

# Employer-paid and Employee Optional Additional Long Term Disability Insurance



## How does it work?

This coverage provides a monthly benefit if you have a covered illness or injury and you can't work for a few months — or even longer.

Your employer is providing you a base amount of coverage. You also have the opportunity to purchase additional coverage to be sure your financial needs are met.

You're generally considered disabled if you're unable to do important parts of your job — and your income suffers as a result. You can use the money however you choose. It can help you pay for your rent or mortgage, groceries, out-of-pocket medical expenses and more.

## Why is this coverage so valuable?

If you didn't get coverage when you were first eligible, you'll have to answer health questions now. If you're newly eligible, you may not have to answer health questions.

## What else is included?

### Survivor benefit

If you die while you've been disabled and receiving benefits for at least 180 days, your family could get a benefit equal to 6 months of your gross disability payment.

### Waiver of premium

If you're disabled and receiving benefit payments, Unum waives your cost until you return to work.

### Cost of Living Adjustment

Provides a Cost of Living adjustment of 3% on the first anniversary of benefit payments and each following anniversary to the end of the duration chosen (5 years).



### COVERAGE AMOUNTS

#### Employer-paid coverage

Your employer is providing a benefit of 40% of your monthly earnings to a maximum of \$10,000.

#### Employee optional additional coverage

You can elect to purchase a benefit of 60% of your monthly earnings to a maximum of \$17,500.

The monthly benefit may be reduced or offset by other sources of income. The IRS may require you to pay taxes on certain benefit payments. See your tax advisor for details.



### ELIMINATION PERIOD

#### Employer-paid and optional additional coverage:

Your elimination period is the later of 180 days or when sick leave ends.

This is the number of days that must pass after a covered illness or injury before you can begin to receive benefits.



### BENEFIT DURATION

#### Employer-paid and optional additional coverage:

You can receive benefits up to the Social Security (SS) normal retirement age.

This is the maximum length of time you can receive benefits while you're disabled.

## Exclusions and limitations

### Active employee

You are eligible for coverage if you are an active employee in the United States working a minimum of 20 hours per week. You are considered in active employment, if on the day you apply for coverage, you are being paid regularly by your employer for the required minimum hours each week and you are performing the material and substantial duties of your regular occupation.

### Delayed effective date of coverage

Insurance coverage will be delayed if you are not an active employee because of an injury, sickness, temporary layoff, or leave of absence on the date that insurance would otherwise become effective.

### Benefit Duration

The duration of your benefit payments is based on your age when your disability occurs. Your Long Term Disability benefits are payable while you continue to meet the definition of disability. Please refer to your plan document for the duration of benefits under this policy.

### Definition of disability

For the first 24 months, you are considered totally disabled when, as a result of sickness or injury, you are unable to perform with reasonable continuity the substantial and material acts necessary to pursue your usual occupation in the usual and customary way.

After benefits have been paid for 24 months of disability, you are considered totally disabled when, as a result of sickness 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.

You are considered partially disabled when you are not totally disabled and while actually working in your usual occupation, as a result of sickness or injury you are unable to earn 80% or more of your indexed monthly pre-disability earnings.

After benefits have been paid for 24 months you are considered partially disabled when you are not totally disabled and while actually working in an occupation, as a result of sickness or injury you are unable to engage with reasonable continuity in that or in 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.

You must be under the regular care of a physician in order to be considered disabled.

The loss of a professional or occupational license or certification does not, in itself, constitute disability.

“Substantial and material acts” means the important tasks, functions and operations that are generally required by employers from those engaged in your usual occupation and that cannot be reasonably omitted or modified.

‘Usual occupation’ means the substantial and material acts you are routinely performing for your employer when your disability begins.

### Pre-existing conditions

You have an excluded pre-existing condition if:

- You received medical treatment, care, or services for a diagnosed condition, or took prescribed medication for that diagnosed condition, in the 3 months immediately prior to your effective date of coverage; and
- The disability caused or substantially contributed to by the condition begins in the first 12 months after your effective date of coverage.

### Deductible sources of income

Your disability benefit may be reduced by deductible sources of income and any earnings you have while disabled. Deductible sources of income may include such items as disability income or other amounts you receive or are entitled to receive under workers’ compensation or similar occupational benefit laws; state compulsory benefit laws; automobile liability and no fault insurance; legal judgments and settlements; certain retirement plans; salary continuation or sick leave plans, if applicable; other group or association disability programs or insurance; and amounts you or your family receive or are entitled to receive from Social Security or similar governmental programs.

Here’s an example of how the benefit may be reduced by deductible sources of income:

Monthly pre-disability earnings:.....	\$3,000
Long term disability benefit percentage:.....	X 60%
Unreduced maximum benefit:.....	\$1,800
Less Social Security disability benefit per month:.....	-\$900
Less state disability income benefit per month:.....	-\$300
Monthly long term disability benefit:.....	\$600

### Exclusions and limitations

Your plan does not cover any disabilities caused by or resulting from:

- Intentionally self-inflicted injuries;
- Active participation in a riot;
- War, declared or undeclared or any act of war;
- Commission of a felony for which you have been convicted;
- Pre-existing conditions (See the disclosure section to learn more).

The loss of a professional or occupational license or certification does not, in itself, constitute disability.

The lifetime cumulative maximum benefit for all disabilities due to mental illness is 24 months. Only 24 months of benefits will be paid for any combination of such disabilities even if the disabilities are not continuous and/or are not related. Payments can continue beyond 24 months only if you are confined to a hospital or institution as a result of the disability.

### Termination of coverage

Your coverage under the policy ends on the earliest of the following:

- The date the policy or plan is cancelled
- The date you no longer are in an eligible group
- The date your eligible group is no longer covered
- The last day of the period for which you made any required contributions
- The last day you are in active employment except as provided under the covered layoff or leave of absence provision.

Unum will provide coverage for a payable claim that occurs while you are covered under the policy or plan.

Unum’s LTD contracts standardly include a provision called the Social Security Claimant Advocacy Program. With this feature, claimants can receive expert advice and assistance from us regarding their Social Security Disability claim during the application and appeal process. Social Security advocacy services are provided by GENEX Services, LLC or Brown & Brown Absence Services Group. Referral to one of our advocacy partners is determined by Unum.

Worldwide emergency travel assistance services are provided by Assist America, Inc. Work-life balance employee assistance program services are provided by HealthAdvocate. Services are available with select Unum insurance offerings. Terms and availability of service are subject to change and prior notification requirements. Service providers do not provide legal advice; please consult your attorney for guidance. Services are not valid after coverage terminates. Please contact your Unum representative for details.

This information is not intended to be a complete description of the insurance coverage available. The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. For complete details of coverage and availability, please refer to Policy Form C.FP-1 et al. or contact your Unum representative.

Underwritten by:

Unum Life Insurance Company of America, Portland, Maine

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