

Your Group Plan



**CA Long Term Disability - Core and
Buy Up Plan - Benefit Based Staff
Employees, Affiliates and Temporary
Employees**

Table of Contents

Summary of Coverage	Issued With Your Booklet
Your Group Coverage Plan	1
Accidental Personal Loss Indemnity Benefit.....	8
General Information About Your Coverage	10
Glossary	2

(Defines the Terms Shown in Bold Type in the Text of This Document.)

Note: The codes appearing on the left side of certain blocks of text are required by the Department of Insurance.

Summary of Coverage

Employer: California Institute of Technology

Group Policy: GP-866280-GID

SOC: 3A

Issue Date: December 1, 2015

Effective Date: September 10, 2014

Employee:

The benefits shown in this Summary of Coverage are available for you.

This Summary of Coverage may be an electronic version of the Summary of Coverage on file with your Employer and Aetna Life Insurance Company. In case of any discrepancy between an electronic version and the printed copy which is part of the group insurance contract issued by Aetna Life Insurance Company, or in case of any legal action, the terms set forth in such group insurance contract will prevail. To obtain a printed copy of this Summary of Coverage, please contact your Employer.

Eligibility

Employees

You are in an Eligible Class if you are a Benefit-Based Employee. Benefit-Based Employees include: Staff employees who are regularly scheduled to work 20 hours or more per week and Temporary staff who are regularly scheduled to work 20 or more hours per week whose assignment is expected to last at least 4 months and Affiliates- Eligibility is based on each employer's determination that an employee meets the basic service and hourly requirements. In addition, eligibility may be based on terms of an employment agreement with specific employees (Core) of an Employer participating in this Plan.

In addition, to be in an Eligible Class you must be:

- scheduled to work on a regular basis at least 20 hours per week during your Employer's work week; and
- working within the United States.

Your Eligibility Date, if you are then in an Eligible Class, is the Effective Date of this Plan. Otherwise, it is the first day of the calendar month coinciding with or next following the date you commence active service for your Employer or, if later, the date you enter the Eligible Class.

California Long Term Disability - Core and Buy Up Plan - Benefit-Based Staff and Temporary Employees

Enrollment Procedure

If you do not request to be enrolled by your Employer within 31 days of the date you are first eligible for group temporary disability income coverage sponsored by your Employer, coverage will not take effect until you submit evidence of good health that is both acceptable to Aetna and consistent with your Employer's enrollment guidelines.

Evidence Requirements

If you elect to increase your Disability Coverage, you can become insured for the new amount only if you submit evidence of good health at your own expense to Aetna and such evidence is approved by Aetna. This applies even if Aetna has approved evidence of your good health in the past.

Effective Date of Coverage

Employees

Your coverage will take effect on your Eligibility Date.

Active Work Rule: If you happen to be ill or injured and away from work on the date your coverage would take effect, the coverage will not take effect until the date you return to work full-time.

You will be considered to be active at work on any of your Employer's scheduled work days if, on that day, you are performing the regular duties of your job on a full time basis. In addition, you will be considered to be active at work on the following days:

- Any day which is not one of your Employer's scheduled work days if you were active at work on the preceding scheduled work day.
- A normal vacation day.

This rule also applies to an increase in your coverage.

Disability Coverage

Long Term Disability Benefits

Employees

The following applies to employees in the Core Plan (employer paid):

Elimination Period: The late of 180 days or the end of sick leave of a period of disability.

Scheduled Monthly LTD Benefit: 40% of your monthly predisability earnings.

The following applies to employees in the Buy Up Plan (employee paid):

Elimination Period: The late of 180 days or the end of sick leave of a period of disability.

Scheduled Monthly LTD Benefit: 60% of your monthly predisability earnings.

The following applies to employees in the Core Plan (employer paid):

Maximum Monthly Benefit
Under this Plan (together with
all other income benefits) \$ 10,000

The following applies to employees in the Buy Up Plan (employee paid):

Maximum Monthly Benefit
Under this Plan (together with
all other income benefits) \$ 17,500

Minimum Monthly Benefit The greater of:

- (a) \$ 100; and
- (b) 10% of your Scheduled Monthly LTD Benefit or, if less, 10% of the Maximum Monthly Benefit

Benefits Actually Payable

Any monthly benefit actually payable will be reduced by "other income benefits." In figuring any monthly benefit, other income benefits do not include income from any employer or income from any occupation for compensation or profit. If you work while disabled, any monthly benefit payable is adjusted as described in the following section.

Benefit Adjustment During Return to Work

If, while monthly benefits are payable, you have income from:

any employer; or
any occupation for compensation or profit;

which is more than 20% of your adjusted predisability earnings; the monthly benefit as figured above will be adjusted as follows:

During the first 24 months that you have such income, the monthly benefit will be reduced only to the extent the amount of that income and the monthly benefit payable, as figured above, exceeds 100% of your adjusted predisability earnings.

Thereafter, the monthly benefit will be the product of the following:

(A divided by B) x C where:

A = Your adjusted predisability earnings minus such income.

B = Your adjusted predisability earnings.

C = The monthly benefit figured without regard to this paragraph.

In figuring the monthly benefit, other income benefits do not include income from any employer or income from any occupation for compensation or profit.

Cost of Living Adjustment

On the first of the month following the first 12 consecutive months of a period of disability, the monthly benefit otherwise payable will be increased by 3%. Not more than 5 such increases will occur during any one period of disability.

GR-9 (866280) 96601-3

Maximum Benefit Duration*

- If your period of disability starts prior to the date you reach age 60, it will end with the calendar month in which you reach age 65.
- If your period of disability started on or after the date you reach age 60, it will end with the expiration of the number of months of disability, after the elimination period is met, as figured from the following Schedule:

Maximum Benefit Duration Schedule

Age When Period of Disability Starts	Months of Disability
60 but less than 61	54 months
61 but less than 62	48 months
62 but less than 63	42 months
63 but less than 64	36 months
64 but less than 65	30 months
65 but less than 66	24 months
66 but less than 67	21 months
67 but less than 68	18 months
68 but less than 69	15 months
69 and over	12 months

* Unless your period of disability ends earlier for one or more of the reasons stated in your Booklet-Certificate.

Pregnancy Coverage

Benefits are payable on the same basis as for a disease if a female employee, while covered under this Plan, is absent from active work because of a disabling pregnancy-related condition. A physician's certification that the employee is disabled because of the condition will be necessary. Further, Aetna may request any additional evidence it believes is necessary before deciding that benefits are payable.

If, during the 3 months before coverage took effect, services are rendered or supplies are received in connection with a pregnancy or a pregnancy is confirmed, the pregnancy is a pre-existing condition whether or not the pregnancy commenced during that 3 month period.

General

This Summary of Coverage replaces any Summary of Coverage previously in effect under the group contract. Requests for amounts of coverage other than those to which you are entitled in accordance with this Summary of Coverage cannot be accepted.

The insurance described in this Booklet-Certificate will be provided under Aetna Life Insurance Company policy form GR-29.

**KEEP THIS SUMMARY OF COVERAGE
WITH YOUR BOOKLET-CERTIFICATE**

Additional Information Provided by Aetna Life Insurance Company

Inquiry Procedure

The plan of benefits described in the Booklet-Certificate is underwritten by:

**Aetna Life Insurance Company (Aetna)
151 Farmington Avenue
Hartford, Connecticut 06156**

Telephone: (860) 273-0123

If you have questions about benefits or coverage under this plan, call Aetna at the number shown above.

If you have a problem that you have been unable to resolve to your satisfaction after contacting Aetna, you should contact the Consumer Service Division of the Department of Insurance at:

300 South Spring Street
Los Angeles, CA 90013

Telephone: 1-800-927-4357 or 213-897-8921

You should contact the Bureau only after contacting Aetna at the numbers or address shown above.

Additional Information Provided by

California Institute of Technology

The following information is provided to you in accordance with the Employee Retirement Income Security Act of 1974 (ERISA). It is not a part of your booklet-certificate. Your Plan Administrator has determined that this information together with the information contained in your booklet-certificate is the Summary Plan Description required by ERISA.

In furnishing this information, Aetna is acting on behalf of your Plan Administrator who remains responsible for complying with the ERISA reporting rules and regulations on a timely and accurate basis.

Name of Plan:

California Institute of Technology

Employer Identification Number:

95-1643307

Plan Number:

601

Type of Plan:

Welfare Benefit Plan

Type of Administration:

Group Insurance Policy with:

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, CT 06156

Plan Administrator:

California Institute of Technology
1200 E. California Boulevard
Mail Code 161-84
Pasadena, CA 91125

Agent For Service of Legal Process:

California Institute of Technology
1200 E. California Boulevard
Mail Code 161-84
Pasadena, CA 91125

Service of legal process may also be made upon the Plan Administrator

End of Plan Year:

December 31

Source of Contributions:

Employer & Employee

Procedure for Amending the Plan:

The Employer may amend the Plan from time to time by a written instrument signed by the Assistant VP of Human Resources or Delegate.

ERISA Rights

As a participant in the group insurance plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974. ERISA provides that all plan participants shall be entitled to:

Receive Information about Your Plan and Benefits

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

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series), and an updated Summary Plan Description. The Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

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

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

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court.

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

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator.

If you have any questions about this statement or about your rights under ERISA, you should contact:

- the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory; or
- the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Your Group Coverage Plan

This Plan is underwritten by the Aetna Life Insurance Company, of Hartford, Connecticut (called Aetna). The benefits and main points of the group contract for persons covered under this Plan are set forth in this Booklet. They are effective only while you are covered under the group contract.

If you become covered, this Booklet will become your Certificate of Coverage. It replaces and supersedes all Certificates issued to you by Aetna under the group contract.



Mark T. Bertolini
Chairman, Chief Executive Officer and President

Group Policy:	GP-866280
Cert. Base:	3
Issue Date:	December 1, 2015
Effective Date:	September 10, 2014

This Certificate may be an electronic version of the Certificate on file with your Employer and Aetna Life Insurance Company. In case of any discrepancy between an electronic version and the printed copy which is part of the group insurance contract issued by Aetna Life Insurance Company, or in case of any legal action, the terms set forth in such group insurance contract will prevail. To obtain a printed copy of this Certificate, please contact your Employer.

0020

Long Term Disability Coverage

This Plan will pay a Monthly Benefit for a period of total disability caused by a disease or accidental bodily injury. There is a waiting period. (This is the length of time during a period of total disability that must pass before benefits start.)

Test of Disability

Total Disability

From the date that you first become disabled and until Monthly Benefits are payable for 24 months, you will be deemed to be totally disabled on any day if, as a result of a disease or **injury**, you are unable to perform with reasonable continuity the **substantial and material acts** necessary to pursue your **own occupation** and you are not working in your **own occupation**.

After the first 24 months that any Monthly Benefit is payable during a period of disability, you will be deemed to be totally disabled on any day if, as a result of a disease or **injury**, you are not able to engage with reasonable continuity in any occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity that exists within any of the following locations:

- a reasonable distance or travel time from your residence in light of the commuting practices of your community; or
- a distance or travel time equivalent to the distance or travel time you traveled to work before becoming disabled; or
- the regional labor market, if you reside or resided prior to becoming disabled in a metropolitan area.

Partial Disability

From the date that you first become disabled and until Monthly Benefits are payable for 24 months, you will be deemed to be partially disabled on any day if you are not Totally Disabled and that while actually working in your own occupation, as a result of disease or **injury** you are unable to earn 80% or more of your **adjusted predisability earnings**.

After the first 24 months that any Monthly Benefit is payable during a period of disability, you will be deemed to be partially disabled on any day if you are not Totally Disabled and that while actually working in an occupation, as a result of disease or **injury**, you are unable to engage with reasonable continuity in that or any other occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity.

The following applies to both Total Disability and Partial Disability: If your **own occupation** requires a professional or occupational license or certification of any kind, you will **not** be deemed to be disabled solely because of the loss of that license or certification.

GR-96584D

Monthly Benefit

The Scheduled Monthly LTD Benefit, the Maximum Monthly Benefit, and the Minimum Monthly Benefit are shown on the Summary of Coverage.

The monthly benefit is an amount based on your monthly predisability earnings. Other income benefits, as defined later, are taken into account.

- If no other income benefits are payable for a given month:

The monthly benefit payable under this Plan for that month will be the lesser of:

the Scheduled Monthly LTD Benefit; and

the Maximum Monthly Benefit.

- If other income benefits are payable for a given month:

The monthly benefit payable under this Plan for that month will be the lesser of:

the Scheduled Monthly LTD Benefit; and

the Maximum Monthly Benefit;

minus all other income benefits, but not less than the Minimum Monthly Benefit.

7264

When Benefits Are Payable

Monthly benefits will be payable if a period of disability:

- starts while you are covered; and
- continues during and past the elimination period.

These benefits are payable after the elimination period ends for as long as the period of disability continues.

7265

A Period of Total Disability

A period of total disability starts on the first day you are totally disabled as a direct result of a significant change in your physical or mental condition occurring while you are insured under this Plan. You must be under the care of a **physician**. (You will not be deemed to be under the care of a **physician** more than 31 days before the date he or she has seen and treated you in person for the disease or **injury** that caused the total disability.)

Your period of total disability ends on the first to occur of:

- The date you are not totally disabled.
- The date you start work at a reasonable occupation.
- The date you fail to give proof that you are still totally disabled.
- The date you refuse to be examined.
- The date you cease to be under the care of a **physician**.
- The date you reach the expiration of the Maximum Benefit Duration shown on the Summary of Coverage.
- The date you become eligible for benefits under any other long term disability benefits plan carried or sponsored by your Employer, if such date occurs after the date the group policy terminates.
- The date you are not undergoing **effective treatment for alcoholism or drug abuse**, if your disability is caused to any extent by alcoholism or drug abuse.
- The date you have income from any employer or from any occupation for compensation or profit equal to more than 80% of your **adjusted predisability earnings**.
- The date you fail to give proof that you are unable to perform the duties of any occupation for compensation or profit equal to more than 80% of your **adjusted predisability earnings**.
- The date of your death.

Also, a period of disability will end after 24 monthly benefits are payable if it is determined that the disability is, at that time, caused to any extent by a mental condition (including conditions related to alcoholism or drug abuse) described in the most current edition of the Diagnostic and Statistical Manual of Mental Disorders, published by the American Psychiatric Association (hereafter called DSM). There are two exceptions to this rule which apply if you are confined as an inpatient in a **hospital** or **treatment facility** for treatment of that condition at the end of such 24 months. If the inpatient confinement lasts less than 30 days, the period of disability will cease when you are no longer confined. If the inpatient confinement lasts 30 days or more, the period of disability may continue until the date you have not been so confined for that condition for a total of 90 days during any 12 month period.

The Separate Periods of Disability section does not apply beyond 24 months to periods of disability which are subject to the above paragraph.

How Separate Periods of Disability Are Treated

Once a period of disability has ended, any new period of disability will be treated separately.

However, 2 or more separate periods of disability due to the same or related causes will be deemed to be one period of disability and only one elimination period will apply if:

- the separation occurs during the elimination period and the periods are separated by 30 days or less of work at:
 - your own occupation;
 - any reasonable occupation; or
- the separation occurs after the elimination period and the periods are separated by less than 6 months of work at:
 - your own occupation;
 - any reasonable occupation.

The first period will not be included if it began while you were not covered under this LTD Plan.

7684, 7537-1

Other Income Benefits

They are:

7537

- 50% of any award provided under The Jones Act or The Maritime Doctrine of Maintenance, Wages and Cure.

7537, 7537-2

- Disability, retirement, or unemployment benefits required or provided for under any law of a government. Examples are:

Unemployment compensation benefits.

Temporary or permanent, partial or total disability benefits under any state or federal workers' compensation law or any other like law, which are meant to compensate the worker for any one or more of the following: loss of past and future wages; impaired earning capacity; lessened ability to compete in the open labor market; any degree of permanent impairment; and any degree of loss of bodily function or capacity.

Automobile no-fault wage replacement benefits to the extent required by law.

Benefits under the Federal Social Security Act, the Railroad Retirement Act, the Canada Pension Plan, and the Quebec Pension Plan.

Veterans' benefits.

7537, 7537-2

- Disability benefits received under any government retirement system (e.g., CalPERS).

- Statutory disability benefits.

7537, 7537-2

- Disability or unemployment benefits under:

any group insurance plan,

any other type of coverage for persons in a group. This includes both, plans that are insured and those that are not.

7537, 7537-2

- Voluntarily elected retirement benefits received under any group pension plan; but only to the extent that such benefits were paid for by an employer.

7607

- Disability payments which result from the act or omission of any person whose action caused your disability. These payments may be from insurance or other sources.

7537

- Disability benefits received from an accumulated sick time or salary continuation program provided they are part of an established group plan maintained by your Employer for the benefit of its employees.

Other income benefits include those, due to your disability or retirement, which are payable to: you; your spouse; your children; your dependents.

7537

Effect of Increases In Other Income Benefits On Monthly Benefits

Increases in the level of other income benefits due to the following will be considered "other income benefits":

- a change in the number of your family members;
- a recomputation or recalculation to correct or adjust your benefit level as first established for the period of disability; or
- a change in the severity of your disability.

There may be cost of living increases in the level of other income benefits received from a governmental source during a period of disability. These increases will not be deemed to be "other income benefits."

There may be cost of living or general increases in the level of other income benefits from a non-governmental source during a period of disability. These increases will not be considered other income benefits to the extent they are based on the annual average increase in the **Consumer Price Index**.

7539, 7539-1

Other Income Benefits Which Do Not Reduce Monthly Benefits

The amount of any retirement or disability benefits you were receiving from the following sources before the date you become disabled under this LTD Plan will not reduce your monthly benefits:

- military and other government service pensions;
- retirement benefits from a prior employer; and
- veterans' benefits for service related disabilities.

Also, the amount of any income or other benefits you receive from the following sources will not reduce your monthly benefits:

- profit sharing plans;
- thrift plans;
- 401(k) plans;
- Keogh plans;
- employee stock option plans; or
- tax sheltered annuity plans;

How Aetna Determines Other Income Benefits

Aetna will determine other income benefits as follows:

Lump Sum and Periodic Payments From Any Other Income Benefits:

Any lump sum or periodic other income payments that you receive will be prorated on a monthly basis over the period of time for which the payment was made. If a period of time is not indicated, Aetna will prorate the payments over a period of time equal to the lesser of: (a) the remaining benefit duration; and (b) 60 months.

That part of the lump sum or periodic payment that is for disability will be counted, even if it is not specifically apportioned or identified as such. If there is no proof acceptable to Aetna as to what that part reasonably is, 50% will be deemed to be for disability.

Any of these "Other Income Payments" that date back to a prior date may be allocated on a retroactive basis.

Estimated Payments

The amount of other income benefits for which you appear to be eligible will be estimated, unless you have signed and returned a reimbursement agreement to Aetna. This agreement contains your promise to repay Aetna for any overpayment of benefits made to you.

If other income benefits are estimated, your monthly benefit will be adjusted when we receive proof:

- of the exact amount awarded; or
- that benefits have been denied after review at the highest administrative level.

Aetna will pay you if any underpayment in your monthly benefit results. You will have to repay Aetna if any overpayment results. When Aetna has to take legal action against you to recover any overpayment, you will also have to pay Aetna's reasonable attorney's fees and court costs, if Aetna prevails.

7538

Required Proof of Income

Aetna has the right to require proof that:

- you, your spouse, child, or dependent has made application for all other income benefits which you or they are, or may be, eligible to receive relative to your disability and has made a timely appeal of any denial through the highest administrative level; timely appeal means making such an appeal as required, but in no case later than 60 days from the latest denial;
- the person has furnished proof needed to obtain other income benefits, which includes, but is not limited to, Workers' Compensation Benefits;
- the person has not waived any other income benefits without Aetna's written consent; and
- the person has sent copies of the documents to Aetna showing the effective dates and the amounts of other income benefits.

In addition to the above, for purposes of Federal Social Security, when a timely application for benefits has been made and denied, a request for reconsideration must be made within 60 days after the denial, unless Aetna states, in writing, that it does not require you to do so. Also, if the reconsideration is denied, an application for a hearing before an Administrative Law Judge must be made within 60 days of that denial unless Aetna relieves you of that obligation.

Aetna also requires proof of income you receive from any occupation for compensation or profit.

You do not have to apply for:

- retirement benefits paid only on a reduced basis; or
- disability benefits under group life insurance if they would reduce the amount of group life insurance;

but, if you do apply for and receive these benefits, they will be deemed to be other income benefits for which proof is required.

If you do not furnish proof of other income benefits, Aetna reserves the right to suspend or adjust benefits by the estimated amount of such other income benefits.

7686; 7543-1

Approved Rehabilitation Program

Aetna retains the right to evaluate you for participation in an **Approved Rehabilitation Program**.

This Plan will pay for all services and supplies, approved in advance by Aetna, needed in connection with such participation; except for those for which you can otherwise receive reimbursement from any third party payor, including any governmental benefits to which you may be entitled.

During your active participation in an Aetna **Approved Rehabilitation Program**, Aetna will pay you an additional 10% of your gross monthly benefit. Not more than a maximum of \$1,000 monthly, for a one time maximum of 12 consecutive months for each period of disability will be paid.

GR-9 (866280) 96601-2

7540, 7687, 7540-1

Dependent Care Benefit

If:

- You are a participant in an approved **rehabilitation program**; and
- You have a dependent family member;
the benefit payable under this Plan may be increased as described below.

Starting after the first 6 months of a disability, due to the same or related causes, for which a monthly benefit is payable, the benefit payable will be increased by an amount equal to the new or additional amount charged by a licensed day care provider for the care of such dependent family member while you are a participant. In no event will the increase in any one month be more than:

- \$250 for each dependent family member; or
- \$1,000 for all dependents family members

Not more than 12 such increases will occur during any one disability due to the same or related causes.

During any month in which a family care benefit is payable to a person, the maximum monthly benefit for that person will be increased by the amount of the family, dependent care benefit payable for that month.

"Dependent family member" means:

- A child who is under age 13 for whom you can claim an exemption on your tax return; or
- Any person who is physically or mentally incapable of self-care and for whom you can claim an exemption on your tax return.

A "licensed day care provider" will **not** include:

- One who is a member of your immediate family; or
- One who lives in your residence.

GR-9 (866280) 96601-4

Accidental Personal Loss Indemnity Benefit

Accidental Personal Loss Indemnity Benefit

The Plan pays a monthly Accidental Personal Loss Indemnity Benefit if, while covered under the LTD Plan, you suffer an accidental **injury** and, within 180 days of the accident and as a direct result of the injury, you lose:

- A hand, by actual severance at or above the wrist joint.
- A foot by actual severance at or above the ankle joint.
- An arm, by actual severance at or above the elbow joint.
- A leg, by actual severance at or above the knee joint.
- An eye, involving irrecoverable and complete loss of sight in the eye.
- Your speech or hearing that is total and deemed permanent. A total loss of speech or hearing will be deemed permanent if the loss has been present for 12 consecutive months, unless an attending **physician** states otherwise.

The Accidental Personal Loss Indemnity Benefit is payable in addition to the LTD Monthly Benefit.

The monthly amount of the Accidental Personal Loss Indemnity Benefit is the lesser of:

- the Scheduled Monthly Benefit; and
- the Maximum Monthly Benefit

as shown in the Booklet-Certificate's *Schedule of Benefits*.

This benefit is not reduced by any "other income benefits" or subject to any other benefit adjustments applicable under the Plan.

The monthly Accidental Personal Loss Indemnity Benefit is payable, after the Elimination Period of 60 days ends, for the number of months shown in the following Schedule. No benefits accrue or are payable during the Elimination Period.

Schedule of Accidental Personal Loss Indemnity Benefit	
<u>For Loss of:</u>	<u>Number of Indemnity Payments</u>
Both hands	46 Months
Both feet	46 Months
Entire sight of both eyes	46 Months
Hearing in both ears	46 Months
Speech	46 Months
One hand and one foot	46 Months
One hand and entire sight of one eye	46 Months
One foot and entire sight of one eye	46 Months
One arm	35 Months
One leg	35 months
One hand	23 months
One foot	23 months
Entire sight of one eye	15 months
Hearing in one ear	15 months
Thumb and index finger of either hand	12 Months

If more than one loss results from any one **injury**, the number of indemnity payments will be limited to those of the loss for which the greatest number of monthly payments is provided.

Your disability is deemed to continue while the Accidental Personal Loss Indemnity Benefit is payable. If after the total number of monthly indemnity benefits payments have been made, you meet the LTD Test of Disability under the terms of the LTD Plan, the LTD Monthly Benefit is payable subject to any remaining Maximum Duration period shown in the *Schedule of Benefits*. All other provisions of the Booklet- Certificate will apply. If after the total number of monthly indemnity benefits have been made, you do not meet the LTD Test of Disability under the terms of the LTD Plan, your disability benefit eligibility will end.

If death occurs after the Accidental Personal Loss Indemnity Benefit is payable, but before the total number of monthly benefits have been paid, the remaining monthly indemnity benefit payments will be paid, in a single sum, to your estate. However, **Aetna** may, at its option, pay the balance of such indemnity benefit to any one or more of the following of your surviving relatives: wife; husband; **domestic partner**; mother; father; child; or children. Any amount so paid will discharge **Aetna's** obligation with respect to the amount of indemnity benefit so paid.

GR-9 (866280) 96601-1

Exclusions

Long Term Disability Coverage does not cover any disability that:

- is due to intentionally self-inflicted **injury** (while sane or insane).
- results from your commission of, or attempting to commit, an assault, battery, or felony.
- is due to war or any act of war (declared or not declared).
- is due to: insurrection; rebellion; or taking part in a riot or civil commotion.

On any day during a period of disability that a person is confined in a penal or correctional institution for conviction of a criminal or other public offense:

- the person will not be deemed to be disabled; and
- no benefits will be payable.

Pre-existing Conditions

Long Term Disability Coverage does not cover any disability that starts during the first 12 months of your current Long Term Disability Coverage, if it is caused or contributed to by a "pre-existing condition."

A disease or **injury** is a pre-existing condition if, during the 3 months before the date you last became covered:

- it was diagnosed or treated; or
- services were received for the disease or **injury**; or
- you took drugs or medicines prescribed or recommended by a **physician** for that condition.

General Information About Your Coverage

(including information about Termination of Coverage and the Effect of Prior Coverage)

Termination of Coverage

Coverage under this Plan terminates at the first to occur of:

- When employment ceases.
- When the group contract terminates as to the coverage.
- When you are no longer in an Eligible Class. (This may apply to all or part of your coverage.)
- When you fail to make any required contribution.

Ceasing active work will be deemed to be cessation of employment. If you are not at work due to one of the following, employment may be deemed to continue up to the limits shown below.

If you are not at work due to disease or **injury**, your employment may be continued until stopped by your Employer, but not beyond 12 months from the start of the absence.

If you are not at work due to temporary lay-off, your employment will be deemed to cease on your last full day of active work before the start of the lay-off.

If you are not at work due to an approved leave of absence other than medical, your employment may be continued until end of the month following the date of the approved leave.

If you are not at work due to medical leave of absence, your employment may be continued until stopped by your Employer, but not beyond 6 months from the start of the absence-

If you are not actively at work due to military leave of absence, your employment may be continued until stopped by your Employer, but not beyond 24 months from the start of the absence.

In figuring when employment will stop for the purposes of termination of any coverage, Aetna will rely upon your Employer to notify Aetna. This can be done by telling Aetna or by stopping premium payments. Your employment may be deemed to continue beyond any limits shown above if Aetna and your Employer so agree in writing

Benefits May Continue After Termination

If your coverage ceases during a period of disability which began while you had coverage, benefits will be available as long as your period of disability continues.

6080

Reinstatement of Coverage

If your coverage terminates, you may again become covered in accordance with the terms of this Plan; except that:

- If you return to active work within 6 months of the date coverage terminated, any Limitation as to a pre-existing condition will apply only to the extent it would have applied if your coverage had not terminated. Also, any period of continuous service required before your Eligibility Date will apply only to the extent it would have applied if your coverage had not terminated.
- If you return to active work between the 7th and the 24th month following the date coverage terminated, any period of continuous service required before your Eligibility Date will apply only to the extent it would have applied if coverage had not terminated.

7690

How "Prior Coverage" Affects Coverage Under This Plan

If the coverage of any person under this Plan replaces any prior coverage of the person, the following will apply.

"Prior coverage" is any plan of group long term disability coverage that has been replaced by coverage under part or all of this Plan. It must have been sponsored by your Employer who is participating in this Plan. The replacement can be complete or in part for the Eligible Class to which you belong. Any such plan is prior coverage if provided by another group insurance plan.

A person's coverage under this Plan replaces and supersedes any prior coverage. It will be in exchange for everything under such prior coverage except coverage will not be available as to a particular period of disability for which a benefit is available or would be available under the prior coverage in the absence of coverage under this Plan.

As stated earlier, this Plan has a Limitation as to a disability caused by a pre-existing condition.

However, if:

- you had prior coverage on the day before Long Term Disability Coverage took effect; and
- you became covered for this LTD Plan on the date it takes effect;

such Limitation applies only until a continuous period of coverage under the prior coverage and this LTD Plan are equal to the lesser of:

- 12 months; and
- any period of limitation as to a pre-existing condition remaining under the prior coverage.

Where the Limitation no longer applies, the amount of monthly benefit and the maximum period for which benefits will be payable, as to a period of disability caused by such pre-existing condition, will be as provided in this LTD Plan.

In no event will:

- A benefit be payable as to a period of disability caused by a pre-existing condition, if the disability is excluded by any other terms of this LTD Plan.
- A condition be considered to be a pre-existing condition under this LTD Plan if it was not a pre-existing condition under the prior coverage.

6051

Survivor Benefit

If you die while totally disabled, a single, lump sum benefit will be paid under this provision if there is an Eligible Survivor as defined below.

The benefit amount will be:

- 6 times the Monthly Benefit, not reduced by other income benefits, for which you were eligible in the full month just before the month in which you die.

If you die before you are eligible for one full Monthly Benefit, however, the benefit will be:

- 6 times the Monthly Benefit, not reduced by other income benefits for which you would have been eligible if you had not died, for the first full month after the month in which you die.

An Eligible Survivor is:

- Your legally married spouse at the date of your death.
- Your sole Domestic Partner.

- If there is no such spouse or Domestic Partner, your biological or legally adopted child who, when you die:
 - is not married; and
 - is depending mainly on you for support; and
 - is under age 26. This age limit will not apply if the child is not capable of self-sustaining employment because of mental or physical handicap which existed prior to age 26.

A Domestic Partner will be determined to be an Eligible Survivor in accordance with the rules set by your Employer.

A Domestic Partner will no longer be considered to be an Eligible Survivor as of the date of termination of the domestic partnership.

How the Survivor Benefit Will Be Paid

The benefit will be paid as soon as the necessary written proof of your death and disability status is received.

The benefit will be paid to your eligible surviving spouse or Domestic Partner, if any. Otherwise, it will be paid in equal shares to your eligible surviving children.

Aetna may pay the benefit to anyone who, in Aetna's opinion, is caring for and supporting the eligible survivor; or, if proper claim is made, Aetna may pay the benefit to an eligible survivor's legally appointed guardian or committee.

GR-9 (866280) 96601-5

7494

Assignment of Insurance

Coverage may be assigned only with the consent of Aetna.

7542

How and When To Report Your Claim

You are required to submit a claim to Aetna by following the procedure chosen by your Employer. If the procedure requires that claim forms be submitted, they may be obtained at your place of employment or from Aetna. Your claim must give proof of the nature and extent of the loss. Aetna may require copies of documents to support your claim, including data about any other income benefits. You must also provide Aetna with authorizations to allow it to investigate your claim and your eligibility for and the amount of other income benefits.

You must furnish such true and correct information as Aetna may reasonably request.

The deadline for filing a claim for benefits is 90 days after the end of the elimination period. If, through no fault of your own, you are not able to meet the deadline for filing a claim, your claim will be accepted if you file as soon as possible; but not later than 1 year after the deadline unless you are legally incapacitated. Otherwise, late claims will not be covered.

7685

How Benefits Will Be Paid

Benefits will be paid to you at the end of each calendar month during the period for which benefits are payable. Benefits for a period less than a month will be prorated. This will be done on the basis of the ratio, to 30 days, of the days of eligibility for benefits during the month.

Any unpaid balance at the end of Aetna's liability will be paid within 30 days of receipt by Aetna of the due written proof.

Aetna may pay up to \$ 1,000 of any benefit to any of your relatives whom it believes fairly entitled to it. This can be done if the benefit is payable to you and you are a minor or not able to give a valid release. It can also be done if a benefit is payable to your estate.

7543

Examinations and Evaluations

Aetna will have the right and opportunity to examine and evaluate any person who is the basis of any claim at all reasonable times while that claim is pending or payable. This will be done at Aetna's expense.

7543

Legal Action

No legal action can be brought to recover under any benefit after 3 years from the deadline for filing claims.

Aetna will not try to reduce or deny a benefit payment on the grounds that a condition existed before a person's coverage went into effect, if the loss occurs more than 2 years from the date coverage commenced. This will not apply to conditions excluded from coverage on the date of the loss.

7543

Recovery of Overpayments

If payments are made in amounts greater than the benefits that you are entitled to receive, Aetna has the right to do any one or all of the following:

- to require you to return the overpayment on request;
- to stop payment of benefits until the overpayment is recovered;
- to take any legal action needed to recover the overpayment; and
- to place a lien, if not prohibited by law, in the amount of the overpayment on the proceeds of any other income, whether on a periodic or lump sum basis.

If the overpayment:

- occurs as a result of your receipt of other income benefits for the same period for which you have received a benefit under this Plan; and
- to obtain such other income benefits, advocate or legal fees were incurred;

Aetna will exclude from the amount to be recovered, such advocate or legal fees; provided you return the overpayment to Aetna within 30 days of Aetna's written request for the overpayment. If you do not return the overpayment to Aetna within such 30 days, such fees will not be excluded; you will remain liable for repayment of the total overpaid amount.

Examples of "other income" referred to in the preceding paragraph are:

- Workers' compensation.
- Federal Social Security benefits.

7543

Contract Not a Substitute for Workers' Compensation Insurance

The group contract is not in lieu of and does not affect workers' compensation benefits. However, any workers' compensation benefits are considered other income benefits.

7693

General Provisions

The following additional provisions apply to your coverage.

You cannot receive multiple coverage under this Plan because you are connected with more than one Employer.

In the event of a misstatement of any fact affecting your coverage under this Plan, the true facts will be used to determine the coverage in force.

This document describes the main features of this Plan. Additional provisions are described elsewhere in the group contract. If you have any questions about the terms of this Plan or about the proper payment of benefits, you may obtain more information from your Employer or, if you prefer, from the Home Office of Aetna. Your Employer hopes to continue this Plan indefinitely but, as with all group plans, this Plan may be changed or discontinued with respect to all or any class of employees.

6490

Glossary

The following definitions of certain words and phrases will help you understand the benefits to which the definitions apply. Some definitions which apply only to a specific benefit appear in the benefit section. If a definition appears in a benefit section and also appears in the Glossary, the definition in the benefit section will apply in lieu of the definition in the Glossary.

Adjusted Predisability Earnings

This is your **predisability earnings** plus any increase made on each January 1, starting on the January 1 following 12 months of a period of disability. The increase on each such January 1 will be by the percentage increase in the **Consumer Price Index**, rounded to the nearest tenth; but not by more than 10%.

Approved Rehabilitation Program

This is a program of physical, mental, or vocational rehabilitation which:

- is expected to result in maximizing your employment; and
- is approved, in writing, by Aetna.

A rehabilitation program will cease to be an Approved Rehabilitation Program on the earliest to occur of:

- the date you are able to perform the material duties of your own occupation or work at any other reasonable occupation;
- the date Aetna withdraws, in writing, its approval of the program.

Consumer Price Index

The CPI-W, Consumer Price Index for Urban Wage Earners and Clerical Workers is published by the United States Department of Labor. If the CPI-W is discontinued or changed, Aetna reserves the right to use a comparable index.

Effective Treatment of Alcoholism or Drug Abuse

This means a program of alcoholism or drug abuse therapy that is prescribed and supervised by a **physician** and either:

- has a follow-up therapy program directed by a **physician** on at least a monthly basis; or
- includes meetings at least twice a month with organizations devoted to the treatment of alcoholism or drug abuse.

These are not effective treatment:

- Detoxification. This means solely treating the aftereffects of a specific episode of alcoholism or drug abuse.
- Maintenance care. This means primarily providing an environment free of alcohol or drugs.

Hospital

This is an institution that:

- mainly provides, on an inpatient basis, diagnostic and therapeutic facilities for surgical and medical diagnosis, treatment, and care of injured and sick persons; and
- is supervised by a staff of **physicians**; and
- provides 24 hour a day registered nursing (RN) service; and
- is not mainly a place for rest, for the aged, for drug addicts, for alcoholics, or a nursing home.

An institution which does not provide complete surgical services, but which meets all the other tests listed above, will also be deemed a hospital if:

- it provides services chiefly to patients all of whom have conditions related either by a medical specialty field or a specific disease category; and
- while confined, the patient is under regular therapeutic treatment by a **physician** for the **injury** or disease.

Injury

An accidental bodily injury.

Own Occupation

This is the occupation that you are routinely performing when your period of disability begins.

Physician

"Physician" means a legally qualified physician. If any part of a period of disability is caused, to any extent, by a mental condition that is described in the most current edition of the DSM, "physician" shall mean a legally qualified physician who:

- specialized in psychiatry; or
- is trained or experienced to evaluate and treat a mental condition.

If any part of a period of disability is caused, to any extent, by a condition related to alcoholism or drug abuse that is described in the most current edition of the DSM, "physician" shall mean legally qualified physician who is trained or experienced to evaluate and treat the condition.

Predisability Earnings

This is the amount of salary or wages you were receiving from an employer participating in this Plan on the day before a period of disability started, calculated on a monthly basis.

It will be figured from the rule below that applies to you.

If you are paid on an annual contract basis, your monthly salary is 1/12th of your annual contract salary.

If you are paid on an hourly basis, the calculation of your monthly wages is based on your hourly pay rate multiplied by the number of hours you are regularly scheduled to work per month; but not more than 173 hours per month.

If you do not have regular work hours, the calculation of your monthly salary or wages is based on the average number of hours you worked per month during the last 12 calendar months (or during your period of employment if fewer than 12 months); but not more than 173 hours per month.

Included in salary or wages are:

- Contributions you make through a salary reduction agreement with your Employer to any of the following:

An Internal Revenue Code (IRC) Section 125 plan for your fringe benefits.

An IRC 401(k), 403(b), or 457 deferred compensation arrangement.

An executive nonqualified deferred compensation agreement.

Not included in salary or wages are:

- Commissions
- Shift Differentials
- Awards and bonuses.
- Overtime pay.
- Contributions made by your Employer to any deferred compensation arrangement or pension plan.

A retroactive change in your rate of earnings will not result in a retroactive change in coverage.

Treatment Facility

This is an institution (or distinct part thereof) that is for the treatment of alcoholism or drug abuse and which meets fully every one of the following tests:

- It is primarily engaged in providing on a full-time inpatient basis, a program for diagnosis, evaluation, and treatment of alcoholism or drug abuse.

- It provides all medical detoxification services on the premises, 24 hours a day.
- It provides all normal infirmary-level medical services required during the treatment period, whether or not related to the alcoholism or drug abuse, on a 24 hour daily basis. Also, it provides, or has an agreement with a **hospital** in the area to provide, any other medical services that may be required during the treatment period.
- On a continuous 24 hour daily basis, it is under the supervision of a staff of **physicians**, and provides skilled nursing services by licensed nursing personnel under the direction of a full-time registered graduate nurse.
- It prepares and maintains a written individual plan of treatment for each patient based on a diagnostic assessment of the patient's medical, psychological and social needs with documentation that the plan is under the supervision of a **physician**.
- It meets any applicable licensing standards established by the jurisdiction in which it is located.

Confidentiality Notice

Aetna considers personal information to be confidential and has policies and procedures in place to protect it against unlawful use and disclosure. By "personal information," we mean information that relates to a member's physical or mental health or condition, the provision of health care to the member, or payment for the provision of health care or disability or life benefits to the member. Personal information does not include publicly available information or information that is available or reported in a summarized or aggregate fashion but does not identify the member.

When necessary or appropriate for your care or treatment, the operation of our health, disability or life insurance plans, or other related activities, we use personal information internally, share it with our affiliates, and disclose it to health care providers (doctors, dentists, pharmacies, hospitals and other caregivers), payors (health care provider organizations, employers who sponsor self-funded health plans or who share responsibility for the payment of benefits, and others who may be financially responsible for payment for the services or benefits you receive under your plan), other insurers, third party administrators, vendors, consultants, government authorities, and their respective agents. These parties are required to keep personal information confidential as provided by applicable law.

Some of the ways in which personal information is used include claim payment; utilization review and management; coordination of care and benefits; preventive health, early detection, vocational rehabilitation and disease and case management; quality assessment and improvement activities; auditing and anti-fraud activities; performance measurement and outcomes assessment; health, disability and life claims analysis and reporting; health services, disability and life research; data and information systems management; compliance with legal and regulatory requirements; formulary management; litigation proceedings; transfer of policies or contracts to and from other insurers, HMOs and third party administrators; underwriting activities; and due diligence activities in connection with the purchase or sale of some or all of our business. We consider these activities key for the operation of our health, disability and life plans. To the extent permitted by law, we use and disclose personal information as provided above without member consent. However, we recognize that many members do not want to receive unsolicited marketing materials unrelated to their health, disability and life benefits. We do not disclose personal information for these marketing purposes unless the member consents. We also have policies addressing circumstances in which members are unable to give consent.

To obtain a copy of our Notice of Information Practices, which describes in greater detail our practices concerning use and disclosure of personal information, please call 1-866-825-6944 or visit our Internet site at www.aetna.com.

Continuation of Coverage During an Approved Leave of Absence Granted to Comply With Federal Law

This continuation of coverage section applies only for the period of any approved family or medical leave (approved FMLA leave) required by Family and Medical Leave Act of 1993 (FMLA). If your Employer grants you an approved FMLA leave for a period in excess of the period required by FMLA, any continuation of coverage during that excess period will be subject to prior written agreement between Aetna and your Employer.

If your Employer grants you an approved FMLA leave in accordance with FMLA, your Employer may allow you to continue coverage for which you are covered under the group contract on the day before the approved FMLA leave starts.

At the time you request the leave, you must agree to make any contributions required by your Employer to continue coverage. Your Employer must continue to make premium payments.

Coverage will not be continued beyond the first to occur of:

- The date you are required to make any contribution and you fail to do so.
- The date your Employer determines your approved FMLA leave is terminated.
- The date the coverage involved discontinues as to your eligible class.

If you return to work for your Employer following the date your Employer determines the approved FMLA leave is terminated, your coverage under the group contract will be in force as though you had continued in active employment rather than going on an approved FMLA leave provided you make request for such coverage within 31 days of the date your Employer determines the approved FMLA leave to be terminated. If you do not make such request within 31 days, coverage will again be effective under the group contract only if and when Aetna gives its written consent.

Claim Procedures

Your booklet-certificate contains information on reporting claims. Claim forms may be obtained at your place of employment. These forms tell you how and when to file a claim.

Note: If applicable state law requires the Plan to take action on a claim or appeal within a shorter timeframe, the shorter period will apply.

Filing Disability Claims under the Plan

You may file claims for Plan benefits, and appeal adverse claim decisions, either yourself or through an authorized representative.

An “authorized representative” means a person you authorize, in writing, to act on your behalf. The Plan will also recognize a court order giving a person authority to submit claims on your behalf.

You will be notified of an adverse benefit determination not later than 45 days after receipt of the claim. This time period may be extended up to an additional 30 days due to circumstances outside the Plan's control. In that case, you will be notified of the extension before the end of the initial 45 day period. If a decision cannot be made within this 30 day extension period due to circumstances outside the Plan's control, the time period may be extended up to an additional 30 days, in which case you will be notified before the end of the first 30 day extension period. The notice of extension will explain the standards on which entitlement to a benefit are based, the unresolved issues that prevent a decision, and the additional information needed to resolve those issues. You will be given at least 45 days after receiving the notice to furnish that information.

Filing of an Appeal of an Adverse Benefit Determination for a Disability Claim

You will have 180 days following receipt of an adverse benefit decision to appeal the decision. You will ordinarily be notified of the decision not later than 45 days after the appeal is received. If special circumstances require an extension of time of up to an additional 45 days, you will be notified of such extension during the 45 days following receipt of your request. The notice will indicate the special circumstances requiring an extension and the date by which a decision is expected.

You may submit written comments, documents, records, and other information relating to your claim, whether or not the comments, documents, records, or information were submitted in connection with the initial claim. You may also request that the Plan provide you, free of charge, copies of all documents, records, and other information relevant to the claim.

Aetna Life Insurance Company

Hartford, Connecticut 06156

Amendment

Policyholder: California Institute of Technology

Group Policy No.: 866280-GID

Effective Date: January 1, 2014

Issue Date: December 1, 2015

Rider: CA Settlement Agreement LTD Rider

For: Long Term Disability - Core and Buy-Up Plan - Staff and Temporary Employees

The group policy specified above has been amended. The following summarizes the changes in the group policy, and the Certificate of Insurance describing the policy terms is amended accordingly. This amendment is effective on the date shown above.

1) The **BENEFIT REDUCTIONS WHILE DISABLED AND WORKING** provision (or any other similarly named provision) shown in your *Summary of Coverage* is amended to read as follows:

Benefit Reductions While Disabled and Working

If, while monthly benefits are payable, you have income from:

- your employer; or
- any other employer for whom you began working after the date a period of disability started, as described in the provisions below;

which is more than 20% of your adjusted predisability earnings; the monthly benefit will be adjusted as follows:

During the first 24 months that you have such income, the monthly benefit will be reduced only to the extent the sum of the amount of that income and the monthly benefit payable, without any reduction for other income benefits, exceeds 100% of your adjusted predisability earnings.

Thereafter, the monthly benefit will be reduced by 50% of such income from any employer, or from any occupation for compensation or profit.

Income means income you earn, while disabled and working, from your Employer and from any other employer for whom you began working after the date a period of disability started.

2) The **GENERAL** section shown in your *Summary of Coverage* is amended as shown below:

General

This Summary of Coverage replaces any Summary of Coverage previously in effect under the group contract. Requests for amounts of coverage other than those to which you are entitled in accordance with this Summary of Coverage cannot be accepted.

The insurance described in this Booklet-Certificate will be provided under Aetna Life Insurance Company policy form GR-29.

This Summary of Coverage is part of your Booklet-Certificate, and should be kept with your Booklet-Certificate. Coverage is underwritten by Aetna Life Insurance Company.

3) The **TEST OF DISABILITY** section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

Test of Disability

Total Disability

From the date that you first become disabled and until Monthly Benefits are payable for 24 months, you will be deemed to be totally disabled on any day if, as a result of a disease or **injury**, you are unable to perform with reasonable continuity the **substantial and material acts** necessary to pursue your **own occupation** and you are not working in your **own occupation**.

After the first 24 months that any Monthly Benefit is payable during a period of disability, you will be deemed to be totally disabled on any day if, as a result of a disease or **injury**, you are not able to engage with reasonable continuity in any occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity that exists within any of the following locations:

- a reasonable distance or travel time from your residence in light of the commuting practices of your community; or
- a distance or travel time equivalent to the distance or travel time you traveled to work before becoming disabled; or
- the regional labor market, if you reside or resided prior to becoming disabled in a metropolitan area.

Partial Disability

From the date that you first become disabled and until Monthly Benefits are payable for 24 months, you will be deemed to be partially disabled on any day if you are not Totally Disabled and that while actually working in your own occupation, as a result of disease or **injury** you are unable to earn 80% or more of your **adjusted predisability earnings**.

After the first 24 months that any Monthly Benefit is payable during a period of disability, you will be deemed to be partially disabled on any day if you are not Totally Disabled and that while actually working in an occupation, as a result of disease or **injury**, you are unable to engage with reasonable continuity in that or any other occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity.

The following applies to both Total Disability and Partial Disability: If your **own occupation** requires a professional or occupational license or certification of any kind, you will **not** be deemed to be disabled solely because of the loss of that license or certification.

4) The section entitled **A PERIOD OF DISABILITY** shown in your *Booklet-Certificate* is replaced in its entirety with the following:

A Period of Disability

A period of disability starts on the first day you are disabled as a direct result of a significant change in your physical or mental condition occurring while you are insured under this Plan.

Your period of disability ends on the first to occur of:

- The date you are not disabled.
- The date you fail to give proof that you are still disabled.
- The date you refuse to be examined.
- The date you cease to meet the **Care of Physician Requirement** described in the following section.
- The date you reach the expiration of the Maximum Benefit Duration shown in the Summary of Coverage.
- The date you become eligible for benefits under any other long term disability benefits plan carried or sponsored by your Employer, if such date occurs after the date the group policy terminates.
- The date you are not undergoing **effective treatment for alcoholism or drug abuse**, if your disability is caused to any extent by alcoholism or drug abuse.
- The date of your death.

Care of Physician Requirement

You must be under the care of a **physician** until such time that the care will not:

- Improve the condition(s) causing your disability; or
- Prevent a worsening of the condition(s) causing your disability.

5) The following section entitled **LIMITATIONS WHICH APPLY TO LONG TERM DISABILITY COVERAGE** has been added to your *Booklet-Certificate*:

Limitations Which Apply to Long Term Disability Coverage

A period of disability will end after 24 monthly benefits are payable if it is determined that the disability is primarily caused by:

- a Mental Health or Psychiatric condition, including physical manifestations of these conditions, but excluding those conditions with demonstrable, structural brain damage; or
- Alcohol and/or Drug Abuse.

as described in the most current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM), published by the American Psychiatric Association.

There are two exceptions to this rule which apply if you are confined as an inpatient in a **hospital** or **treatment facility** for treatment of that condition at the end of such 24 months. If the inpatient confinement lasts less than 30 days, the period of disability will cease when you are no longer confined. If the inpatient confinement lasts 30 days or more, the period of disability may continue until the date you have not been so confined for that condition for a total of 90 days during any 12 month period.

The Separate Periods of Disability section does not apply beyond 24 months to periods of disability which are subject to the above paragraph.

6) The **OTHER INCOME BENEFITS** section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

Other Income Benefits

They are:

7537

- 50% of any award received under The Jones Act, the Longshoremen's and Harbor Worker's Act or The Maritime Doctrine of Maintenance, Wages and Cure.
- Disability or retirement benefits received under the Federal Social Security Act, the Railroad Retirement Act, the Canada Pension Plan, and the Quebec Pension plan or any similar plan or act of a government.
- Temporary disability benefits received under any state or federal workers' compensation law.
- Disability benefits received under any other state or federal occupational disease law.
- Disability benefits received under any government retirement system. (e.g., CalPERS).
- Disability benefits received from any statutory disability plan.
- Disability benefits received from an accumulated sick time or salary continuation program provided they are part of an established group plan maintained by your Employer for the benefit of its employees.

- Disability benefits received under any plan or arrangement of coverage:
as a result of employment by or association with the Employer; or
as a result of membership in or association with any group, association, union or other organization:
(e.g. a retirement program, life insurance that included a disability provision, etc.).
This includes both plans that are insured and those that are not.
- Retirement benefits received under any group pension plan, but only to the extent that such benefits were paid for by an employer.
- Disability payments, less attorney's fees, that are received as compensation for lost wages which result from the act or omission of any person whose action caused your disability. These payments may be from insurance or other sources.

Other income benefits include only those that you, your dependent spouse or your other dependents received as a result of your period of disability for which benefits are payable.

IMPORTANT: PLEASE REFER TO THE “BENEFIT REDUCTIONS WHILE DISABLED AND WORKING” PROVISION IN THE SUMMARY OF COVERAGE.

7) The OTHER INCOME BENEFITS WHICH DO NOT REDUCE BENEFITS section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

Other Income Benefits Which Do Not Reduce Monthly Benefits

The amount of any retirement or disability benefits you were receiving from the following sources before the date you become disabled under this LTD Plan will not reduce your monthly benefits:

- military and other government service pensions;
- retirement benefits from a prior employer; and
- Federal Social Security Act.

Also, the amount of any income or other benefits you receive from the following sources will not reduce your monthly benefits:

- profit sharing plans;
- thrift plans;
- 401(k) plans;
- Keogh plans;
- employee stock option plans;
- tax sheltered annuity plans;
- severance pay;
- veterans' benefits for service related disabilities;
- unemployment compensation benefits;
- individual disability income policies; or
- individual retirement accounts (IRAs).

8) The HOW AETNA DETERMINES OTHER INCOME BENEFITS section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

How Aetna Determines Other Income Benefits

Lump Sum and Periodic Payments From Any Other Income Benefits:

Any lump sum or periodic other income payments that you receive will be prorated on a monthly basis over the period of time for which the payment was made. If a period of time is not indicated, Aetna will prorate the payments over a reasonable period of time, taking into account the expected length of disability benefits and other relevant factors.

Only that part of the lump sum or periodic payment that is specifically apportioned or identified as being for disability will be counted.

Any of these "Other Income Payments" that date back to a prior date may be allocated on a retroactive basis.

Estimated Payments

If other income benefits are estimated, your monthly benefit will be adjusted when we receive proof:

- of the exact amount awarded; or
- that you have pursued other income benefits with reasonable diligence.

Aetna will pay you if any underpayment in your monthly benefit results. You will have to repay Aetna if any overpayment results. When Aetna has to take legal action against you to recover any overpayment, you will also have to pay Aetna's reasonable attorney's fees and court costs, if Aetna prevails.

9) The **REQUIRED PROOF OF INCOME** section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

Required Proof of Income

You, your spouse, child, or dependent must apply for all other income benefits which you or they are, or may be, eligible to receive relative to your disability.

Aetna has the right to require proof that:

- application(s) for all applicable other income benefits have been made;
- the person has pursued the other income benefits with reasonable diligence;
- the person has furnished proof needed to obtain other income benefits;
- the person has not waived any other income benefits without Aetna's written consent; and
- the person has sent copies of the documents to Aetna showing the effective dates and the amounts of other income benefits.

Aetna also requires proof of income you receive from any occupation for compensation or profit.

You do not have to apply for:

- retirement benefits paid only on a reduced basis; or
- disability benefits under group life insurance if they would reduce the amount of group life insurance;

but, if you do apply for and receive these benefits, they will be deemed to be other income benefits for which proof is required.

If you do not furnish proof of other income benefits, Aetna reserves the right to suspend or adjust benefits by the estimated amount of such other income benefits when Aetna has both a reasonable, good faith belief that you are entitled to other income benefits and the means of reasonably estimating the amount payable.

10) The **PRE-EXISTING CONDITIONS** section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

Pre-existing Conditions

No benefit is payable for any disability that is caused by or substantially contributed to by a "pre-existing condition" or medical or surgical treatment of a "pre-existing condition" and starts before the end of the first 12 months following your effective date of coverage.

A disease or **injury** is a pre-existing condition if, during the 3 months right before your effective date of coverage:

- it was diagnosed; or
- you received medical treatment, care, or services for the disease or **injury**; or
- you took drugs or medicines prescribed or recommended by a **physician** for the disease or **injury**.

11) The **EXCLUSIONS** section shown in your *Booklet-Certificate* is replaced in its entirety with the following:

Exclusions

Long Term Disability Coverage does not cover any disability that:

- is due to intentionally self-inflicted **injury** (while sane or insane).
- results from your committing or attempting to commit, an assault, battery, or felony.
- is due to war or any act of war (declared or not declared).
- is due to: participation in insurrection; rebellion; or taking part in a riot or civil unrest.

On any day during a period of disability that a person is confined in a penal or correctional institution for conviction of a criminal or other public offense:

- the person will not be deemed to be disabled; and
- no benefits will be payable.

12) The **REPORTING OF CLAIMS SECTION** shown in your *Booklet-Certificate* is replaced in its entirety with the following:

How and When To Report Your Claim

You are required to submit a claim to Aetna by following the procedure chosen by your Employer. If the procedure requires that claim forms be submitted, they may be obtained at your place of employment or from Aetna. Your claim must give proof of the nature and extent of the loss. Aetna may require copies of documents to support your claim, including data about any other income benefits. You must also provide Aetna with authorizations to allow it to investigate your claim and your eligibility for and the amount of other income benefits.

You must furnish such true and correct information as Aetna may reasonably request.

The deadline for filing a claim for benefits is 90 days after the end of the elimination period. If, through no fault of your own, you are not able to meet the deadline for filing a claim, your claim will be accepted if you file as soon as possible; but not later than 1 year after the deadline unless you are legally incapacitated. Otherwise, late claims will not be covered.

13) The **NOTICE OF CLAIM AND CLAIM FORMS** provision shown in your *Booklet-Certificate* under the **General Information About Your Coverage** is amended to read as follows:

Notice of Claim and Claim Forms

Written notice of claim must be furnished to Aetna. This must be done within 90 days after any loss covered by the group contract occurs, or as soon after that as is possible. Notice given, at Aetna's Home Office or to one of its agents, by or for a person making claim shall be deemed to be notice of claim, as long as the facts are clear enough to identify you.

Aetna will furnish the person making claim with claim forms within 15 days of the notice of claim. If forms are not furnished to the person within 15 days, written proof of loss must still be furnished covering the occurrence, the character and the extent of the loss for which claim is made within the 90 day period specified above.

14) The following **TIME LIMIT ON CERTAIN DEFENSES** provision is added the **General Information About Your Coverage** section in your *Booklet-Certificate*:

Time Limit on Certain Defenses

After two years from the effective date of your coverage, no misstatements, except fraudulent misstatements, made by you in the application for this coverage shall be used to void the policy or to deny a claim for loss incurred or disability (as defined) commencing after the expiration of the two year period.

No claim for loss incurred or disability (as defined) commencing after two years from the date of issue of this coverage shall be reduced or denied on the ground that a disease or physical condition not excluded from coverage by name or specific description effective on the date of loss had existed prior to the effective date of this coverage.

15) The **GLOSSARY** section shown in your *Booklet-Certificate* is revised as follows:

- a. The definition of **INJURY** is replaced with the following:

Injury

Physical harm or damage to your body.

- b. The definition of **OWN OCCUPATION** is replaced with the following:

Own Occupation

Any employment, business, trade or profession and the **substantial and material acts** of the occupation you were regularly performing for your employer when your period of disability began. **Own Occupation** is not necessarily limited to the specific job you performed for your employer.

- c. The following definition of **SUBSTANTIAL AND MATERIAL ACTS** is added:

Substantial and Material Acts

The important tasks, functions and operations generally required by employers from those engaged in your **own occupation** and cannot be reasonably omitted or modified.

In determining what 'substantial and material acts' are necessary to pursue your **own occupation**, we will first look at the specific duties required by your employer. If you are unable to perform one or more of these duties with reasonable continuity, we will then determine whether those duties are customarily required of other employees engaged in your **own occupation**. If any specific, material duties required of you by your employer differ from the material duties customarily required of other employees engaged in your **own occupation**, then we will not consider those duties in determining what 'substantial and material acts' are necessary to pursue your **own occupation**.



Mark T. Bertolini
Chairman, Chief Executive Officer and President