



September 26, 2019  
Lisa Finn, Human Resources - Benefits  
XL America, Inc.  
70 Seaview Avenue  
Stamford, CT 06902

Re: Sample Short Term Disability Program Description ("Sample PD")

Dear Lisa Finn:

It is the understanding of Metropolitan Life Insurance Company ("MetLife") that your Short Term Disability Program is not subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The enclosed information is being provided to you at your request as part of MetLife's dedication to customer service.

In accordance with your approval of the intended plan design set forth in the Cost and Benefit Summary as finalized during our implementation meeting, enclosed herein please find a sample Program Description. Please note that it is part of MetLife's standard services only to provide a sample Program Description for a customer to review with its own legal counsel to ensure consistency with the operation of the Program and consistency with any other documents under your Program. While MetLife has agreed to provide you with the sample Program Description, you as the employer are legally responsible to comply with any requirements under applicable laws and for ensuring that this sample Program Description is accurate and updated when necessary.

Finally, pursuant to the terms of the Administrative Services Agreement entered into between you and MetLife, please provide MetLife with a final version of your Program Description.

Sincerely,

Jessica Warren  
Client Service Consultant  
Employee Benefits Sales  
Metropolitan Life Insurance Company  
18210 Crane Nest Dr, Tampa, FL 33647  
Tel (800) 708-5652

Enclosure

**DRAFT SPECIMEN**

**YOUR PROGRAM DESCRIPTION**

**XL America, Inc.**

**All Full-Time and Part-Time Colleagues of the Employer**

**Disability Income Coverage: Short Term Benefits**

**Effective January 1, 2020**

**Please note that Metropolitan Life Insurance Company and its agents are not in the business of practicing law or providing legal services to group customers. This Program Description is merely a draft specimen, which You should review with Your own tax or legal advisors to ensure compliance with applicable laws prior to use. MetLife and its agents do not make any representations as to this document's compliance with applicable laws. Changes may be necessary to assure compliance with law and to assure consistency with Your specific program provisions and program administration.**

# **YOUR PROGRAM DESCRIPTION**

## **INTRODUCTION**

This Program Description describes the benefits available to you under the self-funded Disability Income Coverage: Short Term Benefits Program ("Program") of XL America, Inc. Please read this booklet carefully to become familiar with your benefits. This plan is effective as of January 1, 2020.

This is a self-funded Disability Income Coverage: Short Term Benefits Program provided by the Employer. Metropolitan Life Insurance Company ("MetLife") does not insure the benefits described in this booklet.

Claims are administered on behalf of This Program by MetLife as the Claim Administrator pursuant to the terms of an administrative service agreement.

Please note that the terms "You" and "Your" throughout this booklet refer to the employee, except where otherwise indicated. Many of the terms that are important in understanding your benefits are explained in the DEFINITIONS section.

**XL America, Inc.**

# TABLE OF CONTENTS

Section	Page
BENEFITS AT A GLANCE .....	3
DEFINITIONS .....	4
ELIGIBILITY PROVISIONS: COVERAGE FOR YOU.....	7
Eligible Classes.....	7
Date You Are Eligible for Coverage.....	7
Enrollment Process.....	7
Date Your Coverage Takes Effect.....	7
Date Your Coverage Ends.....	7
CONTINUATION OF COVERAGE.....	9
For Family And Medical Leave.....	9
At The Employer's Option.....	9
DISABILITY INCOME COVERAGE: SHORT TERM BENEFITS.....	10
DISABILITY INCOME COVERAGE: INCOME WHICH WILL REDUCE YOUR DISABILITY BENEFIT.....	11
DISABILITY INCOME COVERAGE: INCOME WHICH WILL NOT REDUCE YOUR DISABILITY BENEFIT....	13
DISABILITY INCOME COVERAGE: DATE BENEFIT PAYMENTS END.....	14
DISABILITY INCOME COVERAGE: EXCLUSIONS .....	15
GENERAL PROVISIONS.....	16
Disability Income Benefit Payments: Who This Program Will Pay.....	16
Misstatement of Age .....	16
Conformity with Law.....	16
Physical Exams.....	16
Autopsy.....	16
Overpayments for Disability Income Coverage.....	16
Lien and Repayment.....	17
SPECIAL SERVICES .....	18

## BENEFITS AT A GLANCE

This section provides You with a brief outline of Your benefits. Certain limitations and exclusions may apply to any benefit or benefit amount. It is important that You refer to the provisions contained in this Program Description for details about Your benefits.

### BENEFIT

### BENEFIT AMOUNT AND HIGHLIGHTS

#### Disability Income Coverage For You: Short Term Benefits

Weekly Benefit:

Length of Service	100% of Your Predisability Earnings Weekly Benefit, subject to the INCOME WHICH WILL REDUCE YOUR DISABILITY BENEFIT section	70% of Your Predisability Earnings Weekly Benefit, subject to the INCOME WHICH WILL REDUCE YOUR DISABILITY BENEFIT section
Less than 1 year	2 weeks	24 weeks
1 to 3 years	4 weeks	22 weeks
3 to 5 years	10 weeks	16 weeks
5 years or more	12 weeks	14 weeks

Elimination Period..... **For Injury**

- 7 days of Disability

#### **For Sickness**

- 7 days of Disability

Maximum Benefit Period..... 26 weeks

## DEFINITIONS

As used in this Program Description, the terms listed below will have the meanings set forth below. When defined terms are used in this Program Description, they will appear with initial capitalization. The plural use of a term defined in the singular will share the same meaning.

**Actively at Work or Active Work** means that You are performing all of the usual and customary duties of Your job on a Full-Time or Part-Time basis. This must be done at:

- the Employer's place of business;
- an alternate place approved by the Employer; or
- a place to which the Employer's business requires You to travel.

You will be deemed to be Actively at Work during weekends or Employer approved vacations, holidays or business closures if You were Actively at Work on the last scheduled work day preceding such time off.

**Appropriate Care and Treatment** means medical care and treatment that is:

- given by a Physician whose medical training and clinical specialty are appropriate for treating Your Disability;
- consistent in type, frequency and duration of treatment with relevant guidelines of national medical research, health care coverage organizations and governmental agencies;
- consistent with a Physician's diagnosis of Your Disability; and
- intended to maximize Your medical and functional improvement.

**Beneficiary** means the person(s) to whom benefits will be paid as determined in accordance with the section entitled GENERAL PROVISIONS.

**Claim Administrator** means Metropolitan Life Insurance Company ("MetLife"), New York, New York. The Claim Administrator does not insure the benefits described in this Program Description.

**Disabled or Disability** means that, due to Sickness or as a direct result of injury:

- You are receiving Appropriate Care and Treatment and complying with the requirements of such treatment; and
- You are unable to earn:
  - more than 80% of Your Predisability Earnings at Your Own Occupation from any employer.

## DEFINITIONS (continued)

**Elimination Period** means the period of Your Disability during which This Program does not pay benefits. The Elimination Period begins on the day You become Disabled and continues for the period shown in the BENEFITS AT A GLANCE.

**Employer** means XL America, Inc.

**Full-Time** means Active Work of at least 30 hours per week on the Policyholder's regular work schedule for the eligible class of employees to which You belong.

**Noncontributory Coverage** means coverage for which the Employer does not require You to pay any part of the cost of coverage.

**Own Occupation** means the essential functions You regularly perform that provide Your primary source of earned income.

**Part-Time** means Active Work of at least 20 hours per week but less than 30 hours per week on the Policyholder's regular work schedule for the eligible class of employees to which You belong.

**Physician** means:

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

**The term does not include:**

- You;
- Your Spouse; or
- any member of Your immediate family including Your and/or Your Spouse's:
  - parents;
  - children (natural, step or adopted);
  - siblings;
  - grandparents;
  - or grandchildren.

**Employer's Retirement Plan** means a plan which:

- provides retirement benefits to employees; and
- is funded in whole or in part by Employer contributions.

**The term does not include:**

- profit sharing plans;
- thrift or savings plans;
- non-qualified plans of deferred compensation;
- plans under IRC Section 401(k) or 457;
- individual retirement accounts (IRA);
- tax sheltered annuities (TSA) under IRC Section 403(b);
- stock ownership plans; or
- Keogh (HR-10) plans.



## DEFINITIONS (continued)

**Predisability Earnings** means gross salary or wages You were earning from the Employer as of Your last day of Active Work before Your Disability began.

**The term includes:**

- contributions You were making through a salary reduction agreement with the Employer to any of the following:
  - an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - an executive non-qualified deferred compensation arrangement; and
  - Your fringe benefits under an IRC Section 125 plan.

**The term does not include:**

- commissions;
- awards and bonuses;
- overtime pay;
- the grant, award, sale, conversion and/or exercise of shares of stock or stock options;
- the Employer's contributions on Your behalf to any deferred compensation arrangement or pension plan; or
- any other compensation from the Employer.

**Proof** means Written evidence satisfactory to the Claim Administrator that a person has satisfied the conditions and requirements for any benefit described in this Program Description. When a claim is made for any benefit described in this Program Description, Proof must establish:

- the nature and extent of the loss or condition;
- This Program's obligation to pay the claim; and
- the claimant's right to receive payment.

Proof must be provided at the claimant's expense.

**Sickness** means physical and mental illness, disease or pregnancy, including complications of pregnancy.

**Signed** means any symbol or method executed or adopted by a person with the present intention to authenticate a record, which is on or transmitted by paper or electronic media which is acceptable to the Claim Administrator, and consistent with applicable law.

**Spouse** means Your lawful spouse. Wherever the term "Spouse" appears in the Program Description it shall, unless otherwise specified, be read to include Your Domestic Partner.

**This Program** means the self-funded Disability Income Coverage: Short Term Benefits plan of the Employer.

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

**You** and **Your** mean an employee who is eligible for the benefits described in this Program Description.

## **ELIGIBILITY PROVISIONS: COVERAGE FOR YOU**

### **ELIGIBLE CLASS(ES)**

**All Full-Time and Part-Time colleagues of the Employer, excluding temporary or seasonal employees. Colleagues means all Full-Time and Part-Time employees of the Employer.**

### **DATE YOU ARE ELIGIBLE FOR COVERAGE**

You may only become eligible for the coverage available for Your eligible class as shown in the section entitled BENEFITS AT A GLANCE.

If You are in an eligible class on January 1, 2020, You will be eligible for the coverage described in this Program Description on that date.

If You enter an eligible class after January 1, 2020, You will be eligible for coverage on the date You enter that class.

### **ENROLLMENT PROCESS**

If You are eligible for coverage, You may enroll for such coverage by completing an enrollment form.

### **DATE YOUR COVERAGE TAKES EFFECT**

#### **Rules for Noncontributory Coverage**

When You complete the enrollment process for Noncontributory Coverage, such coverage will take effect on the date You become eligible, provided You are Actively at Work on that date.

If You are not Actively at Work on the date the Noncontributory Coverage would otherwise take effect, coverage will take effect on the day You resume Active Work.

### **DATE YOUR COVERAGE ENDS**

Your coverage will end on the earliest of:

1. the date This Program ends; or
2. the date coverage ends for Your class; or
3. the end of the period for which the last premium has been paid for You; or
4. the date You cease to be in an eligible class. You will cease to be in an eligible class on the date You cease Active Work in an eligible class, if You are not Disabled on that date; or
5. the date Your employment ends; or
6. the date You retire in accordance with the date Your employment ends.

#### **Reinstatement of Disability Income Coverage**

If Your coverage ends, You may become covered again as follows:

1. If Your coverage ends because:
  - You cease to be in an eligible class; or
  - Your employment ends; andYou become a member of an eligible class again, You will not have to complete a new Waiting Period or provide evidence of Your coverage eligibility.

## **ELIGIBILITY PROVISIONS: COVERAGE FOR YOU (continued)**

2. If Your coverage ends because you cease making the required contribution while on an approved Family and Medical Leave Act (FMLA) or other legally mandated leave of absence, and you become a member of an eligible class within 31 days of the earlier of:
  - The end of the period of leave You and the Employer agreed upon; or
  - The end of the eligible leave period required under the FMLA or other similar legally mandated leave of absence law,

You will not have to complete a new Waiting Period or provide evidence of Your coverage eligibility.

3. In all other cases where Your coverage ends because the required contribution for Your coverage has ceased to be paid, You will be required to provide evidence of Your coverage eligibility.

## **CONTINUATION OF COVERAGE**

### **FOR FAMILY AND MEDICAL LEAVE**

Certain leaves of absence may qualify for continuation of coverage under the Family and Medical Leave Act of 1993 (FMLA), or other legally mandated leave of absence or similar laws. Please contact the Employer for information regarding such legally mandated leave of absence laws.

### **AT THE EMPLOYER'S OPTION**

The Employer has elected to continue coverage by paying contributions for employees who are not Disabled and cease Active Work in an eligible class for any of the reasons specified below. If Your coverage is continued, coverage for Your Dependents may also be continued.

Disability Income Coverage will continue for the following periods:

1. for the period You cease Active Work in an eligible class due to injury or sickness, up to 2 years;
2. for the period You cease Active Work in an eligible class due to layoff, up to 3 months;
3. for the period You cease Active Work in an eligible class due to any other Employer approved leave of absence, up to 30 days.

For purposes of this provision, leave of absence does not include a furlough. Furlough means an employer-mandated leave of absence.

At the end of any of the continuation periods listed above, Your coverage will be affected as follows:

- if You resume Active Work in an eligible class at this time, You will continue to be covered under This Program;
- if You do not resume Active Work in an eligible class at this time, Your employment will be considered to end and Your coverage will end in accordance with the DATE YOUR COVERAGE ENDS subsection of the section entitled ELIGIBILITY PROVISIONS: COVERAGE FOR YOU.

## **DISABILITY INCOME COVERAGE: SHORT TERM BENEFITS**

If You become Disabled while covered, Proof of Disability must be sent to the Claim Administrator. When the Claim Administrator receives such Proof, the Claim Administrator will review the claim. Upon completion of its review of the Claim, the Claim Administrator will advise the Employer with respect to Your eligibility for benefits under This Program, and whether benefits are payable for the claim under the terms of This Program. The Claim Administrator will also advise the Employer on the duration of Disability.

If the Claim Administrator approves the claim, This Program will pay the Weekly Benefit up to the Maximum Benefit Period shown in the section entitled BENEFITS AT A GLANCE, subject to the Date Benefit Payments End section. If the claim is denied, the Claim Administrator will provide You with an explanation of the reasons for such denial.

To verify that You continue to be Disabled without interruption after the Claim Administrator's initial approval of the Disability claim, the Claim Administrator may periodically request that You send the Claim Administrator Proof that You continue to be Disabled. Such Proof may include physical exams, exams by independent medical examiners, in-home interviews, or functional capacity exams, as needed.

While You are Disabled, the Weekly Benefits described in this Program Description will not be affected if:

- Your coverage ends; or
- This Program is amended to change the plan of benefits for Your class.

### **BENEFIT PAYMENT**

If the Claim Administrator approves Your claim, benefits will begin to accrue on the day after the day You complete Your Elimination Period. This Program will pay the first Weekly Benefit one week after the date benefits begin to accrue. This Program will make subsequent payments weekly thereafter so long as You remain Disabled. Payment will be based on the number of days You are Disabled during each week. For any partial week of Disability, payment will be made at a daily rate of 1/5<sup>th</sup> of the Weekly Benefit payable.

This Program will pay Weekly Benefits to You. Upon notification from the Claim Administrator of the approval of Your claim, the Employer will calculate the amount of Your Weekly Benefit and make the benefit payment to You. If You die, This Program will pay the amount of any due and unpaid benefits as described in the section entitled GENERAL PROVISIONS subsection entitled Disability Income Benefit Payments: Who This Program Will Pay.

### **RECOVERY FROM A DISABILITY**

For purposes of this subsection, the term Active Work only includes those days You actually work.

The provisions of this subsection will not apply if Your coverage has ended and You are eligible for coverage under another group short term disability plan.

#### **If You Return to Active Work Before Completing Your Elimination Period**

If You return to Active Work before completing Your Elimination Period and then become Disabled, You will have to complete a new Elimination Period.

#### **If You Return to Active Work After Completing Your Elimination Period**

If You return to Active Work after You begin to receive Weekly Benefits, the Claim Administrator will consider You to have recovered from Your Disability.

If You return to Active Work for a period of 60 days or less, and then become Disabled again due to the same or related Sickness or accidental injury, the Claim Administrator will not require You to complete a new Elimination Period. For the purpose of determining Your benefits, the Claim Administrator will consider such Disability to be a part of the original Disability and will use the same Predisability Earnings and apply the same terms, provisions and conditions that were used for the original Disability.

## **DISABILITY INCOME COVERAGE: INCOME WHICH WILL REDUCE YOUR DISABILITY BENEFIT**

This Program will reduce Your Disability benefit by the amount of all Other Income. Other Income includes the following:

1. any disability or retirement benefits which You receive because of Your disability or retirement under:
  - any state, public or federal employee retirement or disability plan. You must apply for such benefits through the highest appeal level that is applicable to such benefits and available under the plan; or
  - any pension or disability plan of any other nation or political subdivision thereof.
2. any income received for disability or retirement under the Employer's Retirement Plan, to the extent that it can be attributed to the Employer's contributions;
3. any income received for disability under:
  - a group insurance policy to which the Employer has made a contribution, such as:
    - benefits for loss of time from work due to disability;
    - installment payments for permanent total disability;
  - a no-fault auto law for loss of income, excluding supplemental disability benefits;
  - a government compulsory benefit plan or program which provides payment for loss of time from Your job due to Your disability, whether such payment is made directly by the plan or program, or through a third party;
  - a self-funded plan, or other arrangement if the Employer contributes toward it or makes payroll deductions for it;
  - any sick pay, vacation pay or other salary continuation that the Employer pays to You;
  - workers' compensation or a similar law which provides periodic benefits;
  - occupational disease laws;
  - laws providing for maritime maintenance and cure.
  - any income that You receive for working while Disabled including but not limited to salary, commissions, overtime pay, bonus pay or other extra pay arrangements from any source; and
  - recovery amounts that You receive for loss of income as a result of claims against a third party by judgment, settlement or otherwise including future earnings.
4. any government compulsory paid family leave program;
5. any employer sponsored paid family leave program.

### **SINGLE SUM PAYMENT**

If You receive Other Income in the form of a single sum payment, You must, within 10 days after receipt of such payment, give Written Proof satisfactory to the Claim Administrator of:

- the amount of the single sum payment;
- the amount to be attributed to income replacement; and
- the time period for which the payment applies.

When the Claim Administrator receives such Proof, the Claim Administrator will adjust the amount of Your Disability benefit.

If the Claim Administrator does not receive the Written Proof described above, and the Claim Administrator knows the amount of the single sum payment, This Program may reduce Your Disability benefit by an amount equal to such benefit until the single sum has been exhausted.

**DISABILITY INCOME COVERAGE: INCOME WHICH WILL REDUCE YOUR DISABILITY BENEFIT  
(continued)**

If the Claim Administrator adjusts the amount of Your Disability benefit due to a single sum payment, the amount of the adjustment will not result in a benefit amount less than the minimum amount, except in the case of an Overpayment.

If You receive Other Income in the form of a single sum payment and the Claim Administrator does not receive the Written Proof described above within 10 days after You receive the single sum payment, the Claim Administrator will adjust the amount of Your Disability Benefit by the amount of such payment.

## **DISABILITY INCOME COVERAGE: INCOME WHICH WILL NOT REDUCE YOUR DISABILITY BENEFIT**

This Program will not reduce Your Disability benefit to less than the Minimum Benefit shown in the section entitled BENEFITS AT A GLANCE or by:

- cost of living adjustments that are paid under any of the above sources of Other Income;
- reasonable attorney fees included in any award or settlement.
- group credit insurance;
- mortgage disability insurance benefits;
- early retirement benefits that have not been voluntarily taken by You;
- veteran's benefits;
- individual disability income insurance policies;
- benefits received from an accelerated death benefit payment; or
- amounts rolled over to a tax qualified plan unless subsequently received by You while You are receiving benefit payments.



## **DISABILITY INCOME COVERAGE: DATE BENEFIT PAYMENTS END**

Your Disability benefit payments will end on the earliest of:

- the end of the Maximum Benefit Period;
- the date You are no longer Disabled;
- the date You die;
- the date You cease or refuse to participate in a Rehabilitation Program that the Claim Administrator requires;
- the date You fail to have a medical exam requested by the Claim Administrator as described in the Physical Exams subsection of the GENERAL PROVISIONS section;
- the date You fail to provide required Proof of continuing Disability.
- the date your employment with the Employer ends.

While You are Disabled, the benefits described in this Program Description will not be affected if:

- Your coverage ends; or
- This Program is amended to change the plan of benefits for Your class.

## **DISABILITY INCOME COVERAGE: EXCLUSIONS**

This Program will not pay for any Disability caused or contributed to by:

1. war, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act;
2. Your active participation in a riot;
3. intentionally self-inflicted injury;
4. attempted suicide; or
5. commission of or attempt to commit or taking part in a felony.

This Program will not pay Short Term Benefits for any Disability caused or contributed to by elective treatment or procedures, such as:

1. cosmetic surgery or surgical procedure that is not medically necessary;
2. sex-change surgery.

However, pregnancies and complications from any of these procedures will be treated as a Sickness.

## **GENERAL PROVISIONS**

### **Disability Income Benefit Payments: Who This Program Will Pay**

This Program will make any benefit payments during Your lifetime to You or Your legal representative. Any payment made in good faith will discharge This Program from liability to the extent of such payment.

Upon Your death, This Program will pay any amount that is or becomes due to Your designated Beneficiary. If there is no Beneficiary designated or no surviving Beneficiary at Your death, This Program will pay any benefit that is or becomes due, according to the following order:

1. Your Spouse or Domestic Partner, if alive;
2. Your unmarried child(ren) under age 25; if there is no surviving Spouse or Domestic Partner; or
3. Your estate, if there is no such surviving child.

If more than one person is eligible to receive payment, This Program will divide the benefit amount in equal shares.

Payment to a minor or incompetent will be made to such person's guardian. The term "children" or "child" includes natural and adopted children.

Any periodic payments owed to Your estate may be paid in a single sum. Any payment made in good faith will discharge This Program from liability to the extent of such payment.

### **Misstatement of Age**

If Your age is misstated, the correct age will be used to determine if coverage is in effect and, as appropriate, This Program will adjust the benefits and/or contributions.

### **Conformity with Law**

If the terms and provisions of this Program Description do not conform to any applicable law, this Program Description shall be interpreted to so conform.

### **Physical Exams**

If a claim is submitted for coverage benefits, the Claim Administrator has the right to ask the covered person to be examined by a Physician(s) of the Claim Administrator's choice as often as is reasonably necessary to process the claim. This Program will pay the cost of such exam.

### **Autopsy**

The Claim Administrator has the right to make a reasonable request for an autopsy where permitted by law. Any such request will set forth the reasons the Claim Administrator is requesting the autopsy.

### **Overpayments for Disability Income Coverage**

#### **Recovery of Overpayments**

This Program has the right to recover any amount that the Claim Administrator determines to be an overpayment.

An overpayment occurs if the Claim Administrator determines that:

- the total amount paid by This Program has on Your claim is more than the total of the benefits due to You under this Program Description; or
- payment This Program made should have been made by another group plan.

## **GENERAL PROVISIONS (continued)**

If such overpayment occurs, You have an obligation to reimburse This Program. This Program's rights and Your obligations in this regard are described in the reimbursement agreement that You are required to sign when You submit a claim for benefits under this Program Description. This agreement:

- confirms that You will reimburse This Program for all overpayments; and
- authorizes the Claim Administrator to obtain any information relating to sources of Other Income.

### **How This Program Recovers Overpayments**

This Program may recover the overpayment from You by:

- stopping or reducing any future Disability benefits, including the Minimum Benefit, payable to You or any other payee under the Disability sections of this Program Description;
- demanding an immediate refund of the overpayment from You; and
- taking legal action.

If the overpayment results from This Program having made a payment to You that should have been made under another group plan, This Program may recover such overpayment from one or more of the following:

- any other insurance company;
- any other organization; or
- any person to or for whom payment was made.

### **Lien and Repayment**

If You become Disabled and You receive Disability benefits under this Program Description and You receive payment from a third party for loss of income with respect to the same loss of income for which You received benefits under this Program Description (for example, a judgment, settlement, payment from Federal Social Security or payment pursuant to Workers' Compensation laws), You shall reimburse This Program from the proceeds of such payment up to an amount equal to the benefits paid to You under this Program Description for such Disability. Program Description's right to receive reimbursement from any such proceeds shall be a claim or lien against such proceeds and This Program's right shall provide This Program with a first priority claim or lien over any such proceeds up to the full amount of the benefits paid to You under this Program Description for such Disability. You agree to take all action necessary to enable This Program to exercise This Program rights under this provision, including, without limitation:

- notifying The Claim Administrator as soon as possible of any payment You receive or are entitled to receive from a third party for loss of income with respect to the same loss of income for which You received benefits under this Program Description;
- furnishing of documents and other information as requested by the Claim Administrator or any person working on the Claim Administrator's behalf; and
- holding in escrow, or causing Your legal representative to hold in escrow, any proceeds paid to You or any party by a third party for loss of income with respect to the same loss of income for which You received benefits under this Program Description, up to an amount equal to the benefits paid to You under this Program Description for such Disability, to be paid immediately to This Program upon Your receipt of said proceeds.

You shall cooperate and You shall cause Your legal representative to cooperate with This Program in any recovery efforts and This Program shall not interfere with Our rights under this provision. This Program's rights under this provision apply whether or not You have been or will be fully compensated by a third party for any Disability for which You received or are entitled to receive benefits under this Program Description.

## **SPECIAL SERVICES**

### **Return To Work Program**

#### **Goal of Rehabilitation**

The goal of the Claim Administrator is to focus on employees' abilities, instead of disabilities. This "abilities" philosophy is the foundation of our Return to Work Program. By focusing on what employees can do versus what they can't, the Claim Administrator can assist you in returning to work sooner than expected.

#### **Incentives For Returning To Work**

Your Disability plan is designed to provide clear advantages and financial incentives for returning to work either full-time or part-time, while still receiving a Disability benefit. In addition to financial incentives, there may be personal benefits resulting from returning to work. Many employees experience higher self-esteem and the personal satisfaction of being self-sufficient and productive once again. If it is determined that you are capable, but you do not participate in the Return to Work Program, your Disability benefits may cease.

For each week that Disability Benefits are payable, your benefits will be calculated as follows:

1. Add your Gross Disability Benefit and Disability Earnings
2. Compare the sum from 1. to your Covered Earnings.
3. If the sum from 1. exceeds 100% of your Covered Earnings, then subtract the Covered Earnings from the sum in 1.
4. Your Gross Disability Benefit will be reduced by the difference from 3., as well as by Other Income Benefits.
5. If the sum from 1. does not exceed 100% of your Covered Earnings, your Gross Disability Benefit will be reduced by the Other Income Benefits.

The Plan will, from time to time, review your status and will require satisfactory proof of earnings and continued Disability.

No Disability Benefits will be paid, and participation will end if the Plan determines you are able to work under a modified work arrangement and you refuse to do so without Good Cause.

#### **Return-to-Work Services**

As a covered employee you are automatically eligible to participate in our Return-to-Work Program. The program aims to identify the necessary training and therapy that can help you return to work. In many cases, this means helping you return to your former occupation, although rehabilitation can also lead to a new occupation which is better suited to your condition and makes the most of your abilities.

There is no additional cost to you for the services This Program provides, and they are tailored to meet your individual needs. These services include, but are not limited to, the following:

##### **1. Vocational Analyses**

Assessment and counseling to help determine how your skills and abilities can be applied to a new or a modified job with your employer.

##### **2. Labor Market Surveys**

Studies to find jobs available in your National Economy that would utilize your abilities and skills. Also identify your earning potential for a specific occupation.

##### **3. Retraining Programs**

Programs to facilitate return to your previous job, or to train you for a new job.

##### **4. Job Modifications/Accommodations**

Analyses of job demands and functions to determine what modifications may be made to maximize your employment opportunities.

This also includes changes in your job or accommodations to help you perform the previous job or a similar vocation, as required of your employer under the Americans With Disabilities Act (ADA).

## **SPECIAL SERVICES (continued)**

### **5. Job Seeking Skills and Job Placement Assistance**

Special training to identify abilities, set goals, develop resumes, polish interviewing techniques, and provide other career search assistance.

#### **Return-to-Work Program Staff**

The Case Manager handling your claim will coordinate return-to-work services. You may be referred to a clinical specialist, such as a Nurse Consultant, Psychiatric Clinical Specialist, or Vocational Rehabilitation Consultant, who has advanced training and education to help people with disabilities return to work. One of our clinical specialists will work with you directly, as well as with local support services and resources. They have returned hundreds of individuals to meaningful, gainful employment.

#### **Rehabilitation Vendor Specialists**

In many situations, the services of independent vocational rehabilitation specialists may be utilized. Services are obtained at no additional cost to you; This Program pays for all vendor services. Selecting a rehabilitation vendor is based on:

1. attending physician's evaluation and recommendations;
2. your individual vocational needs; and
3. vendor's credentials, specialty, reputation and experience.

When working with vendors, the Claim Administrator continues to collaborate with you and your doctor to develop an appropriate return-to-work plan.

### **Claim Provisions**

#### **Notice of Claim**

Written notice or any other electronic/telephonic means authorized by the Administrator must be given to the Plan within 31 days after a covered loss occurs or begins or as soon as reasonably possible. If written notice or any other electronic/telephonic means authorized by the Administrator is not given in that time, the claim will not be invalidated or reduced if it is shown that notice was given as soon as was reasonably possible.

#### **Claim Forms**

When the Plan receives written notice of claim, it will send claim forms for filing proof of loss. If claim forms are not sent within 15 days after notice is received by the Plan Administrator, the proof requirements will be met by submitting, within the time required under the "Proof of Loss" section, written proof of the nature and extent of the loss.

#### **Claimant Cooperation Provision**

Failure of a claimant to cooperate with the Plan in the administration of the claim may result in termination of the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

#### **Proof of Loss**

Written proof of loss must be given to the Plan within 90 days after the end of your Elimination Period, after the date of the loss for which a claim is made. If written proof of loss is not given in that time, the claim will not be invalidated nor reduced if it is shown that written proof of loss was given as soon as was reasonably possible. In any case, written proof must be given not more than a year after 90 days after the end of your Elimination period. If written proof of loss is provided outside of these time limits, the claim will be denied. These time limits will not apply while the person making the claim lacks legal capacity. Within 30 days of a request, written proof of continued Disability and Appropriate Care by a Physician must be given to the Plan.

#### **Time of Payment**

Disability Benefits will be paid at regular intervals of not less frequently than once a week. Any balance, unpaid at the end of any period for which the Plan is liable, will be paid at that time.

## **SPECIAL SERVICES (continued)**

### **To Whom Payable**

Disability Benefits will be paid to the Employee. If any person to whom benefits are payable is a minor or is declared by a court as incompetent or, in the opinion of the Plan, is not able to give a valid receipt, such payment will be made to his or her legal guardian. However, if no request for payment has been made by the legal guardian, the Plan, may at its option, make payment to the person or institution appearing to have assumed custody and support.

If an Employee dies while any Disability Benefits remain unpaid, the Plan may, at its option, make direct payment to any of the following living relatives of the Employee: spouse, mother, father, children, brothers or sisters; or to the executors or administrators of the Employee's estate. The Plan may reduce the amount payable by any indebtedness due.

Payment in the manner described above will release the Plan from all liability for any payment made.

### **Physical Examination and Autopsy**

The Plan, at its expense, will have the right to examine any person for whom a claim is pending as often as it may reasonably require. The Plan may, at its expense, require an autopsy unless prohibited by law.

### **Physician/Patient Relationship**

The Employee will have the right to choose any Physician who is practicing legally. The Plan will in no way disturb the Physician/patient relationship.

## **Claim Procedures**

### **What You Should Do and Expect If You Have a Claim**

When you are eligible to receive benefits under the Plan, you must request a claim form or obtain instructions for submitting your claim telephonically or electronically, from the Plan Administrator. All claims you submit must be on the claim form or in the electronic or telephonic format provided by the Plan Administrator. You must complete your claim according to directions provided by the Plan Administrator. If these forms or instructions are not available, you must provide a written statement of proof of loss. After you have completed the claim form or written statement, you must submit it to the Claim Administrator appointed by the Plan Administrator.

The Plan Administrator is the named fiduciary for adjudicating claims for benefits under the Plan, and for deciding any appeals of denied claims. The Plan Administrator shall have the authority, in its discretion, to interpret the terms of the Plan, to decide questions of eligibility for coverage or benefits under the Plan, and to make any related findings of fact. All decisions made by the Plan Administrator shall be final and binding on Participants and Beneficiaries to the full extent permitted by law.

The Plan has 45 days from the date it receives your claim to determine whether or not benefits are payable to you in accordance with the terms and provisions of the Plan. The Plan may require more time to review your claim if necessary due to circumstances beyond its control. If this should happen, the Plan must notify you in writing that its review period has been extended for up to two additional periods of 30 days. If this extension is made because you must furnish additional information, these extension periods will begin when the additional information is received. You have up to 45 days to furnish the requested information.

During the review period, the Plan may require a medical examination of the Participant, at the Plan's own expense; or additional information regarding the claim. If a medical examination is required, the Plan will notify you of the date and time of the examination and the physician's name and location. It is important that you keep any appointments made since rescheduling examinations will delay the claim process. If additional information is required, the Plan must notify you, in writing, stating the information needed and explaining why it is needed.

If your claim is approved, you will receive the appropriate benefit from the Plan.

If your claim is denied, in whole or in part, you must receive a written notice from the Plan within the review period. The written notice must include the following information:

1. The specific reason(s) the claim was denied.
2. Specific reference to the Plan provision(s) on which the denial was based.

## **SPECIAL SERVICES (continued)**

3. Any additional information required by your claim to be reconsidered, and the reason this information is necessary.
4. Identification of any internal rule, guideline or protocol relied on in making the claim decision, and an explanation of any medically-related exclusion or limitation involved in the decision.
5. A statement informing you of your right to appeal the decision, and an explanation of the appeal procedure, as outlined below.

### **Appeal Procedure for Denied Claims**

Whenever a claim is denied, you have the right to appeal the decision. You (or your duly authorized representative) must make a written statement for appeal to the Plan Administrator within 180 days from the date you receive the denial. If you do not make this request within that time, you will have waived your right to appeal.

Once your request has been received by the Plan Administrator, a prompt and complete review of your claim must take place. This review will give no deference to the original claim decision, and will not be made by the person who made the initial claim decision. During the review, you (or your duly authorized representative) have the right to review any documents that have a bearing on the claim, including the documents which establish and control the Plan. Any medical or vocational experts consulted by the Plan will be identified. You may also submit issues and comments that you feel might affect the outcome of the review.

The Plan has 45 days from the date it receives your request to review your claim and notify you of its decision. Under special circumstances, the Plan may require more time to review your claim. If this should happen, the Plan must notify you, in writing, that its review period has been extended for an additional 45 days. Once its review is complete, the Plan must notify you, in writing, of the results of the review and indicate the Plan provisions upon which it based its decision.