Proration

Any Long Term Disability Benefit payable for less than a month will be prorated based on a 30 day month. The prorated amount may be less than the Minimum Monthly Benefit.

Awards of Damages and Right of Reimbursement

You will be required to reimburse Us for any benefits We pay to You if *both* of the following conditions are met:

1. Benefits are paid or payable under the Policy; *and*
2. You recover damages whether by action at law, settlement, or compromise from any person, organization, or legal entity that is or may be liable for any illness, Injury, or other event giving rise directly or indirectly, to the Disability for which benefits are payable.

The term damages will include all lump sum or periodic payments however designated You receive under paragraph number 2 above. The provisions of this section shall apply whether or not the person, organization, or legal entity admits liability.

If You receive damages in one or more lump sum payments instead of in monthly or weekly payments, the amount You must reimburse to Us will be based on the amount of the award pro-rated over the period benefits have been or will be paid. You must provide satisfactory Proof of the award to Us, or We will reasonably estimate the amount to be reimbursed. Our rights shall be to the first reimbursement out of all funds You, Your parents if You are a minor, or Your legal representative, is or was able to obtain under the conditions outlined above.

Your lawyer may represent Our rights of reimbursement. However, We reserve the right to:

1. Appoint another lawyer to act on Our behalf; *and*
2. Commence an action to pursue Our rights of reimbursement directly against a third party.

As an Insured, You must:

1. Agree to fully co-operate with Us in pursuing Our claim against the third party, including but not limited to the furnishing of any information, documents, or other assistance We may reasonably require.
2. Agree to notify Us of any action You have or bring against any third party.

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Additional Benefit for Survivor

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

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

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

We will pay the Additional Benefit for Survivor to Your legal spouse, if living. If Your spouse is not living, We will pay the Additional Benefit divided into equal shares to Your children. Children must be under age 21, unmarried, and dependent on You for support and maintenance. Children include step-children, adopted children, and foster children. If there is no person entitled to the Additional Benefit for Survivor living at the time of Your death, the Additional Benefit will be paid to Your estate. Our payment of Your estate discharges Us of all liability under this Additional Benefit to the extent of the payment, and shall be valid and effective against all claims by others representing or claiming to represent Your children. Benefits otherwise payable to a minor child may be made instead to an adult who submits Proof satisfactory to Us that he or she has assumed custody and support of the child.

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

Additional Benefit for Vocational Rehabilitation Program

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

Vocational Rehabilitation Program means a program of services that have been approved by Us for the purpose of helping You to return to work. The Vocational Rehabilitation Program may include, at Our sole discretion, but is not limited to, the following services:

1. coordination with Your Plan Sponsor to assist You to return to work;
2. evaluation of adaptive equipment or job accommodations to allow You to work;
3. evaluation of possible workplace modifications which might allow You to return to work in Your Own Occupation or another job or occupation;
4. vocational evaluation to determine how Your disability may impact Your employment options;
5. job placement services, including resume preparation services and training in job-seeking skills;
6. alternative treatment plans such as recommendations for support groups, physical therapy, occupational therapy, or other treatment designed to enhance Your ability to work.

We will determine the extent to which these services may be provided. We will pay the service provider(s) for these services unless We agree in writing to other arrangements.

Our decision to offer a Vocational Rehabilitation Program will be based on:

1. Your education, training and experience;
2. Your transferable skills;
3. Your physical and mental abilities;
4. Your motivation to return to active employment;
5. the labor force demand for workers in the proposed occupation in Your geographic area; *and*
6. the expected liability for Your long term Disability claim.

Vocational Rehabilitation Program (continued)

To qualify for these services, You must:

1. have a Disability which prevents You from performing some or all of the Material and Substantial Duties of Your Own Occupation;
2. lack of skills, training, or experience You would need to perform another Gainful Occupation;
3. possess the physical and mental abilities You need to complete a rehabilitation program; *and*
4. be reasonably expected to return to active employment with the assistance of these services.

A Vocational Rehabilitation Program proposal may be made either by Us, Your Physician or You. We will prepare a written program with input from You, Your Physician, Your current employer and/or Your prospective employer. Once We approve a program, You will be provided services according to the written program.

The written program will describe:

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

We reserve the right to make the final decision concerning Your eligibility to take part in this program, and the amount of services You will be provided.

If You agree to participate in the program and fail to complete Your responsibilities under the program without Reasonable Care, Your Monthly Benefit Payment may be reduced or discontinued.

Reasonable Cause means documented physical or mental impairments which leave You unable to take part in or complete the agreed upon program. It may also mean that You are involved in:

- medical treatment which prevents or interferes with Your taking part in or completing the program; *or*
- some other vocational rehabilitation program which conflicts with Your taking part in or completing the program developed by Us, and that program is reasonably expected to return You to active employment.

Additional Benefit for Work Incentive

If You participate in a Vocational Rehabilitation Program that is approved by Our Vocational Rehabilitation specialist, We may increase Your Gross Monthly Benefit Payment by **5**%, up to a maximum additional payment of **$750** per month, not to exceed the Maximum Monthly Benefit as shown in the Schedule of Benefits.

The Additional Benefit for Work Incentive will end on the earliest of the following dates:

- You cease to be paid a Gross Monthly Benefit Payment;
- 12 months of Additional Benefit for Work Incentive have been paid.
- You are no longer participating in a Vocational Rehabilitation Program; or
- We determine that You are no longer eligible to participate in a Vocational Rehabilitation Program;
- Any other requirement or condition of the Policy is not met, including but not limited to those listed in the *When Disability Benefits End* section.

Additional Benefit for Social Security Assistance

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

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

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

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

Additional Benefit for Workplace Modification

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

The amount We pay will not exceed the lesser of:

1. two times Your Monthly Benefit Payment; *or*
2. $10,000.

To qualify for this reimbursement, You must:

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

The Plan Sponsor must give us a written proposal of the planned workplan modification. This proposal must include:

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

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

1. approve the proposals in writing;
2. receive Proof from the Plan Sponsor that the Workplace modification is complete; and
3. receive Proof of the costs incurred by the Plan Sponsor for the workplace modification.

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

Additional Benefit for Work Retention Assistance

If You:

1. have a medical condition or functional impairment that You report to Us and that We determine in Our sole discretion has the potential to result in a Disability; but
2. have not yet become Disabled,

We may provide vocational rehabilitation services and assistance We determine necessary and appropriate to minimize the effects of such condition or impairment and to assist You in retaining the ability to perform the Material and Substantial Duties of Your Own Occupation or of another appropriate gainful occupation offered by the Plan Sponsor.

The vocational rehabilitation services may include, at Our sole discretion, payment of certain expenses for education, training, accommodation, or assistive technology in connection with the Vocational Rehabilitation Program We have approved for You.

Examples of conditions or impairments for which We may be able to provide services under this Additional Benefit for Work Retention Assistance include, but are not limited to:

1. Diabetes with complications or other endocrine disorders;
2. Vision or hearing loss;
3. Arthritis and other degenerative or progressive musculoskeletal conditions;
4. Multiple Sclerosis and other progressive neurological disorders; and
5. Cancer and complications of cancer treatment.

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Additional Benefit for LTD Conversion

This provision allows You to convert Your group Long Term Disability (LTD) coverage to a personal plan of long term disability insurance coverage if Your LTD coverage provided by the Plan Sponsor terminates for any of the following reasons.

1. You resign;
2. You are terminated for cause;
3. You are laid-off;
4. You take a leave of absence.

Certain conditions apply as provided below. Benefits and amounts of insurance under the LTD conversion coverage may differ from those under the Plan Sponsor's group Policy. You do not have to supply medical evidence of Your insurability to convert Your LTD coverage.

You are responsible for payment of all LTD conversion coverage premiums under the new plan. LTD conversion coverage is intended to be a transition LTD plan if you have no other group Long Term Disability coverage option available at the time of Your termination. The LTD Conversion Plan coverage extends for up to one year.

To be eligible to convert coverage, You must meet all of the following requirements on the date Your employment ends:

1. The group Policy from which Your wish to convert has not terminated;
2. Your class under the group Policy has not terminated, and You are not converting because You no longer belong to a class eligible for coverage under the group Policy;
3. You have been covered under the group Policy for at least the 12 consecutive months just prior to the date Your employment ends;
4. You were Actively at Work up until the time Your employment terminated, and did not terminate employment due to illness or injury;
5. You have not failed to make any contribution required for Your coverage;
6. You are not unable to perform or not limited from performing the Material and Substantial Duties of Your Own Occupation;
7. You are not eligible to become covered for LTD benefits under another group plan within 31 days after Your termination under the Plan Sponsor's group Policy;
8. You are not on a Leave of Absence;
9. You are not age 65 or over;
10. You are not retired, and You are not receiving retirement payments;
11. You are not covered under any other group disability plan;
12. You are not absent due to a labor strike.

How and When Your LTD Conversion coverage begins

You must elect by Written application to convert coverage within the 31 day period immediately following the date on which Your employment ended and Your insurance under the group Policy terminated.

If Your premium and application are received within this period, conversion coverage will take effect on the day after Your Long Term Disability coverage ends under the group Policy.

Short Term Disability benefits are not continued under this provision.

Amount of Insurance for the Conversion Provision

The amount of insurance and the limitations and exclusions of coverage are as provided in the individual certificate.

Premium may be paid on a quarterly, semi-annual, or annual basis.

If You elect conversion coverage and You again become an Eligible Employee of the Plan Sponsor, Your conversion coverage will end on the earlier of the date You become eligible under the Plan Sponsor's Group Policy, or the date You reach the maximum coverage period as otherwise provided by the conversion coverage.

Conversion is not available for employers located in some states.
We reserve the right to have Your conversion coverage issued by another insurance company.

Exclusions

The following exclusions apply to any and all benefits under the Policy, including any Additional Benefits or Additional Provisions unless otherwise specifically referenced.

The Policy does not cover any disabilities or loss caused by, resulting from, or related to any of the following:

1. War or any act of war, declared or undeclared, whether civil or international;
2. Service in the armed forces, military reserves or National Guard of any country or international authority, or in a civilian unit serving with such forces;
3. Self-inflicted Injury or Illness or Your attempt to commit suicide while sane or insane;
4. Active participation in a riot or civil commotion;
5. Participating in, committing or attempting to commit a felony, or any type of assault or battery, or engaging in an unlawful act or illegal occupation. This exclusion applies even if You plead to a lesser charge or no contest;
6. Operating any Motorized Vehicle if;
    a. Under the influence or any intoxicant or drug whether or not prescribed by a physician; *or*
    b. Your blood alcohol concentration is in excess of the legal limit in the state in which the Accident or Injury occurred.
7. Any accident, Injury or Illness caused by, resulting from, or related to Your being under the influence of any illicit drug, narcotic, intoxicant or chemical;
8. Loss of professional license, occupational license or certification;
9. Any Pre-Existing condition, as further defined in the Exclusions section.

In addition, the Policy will not pay a benefit for any period for which any of the following applies:

1. You are no longer receiving, accepting or following Regular Care from a Physician;
2. With respect to a mental disorder, any period during which You are not under the continuing Regular Care of a Psychiatrist specializing in psychiatric care.
3. With respect to Alcoholism and Drug Addiction, any period during with You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if not, by Us.
4. You have applied for benefits under fraudulent circumstances and these circumstances resulted in a conviction of fraud.
5. You unreasonably fail to submit to an Independent Medical Exam requested by Us.
6. You are confined to a penal or correctional institution.
7. Disability results from cosmetic or reconstructive surgery, except for complications arising from such surgery, or surgery necessary to correct a deformity caused by Illness or accidental Injury.

8. You or Your Physician fail to provide any medical or any psychiatric records which We request.
9. Any period that any other requirement or condition of the Policy is not met, including but not limited to those listed in the *When Disability Benefits Ends* section.

Pre-Existing Condition Exclusion

No amount of Long Term Disability Benefit will be payable for any Disability which is caused by, contributed to by, or resulting from a Pre-Existing Condition.

A **Pre-Existing Condition** is an Injury or Illness for which You did any of the following within 3 months prior to the date on which You became insured under the Policy, whether or not that condition is diagnosed at all or misdiagnosed during that period of time:

- visited or consulted a Physician, Hospital or Medical Facility *or*
- took clinical tests or received treatment. This includes (but is not limited to) taking pills, injections or other medication to treat any condition.

This exclusion will not apply if the Elimination Period for the Disability begins after You have been insured under the Policy for at least 12 months.

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General Provisions

Assignment

You cannot assign Your rights or benefits under the Policy.

Currency

All payments made to or by Us will be made in United States dollars.

Class Membership

You may only be insured under one Class at any time.

Misrepresentation

Any statement You make in an application to become insured is a representation and not a warranty. No representation made by You in an application to become insured will be used to reduce or deny Your claim or contest the validity of Your insurance unless:

- Your insurance would not have been approved except for Your misrepresentation; *and*
- Your misrepresentation is contained in a Written instrument Signed by You; *and*
- We give You or Your representative a copy of the Written instrument that contains Your misrepresentation.

Incontestability

We will not use misrepresentations made by You in a Written application to contest the validity of the insurance with respect to which such statement was made, after such insurance has been in force prior to the contest for a period of two years during Your lifetime, unless the misrepresentations are fraudulent. This section does not prevent Us from using at any time a defense based on:

- non-payment of premium; *or*
- any other provision of the Policy; *or*
- any other defense that is allowed by law.

Misstatement of Age or Other Facts

If Your age or any other fact was misstated, We will use the correct facts to determine whether You are insured and if so, for what amount and duration.

Errors

You must be properly insured under the Policy. An error or omission by the Plan Sponsor or by Us will not cause You to become insured. An error or omission by the Plan Sponsor or by Us will not cancel insurance that should continue nor continue insurance that should end. The requirements and conditions of the Policy must be properly met for any change in the amount of Your insurance to take effect. We have the right to full recovery of any overpayments made. Such reimbursement will be required regardless of whether the overpayment occurred due to an error by Us or by You, Your representative or beneficiary, or the Plan Sponsor.

Agency

The Plan Sponsor or employer and any administrator appointed by the Plan Sponsor or employer shall not be considered Our agents for any purpose. We are not liable for any of their acts or omissions.

Changes to Policy

The Policy including this Certificate may be amended at any time by Written agreement between the Plan Sponsor and Us, without the consent of or notice to any other individual. Any amendment must be in writing and attached to the Policy. The amendment must bear the signature or a reproduction of the signature of the President, a Vice President, or Secretary of Our company.

If You are not Actively at Work on the effective date of the amendment, the effective date with respect to You will be the date that You are again Actively at Work. However, if the amendment would reduce the amount of Your insurance, the effective date with respect to You will be the effective date of the amendment.

It is understood that, if the Policy is amended during Your continuous period of Disability, the amendment will have no effect on the amount of insurance during that same continuous period of Disability.

Enforcement of Policy Terms

If at any time We do not enforce a provision of the Policy, We will still retain Our right to enforce that provision at Our option.

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Claim and Payment Provisions

How to Claim Benefits

Due Written Proof of Claim is required in order to receive benefits under the Policy. Claim forms are available to You or Your beneficiary on request to the Plan Sponsor. For prompt payment, it is necessary that the claim form be completed in full. For a claim for loss of life, a certified copy of the death certificate must be provided to Us.

Notice of Claim

Notice of a claim must be given within 30 days after a covered loss starts, or as soon as reasonably possible. Written notice can be given to Us at Our home office or to Our agent. Reference to a "loss" merely means that an event occurred or an expense was incurred for which a benefit is payable under the Policy. The notice must identify You along with the Group Policy number shown in this Certificate.

For a claim for loss due to Disability, You must notify Us immediately if You return to work in any capacity.

Claim Forms

When We receive the notice of claim, We will send the Claimant forms for filing Proof of loss. The needed forms may also be obtained from the Plan Sponsor. If these forms are not given to the Claimant within 15 working days, the Claimant can meet the Proof of loss requirements by giving Us a Written statement of the nature and extent of the loss within the time limit stated in the Proof of Loss section.

Proof of Disability or Other Loss

Due Written Proof of Disability or other loss must be given to Us within 90 days after such loss. Failure to furnish the Proof within that time shall not invalidate or reduce the claim if the Proof is given as soon as reasonably possible. But, unless delayed by the Claimant's legal incapacity, the required Proof must be furnished within 2 years of the specific time. If the Policy terminates, the Claimant must give written notice and Proof of Disability or loss for a Disability or loss that began or occurred before the Policy ended within 90 days after the Policy terminated.

Proof of Disability will include information from Your Physician about Your condition. You must authorize the release of Your medical information. You must give Us any other information and items that We require to support Your claim. We reserve the right to determine if Your Proof of Disability is satisfactory in accordance with the Policy and any applicable Act or Law.

Filing Claim Forms

The Proof of Loss claim forms contain instructions as to how they should be completed and where they should be sent. Be sure to fully complete Your portion of the forms. Unanswered questions may delay the processing of Your claim.

Proof of Continuing Disability

From time to time You must give Proof satisfactory to Us at Your expense that You are still Disabled. We will ask You for this Proof at reasonable intervals. Such Proof must be provided to Us within 30 days, or as soon as reasonably possible thereafter. We will stop benefit payments if You do not give Proof satisfactory to Us that You are still Disabled. We may require You to provide Us with the name and address for any Hospital, health facility or institution where You received treatment, including all attending physicians, and to give us Your Written authorization to obtain additional medical information, including but not limited to complete copies of medical records. We may investigate Your claim at any time.

Proof of Financial Loss

We have the right to require Written Proof of Financial Loss. This includes, but is not limited to:

1. statements of Monthly Earnings and other written Proof of Your pre-disability income;
2. statements of income received from other sources while You are claiming benefits under the Policy;
3. evidence that due application has been made for all other available benefits;
4. tax returns and worksheets, tax statements, and accountant's statements; *and*
5. any other Proof that We may reasonably require.

We may perform financial audits at Our expense as often as We may reasonably require. Payment of benefits may be contingent upon Proof of financial loss being satisfactory to Us.

Payment of Claims

Upon receiving the required Proof of Disability or loss, We will pay any Disability benefits due during any period for which We are liable. Any balance remaining unpaid at the end of the period for which We are liable will be paid at that time.

Unless otherwise specifically provided by the terms of the Policy, all benefit payments will be made to:

- You, if living; *or*
- Your estate, if due to You after Your death.

If benefits are payable to Your estate, to a minor, or to a person who is incompetent, We may pay up to $1,000 to any of Your relatives or any other person who We deem entitled to it as a result of having incurred expenses for Your maintenance, medical attendance, or burial. We will be discharged to the extent of any payments made in good faith under this provision.

Notice of Claim Decisions

We will send You Written notice of Our claim decision within 45 days after We receive due Proof of Your loss. If there are special circumstances that require more time, We will send You a Written notice within this timeframe that an additional 30 days is needed. If more time is still needed to make a claim determination, We will send You Written notice during this initial 30 day extension stating the special circumstances that require an additional 30 days. If We request additional information, You will have 45 days to respond to Our request, and We will send Written notice of Our claim decision within 30 days after We receive Your response.

If the Claim is wholly or partly denied, Our notice will include:

1. Reasons for such denial;
2. Reference to specific Policy provisions, rules or guidelines on which the denial was based;
3. A description of the additional information needed to support Your claim;
4. Information concerning Your right to request that We review Our decision; *and*
5. A description of Our review procedures, and time limits, and notice to You of Your right to bring a civil action.

Reconsideration of a Denied Claim

You may request Us to review Our denial of all or part of Your claim. This request must be in writing and must be received by Us no more than 180 days after You receive notice of Our claim decision. As part of this review, You may:

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

- Provide Us with other information or Proof in support of Your claim.

We will review Your claim promptly after receiving Your request. We will advise You of the results of Our review within 45 days after We receive Your request, or within 90 days if there are special circumstances that require more time. If We request additional information, You will have 45 days to respond to Our request, and We will send written notice of Our claim decision within 30 days after We receive Your response. Our decision will be in Writing and will include reference to specific Policy provisions, rules or guidelines on which the decision was based, and notice to You or Your right to bring a civil action.

Legal Actions

There are time limits as to when legal action can be taken to obtain Policy benefits. No legal action can be taken until 60 days after Written Proof of Loss has been given as discussed above. No legal action can be taken more than 3 years after Written Proof of Loss was required by the above terms. Legal action with respect to a claim that has been denied, in whole or in part, shall be contingent upon having obtained Our reconsideration of that claim as explained in the above Reconsideration of a Denied Claim provision.

Examinations

We may require that You undergo an Independent Medical Exam at reasonable intervals, at Our expense. No benefits will be paid beyond any date that:

- Due Proof that You remain Disabled is not provided when requested by Us; or
- You do not allow a Physician to examine You when required by Us.

If You die, We may require an autopsy, unless it is prohibited by law. Such exam or autopsy as required by this section will be at Our expense.

We may require You to be examined at Our expense by one or more Physicians, health care professionals, or vocational evaluators of Our choice. We may require examinations at any time and as often as reasonably necessary. The examinations may include such testing as We determine necessary to administer the terms and conditions of the Policy, including but not limited to medical testing and vocational testing. We will deny or stop benefit payments if You decline to be examined or if You do not cooperate with the examiner. Additionally, We reserve the right to have You interviewed by Our authorized representative.

Release of Information

You agree that We may request, and anyone may give to Us, any information, (including copies of records) about an illness, Injury or condition for which benefits are claimed, and that We may give similar information if requested to anyone providing similar benefits to You.

Discretionary Authority for Benefit Determination

We will make the final decision on claims for benefits under the Policy. When making a benefit determination, We will have discretionary authority to interpret the terms and provisions of the Policy. This discretionary authority should not be construed to limit the legal action that may be taken by an insured or beneficiary in accordance with the Legal Actions provision of the Policy, and any applicable state or federal law.

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NOTICE CONCERNING COVERAGE LIMITATIONS AND EXCLUSIONS UNDER THE OHIO LIFE HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of Ohio who purchase life insurance, annuities or health insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Ohio Life and Health Insurance Guaranty Association. The purpose of this Guaranty Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting companies that are well- managed and financially stable.

DISCLAIMER

The Ohio Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in Ohio. You should not rely on coverage by the Ohio Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy.

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus. You should check with your insurance company representative to determine if you are only covered in part or not covered at all.

Insurance companies or their agents are required by law to give or send you this notice. *However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.*

Ohio Life and Health Insurance Guaranty Association
1840 Mackenzie Drive
Columbus, Ohio 43220

Ohio Department of Insurance
50 W. Town Street Third Floor-Suite 300
Columbus, Ohio 43215

NOTICE CONCERNING COVERAGE LIMITATIONS AND EXCLUSIONS UNDER THE OHIO LIFE HEALTH INSURANCE GUARANTY ASSOCIATION ACT

The state law that provides for this safety-net coverage is called the Ohio Life and Health Insurance Guaranty Association Act. Below is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law nor does it in any way change anyone's rights or obligations under the act or the rights or obligations of the guaranty association.

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COVERAGE

Generally, individuals will be protected by the Ohio Life and Health Insurance Guaranty Association if they live in Ohio and hold a life or health insurance contract, annuity contract, unallocated annuity contract; if they are insured under a group insurance contract, issued by a member insurer; or if they are the payee or beneficiary of a structured settlement annuity contract. The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons holding such policies are not protected by this guaranty association if:

- they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose Guaranty Association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- their policy was issued by a medical, health or dental care corporation, an HMO, a fraternal benefit society, a mutual protective association or similar plan in which the policyholder is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does not provide coverage for:

- any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus;
- any policy of reinsurance (unless an assumption certificate was issued);
- interest rate yields that exceed an average rate;
- dividends;
- credits given in connection with the administration of a policy by a group contract holder;
- employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them).

NOTICE CONCERNING COVERAGE LIMITATIONS AND EXCLUSIONS UNDER THE OHIO LIFE HEALTH INSURANCE GUARANTY ASSOCIATION ACT

LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to pay out: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of $300,000, except as specified below, no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. The association will not pay more than $100,000 in cash surrender values, $500,000 in major medical insurance benefits, $300,000 in disability or long-term care insurance benefits, $100,000 in other health insurance benefits, $250,000 in present value of annuities, or $300,000 in life insurance death benefits. Again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages, the association will pay a maximum of $300,000, except for coverage involving major medical insurance benefits, for which the maximum of all coverages is $500,000.

Note to benefit plan trustees or other holders of unallocated annuities (GICs, DACs, etc.) covered by the act: For unallocated annuities that fund governmental retirement plans under §§401(k), 403(b), or 457 of the Internal Revenue Code, the limit is $250,000 in present value of annuity benefits including net cash surrender and net cash withdrawal per participating individual. In no event shall the Association be liable to spend more than $300,000 in the aggregate per individual, except as noted above. For covered unallocated annuities that fund other plans, a special limit of $1,000,000 applies to each contract holder, regardless of the number of contracts held with the same company or number of persons covered. In all cases, of course, the contract limits also apply.

Anthem Life Insurance Company
Administrative Office
8940 Lyra Drive
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1 (614) 436-0688
1 (800) 551-7265