



## CLARK COUNTY CORRESPONDENCE

### ADDENDUM #1 – ISSUED TUESDAY, AUGUST 22, 2023

#### RFP #868 GROUP LIFE, AD&D and LONG-TERM DISABILITY INSURANCE COVERAGE

Proposers shall acknowledge receipt of the Addenda by checking the appropriate box where indicated, on Attachment "A" – Cover Sheet

Failure to do so, shall render the proposer non-responsive and therefore be rejected

**THE FOLLOWING CHANGES, ADDITIONS, AND DELETIONS TO THE CONTRACT HEREBY  
BECOME A PART OF THE CONTRACT DOCUMENTS.**

- Replace Attachment F in its entirety with the following attachment included, labeled
  - Attachment F – Addendum 1

**End of Addendum 1**



**Priscilla Ricci, C.P.P.B.  
Purchasing Agent of Record**

## STANDARD INSURANCE COMPANY

A Stock Life Insurance Company  
900 SW Fifth Avenue  
Portland, Oregon 97204-1282  
(503) 321-7000

### CERTIFICATE GROUP LIFE INSURANCE

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Policyholder:	Clark County
Policy Number:	606122-D
Effective Date:	January 1, 2003

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A Group Policy has been issued to the Policyholder. We certify that you will be insured as provided by the terms of the Group Policy. If your coverage is changed by an amendment to the Group Policy, we will provide the Policyholder with a revised Certificate or other notice to be given to you.

**This policy includes an Accelerated Benefit. Death benefits will be reduced if an Accelerated Benefit is paid. The receipt of this benefit may be taxable and may affect your eligibility for Medicaid or other government benefits or entitlements. However, if you meet the definition of "terminally ill individual" according to the Internal Revenue Code Section 101, your Accelerated Benefit may be non-taxable. You should consult your personal tax and/or legal advisor before you apply for an Accelerated Benefit.**

Possession of this Certificate does not necessarily mean you are insured. You are insured only if you meet the requirements set out in this Certificate. If the terms of the Certificate differ from the Group Policy, the terms stated in the Group Policy will govern.

"We", "us" and "our" mean Standard Insurance Company. "You" and "your" mean the Member. All other defined terms appear with the initial letter capitalized. Section headings, and references to them, appear in boldface type.



Chairman, President and CEO

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## COVERAGE FEATURES

This section contains many of the features of your group life insurance. Other provisions, including exclusions and limitations, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

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### GENERAL POLICY INFORMATION

Group Policy Number:	606122-D
Type of Insurance Provided:	
Life Insurance:	Yes
Supplemental Life Insurance:	Not applicable
Dependents Life Insurance:	Yes
Accidental Death And Dismemberment (AD&D) Insurance:	Yes
Policyholder:	Clark County
Employer(s):	Clark County Clark Regional Communications Agency Lower Columbia Fish Hatchery Board Southwest Washington Air Pollution Control Authority Southwest Washington Health District
Group Policy Effective Date:	January 1, 2003
Policy Issued in:	Washington

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### BECOMING INSURED

To become insured for Life Insurance you must: (a) Be a Member; (b) Complete your Eligibility Waiting Period; and (c) Meet the requirements in **Life Insurance** and **Active Work Provisions**. The requirements for becoming insured for coverages other than Life Insurance are set out in the text.

Definition of Member:	You are a Member if you are: <ol style="list-style-type: none"><li>1. An active employee of the Employer who is regularly working at least 20 hours each week; or</li><li>2. An active elected official of the Employer.</li></ol> You are not a Member if you are: <ol style="list-style-type: none"><li>1. A project employee, temporary or seasonal employee; or</li><li>2. A full time member of the armed forces of any country.</li></ol> An employee will not cease to be a Member solely due to a temporary Furlough/unpaid status lasting three months or less as long as there is a defined return to work date and premium payment continues.
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Class Definitions:

Class 1: Elected Officials, Management 1&2, Court Appointed, RTC-Management, CRESA-Management, SW Clean Air Agency-Management, Information Technology Guild, SW WA Regional Health, Lower Columbia Fish Recovery Board Management

Class 2: Non-represented (M3), CRESA Non-represented, RTC Non-represented, Partners in Careers, Sheriff's Administrators Association, SW Clean Air Agency Non-represented, Law Library, Lower Columbia Fish Recovery Board Non-Represented

Class 3: CRESA 911 Dispatchers Guild

Class 4: Custody Officer's Guild, Sheriff Office Support Guild, Juvenile Detention Officer's Guild, Local 11, Local 17 Appraisers, Local 17 Engineers, Local 1432, Local 307, Local 335, Local 8

Class 5: Deputy Sheriff's Guild

Eligibility Waiting Period: You are eligible on the first day of the calendar month following the date you become a Member.

Evidence Of Insurability: Required:

- a. For late application for Contributory insurance.
- b. For reinstatements if required.
- c. For Members and Dependents eligible but not insured under the Prior Plan.
- d. For any Plan 2 Life Insurance Benefit in excess of the Guarantee Issue Amount of \$100,000.
- e. For any Dependents Life Insurance Benefit in excess of the Guarantee Issue Amount of \$20,000.
- f. For becoming insured for any amount greater than the amount for which you were insured under the Prior Plan, if your insurance under the Prior Plan was limited because you did not provide evidence of insurability or because your evidence of insurability was not approved.
- g. For any increase resulting from a plan or option change you elect.

**Certain Evidence Of Insurability Requirements Will Be Waived.** Your insurance is subject to all other terms of the Group Policy.

**For A Family Status Change**

In the event of a Family Status Change certain Evidence Of Insurability requirements will be waived with respect to Plan 2 Life Insurance and Dependents Life Insurance. However, we will not waive the Evidence Of Insurability requirements if you previously submitted Evidence Of Insurability that was not approved by us, or if you previously submitted evidence of good health that was not approved by the insurer(s) of the Prior Plan or any preceding plans.



Class 2: 1 times your Annual Earnings, rounded to the next higher multiple of \$1,000, if not already a multiple of \$1,000. The maximum amount is \$50,000.

Class 3: 1 times your Annual Earnings, rounded to the next higher multiple of \$1,000, if not already a multiple of \$1,000. The maximum amount is \$50,000.

Class 4: \$25,000

Class 5: \$25,000

Plan 2 (additional): You may apply for Plan 2 Life Insurance in multiples of \$10,000, from \$10,000 to \$500,000.

The Repatriation Benefit: The expenses incurred to transport your body to a mortuary near your primary place of residence, but not to exceed \$5,000 or 10% of the Life Insurance Benefit, whichever is less.

#### Dependents Life Insurance Benefit:

For your Spouse: You may apply for Dependents Life Insurance for your Spouse in multiples of \$10,000, from \$10,000 to \$500,000.

The amount of Dependents Life Insurance for your Spouse may not exceed 100% of the amount of your combined Plan 1 and Plan 2 Life Insurance.

For your Child: You may apply for Dependents Life Insurance for your Child from one of the following options:

Option 1: \$5,000

Option 2: \$7,500

Option 3: \$10,000

The amount of Dependents Life Insurance for your Child may not exceed 50% of the amount of your combined Plan 1 and Plan 2 Life Insurance.

#### SCHEDULE OF AD&D INSURANCE

##### For you:

AD&D Insurance Benefit: The amount of your Plan 1 AD&D Insurance Benefit is equal to the amount of your Plan 1 Life Insurance Benefit. The amount payable for certain Losses is less than 100% of the AD&D Insurance Benefit. See AD&D Table Of Losses.

The amount of your Plan 2 AD&D Insurance Benefit is equal to the amount of your Plan 2 Life Insurance Benefit. The amount payable for certain Losses is less than 100% of the AD&D Insurance Benefit. See AD&D Table Of Losses.

Seat Belt Benefit: The amount of the Seat Belt Benefit is the lesser of (1) \$10,000; or (2) the amount of AD&D Insurance Benefit payable for Loss of your life.



- Career Adjustment Benefit: The tuition expenses for training incurred by your Spouse within 36 months after the date of your death, exclusive of room and board, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25% of the AD&D Insurance Benefit, whichever is less.
- Child Care Benefit: The total child care expense incurred by your Spouse within 36 months after the date of your death for all Children under age 13, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25% of the AD&D Insurance Benefit, whichever is less.
- Higher Education Benefit: The tuition expenses incurred per Child within 4 years after the date of your death, at an accredited institution of higher education, exclusive of room and board, but not to exceed \$5,000 per year, or the cumulative total of \$20,000 or 25% of the AD&D Insurance Benefit, whichever is less.
- Occupational Assault Benefit: The lesser of (1) \$25,000; or (2) 50% of the amount of the AD&D Insurance Benefit otherwise payable for the Loss.
- Public Transportation Benefit: The lesser of (1) \$200,000; or (2) 100% of the amount of the AD&D Insurance Benefit otherwise payable for the Loss of your life.

#### SCHEDULE OF AD&D INSURANCE

For your Spouse:

- Dependents AD&D Insurance Benefit: You may apply for the AD&D Insurance Benefit for your Spouse. The amount of your Dependents AD&D Insurance Benefit for your Spouse is equal to the amount of your Dependent Life Insurance Benefit for your Spouse. The amount payable for certain Losses is less than 100% of the AD&D Insurance Benefit. See AD&D Table Of Losses.

#### AD&D TABLE OF LOSSES

The amount payable is a percentage of the AD&D Insurance Benefit in effect on the date of the accident and is determined by the Loss suffered as shown in the following table:

Loss:	Percentage Payable:
a. Life	100%
b. One hand or one foot	50%
c. Sight in one eye, speech, or hearing in both ears	50%
d. Two or more of the Losses listed in b. and c. above	100%
e. Thumb and index finger of the same hand	25%*
f. Quadriplegia	100%**
g. Hemiplegia	50% **

h. Paraplegia 50% \*\*

**No more than 100% of your AD&D Insurance will be paid for all Losses resulting from one accident.**

**\* No AD&D Insurance Benefit will be paid for Loss of thumb and index finger of the same hand if an AD&D Insurance Benefit is payable for the Loss of that entire hand.**

**\*\* No AD&D Insurance Benefit will be paid for loss of a hand or foot if an AD&D Insurance Benefit is payable for Quadriplegia, Hemiplegia, or Paraplegia involving that same hand or foot.**

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## REDUCTIONS IN INSURANCE

If you reach an age shown below, the amount of insurance will be the amount determined from the Schedule Of Insurance, multiplied by the appropriate percentage below:

Plan 1 (basic) Life and AD&D Insurance:

Your insurance is not subject to reductions due to age unless your insurance is subject to termination under the **Waiver Of Premium** provision.

Plan 2 (additional) Life and AD&D Insurance:

Age of Member:	Percentage:
70 through 74	65%
75 or over	50%

Dependents Life Insurance For Your Spouse:

Age Of Member:	Percentage:
70 through 74	65%
75 or over	50%

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## OTHER BENEFITS

Waiver Of Premium: Yes

Accelerated Benefit: Yes

Insurance Eligible For  
Portability Of Insurance:

Life Insurance: Yes. The maximum amount of Life Insurance you may continue is the lesser of: (1) the amount in effect on the date your employment terminates; or (2) \$300,000. The minimum amount of Life Insurance you may continue is \$20,000.

Dependents Life Insurance:

For your Spouse: The maximum amount of Dependents Life Insurance you may continue is the lesser of: (1) the amount in effect on the date your employment terminates; or (2) \$10,000. The minimum amount of Dependents Life Insurance you may continue is \$1,000.

For each Child:

The maximum amount of Dependents Life Insurance you may continue is the lesser of: (1) the amount in effect on the date your employment terminates; or (2) \$5,000. The minimum amount of Dependents Life Insurance you may continue is \$1,000.

Portability Premium

Age-graded Rates Per Multiple Of \$1,000 Per Month

Age of Insured On Last January 1	Rate
Under 30	\$ .118
30 through 34	.125
35 through 39	.164
40 through 44	.266
45 through 49	.468
50 through 54	.721
55 through 59	1.233
60 through 64	1.471
65 through 69	2.827
70 through 74	5.089
75 through 79	7.624
80 through 89	14.088
90 or above	35.584

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#### OTHER PROVISIONS

Limits on Right To Convert if  
Group Policy terminates  
or is amended:

Minimum Time Insured: 5 years

Maximum Conversion Amount: \$2,000

Leave Of Absence Period: 60 days

Strike Continuation: Yes. The Strike Continuation premium percentage is 100% of the Premium Rate.

Annual Earnings based on: Earnings in effect on your last full day of Active Work.

Earnings Period for Commissions  
(see **Definitions**): The preceding 12 calendar months.

## **LIFE INSURANCE**

### A. Insuring Clause

If you die while insured for Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

### B. Amount Of Life Insurance

See the **Coverage Features** for the Life Insurance schedule.

### C. Changes In Life Insurance

#### 1. Increases

You must apply in writing for any elective increase in your Life Insurance.

Subject to the **Active Work Provisions**, an increase in your Life Insurance becomes effective as follows:

##### a. Increases Subject To Evidence Of Insurability

An increase in your Life Insurance subject to Evidence Of Insurability becomes effective on the date we approve your Evidence Of Insurability.

##### b. Increases Not Subject To Evidence Of Insurability

An increase in your Life Insurance not subject to Evidence Of Insurability becomes effective on:

- (i) The first day of the calendar month coinciding with or next following the date you apply for an elective increase or the date of change in your classification, age or Annual Earnings.
- (ii) The later of the date you apply or the date of the Family Status Change, if you apply within 31 days of a Family Status Change.

#### 2. Decreases

A decrease in your Life Insurance because of a change in your classification, age or Annual Earnings becomes effective on the first day of the calendar month coinciding with or next following the date of the change.

Any other decrease in your Life Insurance becomes effective on the first day of the calendar month coinciding with or next following the date the Policyholder or your Employer receives your written request for the decrease.

### D. Repatriation Benefit

The amount of the Repatriation Benefit is shown in the **Coverage Features**.

We will pay a Repatriation Benefit if all of the following requirements are met.

1. A Life Insurance Benefit is payable because of your death.
2. You die more than 200 miles from your primary place of residence.
3. Expenses are incurred to transport your body to a mortuary near your primary place of residence.

### E. When Life Insurance Becomes Effective

The **Coverage Features** states whether your Life Insurance is Contributory or Noncontributory.

Subject to the **Active Work Provisions**, your Life Insurance becomes effective as follows:

1. Life Insurance subject to Evidence Of Insurability

Life Insurance subject to Evidence Of Insurability becomes effective on the date we approve your Evidence Of Insurability.

2. Life Insurance not subject to Evidence Of Insurability

a. Noncontributory Life Insurance

Noncontributory Life Insurance not subject to Evidence Of Insurability becomes effective on the date you become eligible.

b. Contributory Life Insurance

You must apply in writing for Contributory Life Insurance and agree to pay premiums. Contributory Life Insurance not subject to Evidence Of Insurability becomes effective on:

(i) The date you become eligible if you apply on or before that date.

(ii) The date you apply if you apply within 31 days after you become eligible.

(iii) The later of the date you apply or the date of the Family Status Change, if you apply within 31 days of a Family Status Change.

Late application: Evidence Of Insurability is required if you apply more than 31 days after you become eligible.

3. Takeover Provision

a. If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Group Policy.

b. You must submit satisfactory Evidence Of Insurability to become insured for Life Insurance if you were eligible under the Prior Plan for more than 31 days but were not insured.

F. When Life Insurance Ends

Life Insurance ends automatically on the earliest of:

1. The date the last period ends for which you made a premium contribution, if your insurance is Contributory;

2. The date the Group Policy terminates;

3. The date your employment terminates; and

4. The date you cease to be a Member. However, if you cease to be a Member because you are working less than the required minimum number of hours, your Life Insurance will be continued with premium payment during the following periods, unless it ends under 1 through 3 above.

a. While your Employer is paying you at least the same Annual Earnings paid to you immediately before you ceased to be a Member.

b. While your ability to work is limited because of Sickness, Injury, or Pregnancy.

c. During the first 60 days of a temporary layoff.

d. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.

e. During any other scheduled leave of absence approved by your Employer in advance and in writing and lasting not more than the period shown in the **Coverage Features**.

## G. Reinstatement Of Life Insurance

If your Life Insurance ends, you may become insured again as a new Member. However, 1 through 4 below will apply.

1. If your Life Insurance ends because you cease to be a Member, and if you become a Member again within 90 days, the Eligibility Waiting Period will be waived.
2. If your Life Insurance ends because you fail to make a required premium contribution, you must provide Evidence Of Insurability to become insured again.
3. If you exercised your Right To Convert, you must provide Evidence Of Insurability to become insured again.
4. If your Life Insurance ends because you are on a federal or state-mandated family or medical leave of absence, and you become a Member again immediately following the period allowed, your insurance will be reinstated pursuant to the federal or state-mandated family or medical leave act or law.

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## DEPENDENTS LIFE INSURANCE

### A. Insuring Clause

If your Dependent dies while insured for Dependents Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

### B. Amount Of Dependents Life Insurance

See the **Coverage Features** for the amount of your Dependents Life Insurance.

### C. Changes In Dependents Life Insurance

#### 1. Increases

You must apply in writing for any elective increase in your Dependents Life Insurance.

Subject to the **Active Work Provisions**, an increase in your Dependents Life Insurance becomes effective as follows:

##### a. Increases Subject To Evidence Of Insurability

An increase in your Dependents Life Insurance subject to Evidence Of Insurability becomes effective on the date we approve that Dependent's Evidence Of Insurability.

##### b. Increases Not Subject To Evidence Of Insurability

An increase in your Dependents Life Insurance not subject to Evidence Of Insurability becomes effective on:

- (i) The first day of the calendar month coinciding with or next following the date you apply if you apply for an elective increase.
- (ii) The date your Life Insurance increases if your Dependents Life Insurance increases because of an increase in your Life Insurance.
- (iii) The later of the date you apply or the date of the Family Status Change, if you apply within 31 days of a Family Status Change.

#### 2. Decreases

A decrease in your Dependents Life Insurance because of a decrease in your Life Insurance becomes effective on the date your Life Insurance decreases.

D. Definitions For Dependents Life Insurance

Dependent means your Spouse or Child. Dependent does not include a person who is a full-time member of the armed forces of any country.

E. Becoming Insured For Dependents Life Insurance

1. Eligibility

You become eligible to insure your Dependents on the later of:

- a. The date your Life Insurance becomes effective; and
- b. The date you first acquire a Dependent.

A Member may not be insured as both a Member and a Dependent. A Child may not be insured by more than one Member.

2. Effective Date

The **Coverage Features** states whether your Dependents Life Insurance is Contributory or Noncontributory. Subject to the **Active Work Provisions**, your Dependents Life Insurance becomes effective as follows:

a. Dependents Life Insurance Subject To Evidence Of Insurability

Dependents Life Insurance subject to Evidence Of Insurability becomes effective on the later of:

1. The date your Life Insurance becomes effective; and
2. The first day of the calendar month coinciding with or next following the date we approve the Dependent's Evidence Of Insurability.

b. Dependents Life Insurance Not Subject To Evidence Of Insurability

1. Noncontributory Dependents Life Insurance

Noncontributory Dependents Life Insurance not subject to Evidence Of Insurability becomes effective on the later of:

- i. The date your Life Insurance becomes effective; and
- ii. The date you first acquire a Dependent.

2. Contributory Dependents Life Insurance

You must apply in writing for Contributory Dependents Life Insurance and agree to pay premiums. Contributory Dependents Life Insurance not subject to Evidence Of Insurability becomes effective on the latest of:

- i. The date your Life Insurance becomes effective if you apply on or before that date;
- ii. The date you become eligible to insure your Dependents if you apply on or before that date;
- iii. The date you apply if you apply within 31 days after you become eligible; and
- iv. The later of the date you apply or the date of the Family Status Change, if you apply within 31 days of a Family Status Change.

Late Application: Evidence Of Insurability is required for each Dependent if you apply more than 31 days after you become eligible.

c. While your Dependents Life Insurance is in effect, each new Child becomes insured immediately.

d. Takeover Provision

Each Dependent who was eligible under the Prior Plan for more than 31 days but was not insured must submit satisfactory Evidence Of Insurability to become insured for Dependents Life Insurance.

F. When Dependents Life Insurance Ends

Dependents Life Insurance ends automatically on the earliest of:

1. Five months after you die (no premiums will be charged for your Dependents Life Insurance during this time);
2. The date your Life Insurance ends;
3. The date the Group Policy terminates, or the date Dependents Life Insurance terminates under the Group Policy;
4. The date the last period ends for which you made a premium contribution, if your Dependents Life Insurance is Contributory;
5. For your Spouse, the date of your divorce or legal separation or termination of your Domestic Partner relationship;
6. For any Dependent, the last day of the calendar month in which the Dependent ceases to be a Dependent; and
7. For a Child who is Disabled, 90 days after we mail you a request for proof of Disability, if proof is not given.

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## **ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

A. Insuring Clause

If you or your Spouse have an accident, including accidental exposure to adverse conditions, while insured for AD&D Insurance, and the accident results in a Loss, we will pay benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

B. Definition Of Loss For AD&D Insurance

Loss means loss of life, hand, foot, sight, speech, hearing in both ears, thumb and index finger of the same hand and Quadriplegia, Hemiplegia or Paraplegia which meets all of the following requirements:

1. Is caused solely and directly by an accident.
2. Occurs independently of all other causes.
3. With respect to Loss of life, is evidenced by a certified copy of the death certificate.
4. With respect to all other Losses, occurs within 365 days after the accident and is certified by a Physician in the appropriate specialty as determined by us.

With respect to Loss of life, death will be presumed if you disappear and the disappearance:

1. Is caused solely and directly by an accident that reasonably could have caused Loss of life;
2. Occurs independently of all other causes; and
3. Continues for a period of 365 days after the date of the accident, despite reasonable search efforts.

With respect to a hand or foot, Loss means actual and permanent severance from the body at or



above the wrist or ankle joint, whether or not surgically reattached.

With respect to sight, Loss means entire, uncorrectable, and irrecoverable loss of sight.

With respect to speech, Loss means entire, uncorrectable, and irrecoverable loss of audible speech.

With respect to hearing, Loss means entire, uncorrectable, and irrecoverable loss of hearing in both ears.

With respect to thumb and index finger of the same hand, Loss means actual and permanent severance from the body at or above the metacarpophalangeal joints.

With respect to Quadriplegia, Hemiplegia, and Paraplegia, Loss must be permanent, complete, and irreversible.

Quadriplegia means total paralysis of both upper and lower limbs. Hemiplegia means total paralysis of the upper and lower limbs on the same side of the body. Paraplegia means total paralysis of both lower limbs.

#### C. Amount Payable

See **Coverage Features** for the AD&D Insurance schedule. The amount payable is a percentage of the AD&D Insurance Benefit in effect on the date of the accident and is determined by the Loss suffered. See AD&D Table Of Losses in the **Coverage Features**.

#### D. Changes In AD&D Insurance

Changes in your AD&D Insurance and your Spouse's AD&D Insurance will become effective on the date your Life Insurance and your Spouse's AD&D Insurance changes.

#### E. AD&D Insurance Exclusions

No AD&D Insurance benefit is payable if the accident or Loss is caused or contributed to by any of the following:

1. War or act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.
2. Suicide or other intentionally self-inflicted Injury, while sane or insane.
3. Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing your official duties.
4. The voluntary use or consumption of any poison, chemical compound, alcohol or drug, unless used or consumed according to the directions of a Physician.
5. Sickness or Pregnancy but not including complications of pregnancy, existing at the time of the accident.
6. Heart attack or stroke.
7. Medical or surgical treatment for any of the above.

#### F. Additional AD&D Benefits

##### Seat Belt Benefit

The amount of the Seat Belt Benefit is shown in the **Coverage Features**.

We will pay a Seat Belt Benefit if all of the following requirements are met:

1. You die as a result of an Automobile accident for which an AD&D Insurance Benefit is payable for Loss of your Life; and
2. You are wearing and properly utilizing a Seat Belt System at the time of the accident, as

evidenced by a police accident report.

Seat Belt System means a properly installed combination lap and shoulder restraint system that meets the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration. Seat Belt System will include a lap belt alone, but only if the Automobile did not have a combination lap and shoulder restraint system when manufactured. Seat Belt System does not include a shoulder restraint alone.

Automobile means a motor vehicle licensed for use on public highways.

#### Career Adjustment Benefit

The amount of the Career Adjustment Benefit is shown in the **Coverage Features**.

We will pay a Career Adjustment Benefit to your Spouse if all of the following requirements are met:

1. You and your Spouse are both insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Spouse is, within 36 months after the date of your death, registered and in attendance at an accredited institution of higher education or trades training program for the purpose of obtaining employment or increasing earnings.

No Career Adjustment Benefit will be paid if you have no surviving Spouse.

#### Child Care Benefit

The amount of the Child Care Benefit is shown in the **Coverage Features**.

We will pay a Child Care Benefit to your Spouse if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Spouse pays a licensed child care provider who is not a member of your family for child care provided to your Child(ren) under age 13 within 36 months of your death.
4. The child care is necessary in order for your Spouse to work or to obtain training for work or to increase earnings.

No Child Care Benefit will be paid if you have no surviving Spouse.

#### Higher Education Benefit

The amount of the Higher Education Benefit is shown in the **Coverage Features**.

We will pay a Higher Education Benefit to your Child if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Child is, within 12 months after the date of your death, registered and in full-time attendance at an accredited institution of higher education beyond high school.

The Higher Education Benefit will be paid annually to each Child who meets the requirements of item 3 above, for a maximum of 4 consecutive years beginning on the date of your death. No Higher Education Benefit will be paid if there is no Child eligible to receive it.

## Occupational Assault Benefit

The amount of the Occupational Assault Benefit is shown in the **Coverage Features**.

We will pay an Occupational Assault Benefit if all of the following requirements are met:

1. While Actively At Work you suffer a Loss for which an AD&D Insurance Benefit is payable.
2. The Loss is the result of an act of physical violence against you that is punishable by law and is evidenced by a police report.

## Public Transportation Benefit

The amount of the Public Transportation Benefit is shown in the **Coverage Features**.

We will pay a Public Transportation Benefit if all of the following requirements are met:

1. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
2. The accident occurs while you are riding as a fare-paying passenger on Public Transportation.

Public Transportation means a public passenger conveyance operated by a licensed common carrier for the transportation of the general public for a fare and operating on regular passenger routes with a definite schedule of departures and arrivals.

## G. Becoming Insured For AD&D Insurance

### 1. Eligibility

You become eligible for AD&D Insurance on the date your Life Insurance is effective.

### 2. Effective Date

The **Coverage Features** states whether AD&D Insurance is Contributory or Noncontributory. Subject to the **Active Work Provisions**, AD&D Insurance becomes effective as follows:

#### a. Noncontributory AD&D Insurance

Noncontributory AD&D Insurance becomes effective on the date you become eligible.

#### b. Contributory AD&D Insurance

You and your Spouse must apply in writing for Contributory AD&D Insurance and agree to pay premiums. Contributory AD&D Insurance becomes effective on the later of:

- (i) The date you and your Spouse become eligible if you apply on or before that date.
- (ii) The first day of the calendar month coinciding with or next following the date you apply, if you apply after you become eligible.

## H. When AD&D Insurance Ends

AD&D Insurance ends automatically on the earlier of:

1. The date your Life Insurance ends and your Spouse's Life Insurance ends.
2. The date your Waiver Of Premium begins.
3. The date AD&D Insurance terminates under the Group Policy.

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## ACTIVE WORK PROVISIONS

If you are incapable of Active Work because of Sickness, Injury or Pregnancy on the day before the scheduled effective date of your insurance or an increase in your insurance, your insurance or increase will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing the material duties of your own occupation at your Employer's usual place of business. You will also meet the Active Work requirement if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work on the day before the scheduled effective date of your insurance or increase in your insurance.

LI.AW.OT.1

## PORTABILITY OF INSURANCE

### A. Portability Of Insurance

You may continue your Insurance for up to 24 months if your employment with your Employer terminates, subject to the following:

1. The amount of any Insurance to be continued must have been continuously in effect for at least 12 consecutive months on the date your employment terminates. In computing the 12 consecutive month period, we will include time insured under the Prior Plan.
2. You must be able to perform with reasonable continuity the material duties of at least one gainful occupation for which you are reasonably fitted by education, training and experience on the date your employment terminates.
3. Termination of your employment is not due to retirement.

If you do not continue your Life Insurance, you may not continue any other Insurance. Insurance continued under Waiver Of Premium may not be continued under this provision.

Insurance means your Life Insurance and if you continue your Life Insurance, includes the other insurance eligible for portability under the provision as shown in the **Coverage Features**.

### B. Application And Premium Payment

To continue Insurance under this provision you must apply in writing and pay the first Portability Premium to us within 31 days after the date your employment terminates. The Portability Premium Rate is shown in the **Coverage Features**.

### C. Amount Of Insurance

The minimum and maximum amounts of Insurance eligible for portability are shown in the **Coverage Features**.

The amount of Insurance you continue under this provision cannot be increased.

The amount of your Insurance will be reduced or terminated according to the terms of the Group Policy in effect on the date your employment terminates,

### D. When Insurance Ends

Insurance continued under this provision ends automatically on the earliest of:

1. The date it would otherwise end under the Group Policy.
2. The end of the 24-month period during which your Insurance may be continued under this provision.
3. The date you become insured under any other group life insurance plan.
4. For any Dependent, the date you insured the Dependent under any other group life insurance plan.

#### E. Group Policy Provisions

Except as provided above, Insurance continued under this provision is subject to all other terms of the Group Policy. With respect to any notice you are required to provide to the Policyholder or your Employer under other provisions of the Group Policy, such notice must be provided to us while your Insurance is continued.

(WITH DL REF) LI.PY.OT.2

### **STRIKE CONTINUATION**

Insurance may be continued for up to 6 months while you are absent from Active Work because of a strike, lockout or other general work stoppage caused by a labor dispute. Rules 1 through 4 below will apply.

1. When your compensation is suspended or terminated because of a work stoppage, your Employer will immediately notify you in writing of your rights under this provision. Your Employer will mail the notice to you at your last address on record with the Employer.
2. You must pay the entire premium for your insurance, including the Employer's share, if any, to your Employer on or before each Premium Due Date.
3. The premiums for your insurance during the work stoppage will equal a percentage of the premium rate in effect on the date the work stoppage began (see **Coverage Features**). We may change premium rates during the work stoppage according to the terms of the Group Policy.
4. Insurance continued under this provision will end on the earliest of:
  - a. Any Premium Due Date if you fail to make the required premium contribution to your Employer on or before that date.
  - b. The date you have been absent from Active Work for 6 months.
  - c. On the date you begin full-time employment with another employer.
  - d. At our option, on any Premium Due Date if less than 75% of the Members eligible to continue insurance under this provision make the required premium payment to the Employer.

LI.SK.OT.1

### **WAIVER OF PREMIUM**

#### A. Waiver Of Premium Benefit

Insurance will be continued without payment of premiums while you are Totally Disabled if:

1. You become Totally Disabled while insured under the Group Policy and under age 60;
2. You complete your Waiting Period; and
3. You give us satisfactory Proof Of Loss.

We may have you examined at our expense at reasonable intervals. Any such examination will be conducted by specialists of our choice.

#### B. Definitions For Waiver Of Premium

1. Insurance means all your insurance under the Group Policy, except AD&D Insurance.
2. Totally Disabled means that, as a result of Sickness, accidental Injury, or Pregnancy, you are unable to perform with reasonable continuity the material duties of any gainful occupation for which you are reasonably fitted by education, training and experience.
3. Waiting Period means the 180 consecutive day period beginning on the date you become Totally Disabled. Waiver Of Premium begins when you complete the Waiting Period.

#### C. Premium Payment

Premium payment must continue until the later of:

1. The date you complete your Waiting Period; and
2. The date we approve your claim for Waiver Of Premium.

#### D. Refund Of Premiums

We will refund up to 12 months of the premiums that were paid for Insurance after the date you become Totally Disabled.

#### E. Amount Of Insurance

The amount of Insurance eligible for Waiver Of Premium is the amount in effect on the day before you become Totally Disabled. However, the following will apply:

1. Insurance will be reduced or terminated according to the Group Policy provisions in effect on the day before you become Totally Disabled.
2. If you become insured under a group life insurance plan that replaces the Group Policy while you are eligible for Waiver Of Premium, any death benefit payable under the Group Policy will be reduced by the amount payable under the replacement group life insurance plan.
3. If you receive an Accelerated Benefit, Insurance will be reduced according to the **Accelerated Benefit** provision.
4. The amount of Supplemental Life Insurance on your Spouse will be the lesser of:
  - a. The amount in effect on the day before you become Totally Disabled; and
  - b. The amount in effect one year before the date you become Totally Disabled.

#### F. Effect Of Death During The Waiting Period

If you die during the Waiting Period and are otherwise eligible for Waiver Of Premium, the Waiting Period will be waived.

#### G. Termination Or Amendment Of The Group Policy

Insurance will not be affected by termination or amendment of the Group Policy after you become Totally Disabled.

#### H. When Waiver Of Premium Ends

Waiver Of Premium ends on the earliest of:

1. The date you cease to be Totally Disabled;
2. 90 days after the date we mail you a request for additional Proof Of Loss, if it is not given;
3. The date you fail to attend an examination or cooperate with the examiner;

4. With respect to the amount of Insurance which an insured has converted, the effective date of the individual life insurance policy issued to the insured; and
5. With respect to your Supplemental Life Insurance, the date you reach age 70.

(ELIG 60\_REDUCE) LI.WP.OT.2

## **ACCELERATED BENEFIT**

### A. Accelerated Benefit

If you qualify for Waiver Of Premium and give us satisfactory proof of having a Qualifying Medical Condition while you are insured under the Group Policy, you may have the right to receive during your lifetime a portion of your Insurance as an Accelerated Benefit. You must have at least \$10,000 of Insurance in effect to be eligible.

If your Insurance is scheduled to end within 24 months following the date you apply for the Accelerated Benefit, you will not be eligible for the Accelerated Benefit.

Qualifying Medical Condition means you are terminally ill as a result of an illness or physical condition which is reasonably expected to result in death within 24 months.

We may have you examined at our expense in connection with your claim for an Accelerated Benefit. Any such examination will be conducted by one or more Physicians of our choice.

### B. Application For Accelerated Benefit

You must apply for an Accelerated Benefit. To apply you must give us satisfactory Proof Of Loss on our forms. Proof Of Loss must include a statement from a Physician that you have a Qualifying Medical Condition.

### C. Amount Of Accelerated Benefit

You may receive an Accelerated Benefit of up to 75% of your Insurance. The maximum Accelerated Benefit is \$500,000. The minimum Accelerated Benefit is \$5,000 or 10% of your Insurance, whichever is greater.

If the amount of your Insurance is scheduled to reduce within 24 months following the date you apply for the Accelerated Benefit, your Accelerated Benefit will be based on the reduced amount.

The Accelerated Benefit will be paid to you once in your lifetime in a lump sum. If you recover from your Qualifying Medical Condition after receiving an Accelerated Benefit, we will not ask you for a refund.

### D. Effect On Insurance And Other Benefits

For any purpose other than premium payment, the amount of your Insurance after payment of the Accelerated Benefit will be the greater of the amounts in (1) and (2) below; however, if you assign your rights under the Group Policy, the amount of your Insurance will be the amount in (2) below.

(1) 10% of the amount of your Insurance as if no Accelerated Benefit had been paid; or

(2) The amount of your Insurance as if no Accelerated Benefit had been paid; minus

The amount of the Accelerated Benefit; minus

An interest charge calculated as follows:

$A \text{ times } B \text{ times } C \text{ divided by } 365 = \text{interest charge.}$

A = The amount of the Accelerated Benefit.

B = The monthly average of our variable policy loan interest rate.

C = The number of days from payment of the Accelerated Benefit to the earlier of (1) the date you die, and (2) the date you have a Right To Convert.

Your AD&D Insurance, if any, is not affected by payment of the Accelerated Benefit.

#### E. Exclusions

No Accelerated Benefit will be paid if:

1. All or part of your Insurance must be paid to your Child(ren), or your Spouse or former Spouse as part of a court approved divorce decree, separate maintenance agreement, or property settlement agreement.
2. You are married and live in a community property state unless you give us a signed written consent from your Spouse.
3. You have made an assignment of all or part of your Insurance unless you give us a signed written consent from the assignee.
4. You have filed for bankruptcy, unless you give us written approval from the Bankruptcy Court for payment of the Accelerated Benefit.
5. You are required by a government agency to use the Accelerated Benefit to apply for, receive, or continue a government benefit or entitlement.
6. You have previously received an Accelerated Benefit under the Group Policy.

#### F. Definitions For Accelerated Benefit

Insurance means your Life Insurance Benefit and Supplemental Life Insurance Benefit, if any, under the Group Policy.

#### G. Resolution Of Disputes Over A Qualifying Medical Condition

Pursuant to “The Washington Regulation on Accelerated Life Insurance Benefits” (WAC 284-26-600 through WAC 284-23-730), you may have the right to mediation or binding arbitration of any dispute over whether you have incurred a Qualifying Medical Condition.

LI.AB.WA.5

## **RIGHT TO CONVERT**

#### A. Right To Convert

You may buy an individual policy of life insurance without Evidence Of Insurability if:

1. Your Insurance ends or is reduced due to a Qualifying Event; and
2. You apply in writing and pay us the first premium during the Conversion Period.

Except as limited under C. Limits On Right To Convert, the maximum amount you have a Right To Convert is the amount of your Insurance which ended.

#### B. Definitions For Right To Convert

1. Conversion Period means the 31-day period after the date of any Qualifying Event.
2. Insurance means all your insurance under the Group Policy, including insurance continued under Waiver Of Premium, but excluding AD&D Insurance.
3. Qualifying Event means termination or reduction of your Insurance for any reason except:
  - a. The Member's failure to make a required premium contribution.
  - b. Payment of an Accelerated Benefit.



4. You and your mean any person insured under the Group Policy.

C. Limits On Right To Convert

If your Insurance ends or is reduced because of termination or amendment of the Group Policy, 1 and 2 below will apply.

1. You may not convert Insurance which has been in effect for less than the Minimum Time Insured. See **Coverage Features**.
2. The maximum amount you have a Right To Convert is the lesser of:
  - a. The amount of your Insurance which ended, minus any other group life insurance for which you become eligible during the Conversion Period; and
  - b. The Maximum Conversion Amount. See **Coverage Features**.

D. The Individual Policy

You may select any form of individual life insurance policy we issue to persons of your age, except:

1. A term insurance policy;
2. A universal life policy;
3. A policy with disability, accidental death, or other additional benefits; or
4. A policy in an amount less than the minimum amount we issue for the form of life insurance you select.

The individual policy of life insurance will become effective on the day after the end of the Conversion Period. We will use our published rates for standard risks to determine the premium.

The time periods contained in the incontestability provision of the individual policy of life insurance will be credited with the last continuous period you were insured under the Group Policy.

E. Death During The Conversion Period

If you die during the Conversion Period, we will pay a death benefit equal to the maximum amount you had a Right To Convert, whether or not you applied for an individual policy. The benefit will be paid according to the **Benefit Payment And Beneficiary Provisions**.

LI.RC.WA.1

## CLAIMS

A. Filing A Claim

Claims should be filed on our forms. If we do not provide our forms within 15 days after they are requested, the claim may be submitted in a letter to us.

B. Time Limits On Filing Proof Of Loss

Proof Of Loss must be provided within 90 days after the date of the loss. If that is not possible, it must be provided as soon as reasonably possible, but not later than one year after that 90-day period.

Proof Of Loss for Waiver Of Premium must be provided within 12 months after the end of the Waiting Period. We will require further Proof Of Loss at reasonable intervals, but not more often than once a year after you have been continuously Totally Disabled for two years.

If Proof Of Loss is filed outside these time limits, the claim will be denied. These limits will not apply while the Member or Beneficiary lacks legal capacity.

### C. Proof Of Loss

Proof Of Loss means written proof that a loss occurred:

1. For which the Group Policy provides benefits;
2. Which is not subject to any exclusions; and
3. Which meets all other conditions for benefits.

Proof Of Loss includes any other information we may reasonably require in support of a claim. Proof Of Loss must be in writing and must be provided at the expense of the claimant. No benefits will be provided until we receive Proof Of Loss satisfactory to us.

### D. Investigation Of Claim

We may have you examined at our expense at reasonable intervals. Any such examination will be conducted by specialists of our choice.

We may have an autopsy performed at our expense, except where prohibited by law.

### E. Time Of Payment

We will pay benefits within 60 days after Proof Of Loss is satisfied.

### F. Notice Of Decision On Claim

We will evaluate a claim for benefits promptly after we receive it. With respect to all claims except Waiver Of Premium claims, within 90 days after we receive the claim we will send the claimant: (a) a written decision on the claim; or (b) a notice that we are extending the period to decide the claim for an additional 90 days.

With respect to Waiver Of Premium claims, within 45 days after we receive the claim we will send the claimant: (a) a written decision on the claim; or (b) a notice that we are extending the period to decide the claim for 30 days. Before the end of this extension period we will send the claimant: (a) a written decision on the Waiver Of Premium claim; or (b) a notice that we are extending the period to decide the claim for an additional 30 days. If an extension is due to the claimant's failure to provide information necessary to decide the Waiver Of Premium claim, the extended time period for deciding the claim will not begin until the claimant provides the information or otherwise responds.

If we extend the period to decide the claim, we will notify the claimant of the following: (a) the reasons for the extension; (b) when we expect to decide the claim; (c) an explanation of the standards on which entitlement to benefits is based; (d) the unresolved issues preventing a decision; and (e) any additional information we need to resolve those issues.

If we request additional information, the claimant will have 45 days to provide the information. If the claimant does not provide the requested information within 45 days, we may decide the claim based on the information we have received.

If we deny any part of the claim, we will send the claimant a written notice of denial containing:

1. The reasons for our decision.
2. Reference to the parts of the Group Policy on which our decision is based.
3. A description of any additional information needed to support the claim.
4. Information concerning the claimant's right to a review of our decision.

### G. Review Procedure

If all or part of a claim is denied, the claimant may request a review. The claimant must request a review in writing:

1. Within 180 days after receiving notice of the denial of a claim for Waiver Of Premium;
2. Within 60 days after receiving notice of the denial of any other claim.

The claimant may send us written comments or other items to support the claim. The claimant may review and receive copies of any non-privileged information that is relevant to the request for review. There will be no charge for such copies. Our review will include any written comments or other items the claimant submits to support the claim.

We will review the claim promptly after we receive the request. With respect to all claims except Waiver Of Premium claims, within 60 days after we receive the request for review we will send the claimant: (a) a written decision on review; or (b) a notice that we are extending the review period for 60 days.

With respect to Waiver Of Premium claims, within 45 days after we receive the request for review we will send the claimant: (a) a written decision on review; or (b) a notice that we are extending the review period for 45 days.

If an extension is due to the claimant's failure to provide information necessary to decide the claim on review, the extended time period for review of the claim will not begin until the claimant provides the information or otherwise responds.

If we extend the review period, we will notify the claimant of the following: (a) the reasons for the extension; (b) when we expect to decide the claim on review; and (c) any additional information we need to decide the claim.

If we request additional information, the claimant will have 45 days to provide the information. If the claimant does not provide the requested information within 45 days, we may conclude our review of the claim based on the information we have received.

With respect to Waiver Of Premium claims, the person conducting the review will be someone other than the person who denied the claim and will not be subordinate to that person. The person conducting the review will not give deference to the initial denial decision. If the denial was based on a medical judgement, the person conducting the review will consult with a qualified health care professional. This health care professional will be someone other than the person who made the original medical judgement and will not be subordinate to that person. The claimant may request the names of medical or vocational experts who provided advice to us about a claim for Waiver Of Premium.

If we deny any part of the claim on review, the claimant will receive a written notice of denial containing:

1. The reasons for our decision.
2. Reference to the parts of the Group Policy on which our decision is based.
3. Information concerning the claimant's right to receive, free of charge, copies of non-privileged documents and records relevant to the claim.

(2ND REV PUB WRDG) LI.CL.OT.5

## **ASSIGNMENT**

The rights and benefits under the Group Policy cannot be assigned.

LI.AS.OT.1

## **BENEFIT PAYMENT AND BENEFICIARY PROVISIONS**

### A. Payment Of Benefits

1. Except as provided in item 6 below, benefits payable because of your death will be paid to the Beneficiary you name. See B through E of this section.
2. AD&D Insurance benefits payable for Losses other than Loss of Life will be paid to the person who suffers the Loss for which benefits are payable. Any such benefits remaining unpaid at that person's death will be paid according to the provisions for payment of a death benefit.
3. The benefits below will be paid to you if you are living.
  - a. AD&D Insurance benefits payable because of the death of your Dependent.
  - b. Dependents Life Insurance benefits.
  - c. Supplemental Life Insurance benefits payable because of the death of your Spouse.
  - d. Accelerated Benefits.
4. Dependents Life Insurance benefits and AD&D Insurance benefits payable because of the death of your Dependent which are unpaid at your death will be paid in equal shares to the first surviving class of the classes below.
  - a. The children of the Dependent.
  - b. The parents of the Dependent.
  - c. The brothers and sisters of the Dependent.
  - d. Your estate.
5. Supplemental Life Insurance benefits payable because of the death of your Spouse which are unpaid at your death will be paid in equal shares to the first surviving class of the classes below.
  - a. The children of your Spouse.
  - b. The parents of your Spouse.
  - c. The brothers and sisters of your Spouse.
  - d. Your estate.
6. Additional Benefits will be paid as follows:

The Child Care Benefit will be paid to your surviving Spouse. No Child Care Benefit will be paid if you have no Spouse.

The Career Adjustment Benefit will be paid to your Spouse. No Career Adjustment Benefit will be paid if you have no Spouse.

The Higher Education Benefit will be paid annually to each eligible Child. No Higher Education Benefit will be paid if there is no Child eligible to receive it.

The Repatriation Benefit will be paid to the person who incurs the transportation expenses.

### B. Naming A Beneficiary

Beneficiary means a person you name to receive death benefits. You may name one or more Beneficiaries.

If you name two or more Beneficiaries in a class:

1. Two or more surviving Beneficiaries will share equally, unless you provide for unequal shares.

2. If you provide for unequal shares in a class, and two or more Beneficiaries in that class survive, we will pay each surviving Beneficiary his or her designated share. Unless you provide otherwise, we will then pay the share(s) otherwise due to any deceased Beneficiary(ies) to the surviving Beneficiaries pro rata based on the relationship that the designated percentage or fractional share of each surviving Beneficiary bears to the total shares of all surviving Beneficiaries.
3. If only one Beneficiary in a class survives, we will pay the total death benefits to that Beneficiary.

You may name or change Beneficiaries at any time without the consent of a Beneficiary.

Your Beneficiary designation must be the same for Life Insurance and AD&D Insurance death benefits. Your Beneficiary designations for Life Insurance and your Supplemental Life Insurance may be different.

You must name or change Beneficiaries in writing.

Your designation:

1. Must be dated and signed by you;
2. Must be delivered to the Policyholder or Employer during your lifetime;
3. Must relate to the insurance provided under the Group Policy; and
4. Will take effect on the date it is delivered to the Policyholder or Employer.

If we approve it, a designation, which meets the requirements of a Prior Plan, will be accepted as your Beneficiary designation under the Group Policy.

#### C. Simultaneous Death Provision

If a Beneficiary or a person in one of the classes listed in item D. No Surviving Beneficiary dies on the same day you die, or within 15 days thereafter, benefits will be paid as if that Beneficiary or person had died before you, unless Proof Of Loss with respect to your death is delivered to us before the date of the Beneficiary's death.

#### D. No Surviving Beneficiary

If you do not name a Beneficiary, or if you are not survived by one, benefits will be paid in equal shares to the first surviving class of the classes below.

1. Your Spouse. (See **Definitions**)
2. Your children.
3. Your parents.
4. Your brothers and sisters.
5. Your estate.

#### E. Methods Of Payment

Recipient means a person who is entitled to benefits under this **Benefit Payment and Beneficiary Provisions** section.

1. Lump Sum

If the amount payable to a Recipient is less than \$10,000, we will pay it in a lump sum.

2. Standard Secure Access Checking Account

If the amount payable to a Recipient is \$10,000, or more, we will deposit it into a Standard Secure Access checking account which:

- a. Bears interest;
- b. Is owned by the Recipient;
- c. Is subject to the terms and conditions of a confirmation certificate which will be given to the Recipient; and
- d. Is fully guaranteed by us.

3. Installments

Payment to a Recipient may be made in installments if:

- a. The amount payable is \$10,000 or more;
- b. The Recipient chooses; and
- c. We agree.

To the extent permitted by law, the amount payable to the Recipient will not be subject to any legal process or to the claims of any creditor or creditor's representative.

(FB\_REPAT\_WITH DEF SP\_WITH SSA) LI.BB.OT.5

### **ALLOCATION OF AUTHORITY**

Except for those functions which the Group Policy specifically reserves to the Policyholder, we have full and exclusive authority to control and manage the Group Policy, to administer claims, and to interpret the Group Policy and resolve all questions arising in the administration, interpretation, and application of the Group Policy.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Group Policy and any claim under it;
3. The right to determine:
  - a. Eligibility for insurance;
  - b. Entitlement to benefits;
  - c. Amount of benefits payable;
  - d. Sufficiency and the amount of information we may reasonably require to determine a., b., or c., above.

Subject to the review procedures of the Group Policy any decision we make in the exercise of our authority is conclusive and binding.

LI.AL.OT.1

## **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after we have been given Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The time within which Proof Of Loss is required to be given.

**LI.TL.OT.1**

## **INCONTESTABILITY PROVISIONS**

### **A. Incontestability Of Insurance**

Any statement made to obtain or to increase insurance is a representation and not a warranty.

No misrepresentation will be used to reduce or deny a claim unless:

1. The insurance would not have been approved if we had known the truth; and
2. We have given you or any other person claiming benefits a copy of the signed written instrument which contains the misrepresentation.

We will not use a misrepresentation to reduce or deny a claim after the insured's insurance has been in effect for two years during the lifetime of the insured.

### **B. Incontestability Of Group Policy**

Any statement made by the Policyholder or Employer to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder or Employer will be used to deny a claim or to deny the validity of the Group Policy unless:

1. The Group Policy would not have been issued if we had known the truth; and
2. We have given the Policyholder or Employer a copy of a written instrument signed by the Policyholder or Employer which contains the misrepresentation.

The validity of the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums.

**LI.IN.OT.2**

## **CLERICAL ERROR AND MISSTATEMENT**

### **A. Clerical Error**

Clerical error by the Policyholder, your Employer, or their respective employees or representatives will not:

1. Cause a person to become insured;
2. Invalidate insurance under the Group Policy otherwise validly in force; or
3. Continue insurance under the Group Policy otherwise validly terminated.

### **B. The Policyholder and your Employer act on their own behalf as your agent, and not as our agent.**

### **C. Misstatement Of Age**

If a person's age has been misstated, we will make an equitable adjustment of premiums, benefits, or both. The adjustment will be based on:

1. The amount of insurance based on the correct age; and
2. The difference between the premiums paid and the premiums which would have been paid if the age had been correctly stated.

LI.CE.OT.2

## TERMINATION OR AMENDMENT OF THE GROUP POLICY

The Group Policy may be terminated by us or the Policyholder according to its terms. It will terminate automatically for nonpayment of premium. The Policyholder may terminate the Group Policy in whole, and may terminate insurance for any class or group of Members, at any time by giving us written notice.

Benefits under the Group Policy are limited to its terms, including any valid amendment. No change or amendment will be valid unless it is approved in writing by one of our executive officers and given to the Policyholder for attachment to the Group Policy. If the terms of the Certificate differ from the Group Policy, the terms stated in the Group Policy will govern. The Policyholder, your Employer, and their respective employees or representatives have no right or authority to change or amend the Group Policy or to waive any of its terms or provisions without our signed written approval.

We may change the Group Policy in whole or in part when any change or clarification in law or governmental regulation affects our obligations under the Group Policy, or with the Policyholder's consent.

Any such change or amendment of the Group Policy may apply to current or future Members or to any separate classes or groups thereof.

LI.TA.OT.1

## DEFINITIONS

AD&D Insurance means accidental death and dismemberment insurance, if any, under the Group Policy.

Annual Earnings means your annual rate of earnings from your Employer. Your Annual Earnings will be based on your earnings in effect on your last full day of Active Work prior to a temporary Furlough unless a different date applies (see the **Coverage Features**).

Annual Earnings includes:

1. Contributions you make through a salary reduction agreement with your Employer to:
  - a. An Internal Revenue Code (IRC) Section 401(k), 403(b), 408(k), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. Commissions averaged over the Earnings Period shown in the **Coverage Features** or over the period of your employment if less than the Earnings Period.
3. Shift differential pay.
4. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Annual Earnings does not include:

1. Bonuses.
2. Overtime pay.



3. Your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.
4. Any other extra compensation.

Child means:

1. Your unmarried child from live birth through age 25; or
2. Your unmarried child who meets either of the following requirements:
  - a. The child is insured under the Group Policy and, on and after the date on which insurance would otherwise end because of the Child's age, is continuously Disabled.
  - b. The child was insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy and was Disabled on that day, and is continuously Disabled thereafter.

Child includes any of the following, if they otherwise meet the definition of Child:

- i. Your adopted child; or
- ii. Your stepchild and the child of your Spouse, if living in your home;

Your child is Disabled if your child is:

1. Continuously incapable of self-sustaining employment because of mental retardation or physical handicap; and
2. Chiefly dependent upon you for support and maintenance, or institutionalized because of mental retardation or physical handicap.

You must give us proof your Child is Disabled on our forms within 31 days after a) the date on which insurance would otherwise end because of the Child's age or b) the effective date of your Employer's coverage under the Group Policy if your child is Disabled on that date. At reasonable intervals thereafter, we may require further proof, and have your Child examined at our expense.

Contributory means you pay all or part of the premium for insurance.

Dependents Life Insurance means dependents life insurance, if any, under the Group Policy.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance. See **Coverage Features**.

Evidence Of Insurability means an applicant must:

1. Complete and sign our medical history statement;
2. Sign our form authorizing us to obtain information about the applicant's health;
3. Undergo a physical examination, if required by us, which may include blood testing; and
4. Provide any additional information about the applicant's insurability that we may reasonably require.

Group Policy means the group life insurance policy issued by us to the Policyholder and identified by the Group Policy Number.

Injury means an injury to your body.

Life Insurance means life insurance under the Group Policy.

L.L.C. Owner-Employee means an individual who owns an equity interest in an Employer and is actively employed in the conduct of the Employer's business.

Noncontributory means the Policyholder or Employer pays the entire premium for insurance.

P.C. Partner means the sole active employee and majority shareholder of a professional corporation in partnership with the Policyholder.

Physician means a licensed M.D. or D.O., acting within the scope of the license. Physician does not include you or your Spouse, or the brother, sister, parent or child of either you or your Spouse.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means your Employer's group life insurance plan in effect on the day before the effective date of your Employer's coverage under the Group Policy and which is replaced by the Group Policy.

Sickness means your sickness, illness, or disease.

Spouse means:

1. A person to whom you are legally married; or
2. Your Domestic Partner. Domestic Partner means an individual with whom you have completed an affidavit of declaration of domestic partnership, submitted that affidavit to the Employer; or an individual recognized as your domestic partner under applicable law.

Spouse does not include a person who is a full-time member of the armed forces of any country or a person from whom you are divorced or from whom you have terminated a Domestic Partner relationship.

Supplemental Life Insurance means supplemental life insurance, if any, under the Group Policy.

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**STANDARD INSURANCE COMPANY**

A Stock Life Insurance Company  
900 SW Fifth Avenue  
Portland, Oregon 97204-1282  
(503) 321-7000

**CERTIFICATE**  
**GROUP LONG TERM DISABILITY INSURANCE**

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Policyholder:	Clark County
Policy Number:	606122-E
Effective Date:	January 1, 2008

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A Group Policy has been issued to the Policyholder. We certify that you will be insured as provided by the terms of the Group Policy. If your coverage is changed by an amendment to the Group Policy, we will provide the Policyholder with a revised Certificate or other notice to be given to you.

Possession of this Certificate does not necessarily mean you are insured. You are insured only if you meet the requirements set out in this Certificate.

"We", "us" and "our" mean Standard Insurance Company. "You" and "your" mean the Member. All other defined terms appear with the initial letter capitalized. Section headings, and references to them, appear in boldface type.



Chairman, President and CEO

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## COVERAGE FEATURES

This section contains many of the features of your long term disability (LTD) insurance. Other provisions, including exclusions, limitations, and Deductible Income, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

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### GENERAL POLICY INFORMATION

Group Policy Number: 606122-E  
Policyholder: Clark County  
Employer(s): Clark County  
Clark Regional Communications Agency  
Lower Columbia Fish Hatchery Board  
Southwest Washington Air Pollution Control Authority  
Southwest Washington Health District  
Group Policy Effective Date: January 1, 2008  
Policy Issued in: Washington

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### BECOMING INSURED

To become insured you must: (a) Be a Member; (b) Complete your Eligibility Waiting Period; and (c) Meet the requirements in **Active Work Provisions** and **When Your Insurance Becomes Effective**.

Definition of Member: You are a Member if you are a citizen or resident of the United States or Canada and one of the following:

1. An active employee of the Employer who is regularly working at least 20 hours each week; or
2. An elected official of the Employer.

You are not a Member if you are:

1. A project employee, temporary or seasonal employee;
2. A leased employee;
3. An independent contractor; or
4. A full time member of the armed forces of any country.

An employee will not cease to be a Member solely due to a temporary Furlough/unpaid status lasting three months or less as long as there is a defined return to work date and premium payment continues.

Class Definition:

Class 1: Elected Officials, Management 1 and 2, Court Appointed, RTC-Management, CRESA-Management, SW Clean Air Agency-Management, Non-represented (M3), CRESA Non-represented, RTC Non-represented, SW Clean Air Agency Non-represented, Law Library, Lower Columbia Fish Recovery Board

Class 2:	Information Technology Guild, Local 11, Local 17 Appraisers, Local 17 Engineers, Local 1432, Local 307, Local 335, Local 8, Sheriff's Administrators Association
Class 3:	Partners in Careers, CRESA 911 Dispatchers Guild
Class 4:	Sheriff Office Support Guild
Class 5:	Corrections Deputy Guild
Class 6:	Juvenile Detention Officer's Guild
Eligibility Waiting Period:	You are eligible on the first day of the calendar month following the date you become a Member.
Evidence Of Insurability:	Required: <ul style="list-style-type: none"> <li>a. For late application for Contributory insurance.</li> <li>b. For reinstatements if required.</li> <li>c. For Members eligible but not insured under the Prior Plan.</li> <li>d. For becoming insured for any amount greater than the amount for which you were insured under the Prior Plan, if your insurance under the Prior Plan was limited because you did not provide evidence of insurability or because your evidence of insurability was not approved.</li> </ul>

**Certain Evidence Of Insurability Requirements Will Be Waived.** Your insurance is subject to all other terms of the Group Policy.

**During Your Employer's Annual Enrollment Period**

During your Employer's Annual Enrollment Period certain Evidence Of Insurability requirements will be waived with respect to Plan 2 LTD Insurance. However, we will not waive the Evidence Of Insurability requirements if you previously submitted Evidence Of Insurability that was not approved by us, or if you previously submitted evidence of good health that was not approved by the insurer(s) of the Prior Plan or any preceding plans.

If you became eligible for Plan 2 LTD Insurance after your Employer's last Annual Enrollment Period, requirement(s) a. and c. above will be waived if you apply for Plan 2 LTD Insurance during the Annual Enrollment Period.

Annual Enrollment Period means the period designated each year by your Employer when you may change insurance elections.

Evidence Of Insurability will not be required to become insured for Contributory insurance on September 1, 2013 if you apply during the open enrollment period beginning September 30, 2013 and ending October 9, 2013. However, Evidence Of Insurability will not be waived if you are not insured for Contributory coverage because you previously submitted evidence of good health that was not approved by us or by the insurer(s) of the Prior Plan or any preceding plans.

**PREMIUM CONTRIBUTIONS**

Plan 1 insurance is: Noncontributory





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## DISABILITY PROVISIONS

Own Occupation Period:	The first 24 months for which LTD Benefits are paid.
Any Occupation Period:	From the end of the Own Occupation Period to the end of the Maximum Benefit Period.
Partial Disability:	Covered
Own Occupation Income Level:	80% of your Indexed Predisability Earnings.
Any Occupation Income Level:	60% of your Indexed Predisability Earnings.

See **Definition of Disability** for more information.

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## EXCLUSIONS AND LIMITATIONS

### Exclusions:

Preexisting Condition Exclusion:	Yes
Preexisting Condition Period for Plan 1:	The 90 day period just before your insurance under Plan 1 becomes effective.
Exclusion Period for Plan 1:	12 months while insured under Plan 1
Preexisting Condition Period for Plan 2:	The 90 day period just before your insurance under Plan 2 becomes effective.
Exclusion Period for Plan 2:	12 months while insured under Plan 2

Insurance also includes War and Intentionally Self-Inflicted Injury exclusions. See **Exclusions** for an explanation of all exclusions.

### Limitations:

Mental Disorder Limitation:	Yes
Limitation Period:	24 months

Insurance also includes a Care Of A Physician limitation. See **Limitations** for an explanation of all limitations.

---

## DEDUCTIBLE INCOME

Social Security Offset:	Primary offset
Salary Continuation Offset:	Sick pay or other salary continuation paid to you by your Employer, but not including vacation pay.

See **Deductible Income** for information on these and other Deductible Income.

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## OTHER PROVISIONS

Survivors Benefit Amount:	A lump sum equal to 3 times your LTD Benefit without reduction by Deductible Income.
Estate Payment Allowed:	No
Conversion of Insurance:	No
COLA Benefit:	No
Leave Of Absence Period:	30 days
Continuity of Coverage:	Yes
Reasonable Accommodation Expense Benefit:	The expenses incurred for the reasonable accommodation or \$25,000, whichever is less.
Predisability Earnings based on:	Earnings in effect on your last full day of Active Work.

## INSURING CLAUSE

If you become Disabled while insured under the Group Policy, we will pay LTD Benefits according to the terms of the Group Policy after we receive satisfactory Proof Of Loss.

### DEFINITION OF DISABILITY

You are Disabled if you meet one of the following definitions during the period it applies:

- A. Own Occupation Definition of Disability;
- B. Any Occupation Definition of Disability; or
- C. Partial Disability Definition.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as your regular and ordinary employment with the Employer. Your Own Occupation is not limited to your job with your Employer.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation.

#### A. Own Occupation Definition Of Disability

During the Benefit Waiting Period and the Own Occupation Period you are required to be Disabled only from your Own Occupation.

You are Disabled from your Own Occupation if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of your Own Occupation.

Note: You are not Disabled merely because your right to perform your Own Occupation is restricted, including a restriction or loss of license, or because you suffer a loss of Predisability Earnings as a result of disclosure of any Physical Disease, Injury, Pregnancy or Mental Disorder.

#### B. Any Occupation Definition Of Disability

During the Any Occupation Period you are required to be Disabled from all occupations.

You are Disabled from all occupations if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of any gainful occupation for which you are reasonably fitted by education, training and experience.

#### C. Partial Disability Definition

1. During the Benefit Waiting Period and the Own Occupation Period, you are Partially Disabled when you work in your Own Occupation but, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to earn the Own Occupation Income Level or more.
2. During the Any Occupation Period, you are Partially Disabled when you work in an occupation but, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to earn the Any Occupation Income Level, or more, in that occupation and in all other occupations for which you are reasonably fitted under the Any Occupation Definition of Disability.

You may work in another occupation while you meet the Own Occupation Definition of Disability. If you are Disabled from your Own Occupation, there is no limit on your Work Earnings in another occupation. Your Work Earnings may be Deductible Income. See **Return To Work Incentive** and **Deductible Income**.

Your Any Occupation Period, Any Occupation Income Level, Own Occupation Period, and Own Occupation Income Level are shown in the **Coverage Features**.

## **RETURN TO WORK INCENTIVE**

### A. During The Benefit Waiting Period

You may serve your Benefit Waiting Period while working, if you meet either the Own Occupation Definition of Disability or the Partial Disability Definition.

### B. After The Benefit Waiting Period

You are eligible for the Return To Work Incentive on the first day you work after the Benefit Waiting Period if LTD Benefits are payable on that date. The Return To Work Incentive changes 12 months after that date, as follows:

1. During the first 12 months, your Work Earnings will be Deductible Income as determined below:
  - a. Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your Work Earnings to that amount.
  - b. Determine 100% of your Indexed Predisability Earnings.
  - c. If a. is greater than b., the difference will be Deductible Income.
2. After those first 12 months, 50% of your Work Earnings will be Deductible Income.

Work Earnings means your gross monthly earnings from work you perform while Disabled, including earnings from your Employer, any other employer, or self-employment. Your earnings will be included in Work Earnings when you have the right to receive them. If you are paid in a lump sum or on a basis other than monthly, we will prorate your Work Earnings over the period of time to which they apply. If no period of time is stated, we will use a reasonable one. Work Earnings will not include any renewal commissions, overwriting renewal commissions, or service fees received on business sold before you become Disabled.

## **REASONABLE ACCOMMODATION EXPENSE BENEFIT**

If you are Disabled and return to work in any occupation for any employer, not including self employment, as a result of a reasonable accommodation made by such employer, we will pay that employer a Reasonable Accommodation Expense Benefit as shown in the **Coverage Features**.

The Reasonable Accommodation Expense Benefit is payable only if the reasonable accommodation is approved by us in writing prior to its implementation.

## **REHABILITATION PLAN PROVISION**

While you are Disabled you may qualify to participate in a Rehabilitation Plan. Rehabilitation Plan means a written plan, program or course of vocational training or education that is intended to prepare you to return to work.

To participate in a Rehabilitation Plan you must apply on our forms or in a letter to us. The terms, conditions and objectives of the plan must be accepted by you and approved by us in advance. We have the sole discretion to approve your Rehabilitation Plan.

An approved Rehabilitation Plan may include our payment of some or all of the expenses you incur in connection with the plan, including:

- a. Training and education expenses.
- b. Family care expenses.

- c. Job-related expenses.
- d. Job search expenses.

## **TEMPORARY RECOVERY**

You may temporarily recover from your Disability and then become Disabled again from the same cause or causes without having to serve a new Benefit Waiting Period. Temporary Recovery means you cease to be Disabled for no longer than the applicable Allowable Period.

### A. Allowable Periods

- 1. During the Benefit Waiting Period: a total of 30 days of recovery.
- 2. During the Maximum Benefit Period: 180 days for each period of recovery.

### B. Effect Of Temporary Recovery

If your Temporary Recovery does not exceed the Allowable Periods, 1 through 5 below will apply.

- 1. The Predisability Earnings used to determine your LTD Benefit will not change.
- 2. The period of Temporary Recovery will not count toward your Benefit Waiting Period, your Maximum Benefit Period or your Own Occupation Period.
- 3. No LTD Benefits will be payable for the period of Temporary Recovery.
- 4. No LTD Benefits will be payable after benefits become payable to you under any other group long term disability insurance policy under which you become insured during your period of Temporary Recovery.
- 5. Except as stated above, the provisions of the Group Policy will be applied as if there had been no interruption of your Disability.

## **WHEN LTD BENEFITS END**

Your LTD Benefits end automatically on the earliest of 1 through 4 below.

- 1. The date you are no longer Disabled.
- 2. The date your Maximum Benefit Period ends.
- 3. The date you die.
- 4. The date benefits become payable under any other group long term disability insurance policy under which you become insured during a period of Temporary Recovery.

## **PREDISABILITY EARNINGS**

Your Predisability Earnings will be based on your earnings in effect on your last full day of Active Work prior to a temporary Furlough unless a different date applies (see the **Coverage Features**). Any subsequent change in your earnings will not affect your Predisability Earnings.

Predisability Earnings means your monthly rate of earnings from your Employer, including:

- 1. Contributions you make through a salary reduction agreement with your Employer to:
  - a. An Internal Revenue Code (IRC) Section 401(k), 403(b), 408(k), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
- 2. Shift differential pay.

3. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Predisability Earnings does not include:

1. Bonuses.
2. Commissions.
3. Overtime pay.
4. Any renewal commissions, overwriting renewal commissions, or service fees.
5. Stock options or stock bonuses.
6. Your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.
7. Any other extra compensation.

If you are paid on an annual contract basis, your monthly rate of earnings is one-twelfth (1/12th) of your annual contract salary.

If you are paid hourly, your monthly rate of earnings 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 183 hours. If you do not have regular work hours, your monthly rate of earnings is based on the average number of hours you worked per month during the preceding 12 calendar months (or during your period of employment if less than 12 months), but not more than 183 hours.

## **DEDUCTIBLE INCOME**

Subject to **Exceptions To Deductible Income**, Deductible Income means:

1. Sick pay or other salary continuation as shown in the **Coverage Features**.
2. Your Work Earnings, as described in **Return To Work Incentive**.
3. Any amount you receive or are eligible to receive because of your disability, including amounts for partial or total disability, whether permanent, temporary, or vocational, under any of the following:
  - a. A workers' compensation law;
  - b. The Jones Act;
  - c. Maritime Doctrine of Maintenance, Wages or Cure;
  - d. Longshoremen's and Harbor Worker's Act; or
  - e. Any similar act or law.
4. Any amount you, your Spouse, or your children under age 18 receive or are eligible to receive because of your disability or retirement under:
  - a. The Federal Social Security Act;
  - b. The Canada Pension Plan;
  - c. The Quebec Pension Plan;
  - d. The Railroad Retirement Act; or
  - e. Any similar plan, act, or law.

Benefits your Spouse or children receive or are eligible to receive because of your disability are Deductible Income regardless of marital status, custody, or place of residence.

The **Coverage Features** states which one of the following options applies to your Social Security benefits:

- a. Full offset: Both the primary benefit (the benefit awarded to you) and dependents benefits are Deductible Income.
- b. Primary offset: Primary benefits are Deductible Income, but dependents benefits are not.
- c. Partial dependents offset: Primary benefits are Deductible Income. Dependents benefits are Deductible Income as determined below:
  - (1) Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your dependents benefits to that amount.
  - (2) Multiply your Predisability Earnings by the dependents limit.
  - (3) If (1) is greater than (2), the difference will be Deductible Income.
5. Any amount you receive or are eligible to receive because of your disability under any state disability income benefit law or similar law.
6. Any earnings or compensation included in Predisability Earnings which you receive or are eligible to receive while LTD Benefits are payable.
7. Any amount you receive or are eligible to receive because of your disability under any other group insurance coverage.
8. Any disability or retirement benefits you receive or are eligible to receive under your Employer's retirement plan, including a public employee retirement system, a state teacher retirement system, and a plan arranged and maintained by a union or employee association for the benefit of its members.

If any of these plans has two or more payment options, the option which comes closest to providing you a monthly income for life with no survivors benefit will be Deductible Income, even if you choose a different option.

You are not required to apply for disability or early retirement benefits under your Employer's retirement plan if the receipt of such benefit would reduce the benefit you would be eligible to receive at normal retirement age. However, disability or early retirement benefits you do receive will be Deductible Income.

9. Any amount you receive by compromise, settlement, or other method as a result of a claim for any of the above, whether disputed or undisputed.

### **EXCEPTIONS TO DEDUCTIBLE INCOME**

Deductible Income does not include:

1. Any cost of living increase in any Deductible Income other than Work Earnings, if the increase becomes effective while you are Disabled and while you are eligible for the Deductible Income.
2. Reimbursement for hospital, medical, or surgical expense.
3. Reasonable attorneys fees incurred in connection with a claim for Deductible Income.
4. Benefits from any individual disability insurance policy.
5. California Workers' Compensation benefits for permanent total or permanent partial disability.
6. Early retirement benefits under the Federal Social Security Act which are not actually received.
7. Group credit or mortgage disability insurance benefits.
8. Accelerated death benefits paid under a life insurance policy.

9. Benefits from a through h below.
  - a. Profit sharing plan.
  - b. Thrift or savings plan.
  - c. Deferred compensation plan.
  - d. Plan under IRC Section 401(k), 408(k), or 457.
  - e. Individual Retirement Account (IRA).
  - f. Tax Sheltered Annuity (TSA) under IRC Section 403(b).
  - g. Stock ownership plan.
  - h. Keogh (HR-10) plan.

## **RULES FOR DEDUCTIBLE INCOME**

### A. Monthly Equivalents

Each month we will determine your LTD Benefit using the Deductible Income for the same monthly period, even if you actually receive the Deductible Income in another month.

If you are paid Deductible Income in a lump sum or by a method other than monthly, we will determine your LTD Benefit using a prorated amount. We will use the period of time to which the Deductible Income applies. If no period of time is stated, we will use a reasonable one.

### B. Your Duty To Pursue Deductible Income

You must pursue Deductible Income for which you may be eligible. We may ask for written documentation of your pursuit of Deductible Income. You must provide it within 60 days after we mail you our request. Otherwise, we may reduce your LTD Benefits by the amount we estimate you would be eligible to receive upon proper pursuit of the Deductible Income.

### C. Pending Deductible Income

We will not deduct pending Deductible Income until it becomes payable. You must notify us of the amount of the Deductible Income when it is approved. You must repay us for the resulting overpayment of your claim.

### D. Overpayment Of Claim

We will notify you of the amount of any overpayment of your claim under any group disability insurance policy issued by us. You must immediately repay us. You will not receive any LTD Benefits until we have been repaid in full. In the meantime, any LTD Benefits paid, including the Minimum LTD Benefit, will be applied to reduce the amount of the overpayment. We may charge you interest at the legal rate for any overpayment which is not repaid within 30 days after we first mail you notice of the amount of the overpayment.

## **SURVIVORS BENEFIT**

If you die while LTD Benefits are payable, we will pay a Survivors Benefit according to 1 through 4 below.

1. The amount of the Survivors Benefit is shown in the **Coverage Features**.
2. The Survivors Benefit will first be applied to reduce any overpayment of your claim.
3. The Survivors Benefit will be paid at our option to any one or more of the following:
  - a. Your surviving Spouse;



- b. Your surviving unmarried children, including adopted children, under age 25;
  - b. Your Spouse's surviving unmarried children, including adopted children, under age 25; or
  - c. Any person providing the care and support of any of them.
4. If you are not survived by a spouse or any unmarried child under age 25, no Survivors Benefit will be paid unless payment to your estate is allowed as stated in the **Coverage Features**.

### **WAIVER OF PREMIUM**

Your insurance will continue without payment of premiums while LTD Benefits are payable.

### **BENEFITS AFTER INSURANCE ENDS OR IS CHANGED**

During each period of continuous Disability, we will pay LTD Benefits according to the terms of the Group Policy in effect on the date you become Disabled. Your right to receive LTD Benefits will not be affected by:

1. Termination of the Group Policy after you become Disabled; or
2. Any amendment to the Group Policy that is effective after you become Disabled.

### **EFFECT OF NEW DISABILITY**

If a period of Disability is extended by a new cause while LTD Benefits are payable, LTD Benefits will continue while you remain Disabled. However, 1 and 2 apply.

1. LTD Benefits will not continue beyond the end of the original Maximum Benefit Period.
2. All provisions of the Group Policy, including the **Exclusions** and **Limitations** sections, will apply to the new cause of Disability.

### **EXCLUSIONS**

#### A. War

You are not covered for a Disability caused or contributed to by War or any act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.

#### B. Intentionally Self-Inflicted Injury

You are not covered for a Disability caused or contributed to by an intentionally self-inflicted Injury, while sane or insane.

#### C. Preexisting Condition

##### 1. Definition

Preexisting Condition means a mental or physical condition for which you have done any of the following at any time during the Preexisting Condition Period shown in the **Coverage Features**.

- a. Consulted a Physician;
- b. Received medical treatment or services; or
- c. Taken prescribed drugs or medications.

## 2. Exclusion

You are not covered for a Disability caused or contributed to by a Preexisting Condition or medical or surgical treatment of a Preexisting Condition unless, on the date you become Disabled, you:

- a. Have been continuously insured under the Group Policy for the entire Exclusion Period shown in the **Coverage Features**; and
- b. Have been Actively At Work for at least one full day after the end of the Exclusion Period.

## LIMITATIONS

### A. Care Of A Physician

You must be under the ongoing care of a Physician in the appropriate specialty as determined by us, during the Benefit Waiting Period. No LTD Benefits will be paid for any period of Disability when you are not under the ongoing care of a Physician in the appropriate specialty as determined by us.

### B. Mental Disorder

Payment of LTD Benefits is limited to the Mental Disorder Limitation Period shown in the **Coverage Features** for each period of continuous Disability caused or contributed to by a Mental Disorder. However, if you are confined in a Hospital at the end of the Mental Disorder Limitation Period, this limitation will not apply while you are continuously confined.

Mental Disorder means any mental, emotional, behavioral, psychological, personality, cognitive, mood or stress-related abnormality, disorder, disturbance, dysfunction or syndrome, regardless of cause, including any biological or biochemical disorder or imbalance of the brain. Mental Disorder includes, but is not limited to, bipolar affective disorder, organic brain syndrome, schizophrenia, psychotic illness, manic depressive illness, depression and depressive disorders, or anxiety and anxiety disorders.

Hospital means a legally operated hospital providing full-time medical care and treatment under the direction of a full-time staff of licensed Physicians. Rest homes, nursing homes, convalescent homes, homes for the aged, and facilities primarily affording custodial, educational, or rehabilitative care are not Hospitals.

### C. Rehabilitation Program

No LTD Benefits will be paid for any period of Disability when you are not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by us unless your Disability prevents you from participating.

## CLAIMS

### A. Filing A Claim

Claims should be filed on our forms. If we do not provide our forms within 15 days after they are requested, you may submit your claim in a letter to us. The letter should include the date disability began, and the cause and nature of the disability.

### B. Time Limits On Filing Proof Of Loss

You must give us Proof Of Loss within 90 days after the end of the Benefit Waiting Period. If you cannot do so, you must give it to us as soon as reasonably possible, but not later than one year after that 90-day period. If Proof Of Loss is filed outside these time limits, your claim will be denied. These limits will not apply while you lack legal capacity.

### C. Proof Of Loss

Proof Of Loss means written proof that you are Disabled and entitled to LTD Benefits. Proof Of Loss must be provided at your expense.

#### D. Documentation

Completed claims statements, a signed authorization for us to obtain information, and any other items we may reasonably require in support of a claim must be submitted at your expense. If the required documentation is not provided within 45 days after we mail our request, your claim may be denied.

#### E. Investigation Of Claim

We may investigate your claim at any time.

At our expense, we may have you examined at reasonable intervals by specialists of our choice. We may deny or suspend LTD Benefits if you fail to attend an examination or cooperate with the examiner.

#### F. Time Of Payment

We will pay LTD Benefits within 60 days after you satisfy Proof Of Loss.

LTD Benefits will be paid to you at the end of each month you qualify for them. LTD Benefits remaining unpaid at your death will be paid to the person(s) receiving the Survivors Benefit. If no Survivors Benefit is paid, the unpaid LTD Benefits will be paid to your estate.

#### G. Notice Of Decision On Claim

We will evaluate your claim promptly after you file it. Within 45 days after we receive your claim we will send you: (a) a written decision on your claim; or (b) a notice that we are extending the period to decide your claim for 30 days. Before the end of this extension period we will send you: (a) a written decision on your claim; or (b) a notice that we are extending the period to decide your claim for an additional 30 days. If an extension is due to your failure to provide information necessary to decide the claim, the extended time period for deciding your claim will not begin until you provide the information or otherwise respond.

If we extend the period to decide your claim, we will notify you of the following: (a) the reasons for the extension; (b) when we expect to decide your claim; (c) an explanation of the standards on which entitlement to benefits is based; (d) the unresolved issues preventing a decision; and (e) any additional information we need to resolve those issues.

If we request additional information, you will have 45 days to provide the information. If you do not provide the requested information within 45 days, we may decide your claim based on the information we have received.

If we deny any part of your claim, you will receive a written notice of denial containing:

- a. The reasons for our decision.
- b. Reference to the parts of the Group Policy on which our decision is based.
- c. A description of any additional information needed to support your claim.
- d. Information concerning your right to a review of our decision.

#### H. Review Procedure

If all or part of a claim is denied, you may request a review. You must request a review in writing within 180 days after receiving notice of the denial.

You may send us written comments or other items to support your claim. You may review and receive copies of any non-privileged information that is relevant to your request for review. There will be no charge for such copies. You may request the names of medical or vocational experts who provided advice to us about your claim.

The person conducting the review will be someone other than the person who denied the claim and will not be subordinate to that person. The person conducting the review will not give deference to the initial denial decision. If the denial was based on a medical judgement, the person conducting the review will consult with a qualified health care professional. This health care professional will be someone other than the person who made the original medical judgement and will not be subordinate to that person. Our review will include any written comments or other items you submit to support your claim.

We will review your claim promptly after we receive your request. Within 45 days after we receive your request for review we will send you: (a) a written decision on review; or (b) a notice that we are extending the review period for 45 days. If the extension is due to your failure to provide information necessary to decide the claim on review, the extended time period for review of your claim will not begin until you provide the information or otherwise respond.

If we extend the review period, we will notify you of the following: (a) the reasons for the extension; (b) when we expect to decide your claim on review; and (c) any additional information we need to decide your claim.

If we request additional information, you will have 45 days to provide the information. If you do not provide the requested information within 45 days, we may conclude our review of your claim based on the information we have received.

If we deny any part of your claim on review, you will receive a written notice of denial containing:

- a. The reasons for our decision.
- b. Reference to the parts of the Group Policy on which our decision is based.
- c. Information concerning your right to receive, free of charge, copies of non-privileged documents and records relevant to your claim.

#### I. Assignment

The rights and benefits under the Group Policy are not assignable.

### **ALLOCATION OF AUTHORITY**

Except for those functions which the Group Policy specifically reserves to the Policyholder or Employer, we have full and exclusive authority to control and manage the Group Policy, to administer claims, and to interpret the Group Policy and resolve all questions arising in the administration, interpretation, and application of the Group Policy.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Group Policy and any claim under it;
3. The right to determine:
  - a. Eligibility for insurance;
  - b. Entitlement to benefits;
  - c. The amount of benefits payable; and
  - d. The sufficiency and the amount of information we may reasonably require to determine a., b., or c., above.

Subject to the review procedures of the Group Policy, any decision we make in the exercise of our authority is conclusive and binding.

## **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after you have given us Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The end of the period within which Proof Of Loss is required to be given.

## **INCONTESTABILITY PROVISIONS**

### **A. Incontestability Of Member's Insurance**

Any statement you make to obtain or to increase insurance is a representation and not a warranty.

No misrepresentation by you will be used to reduce or deny your claim or contest the validity of your insurance unless:

1. Your insurance would not have been approved if we had known the truth; and
2. We have given you a copy of a written instrument signed by you which contains your misrepresentation.

After your insurance has been in effect for two years, we will not use a misrepresentation by you to reduce or deny your claim, unless it was a fraudulent misrepresentation.

### **B. Incontestability Of Group Policy**

Any statement made by the Policyholder or Employer to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder or Employer will be used to deny a claim or to deny the validity of the Group Policy unless:

1. The Group Policy would not have been issued if we had known the truth; and
2. We have given the Policyholder or Employer a copy of a written instrument signed by the Policyholder or Employer which contains the misrepresentation.

The validity of the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums or fraudulent misrepresentations.

## **CONTINUITY OF COVERAGE**

If your Disability is subject to the Preexisting Condition Exclusion, LTD Benefits will be payable if:

1. You were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy;
2. You became insured under the Group Policy when your insurance under the Prior Plan ceased;
3. You were continuously insured under the Group Policy from the effective date of your insurance under the Group Policy through the date you became Disabled from the Preexisting Condition; and
4. Benefits would have been payable under the Prior Plan if it had remained in force, taking into account the preexisting condition exclusion, if any, of the Prior Plan.

Payment of your LTD Benefit will be under the terms of the Prior Plan or the Group Policy, whichever pays less.

## WHEN YOUR INSURANCE BECOMES EFFECTIVE

The **Coverage Features** states whether your insurance is Contributory or Noncontributory.

### A. Noncontributory Insurance

Subject to the **Active Work Provisions**, your Noncontributory insurance becomes effective on the date you become eligible.

### B. Contributory Insurance

You must apply in writing for Contributory insurance and agree to pay premiums. Subject to the **Active Work Provisions**, your insurance becomes effective on:

1. The date you become eligible, if you apply on or before that date;
2. The date you apply, if you apply within 31 days after you become eligible; or
3. The date we approve your Evidence Of Insurability, if you apply more than 31 days after you become eligible (late application).

### C. Insurance Subject To Evidence Of Insurability

Subject to the **Active Work Provisions**, insurance subject to Evidence Of Insurability becomes effective on the date we approve Evidence Of Insurability.

Evidence Of Insurability will not be required to become insured for Contributory insurance on May 1, 2013 if you apply during the open enrollment period beginning May 8, 2013 and ending May 21, 2013. However, Evidence Of Insurability will not be waived if you are not insured for Contributory coverage because you previously submitted evidence of good health that was not approved by us or by the insurer(s) of the Prior Plan or any preceding plans.

### D. Takeover Provisions

1. If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Group Policy.
2. You must submit satisfactory Evidence Of Insurability to become insured for insurance if you were eligible for insurance under the Prior Plan for more than 31 days but were not insured.

## ACTIVE WORK PROVISIONS

### A. Active Work Requirement

If you are incapable of Active Work because of Physical Disease, Injury, Pregnancy or Mental Disorder on the day before the scheduled effective date of your insurance, your insurance will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing the Material Duties of your Own Occupation at your Employer's usual place of business.

You will also meet the Active Work requirement if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work on the day before the scheduled effective date of your insurance.

## B. Changes In Insurance

This Active Work requirement also applies to any increase in your insurance. However, if you return to Active Work during a period of Disability or Temporary Recovery (see **Temporary Recovery**), you will not qualify for any change in insurance caused by a change in:

1. Your status as a member of a class;
2. The rate of earnings used to determine your Predisability Earnings; or
3. The terms of the Group Policy.

### **WHEN YOUR INSURANCE ENDS**

Your insurance ends automatically on the earliest of:

1. The date the last period ends for which you made a premium contribution, if your insurance is Contributory.
2. The date the Group Policy terminates.
3. The date your employment terminates.
4. The date you cease to be a Member. However, if you cease to be a Member because you are not working the required minimum number of hours, your insurance will be continued during the following periods, unless it ends under 1 through 3 above.
  - a. While your Employer is paying you at least the same Predisability Earnings paid to you immediately before you ceased to be a Member.
  - b. During the Benefit Waiting Period and while LTD Benefits are payable.
  - c. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.
  - d. During any other leave of absence approved by your Employer in advance and in writing and scheduled to last the Leave Of Absence Period shown in the **Coverage Features**.

### **REINSTATEMENT OF INSURANCE**

If your insurance ends, you may become insured again as a new Member. However, the following will apply.

1. If your insurance ends because you cease to be a Member, and if you become a Member again within 90 days, the Eligibility Waiting Period will be waived.
2. If your insurance ends because you fail to make a required premium contribution, you must provide Evidence Of Insurability to become insured again.
3. If your insurance ends because you are on a federal or state mandated family or medical leave of absence, and you become a Member again immediately following the period allowed, your insurance will be reinstated pursuant to the federal or state mandated family or medical leave act or law.
4. The Preexisting Conditions Exclusion will be applied as if there had been no break in coverage in the following instances:
  - a. If you become insured again within 90 days.
  - b. If required by federal or state mandated family or medical leave act or law and you become insured again immediately following the period allowed under the family or medical leave act or law.

## CLERICAL ERROR AND MISSTATEMENT

### A. Clerical Error

Clerical error by the Policyholder, your Employer, or their respective employees or representatives will not:

1. Cause a person to become insured;
2. Invalidate insurance under the Group Policy otherwise validly in force; or
3. Continue insurance under the Group Policy otherwise validly terminated.

### B. Misstatement Of Age

If a person's age has been misstated, we will make an equitable adjustment of premiums, benefits, or both. The adjustment will be based on:

1. The amount of insurance based on the correct age; and
2. The difference between the premiums paid and the premiums which would have been paid if the age had been correctly stated.

## TERMINATION OR AMENDMENT OF THE GROUP POLICY

The Group Policy may be terminated by us or the Policyholder according to its terms. It will terminate automatically for nonpayment of premium. The Policyholder may terminate the Group Policy in whole, and may terminate insurance for any class or group of Members, at any time by giving us written notice.

Benefits under the Group Policy are limited to its terms, including any valid amendment. No change or amendment will be valid unless it is approved in writing by one of our executive officers and given to the Policyholder for attachment to the Group Policy. The Policyholder, your Employer and their respective employees or representatives have no right or authority to change or amend the Group Policy or to waive any of its terms or provisions without our signed written approval.

We may change the Group Policy in whole or in part when any change in law or governmental regulation affects our obligations under the Group Policy, or with the Policyholder's consent.

Any such change or amendment of the Group Policy may apply to current or future Members or to any separate classes or groups of Members.

## DEFINITIONS

Benefit Waiting Period means the period you must be continuously Disabled before LTD Benefits become payable. No LTD Benefits are payable for the Benefit Waiting Period. See **Coverage Features**.

Contributory means you pay all or part of the premium for your insurance.

CPI-W means the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. If the CPI-W is discontinued or changed, we may use a comparable index. Where required, we will obtain prior state approval of the new index.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance. See **Coverage Features**.

Providing Evidence Of Insurability means you must:

1. Complete and sign our medical history statement;
2. Sign our form authorizing us to obtain information about your health;



3. Undergo a physical examination, if required by us, which may include blood testing; and
4. At your expense, provide any additional information about your insurability that we may reasonably require.

Group Policy means the group long term disability insurance policy issued by us to the Policyholder and identified by the Group Policy Number.

Indexed Predisability Earnings means your Predisability Earnings adjusted by the rate of increase in the CPI-W. During your first year of Disability, your Indexed Predisability Earnings are the same as your Predisability Earnings. Thereafter, your Indexed Predisability Earnings are determined on each anniversary of your Disability by increasing the previous year's Indexed Predisability Earnings by the rate of increase in the CPI-W for the prior calendar year. The maximum adjustment in any year is 10%. Your Indexed Predisability Earnings will not decrease, even if the CPI-W decreases.

Injury means an injury to your body.

L.L.C. Owner-Employee means an individual who owns an equity interest in an Employer and is actively employed in the conduct of the Employer's business.

LTD Benefit means the monthly benefit payable to you under the terms of the Group Policy.

Maximum Benefit Period means the longest period for which LTD Benefits are payable for any one period of continuous Disability, whether from one or more causes. It begins at the end of the Benefit Waiting Period. No LTD Benefits are payable after the end of the Maximum Benefit Period, even if you are still Disabled. See **Coverage Features**.

Noncontributory means the Policyholder or Employer pays the entire premium for your insurance.

P.C. Partner means the sole active employee and majority shareholder of a professional corporation in partnership with the Policyholder.

Physical Disease means a physical disease entity or process that produces structural or functional changes in your body as diagnosed by a Physician.

Physician means a licensed medical professional, other than yourself, acting within the scope of the license.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means your Employer's group long term disability insurance plan in effect on the day before the effective date of your Employer's coverage under the Group Policy and which is replaced by the Group Policy.

Spouse means:

1. A person to whom you are legally married; or
2. Your Domestic Partner. Domestic Partner means an individual with whom you have completed an affidavit of declaration of domestic partnership, submitted that affidavit to the Employer; or an individual recognized as your domestic partner under applicable law.

Spouse does not include a person who is a full-time member of the armed forces of any country or a person from whom you are divorced or from whom you have terminated a Domestic Partner relationship.

LTDC97X

**GROUP POLICY AMENDMENT NO. 17**

Attached to and made a part of Group Policy 606122-E issued to Clark County as Policyholder.

On the applicable dates shown below, and subject to the **Active Work Provisions**, the Group Policy is amended as follows:

1. Effective July 1, 2018, the Premium Contributions portion of the **Coverage Features** is amended to provide the following:

Class 1, 2, 3, 4 and 6:

Plan 1 insurance is: Noncontributory

Plan 2 insurance is: Contributory; you and your Employer share the cost of coverage. Employer contribution level determines the taxability of the benefit amount.

Class 5: Noncontributory

2. Effective January 1, 2019, the Premium Contributions portion of the **Coverage Features** is amended to provide the following:

Plan 1 insurance is: Noncontributory

Plan 2 insurance is: Contributory; you and your Employer share the cost of coverage. Employer contribution level determines the taxability of the benefit amount.

3. Effective July 1, 2018, the Schedule of Insurance portion of the **Coverage Features** is amended to provide the following LTD Benefit:

Class 1, 2 and 4: Plan 1: 60% of the first \$15,000 of your Predisability Earnings, reduced by Deductible Income.

Plan 2: 66 2/3 of the first \$15,000 of your Predisability Earnings, reduced by Deductible Income.

Class 3 and 6: Plan 1: 60% of the first \$7,292 of your Predisability Earnings, reduced by Deductible Income.

Plan 2: 66 2/3 of the first \$7,292 of your Predisability Earnings, reduced by Deductible Income.

Class 5: 60% of the first \$7,292 of your Predisability Earnings, reduced by Deductible Income.

Maximum:

Class 1, 2 and 4: Plan 1: \$9,000 before reduction by Deductible Income.

Plan 2: \$10,000 before reduction by Deductible Income.

Class 3 and 6: Plan 1: \$4,375 before reduction by Deductible Income.

Plan 2: \$4,862 before reduction by Deductible Income.

Class 5: \$4,375 before reduction by Deductible Income.

Minimum: \$100

**With respect to Class 1, 2, 3, 4 and 6: You may be insured under Plan 1 or Plan 2, but not**

**both. You will be insured under Plan 1 unless you are insured under Plan 2. If you cease paying premiums for Plan 2, you will automatically be insured under Plan 1.**

4. Effective January 1, 2019, the Schedule of Insurance portion of the **Coverage Features** is amended to provide the following LTD Benefit:

Class 1, 2 and 4: Plan 1: 60% of the first \$15,000 of your Predisability Earnings, reduced by Deductible Income.

Plan 2: 66 2/3 of the first \$15,000 of your Predisability Earnings, reduced by Deductible Income.

Class 3, 5 and 6: Plan 1: 60% of the first \$7,292 of your Predisability Earnings, reduced by Deductible Income.

Plan 2: 66 2/3 of the first \$7,292 of your Predisability Earnings, reduced by Deductible Income.

Maximum:

Class 1, 2 and 4: Plan 1: \$9,000 before reduction by Deductible Income.

Plan 2: \$10,000 before reduction by Deductible Income.

Class 3, 5 and 6: Plan 1: \$4,375 before reduction by Deductible Income.

Plan 2: \$4,862 before reduction by Deductible Income.

Minimum: \$100

**You may be insured under Plan 1 or Plan 2, but not both. You will be insured under Plan 1 unless you are insured under Plan 2. If you cease paying premiums for Plan 2, you will automatically be insured under Plan 1.**

5. Effective January 1, 2019, the Schedule of Insurance portion of the **Coverage Features** is amended to provide the following Benefit Waiting Period for Class 5:

Class 5: 90 days or the period of sick leave for which you are eligible under the Employer's sick leave plan, whichever is longer.

6. Effective July 1, 2018, the Exclusions and Limitations portion of the **Coverage Features** is amended to provide the following Preexisting Condition Exclusion:

Preexisting Condition Exclusion: Yes

Class 1, 2, 3, 4 and 6:

Preexisting Condition Period for Plan 1: The 90 day period just before your insurance under Plan 1 becomes effective.

Exclusion Period for Plan 1: 12 months while insured under Plan 1

Preexisting Condition Period for Plan 2: The 90 day period just before your insurance under Plan 2 becomes effective.

Exclusion Period for Plan 2: 12 months while insured under Plan 2

Class 5:

Preexisting Condition Period: The 90 day period just before your insurance becomes effective.

Exclusion Period: 12 months

7. Effective January 1, 2019, the Exclusions and Limitations portion of the **Coverage Features** is amended to provide the following Preexisting Condition Exclusion:

Preexisting Condition Exclusion: Yes

Preexisting Condition Period  
for Plan 1:

The 90 day period just before your insurance under Plan 1 becomes effective.

Exclusion Period  
for Plan 1:

12 months while insured under Plan 1

Preexisting Condition Period  
for Plan 2:

The 90 day period just before your insurance under Plan 2 becomes effective.

Exclusion Period  
for Plan 2:

12 months while insured under Plan 2

8. Effective July 1, 2018, the monthly Premium Rate for long term disability (LTD) insurance for Class 3, 4 and 6 will be as follows, beginning July 1, 2018 and continuing until changed as provided in the Group Policy:

Class 3 and 6:

Plan 1:

0.725% of the first \$7,292 of each insured Member's insured Predisability Earnings.

Plan 2:

The sum of:

a) 0.725% of each insured Member's insured Predisability Earnings up to \$7,292; and

b) 0.230% of each insured Member's insured Predisability Earnings up to \$7,292.

Class 4:

Plan 1:

0.688% of the first \$15,000 of each insured Member's insured Predisability Earnings.

Plan 2:

The sum of:

a) 0.688% of each insured Member's insured Predisability Earnings up to \$15,000; and

b) 0.230% of each insured Member's insured Predisability Earnings up to \$15,000.

9. Effective January 1, 2019, the monthly Premium Rate for long term disability (LTD) insurance for Class 5 will be as follows, beginning January 1, 2019 and continuing until changed as provided in the Group Policy:

Class 5:

Plan 1:

0.385% of the first \$7,292 of each insured Member's insured Predisability Earnings.

Plan 2:


The sum of:

a) 0.385% of each insured Member's insured Predisability Earnings up to \$7,292; and

b) 0.230% of each insured Member's insured Predisability Earnings up to \$7,292.

STANDARD INSURANCE COMPANY

By



President



Corporate Secretary