



*Voluntary Long Term Disability Insurance*  
CERTIFICATE OF INSURANCE  
For the State of California Excluded Employees

# 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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Arranged for and recommended by the State of California  
as an important part of its benefit program for employees.

<b>Policyholder:</b>	Fleet National Bank, Trustee of The Standard Insurance Company Group Insurance Trust	<b>Employer:</b>	State of California
<b>Policy Number:</b>	638213-T	<b>Group Number:</b>	643146-A
<b>Policy Effective Date:</b>	August 1, 1999	<b>Employer Effective Date:</b>	October 1, 2004

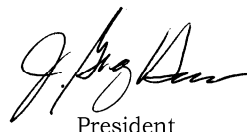
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The Group Policy has been issued to the Policyholder. The Employer has joined the Standard Insurance Company Group Insurance Trust and been approved for group long term disability insurance coverage under the Group Policy. The Group Policy contains numerous optional and variable provisions. The Employer selects the options and variables it requests be approved for its employees. The options and variables we have approved for the Employer's coverage under the Group Policy are contained in the Statement Of Coverage we provided to the Employer. Only those provisions of the Group Policy which appear in the Statement Of Coverage will apply to the Employer's coverage under the Group Policy.

We certify that you will be insured according to the terms of your Employer's coverage under the Group Policy. If the terms of this Certificate differ from the terms of your Employer's coverage under the Group Policy, the latter will govern. If your insurance is changed by an amendment to your Employer's coverage under the Group Policy, we will provide the Employer 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.

The terms "you" and "your" mean the Member. "We", "us", and "our" mean Standard Insurance Company. Other defined terms appear with their initial letters capitalized. Section headings, and references to them, appear in boldface type.

  
President

GC190-LTD/TRUST

## **IMPORTANT NOTICE**

To

Members insured under  
Statement Of Coverage Group Number 643146-A and  
amending the coverage  
of State of California under Group Policy Number 638213-T.

Effective February 1, 2009, and subject to the **Active Work Provisions**, the Statement Of Coverage has been amended as follows:

1. The definition of a Member in the General Policy Information portion of the **Coverage Features** and in the section entitled **Becoming Insured** has been amended to provide that an employee will not cease to be a Member solely due to a reduction in work hours under the State of California's mandated Furlough Program from February 1, 2009 through June 30, 2010.
2. The introductory paragraph of the section entitled **Predisability Earnings** has been amended to read as follows for employees whose work hours are reduced due to the State of California's mandated Furlough Program (from February 1, 2009 through June 30, 2010):

Your Predisability Earnings will be based on your monthly base rate of pay that would have been in effect on your last full day of Active Work if your work hours had not been reduced under the Furlough Program. Any subsequent change in your base rate of pay after that last full day of Active Work will not affect your Predisability Earnings.

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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:	638213-T
Policyholder:	Fleet National Bank, Trustee of the Standard Insurance Company Group Insurance Trust One Constitution Plaza, 14th Floor Hartford, CT 06115
Employer(s):	State of California
Group Number:	643146-A
Group Policy Effective Date:	August 1, 1999
Employer Effective Date:	October 1, 2004
Policy Issued in:	Rhode Island

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Member means an active employee of the Employer who (a) is appointed to a permanent half-time or greater position, (b) is a citizen or resident of the United States or Canada, (c) is Actively At Work\*, and (d) is one of the following:

1. An excluded employee in one of the classifications listed below:

Constitutional Officers (other than Legislative members) (E92)

Managerial (M,E59, E79, E99)

Supervisory (S,E48, E58, E68, E78, E98)

Confidential (C,E97)

Excluded/Exempt (E88, E89)

2. An employee whose position was redesignated to one of the classifications listed below, who was insured under the Employer's group long term disability insurance plan for excluded employees immediately prior to the redesignation, and who has remained continuously insured under that plan:

E01 through E21

E67 or E77

Member does not include:

- a. A seasonal employee.
- b. A full-time member of the armed forces of any country.
- c. A leased employee or independent contractor.
- d. A temporary employee (other than an employee on a limited term appointment who has a mandatory right of return to a position and status under which the employee will meet the definition of a Member).

\*For purposes of the Member definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days.

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## SCHEDULE OF INSURANCE

Eligibility Waiting Period: You are eligible on the later of (a) the Employer Effective Date, and (b) the date you become a Member.

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

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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.

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LTD Benefit: 55% Plan: 55% of the first \$10,910 of your Predisability Earnings, reduced by Deductible Income.

65% Plan: 65% of the first \$9,231 of your Predisability Earnings, reduced by Deductible Income.

Maximum: \$6,000 before reduction by Deductible Income.

Minimum: \$100 or 10% of your LTD Benefit before reduction by Deductible Income, whichever is greater.

You may become insured under either the 55% Plan or the 65% Plan, but not both.

Benefit Waiting Period: 6 months

Maximum Benefit Period: Determined by your age when Disability begins, as follows:

61 or younger .....	To age 65, or to SSNRA, or 3 years 6 months, whichever is longest.
62 .....	To SSNRA, or 3 years 6 months, whichever is longer.
63 .....	To SSNRA, or 3 years, whichever is longer.
64 .....	To SSNRA, or 2 years 6 months, whichever is longer.
65 .....	2 years
66 .....	1 year 9 months
67 .....	1 year 6 months
68 .....	1 year 3 months
69 or older .....	1 year

Social Security Normal Retirement Age (SSNRA) means your normal retirement age under the Federal Social Security Act, as amended.

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## PREMIUM CONTRIBUTIONS

Insurance is: Contributory

## INSURING CLAUSE

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

(TRUST) LT.IC.OT.2

## BECOMING INSURED

To become insured you must be a Member, complete your Eligibility Waiting Period, and meet the requirements in **Active Work Provisions** and **When Your Insurance Becomes Effective**.

You are a Member if you are an active employee of the Employer who (a) is appointed to a permanent half-time or greater position, (b) is a citizen or resident of the United States or Canada, (c) is Actively At Work\*, and (d) is one of the following:

1. An excluded employee in one of the classifications listed below:

Constitutional Officers (other than Legislative members) (E92)

Managerial (M,E59, E79, E99)

Supervisory (S,E48, E58, E68, E78, E98)

Confidential (C,E97)

Excluded/Exempt (E88, E89)

2. An employee whose position was redesignated to one of the classifications listed below, who was insured under the Employer's group long term disability insurance plan for excluded employees immediately prior to the redesignation, and who has remained continuously insured under that plan:

E01 through E21

E67 or E77

Member does not include:

- a. A seasonal employee.
- b. A full-time member of the armed forces of any country.
- c. A leased employee or independent contractor.
- d. A temporary employee (other than an employee on a limited term appointment who has a mandatory right of return to a position and status under which the employee will meet the definition of a Member).

\*For purposes of the Member definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days.

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

(VAR MBR DEF) LT.BI.OT.1X

## WHEN YOUR INSURANCE BECOMES EFFECTIVE

### A. When Insurance Becomes Effective

You must apply in writing for insurance and agree to pay premiums. You may apply within 60 days after becoming eligible. If you do not apply during that period, you may only apply during a subsequent Designated Open Enrollment Period.

Subject to the **Active Work Provisions**, your insurance will become effective as follows:

1. If your application for coverage is processed by the 10th day of the calendar month, your insurance will become effective on the first day of the next calendar month.
2. If your application for coverage is processed after the 10th day of the calendar month, your insurance will become effective on the first day of the second calendar month following the date you apply.

You may change your plan selection only during a Designated Open Enrollment Period. A change in your plan selection will become effective as provided in 1. and 2. above. Note that a new Preexisting Condition Exclusion will apply to any increase in coverage (see **Disabilities Excluded From Coverage**).

### B. Takeover Provision

If you were eligible for insurance under the Prior Plan for more than 60 days and you were not insured under the Prior Plan, you may not apply for insurance under the Group Policy until a Designated Open Enrollment Period which takes place on or after October 1, 2004.

(VAR EOI\_PRIOR) LT.EF.OT.1X

## ACTIVE WORK PROVISIONS

### A. Active Work Requirement

You must be capable of Active Work on the day before the scheduled effective date of your insurance or your insurance will not become effective as scheduled. 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 with reasonable continuity the Material Duties of your Own Occupation at your Employer's usual place of business.

### B. Changes In Insurance

This Active Work requirement also applies to any increase in your insurance.

LT.AW.OT.1

## CONTINUITY OF COVERAGE

### A. Waiver Of Active Work Requirement

If you were insured under the Prior Plan on September 30, 2004, you can become insured on October 1, 2004 without meeting the Active Work requirement or minimum number of work hours required, as stated in the definition of an eligible Member. See **Active Work Provisions**.

The LTD Benefit will be the monthly benefit which would have been payable under the terms of the Prior Plan if it had remained in force.

However, no benefits will be payable to you under the Group Policy if any benefits are payable to you under the Prior Plan.

B. Effect Of Preexisting Conditions

The Preexisting Condition exclusion will not apply if you were continuously insured under the Group Policy for at least 24 months on the date you become Disabled. In computing this 24-month period, we will include any period of continuous coverage under the Prior Plan immediately preceding the date you became insured under the Group Policy.

LT.CC.OT.2X

**WHEN YOUR INSURANCE ENDS**

Your insurance ends automatically on the earliest of:

1. The date the last period ends for which a premium contribution was made for your insurance.
2. The date the Group Policy terminates.
3. The date your Employer's coverage under the Group Policy terminates.
4. The date your employment terminates.
5. The date you cease to be a Member. However, your insurance will be continued during the following periods when you are absent from Active Work, unless it ends under any of the above.
  - a. For the first 24 months during which you are Actively At Work for the Employer as a represented employee and paid by the Employer on a half-time or greater basis, subject to the following:
    - i. You must make the election to continue your insurance within 60 days following the date you cease to be a Member. If you do not apply to continue your insurance during that 60-day period, your insurance will be deemed to have ended on the date you ceased to be a Member. If you apply to continue your insurance during that 60-day period, your coverage will be retroactive to the date you ceased to be a Member.
    - ii. Premium is due on or before the first day of each calendar month, and is paid directly to us at our home office. If you do not pay a premium before its due date, you may pay the premium during the following 60-day grace period. If you do not pay the premium during the 60-day grace period your insurance will terminate automatically at the end of the grace period.
  - b. During the first 60 days of a temporary layoff.
  - 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 temporary leave of absence approved by your Employer in advance and in writing and scheduled to last no more than 6 months. A period of Disability is not a leave of absence.

(TRUST) LT.EN.OT.2X

**CONTINUED INSURANCE DURING VACATIONS AND BREAKS**

If you cease to be a Member because of a school break or vacation, your insurance will be continued during that period.

LT.SV.01

**WAIVER OF PREMIUM**

We will waive payment of premium for your insurance while LTD Benefits are payable.

LT.WP.OT.1

## REINSTATEMENT OF INSURANCE

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

1. If you cease to be a Member because of a covered Disability, your insurance will end; however, if you become a Member again immediately after LTD Benefits end, the Eligibility Waiting Period will be waived and, with respect to the condition(s) for which LTD Benefits were payable, the Preexisting Condition Exclusion will be applied as if your insurance had remained in effect during that period of Disability.
2. 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.
3. The Preexisting Conditions Exclusion will be applied as if insurance had remained in effect, 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.
4. In no event will insurance be retroactive.

LT.RE.OT.1X

## DEFINITION OF DISABILITY

You are Disabled if you meet one of the following definitions during the periods they apply:

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

### 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.

During the Own Occupation Period you may work in another occupation while you meet the Own Occupation Definition Of Disability. However, you will no longer be Disabled when your Work Earnings from another occupation meet or exceed 80% of your Indexed Predisability Earnings. Your Work Earnings may be Deductible Income. See **Return To Work Provisions** and **Deductible Income**.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as the occupation you are regularly performing for your Employer when Disability begins. In determining your Own Occupation, we are not limited to looking at the way you perform your job for your Employer, but we may also look at the way the occupation is generally performed in the national economy. If your Own Occupation involves the rendering of professional services and you are required to have a professional or

occupational license in order to work, your Own Occupation is as broad as the scope of your license.

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 that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

#### 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 Occupation.

Any Occupation means any occupation or employment which you are able to perform, whether due to education, training, or experience, which is available at one or more locations in the national economy and in which you can be expected to earn at least 60% of your Indexed Predisability Earnings within twelve months following your return to work.

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 that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

#### C. Partial Plus Disability Definition

During the Benefit Waiting Period and the Own Occupation Period, you are Partially Disabled when you work in your Own Occupation or any other occupation but, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to earn 80% or more of your Indexed Predisability Earnings, in that occupation.

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 80% or more of your Indexed Predisability Earnings, in that occupation and in all other occupations for which you are reasonably fitted by education, training and experience.

Your Work Earnings may be Deductible Income. See **Return To Work Provisions** and **Deductible Income**.

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

LT2.DD.34X

## RETURN TO WORK PROVISIONS

#### A. Return To Work Incentive

You may serve your Benefit Waiting Period while working if you meet the Own Occupation Definition Of Disability.

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 in a., b. and c:
  - 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, Work Earnings which will be Deductible Income is the greater of a. and b. below:
    - a. 50% of your Work Earnings.
    - b. The amount determined according to the formula in 1.above.

#### B. Work Earnings Definition

Work Earnings means your gross monthly earnings from work you perform while Disabled, plus the earnings you could receive if you worked as much as you are able to, considering your Disability, in work that is reasonably available:

- a. In your Own Occupation during the Own Occupation Period; and
- b. In Any Occupation during the Any Occupation Period.

Work Earnings includes earnings from your Employer, any other employer, or self-employment, and any sick pay, vacation pay, annual or personal leave pay or other salary continuation earned or accrued while working.

Earnings from work you perform 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.

In determining your Work Earnings we:

1. Will use the financial accounting method you use for income tax purposes, if you use that method on a consistent basis.
2. Will not be limited to the taxable income you report to the Internal Revenue Service.
3. May ignore expenses under section 179 of the IRC as a deduction from your gross earnings.
4. May ignore depreciation as a deduction from your gross earnings.
5. May adjust the financial information you give us in order to clearly reflect your Work Earnings.

If we determine that your earnings vary substantially from month to month, we may determine your Work Earnings by averaging your earnings over the most recent three-month period. During the Own Occupation Period you will no longer be Disabled when your average Work Earnings over the last three months exceed 80% of your Indexed Predisability Earnings. During the Any Occupation Period you will no longer be Disabled when your average Work Earnings over the last three months exceed 80% of your Indexed Predisability Earnings.

#### C. Child Care Expenses Adjustment

If you must pay Child Care Expenses in order to work, we will reduce the amount of the Work Earnings used in determining your Deductible Income, subject to the following:

1. Your Work Earnings will be reduced by the first \$250 per Child of the monthly Child Care Expenses you pay, but not to exceed a total of \$500 for all Children.
2. The Work Earnings and the Child Care Expenses must be for the same period.
3. You must give us satisfactory proof of the Child Care Expenses you pay.
4. The Work Earnings reduction by Child Care Expenses will end 24 months after it begins.

Child Care Expenses means the amount you pay to a licensed care provider for the care of your Child which is necessary in order for you to work.

Child means:

1. Your child residing in your home (including your stepchild, adopted child, and a child for whom you are the legal guardian), from live birth through age 12; or
2. Your child, age 13 or older, residing in your home (including your stepchild, adopted child, and a child for whom you are the legal guardian) who is:
  - a. Continuously incapable of self-sustaining employment because of mental retardation or physical handicap; and
  - b. Chiefly dependent upon you for support and maintenance.

**LT2.RW.01X**

### **CONTINUING EDUCATION BENEFIT**

We will pay a Continuing Education Benefit to you according to the rules below.

1. You must be receiving LTD Benefits and have a Student Dependent.
2. The amount of the Continuing Education Benefit is \$100 per month for each of your Student Dependents and will be paid to you at the same time that LTD Benefits are payable.
3. The Continuing Education Benefit is payable for a maximum of 48 months for each Student Dependent during your entire lifetime.
4. Student Dependent means your unmarried child, adopted child, stepchild, or child for whom you are the court appointed legal guardian, who is under the age of 22 and who is a registered student in full-time attendance at an accredited institution of higher education beyond high school.
5. The Continuing Education Benefit will first be applied to reduce any overpayment of your claim.

### **REASONABLE ACCOMMODATION EXPENSE BENEFIT**

If you 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 of up to \$25,000, but not to exceed the expenses incurred.

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

**LT.RA.OT.1**

### **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.

**LT.RH.OT.1**

## **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. See **Definition Of Disability**.

### **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, the following 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 disability insurance plan 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.

**LT.TR.OT.1**

## **WHEN LTD BENEFITS END**

Your LTD Benefits end automatically on the earliest of:

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 LTD plan under which you become insured through employment during a period of Temporary Recovery.
5. The date you fail to provide proof of continued Disability and entitlement to LTD Benefits.

**LT.BE.OT.1**

## **PREDISABILITY EARNINGS**

Your Predisability Earnings will be based on your monthly base rate of pay in effect on your last full day of Active Work. Any subsequent change in your base rate of pay after that last full day of Active Work will not affect your Predisability Earnings.

Predisability Earnings means your monthly base rate of pay 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), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. For Military Department employees, your Basic Allowance for Housing and your Basic Allowance for Subsistence.

Predisability Earnings does not include:

1. Bonuses.
2. Commissions.
3. Shift differential pay.
4. Overtime pay.
5. Your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.
6. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.
7. Any other extra compensation.

**(REG WITH COM) LT.PD.OT.1X**

## **DEDUCTIBLE INCOME**

Subject to **Exceptions To Deductible Income** (page 12), Deductible Income means:

1. Sick pay, severance pay, or other salary continuation, including donated amounts, (but not vacation pay, annual leave pay or personal leave pay) paid to you by your Employer.
2. Your Work Earnings, as described in the **Return To Work Provisions**.
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 child 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 or act.

Full offset: Both the primary benefit (the benefit awarded to you) and dependents benefit are Deductible Income.

Benefits your Spouse or a child receives or are eligible to receive because of your disability are Deductible Income regardless of marital status, custody, or place of residence. The term "child" has the meaning given in the applicable plan or act.

- 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 amount you receive or are eligible to receive because of your disability under another group insurance coverage.
- 7. Any disability or retirement benefits you receive or are eligible to receive under your Employer's retirement plan, including a public employee retirement system or a state teacher retirement system. You and your Employer's contributions will be considered as distributed simultaneously throughout your lifetime, regardless of how funds are distributed from the retirement plan.

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.

- 8. Any amount you receive or are eligible to receive from or on behalf of a third party because of your disability, whether by judgement, settlement or other method. If you notify us before filing suit or settling your claim against such third party, the amount used as Deductible Income will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees, and limited to an amount reasonably allocable to lost past and future earnings.
- 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.

**LT.DI.OT.1X**

## **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. Early retirement benefits under the Federal Social Security Act which are not actually received.
- 6. Group credit or mortgage disability insurance benefits.
- 7. Accelerated death benefits paid under a life insurance policy.
- 8. Benefits from the following:
  - a. Profit sharing plan.
  - b. Thrift or savings plan.
  - c. Deferred compensation plan.

- d. Plan under IRC Section 401(k), 408(k), 408(p), 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.
9. Disability benefits from a plan arranged and maintained by a union or employee association for the benefit of its members.

(PUB\_NO OTHR OFFST) LT.ED.OT.1X

## **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.

LT.RU.OT.1

## **SUBROGATION**

If LTD Benefits are paid or payable to you under the Group Policy as the result of any act or omission of a third party, we will be subrogated to all rights of recovery you may have in respect to such act or omission. You must execute and deliver to us such instruments and papers as may be required and do whatever else is needed to secure such rights. You must avoid doing anything that would prejudice our rights of subrogation.

If you notify us before filing suit or settling your claim against such third party, the amount to which we are subrogated will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees. If suit or action is filed, we may record a notice of payments of LTD Benefits, and such notice shall constitute a lien on any judgement recovered.

If you or your legal representative fail to bring suit or action promptly against such third party, we may institute such suit or action in our name or in your name. We are entitled to retain from any judgement recovered the amount of LTD Benefits paid or to be paid to you or on your behalf, together with our costs of recovery, including attorney fees. The remainder of such recovery, if any, shall be paid to you or as the court may direct.

**LT.SG.OT.1**

### **SURVIVORS BENEFIT**

1. The Survivors Benefit is a lump sum equal to 3 times your LTD Benefit without reduction by Deductible Income.
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;
  - c. Your surviving Spouse's unmarried children, including adopted children, under age 25; or
  - d. Any person providing the care and support of any person listed in a., b., or c. above.
4. No Survivors Benefit will be paid if you are not survived by any person listed in a., b., or c. above.

Spouse means:

- a. A person to whom you are legally married; or
- b. Your Domestic Partner. Your Domestic Partner means an individual recognized as such under California state law.

**(MULTPL) LT.SB.OT.1X**

### **CONVERSION OF INSURANCE**

When your insurance ends, you may buy LTD conversion insurance if you meet 1 through 5 below.

1. Your insurance ends for a reason other than:
  - a. Termination or amendment of the Group Policy;
  - b. Your failure to make a required premium contribution; or
  - c. Your retirement.
2. You were continuously insured under your Employer's long term disability insurance plan for at least one year as of the date your insurance ended.
3. You are not Disabled on the date your insurance ends.
4. You are a citizen or resident of the United States or Canada.
5. You must apply in writing and pay the first premium to us within 31 days after your insurance ends.

Your LTD conversion insurance becomes effective on the day after your insurance ends.

The maximum LTD conversion insurance benefit you may select is the smallest of:

1. \$4,000 (however, if you provide satisfactory Evidence Of Insurability, this upper limit is \$8,000);
2. 60% of your insured Predisability Earnings on the date your insurance ended; and
3. The LTD Benefit payable if you had become Disabled on the day before your insurance ended and you had no Deductible Income.

The maximum LTD conversion insurance benefit is reduced by deductible income. The certificate we will issue to you when your LTD conversion insurance becomes effective will contain other provisions which will also differ from the Group Policy.

LT.CV.OT.1

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

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

1. Any amendment to the Group Policy or your Employer's coverage under the Group Policy that is effective after you become Disabled.
2. Termination of the Group Policy or your Employer's coverage under the Group Policy after you become Disabled.

(TRUST) LT.BA.OT.2

## **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. The **Disabilities Excluded From Coverage**, **Disabilities Subject To Limited Pay Periods**, and **Limitations** sections will apply to the new cause of Disability.

LT.ND.OT.1

## **DISABILITIES EXCLUDED FROM COVERAGE**

### 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

A separate Preexisting Condition exclusion applies to the 55% Plan and the 65% Plan. However, if you change your Plan selection from the 55% Plan to the 65% Plan and benefits are not payable under the 65% Plan because of the Preexisting Condition exclusion, your claim will be administered as if you had not changed your Plan selection.

#### 1. Definition

Preexisting Condition means a mental or physical condition whether or not diagnosed or misdiagnosed:

- a. For which you have done or for which a reasonably prudent person would have done any of the following:
  - i. Consulted a physician or other licensed medical professional;
  - ii. Received medical treatment, services or advice;
  - iii. Undergone diagnostic procedures, including self-administered procedures;
  - iv. Taken prescribed drugs or medications;
- b. Which, as a result of any medical examination, including routine examination, was discovered or suspected;

with respect to the 55% Plan, at any time during the 365-day period just before your insurance becomes effective under the Group Policy;

with respect to the 65% Plan, at any time during the 365-day period just before your insurance becomes effective under the 65% Plan.

## 2. Exclusion

With respect to the 55% Plan, 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 24 months, and (b) have been Actively At Work for at least one full day after the end of that 24 months.

With respect to the 65% Plan, 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 65% Plan under the Group Policy for 24 months, and (b) have been Actively At Work for at least one full day after the end of that 24 months.

### D. Loss Of License Or Certification

You are not covered for a Disability caused or contributed to by the loss of your professional license, occupational license or certification.

### E. Violent Or Criminal Conduct

You are not covered for a Disability caused or contributed to by your 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.

(WITH PRUDNT) LT.XD.OT.1X

## **DISABILITIES SUBJECT TO LIMITED PAY PERIODS**

### A. Mental Disorders and Other Limited Conditions

Payment of LTD Benefits is limited to 24 months during your entire lifetime for a Disability caused or contributed to by any one or more of the following, or medical or surgical treatment of one or more of the following:

- 1. Mental Disorders; or
- 2. Other Limited Conditions.

However, if you are confined in a Hospital solely because of a Mental Disorder at the end of the 24 months, 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) or the presence of physical symptoms. Mental Disorder includes, but is not limited to, bipolar affective disorder, organic brain syndrome, schizophrenia, psychotic illness, manic depressive illness, depression and depressive disorders, anxiety and anxiety disorders.

Other Limited Conditions means chronic fatigue conditions (such as chronic fatigue syndrome, chronic fatigue immunodeficiency syndrome, post viral syndrome, limbic encephalopathy, Epstein-Barr virus infection, herpesvirus type 6 infection, or myalgic encephalomyelitis), any allergy or sensitivity to chemicals or the environment (such as environmental allergies, sick building syndrome, multiple chemical sensitivity syndrome or chronic toxic encephalopathy), chronic pain conditions (such as fibromyalgia, reflex sympathetic dystrophy or myofascial pain), carpal tunnel or repetitive motion syndrome, temporomandibular joint disorder, craniomandibular joint disorder, arthritis, diseases or disorders of the cervical, thoracic, or lumbosacral back and its surrounding soft tissue, and sprains or strains of joints or muscles.

However, Other Limited Conditions does not include neoplastic diseases, neurologic diseases, endocrine diseases, hematologic diseases, asthma, allergy-induced reactive lung disease, tumors, malignancies, or vascular malformations, demyelinating diseases, lupus, rheumatoid or psoriatic arthritis, herniated discs with neurological abnormalities that are documented by electromyogram and computerized tomography or magnetic resonance imaging, scoliosis, radiculopathies that are documented by electromyogram, spondylolisthesis, grade II or higher, myelopathies and myelitis, traumatic spinal cord necrosis, osteoporosis, discitis, Paget's disease.

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.

**B. Rules For Disabilities Subject To Limited Pay Periods**

1. If you are Disabled as a result of a Mental Disorder or any Physical Disease or Injury for which payment of LTD Benefits is subject to a limited pay period, and at the same time are Disabled as a result of a Physical Disease, Injury, or Pregnancy that is not subject to such limitation, LTD Benefits will be payable first for conditions that are subject to the limitation.
2. No LTD Benefits will be payable after the end of the limited pay period, unless on that date you continue to be Disabled as a result of a Physical Disease, Injury, or Pregnancy for which payment of LTD Benefits is not limited.

**(NO SBST\_WITH MUSC) LT.LP.OT.1**

**LIMITATIONS**

**A. Under The 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. Rehabilitation Program**

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

**(NO FRGN\_NO PRSN) LT.LM.OT.1X**

## 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.

For claims of Disability due to conditions other than Mental Disorders, we may require proof of physical impairment that results from anatomical or physiological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

### 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.

(REV PUB WRDG) LT.CL.OT.2

## **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.

**LT.AL.OT.1**

## **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 time within which Proof Of Loss is required to be given.

**LT.TL.OT.1**

## **INCONTESTABILITY PROVISIONS**

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

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

No misrepresentation will be used to reduce or deny a claim or contest the validity of insurance 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.

After insurance has been in effect for two years during the lifetime of the insured, we will not use a misrepresentation to reduce or deny the claim, unless it was a fraudulent misrepresentation.

### **B. Incontestability Of The Group Policy Or Employer Coverage Under The Group Policy**

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

No misrepresentation by the Policyholder or your 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 or your Employer's coverage under the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums or fraudulent misrepresentations.

**LT.IN.OT.2**

## **CLERICAL ERROR, AGENCY, 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.
3. Continue insurance under the Group Policy otherwise validly terminated.
4. Cause an Employer to obtain coverage under the Group Policy.

### **B. Agency**

Your Employer acts on their own behalf as your agent, and not as our agent. Your Employer has no authority to alter, expand or extend our liability or to waive, modify or compromise any defense or right we may have under the Group Policy.

### **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.

**LT.CE.OT.2**

## **TERMINATION OR AMENDMENT OF GROUP POLICY OR EMPLOYER COVERAGE**

The Group Policy may be terminated, changed or amended in whole or in part by us or the Policyholder according to the terms of the Group Policy. Any such change or amendment may apply to current or future Employers and Members covered under the Group Policy or to any separate classes or categories thereof. An Employer's coverage under the Group Policy may be terminated, changed or amended in whole or in part by us or the Employer according to the terms of the Group Policy.

We may change the Group Policy or any Employer's coverage under 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 or Employer's consent.

An Employer may terminate coverage under the Group Policy in whole, and may terminate insurance for any class or group of Members, at any time by giving us written notice. Insurance will terminate automatically for nonpayment of premium.

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

LT.TA.OT.2

## 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 insurance is elective and Members pay all of the premium for 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.

Designated Open Enrollment Period means a period designated by the Employer during which employees may apply for insurance under the Group Policy.

Employer means an employer (including approved affiliates and subsidiaries) participating in the Standard Insurance Company Group Insurance Trust for which coverage under the Group Policy is approved in writing by us.

Group Policy with respect to the Policyholder means the group LTD insurance policy issued by us to the Policyholder and identified by the Group Policy Number. Group Policy with respect to an Employer means only those provisions of the Group Policy, including the options and variables requested by the Employer, we have approved for that Employer with respect to its eligible employees. The Employer's coverage under the Group Policy is described in the Statement Of Coverage provided by us to the Employer.

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 the body.

LTD Benefit means the monthly benefit payable to you under the terms of your Employer's coverage under 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**.

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

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 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 your Employer's coverage under the Group Policy.

Statement Of Coverage means the statement we provide to an Employer describing the coverage under the Group Policy we have approved with respect to its eligible employees and identified by the Group Number.

**(TRUST) LT.DF.OT.2X**

**CA/LTDC2000 (Trust)**



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