

# Long-term Disability Insurance

## Summary of Benefits Standard Insurance Company

<b>Provision</b>	<b>Policy Coverage</b>
<i>Maximum Benefit Amount</i>	Maximum monthly benefit: \$8,000 before reduction by Deductible Income
<i>Benefit Percentage as elected by Employer</i>	<p>50% of the first \$16,000 of your monthly Predisability Earnings, reduced by Deductible Income.</p> <p>60% of the first \$13,333 of your monthly Predisability Earnings, reduced by Deductible Income.</p> <p>66 2/3% of the first \$12,000 of your monthly Predisability Earnings, reduced by Deductible Income.</p>
<i>Benefit Waiting Period</i>	60 or 90 days, as elected by employer
<i>Benefit Duration (Maximum Benefit Period)</i>	<p>Age When Disability Begins:            Maximum Benefit Period:</p> <p>61 or younger.....To SSNRA, to age 65, or 3 years 6 months, whichever is longest.</p> <p>62.....To SSNRA, or 3 years 6 months, whichever is longer.</p> <p>63.....To SSNRA, or 3 years, whichever is longer.</p> <p>64.....To SSNRA, or 2 years 6 months, whichever is longer.</p> <p>65.....2 years</p> <p>66.....1 year 9 months</p> <p>67.....1 year 6 months</p> <p>68.....1 year 3 months</p> <p>69 or older.....1 year</p> <p>SSNRA means Social Security Normal Retirement Age.</p>
<i>When Coverage Ends</i>	LTD Benefits end on the earliest of: the date you are no longer disabled or fail to provide proof of your disability; the date your Maximum Benefit Period ends; the date benefits become payable under any other LTD plan under which you become insured through employment during a period of temporary recovery; or the date you die.
<i>Continuity of Coverage</i>	The Continuity of Coverage provision ensures that employees not actively at work will not lose coverage as a result of a change from their current plan to the OEGB plan. In addition, Continuity of Coverage provides credit for time served under the employer's prior LTD plan with respect to the preexisting condition exclusion.
<i>When Employee</i>	Application for coverage will be allowed only:

<i>May Apply</i>	<ul style="list-style-type: none"> <li>- Within 31 days following eligibility.</li> <li>- During OEGB's annual enrollment period.</li> <li>- Within 31 days following a family status change.</li> </ul>
<i>Evidence of Insurability Requirements</i>	<p>Evidence of insurability is required to become insured:</p> <ul style="list-style-type: none"> <li>- If employee applies more than 31 days after becoming eligible.</li> <li>- If coverage ends while employee is considered to be an eligible employee, and the employee later wishes to re-enroll.</li> </ul>
<i>Definition of Disability</i>	<p>During the Benefit Waiting Period for the next 24 months of disability – An employee must be unable to perform the material duties of his/her own occupation, or suffer an earnings loss of at least 15% while working in own occupation.</p> <p>Thereafter – An employee must be unable to perform the material duties of any occupation (any occupation being an occupation in which the employee can be expected to earn at least 80% of indexed pre-disability earnings within 12 months of return to work).</p>
<i>Integration with Work Earnings in the Return to Work Incentive</i>	<p>For the first 12 months of work – Earnings from any employer will be used to reduce the amount of the LTD benefit to the extent that the work earnings exceed 100% of the employee's Predisability Earnings when added to the LTD benefit (100% backdoor integration).</p> <p>Thereafter – 50% of work earnings will be used to reduce the amount of the LTD benefit.</p>
<i>Work Earnings Definition in Return to Work Incentive</i>	<p>Earnings from work during disability also includes sick pay, vacation pay, annual or personal leave pay or other salary continuation earned or accrued while working. It does not include earnings the disabled employee could receive if the employee worked as much as able.</p>
<i>Reasonable Accommodation</i>	<p>Reimburses employer for reasonable accommodations which allow a disabled employee to return to work.</p>
<i>Rehabilitation Plan</i>	<p>Reimburses employee for expenses incurred in an attempt to return to work (training/education; family care; job-related; job search).</p>
<i>Temporary Recovery</i>	<p>During the Benefit Waiting Period – Employee may temporarily recover for up to a total of 30 days without having to serve a new Benefit Waiting Period.</p> <p>After LTD benefits become payable – Employee may temporarily recover for up to 180 days without having to serve a new Benefit Waiting Period.</p>
<i>Deductible Income</i>	<p>LTD benefits will be reduced by the following:</p> <ul style="list-style-type: none"> <li>• Sick leave pay, annual or personal leave pay, severance pay or other salary continuation the employee elects to receive, to the extent that it exceeds 100% of Predisability Earnings when added to the STD benefit (100% backdoor integration)</li> <li>• Work earnings to the extent that it exceeds 100% of Predisability Earnings when added to the STD benefit (100% backdoor integration)</li> <li>• Worker's compensation and similar benefits that the employee is eligible to receive</li> <li>• Social Security disability or retirement benefits and similar benefits that the employee and children are eligible to receive</li> </ul>

	<ul style="list-style-type: none"> <li>• State disability income and similar benefits that the employee is eligible to receive</li> <li>• Disability benefits under another group insurance plan that the employee is eligible to receive</li> <li>• Disability or retirement benefits the employee is eligible to receive under the employer's retirement plan (including PERS, STRS, and a plan arranged by a union or employee association)</li> <li>• Earnings including in Predisability Earnings that the employee is eligible to receive while disabled</li> <li>• Unemployment compensation and similar benefits that the employee is eligible to receive</li> <li>• Amounts employee is eligible to receive from a third party as a result of the disability</li> <li>• Amounts received by compromise, settlement or other method as a result of a claim for any of the above</li> </ul>
<i>Survivors Benefit</i>	Pays a lump sum to spouse or unmarried children under 25 equal to 3 times the unreduced LTD benefit.
<i>Conversion</i>	Allows eligible employees to convert their LTD coverage into a group LTD Trust plan, if coverage ends for any reason other than termination or amendment of the group policy, failure to make premium contributions, or retirement.
<i>Exclusions</i>	Disabilities caused or contributed to by any of the following are not covered: <ul style="list-style-type: none"> <li>• War</li> <li>• Intentionally self-inflicted injury</li> <li>• Preexisting condition (a condition for which employee was treated or diagnosed during 90 days prior to becoming insured). This exclusion no longer applies after employee has been insured for 12 months (including any period of insurance under employer's prior plan)</li> <li>• Commission of an assault or felony, or active participation in a violent disorder or riot</li> </ul>
<i>Disabilities Subject to Limited Pay Periods</i>	Payment of benefits is limited to 24 months for each period of disability caused or contributed to by a mental disorder or substance abuse (drugs and alcohol). This limitation will not apply to a mental disorder while the employee is hospital-confined.
<i>Limitations</i>	No LTD benefits are payable: <ul style="list-style-type: none"> <li>• If not under the care of a physician in the appropriate specialty</li> <li>• While not participating in a course of medical treatment or vocational training or education (unless prevented by the disability)</li> <li>• While residing outside of the U.S. or Canada for more than 12 months</li> <li>• While imprisoned</li> </ul>
<i>Predisability Earnings Definition</i>	Predisability Earnings means the employee's monthly rate of earnings in effect on the employee's last full day of active work, and includes deferred compensation, shift differential pay, and amounts contributed to fringe

	<p>benefits under a Section 125 plan. Earnings do not include bonuses, commissions, overtime pay, stock options or stock bonuses, employer contributions to deferred compensation or any other extra compensation.</p> <p>Predisability Earnings for employees on an annual contract is 1/12<sup>th</sup> of the annual contract salary.</p> <p>Predisability Earnings for hourly employees who do not have a regular work schedule is the employee's hourly pay rate times the average number of hours the employee worked per month during the preceding year (but not more than 173 per month).</p>
<i>Notice of Rate Change</i>	A 210-day notice of any rate change will be provided prior to the renewal date.