

# Summary Plan Description

**Name of Plan:** BMC Software, Inc.

**Type of Plan:** The plan is a short term disability plan

**Employer:** BMC Software, Inc.

**ERISA Plan Number:** 501-ERISA

**Plan Year:** The plan year is January 1 – December 31

**Plan Sponsor:**

BMC Software, Inc.  
2103 CityWest Blvd,  
Houston, TX 77042-2828

**Claims Administrator:**

Continental American Insurance Company  
Aflac Premier Life Absence and Disability Solutions  
P.O. Box 8307  
Columbus, GA 31908  
Email: myPLADSleave@aflac.com

This plan is self-funded by the Employer listed above. Continental American Insurance Company (CAIC) has been hired to process claims under the plan. CAIC is the Claims Administrator. The Employer is ultimately responsible for providing plan benefits and is the Plan Sponsor.

This plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA).

## Information about Your ERISA Plan

### 1. The right to receive information about Your plan and its benefits.

- a. You have the right to review and the right to receive, free of charge, at the plan administrator's office (or in a place designated by the plan administrator all documents governing the plan, including but not limited to, insurance contracts or a copy of the latest annual report (Form 5500). The Form 5500 is filed by the plan with the U.S. Department of Labor (DOL) and is available in the Public Disclosure Room of the Employee Benefits Security Administration.
- b. You have the right to receive an annual summary of the plan's financial report.

### 2. The right to prudent action by the Plan fiduciaries.

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

### 3. How to enforce Your rights.

- a. If Your claim for a benefit, eligibility decision, and/or payment dispute is denied or ignored, in whole or in part this is called an Adverse Benefit Determination (ABD). You have a right to know why an ABD was decided, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.
- b. Under ERISA, there are steps You can take to enforce Your rights. For instance, if You request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, You may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay You up to \$110 a day until You receive the requested materials, unless the materials were not sent because of reasons beyond the control of the plan administrator.
- c. If You have an ABD, You may file suit in a state or federal court. You are required to complete administrative appeals prior to filing in court. Your right to file suit in state or federal court may be affected if You do not complete the required appeals.
- d. If it should happen that plan fiduciaries misuse the plan's money, or if You are discriminated against for asserting Your rights, You may seek assistance from the U.S. Department of Labor, or You may

file suit in a federal court. The court will decide who should pay court costs and legal fees. If You are successful, the court may order the person You have sued to pay these costs and fees. If You lose, the court may order You to pay these costs and fees, for example, if it finds Your claim is frivolous.

#### 4. Need help?

- a. If You have any questions about the plan, please contact the plan administrator.
- b. If You have any questions about Your rights under ERISA, or if You need help getting documents from the plan administrator, contact the nearest office of the Employee Benefits Security Administration (EBSA) or the Division of Technical Assistance and Inquiries, EBSA, U.S. Dept. of Labor, 200 Constitution Ave. N.W., Washington, DC 20210.
- c. Certain publications about Your ERISA rights and responsibilities can be found by calling the EBSA publications hotline or visiting [dol.gov/ebsa](http://dol.gov/ebsa).

## PROCEDURES FOR CLAIM REVIEW AND APPEALS OF ADVERSE BENEFIT

### How to File a Claim

If You wish to file a claim for benefits, You or Your authorized representative must send the required claim information, from the attending Provider, and BMC Software, Inc. If You or Your authorized representative has any questions about what to do, please contact the Claims Administrator directly.

### Claims Procedures

The decision will be sent no later than 45 days after the claim is filed. This time period may be extended twice by 30 days if determined that such an extension is necessary due to matters beyond the control of the plan. The Claims Administrator will notify You of the circumstances requiring the extension of time and the decision date expected. If such an extension is necessary due to Your failure to submit the information necessary to decide the claim, the notice of extension will specifically describe the required information, and You will be afforded at least 45 days within which to provide the specified information. If You deliver the requested information within the time specified, any 30-day extension period will begin after You have provided that information. If You fail to deliver the requested information within the time specified, the decision will be made with the information in the file.

### Adverse Benefit Determination

An adverse benefit determination means a denial, a reduction, a termination or rescission of coverage, or a failure to provide or make payment for a benefit. If Your claim is denied, this is considered an adverse benefit determination. You will be notified if there is an adverse benefit determination. Notice may be provided in Written or electronic form. Electronic notices will be provided only when You give Your consent to receive the notice. The adverse benefit determination will include the following:

- the specific reason(s) for the determination. This may include an explanation of:
  - **What You sent:** The views of health care professionals treating You and the vocational professional who evaluated You. These will be reports that You provided;
  - **Experts from the Plan:** The views of medical or vocational experts whose advice was obtained on behalf of the plan in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - **Social Security:** A disability determination made by the Social Security Administration that You provided;
- reference to specific plan provision(s) on which the determination is based;
- when necessary, a description of additional material or information needed to complete the claim and why such information is necessary;
- a statement that You are entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records or other information relevant to the claim for benefits;
- identification of any internal rule, guideline, protocol or standard relied on for the claim determination;
- the plan procedures and time limits for appealing; and
- Your right to obtain information about the appeal procedures and the right to bring a lawsuit under Section 502(a) of ERISA, when applicable, following an adverse determination from Us on appeal, including the limitation that any such lawsuit is brought no later than 3 years from the time Proof of claim was required.

## Right to appeal if there is an Adverse Benefit Determination

You or someone You name to act for You (authorized representative) may file an appeal. If someone files an appeal on Your behalf, You must let the Claims Administrator know that You have appointed this person as Your authorized representative. Your appeal must be In Writing and sent to the Claims Administrator. When You send Your appeal, You may include Written comments, documents, records or other information related to Your claim. You have the right to one appeal.

**Time Frame.** You have 180 days from the receipt of notice of an adverse benefit determination to file an appeal. Requests for appeals should be sent to the address specified in the claim denial. The appeal will be reviewed, and a determination notice will be sent within 45 days of receiving the appeal. Sometimes, it will take longer to review the appeal because additional information is needed to make a decision. If this happens, within 45-days, You will be notified that an extension is necessary and the reason for the extension. The review period may be extended twice, 90 days in total. If an extension is given to give You more time to submit information necessary to decide the appeal, the letter We send will tell You what is needed. You will be given 45-days to provide the information. The extension of time to review the information will begin after the requested information is received. If You fail to send the requested information, the appeal will be decided based on the information We have at the end of the 45 days.

**Information used to make an appeal decision.** You will have the opportunity to submit Written comments, documents, or other information in support of Your appeal.

**Appeal Review.** The appeal will be reviewed by someone who did not make the initial decision. This reviewer will look at all the information submitted and may consult with a qualified medical professional. The appeal reviewer will not give consideration to the initial decision. The appeal reviewer will review the evidence and the rationale that was included when the benefit was first denied. The health care professional who is consulted on appeal will not be the individual who was consulted during the initial determination or someone who works for them. If the advice of a medical or vocational expert was obtained by the plan in connection with the denial of Your claim, We will provide You with the names of each such expert, regardless of whether the advice was relied upon. In selecting a health care professional to review the appeal, decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual (such as a claims adjudicator or medical or vocational expert) are not made based upon the likelihood that the individual will support the denial of benefits.

**Appeal Decision.** The Claims Administrator will send a Notice of the appeal decision. Notice may be provided in Written or electronic form. Electronic notices will be provided only when You give Your consent to receive the notice. The appeal determination will include the following:

- the specific reason(s) for the determination. This may include an explanation of:
  - **What You sent:** The views of health care professionals treating You and the vocational professional who evaluated You. These will be reports that You provided;
  - **What We received or obtained:** A description of any new information received or obtained during the claim review or appeal review;
  - **Experts from the Plan:** The views of medical or vocational experts whose advice was obtained on behalf of the plan in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - **Social Security:** A disability determination made by the Social Security Administration that You provided;
- reference to specific plan provision(s) on which the determination is based;
- when necessary, a description of additional material or information needed to complete the claim and why such information is necessary;
- a statement that You are entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records or other information relevant to the claim for benefits; and
- Your right to obtain information about the appeal procedures and the right to bring a lawsuit under Section 502(a) of ERISA, when applicable, following an adverse determination from Us on appeal, including the limitation that any such lawsuit is brought no later than 3 years from the time Proof of claim was required.

## Requirement to File an Internal Appeal Before Filing a Lawsuit

If Your claim is denied, in whole or in part, after You have completed the appeal procedure, You may file a civil action in federal court under ERISA.

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## **SPECIAL NOTICES**

### **CONTINENTAL AMERICAN INSURANCE COMPANY**

You may contact Us at:

**Toll Free Number:** 800.206.8826 TTY/RTT 711

**Claim Information Toll Free Number:** 800.206.8826 TTY/RTT 711

## **SHORT TERM DISABILITY SCHEDULE OF BENEFITS**

The short term disability plan provides financial protection for You by paying a portion of Your income while You are disabled. The amount You receive is based on the amount You earned before Your disability began, subject to all plan provisions.

**EFFECTIVE DATE:** January 1, 2025

**ANNIVERSARY DATE:** January 1, 2026, and each following January 1<sup>st</sup>.

**ELIGIBLE CLASS:** All persons in the following class(es) are eligible for Employee coverage:

Class 1: All Active Employees, excluding CA employees VDI employees.

**Minimum Hours Requirement:** 20 hours per week.

**Waiting Period:**

None

**Who Pays for the Coverage:**

This is a Non-Contributory plan. Your Employer pays the cost of Your coverage.

**Elimination Period:**

7 consecutive days for disability due to Injury.

7 consecutive days for disability due to Sickness.

The Elimination Period begins on the first day of Your disability.

Benefits for a Payable Claim begin the day after the Elimination Period is completed.

**Can You Satisfy Your Elimination Period If You Are Working?**

Yes. If You are working while You are disabled, the days You are disabled will count toward Your Elimination Period.

**Weekly Benefit:**

Up to 3 Weeks: 100% of Weekly Earnings

Weeks 4-6: 75% of Weekly Earnings

Weeks 7 - 26: 66.7% of Weekly Earnings

Your benefit may be reduced by any Deductible Sources of Income and adjusted by any Disability Earnings. Some disabilities may not be covered or may have limited coverage.

**Weekly Earnings:**

"Weekly Earnings" means Your gross weekly income from Your Employer in effect the day before Your date of disability. It includes Your total income before taxes and any deductions made for pre-tax contributions to a qualified deferred compensation plan, Section 125 plan, or flexible spending account. It does not include income received from commissions, bonuses, overtime pay, any other extra compensation, or income received from sources other than Your Employer. It does not include any expenses, allowances and other unusual and non-recurring compensation, such as relocation assistance and event awards.

Earnings, whether for a full year or partial year, will be converted to a weekly amount for the purpose of calculating the Weekly Payment.

**Total Benefit Cap:**

If You are eligible to receive payments from the plan in addition to Your Weekly Benefit, the total benefit payable to You on a weekly basis (including all benefits provided under the plan) will not exceed 100% of Your Weekly Earnings. If You are participating in a Vocational Rehabilitation Program, the total benefit payable to You on a weekly basis (including all benefits provided under the plan) will not exceed 100% of Your Weekly Earning unless an excess amount is payable as a result of a cost of living adjustment.

**Maximum Period of Payment:** 25 weeks for Sickness and Injury.

**OTHER BENEFITS:**

**Vocational Rehabilitation Program:** Included

**Vocational Rehabilitation Expense Benefit:** If the Covered Person is eligible for a Rehabilitation Incentive Benefit, the benefit percentage shown in the plan specifications, will be increased to 77.67%. The increased benefit will begin on the first day of the month after Liberty, on behalf of the Employer, receives written Proof of the Covered Person's full participation in the Rehabilitation Program.

## DEFINITIONS

The following definitions apply:

**Accident** means a sudden, unexpected event that was not reasonably foreseeable.

**Active Employment** means You are working for Your Employer for earnings that are paid regularly and that You are performing the Material and Substantial Duties of Your Regular Occupation. You must be working at least the minimum number of hours as described under the Minimum Hours Requirement in the *Schedule of Benefits*.

To be in active employment, Your work site must be:

- Your Employer's usual place of business;
- an alternative work site at the direction of Your Employer, including Your current residence, even if temporary; or
- a location to which Your job requires You to travel.

We will consider You to be in Active Employment on weekends, holidays, vacations, and paid time off program that Your Employer has approved and during a temporary business closure not to exceed 1 day if You were in Active Employment on the last scheduled work day immediately prior to such time off. A temporary business closure includes a closure due to inclement weather, power outage or public health agency orders.

If Your employment status is being continued under a severance or termination agreement, You will not be considered in Active Employment.

Temporary workers are excluded from coverage. Seasonal workers are excluded from coverage.

**Claims Administrator** means Continental American Insurance Company or its affiliates.

**Complication of Pregnancy** means a condition, when pregnancy is not terminated, whose diagnosis is distinct from pregnancy but adversely affected or caused by pregnancy. Complication of pregnancy includes, but is not limited to, non-elective cesarean section; termination of ectopic pregnancy; spontaneous termination of pregnancy occurring during a period of gestation in which a viable birth is not possible; acute nephritis or nephrosis; cardiac decompensation; missed abortion; and similar medical and surgical conditions of comparable severity. It does not include false labor; occasional spotting; morning sickness; Provider prescribed rest; hyperemesis gravidarum; pre-eclampsia; or any other condition associated with the management of a difficult pregnancy, not consisting of a nosologically distinct complication of pregnancy.

**Confined or Confinement** means a Hospital, Health Facility, or Institution stay of at least 8 hours per day.

**Covered Person** means an Employee who is eligible for coverage.

**Deductible Sources of Income** means income from other sources as listed in this plan which You receive or are eligible to receive while You are disabled. This income will be subtracted from Your Gross Weekly Benefit.

**Disability Earnings** means the income which You receive from working while You are disabled. Disability earnings do not include earnings from secondary employment if such employment began prior to Your date of disability; however, it does include any increase in earnings from the secondary employment occurring after Your date of disability.

**Eligibility Date** means the date You become eligible for coverage.

**Elimination Period** means a period of continuous disability that must be satisfied before You are eligible to receive benefits from this plan.

**Employee** means a person defined by the plan administrator. Employee includes:

- the employees of one or more subsidiary corporations.

Employee excludes in any case, part-time employees, temporary employees and employees who work for the Employer less than the number of hours per week indicated in the *Schedule of Benefits*.

**Good Cause** means documented physical or mental impairments, which leave You unable to take part in or complete the agreed upon Vocational Rehabilitation Program or transitional work arrangement provided by the plan. It can also mean that You are participating in:

- medical treatment(s) which prevent(s) or interfere(s) with Your taking part in or completing the Vocational Rehabilitation Program under this plan; or
- another vocational rehabilitation program which is reasonably expected to return You to Active Employment.

We will review and consider Your attending Provider's assessment; however, We reserve the right to make a good cause determination based on the medical opinion of Our consulting Provider. If benefits are discontinued under this provision, You will have the right to an appeal review of that decision.

**Gross Weekly Benefit** means Your benefit before any reduction for Deductible Sources of Income and any adjustment for Disability Earnings.

**Health Care Provider or Provider** means a person performing tasks that are within the limits of his or her professional license; and who is:

- a person who is licensed to practice medicine and prescribe and administer drugs or to perform surgery;
- a person with a doctoral degree in Psychology (Ph. D. or Psy. D.) whose primary practice is treating patients;
- a person who is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction; or
- any other person whose services, according to applicable law, must be treated as provider services for purposes of the plan. Each such person must be licensed in the jurisdiction where the service is performed and must act within the scope of that license. Such person must be certified and/or registered if required by jurisdiction.

We will not recognize You or Your Family Members, including but not limited to, Spouse, domestic partner, Child(ren), parents, including in-laws, or siblings, including in-laws, a business or professional partner, or any person who has a financial affiliation or business interest with You as a provider for a claim that You send to Us.

**Hospital, Health Facility, or Institution** means an accredited facility licensed according to state and local laws to provide care and treatment for the condition causing Your disability. The facility must be supervised by one or more Providers with 24 hour registered graduate nursing staff. The facility may specialize in treating alcoholism, drug addiction, chemical dependency or mental disorder. A facility specializing in treating alcoholism, drug addiction, chemical dependency or mental disorder does not include a rest home, convalescent home, and home for the aged or a facility primarily for custodial, educational, or rehabilitative care.

**Injury** means bodily injury resulting from an Accident, independent of disease, and not related to any other cause.

**Material and Substantial Duties** means duties that:

- are normally required for the performance of Your Regular Occupation; and
- cannot be reasonably omitted or modified, except that if You are required to work an average in excess of 40 hours per week, We will consider You able to perform that requirement if You are working or have the capacity to work 40 hours per week.

**Maximum Period of Payment** means the longest period of time payments are available for any one period of disability.

**Non-Contributory** means the plan does not require the Covered Person to pay any part of the fees. This plan specifies who pays the cost of the coverage.

**Occupational Sickness or Injury** means a Sickness or Injury that was caused by or aggravated by any employment or self-employment for pay or profit. However, if Proof is provided to Us that a claim has been made under any type of workers' compensation law and that no benefit, award, settlement or redemption has been or will be made under such law for that Sickness or Injury, then that Sickness or Injury will not be considered an occupational sickness or an occupational injury.

**Part-Time Basis** means the ability to work and earn 20% or more not to exceed 80% of Your Weekly Earnings. Ability is based on capacity and not market availability.

**Payable Claim** means a claim that is eligible for payment under the provisions of the plan.

**Plan Participant** means an Employee who is eligible for benefits. The plan participant is entitled to exercise the rights and benefits granted in this Summary Plan Description.

**Prior Plan** means the group short term disability plan You were eligible for on the day prior to the Effective Date of this plan.

**Proof** means Written evidence satisfactory to Us that a person has satisfied the conditions and requirements for eligibility for any benefit described in this plan. When a claim is made for any benefit described in this plan, proof must establish:

- the nature and extent of the loss or condition;
- Our obligation to pay the claim; and

- the claimant's right to receive payment.

**Reasonable Accommodation** means modifications or adjustments to a job, an employment practice or the work environment that makes it possible for a person with a disability to perform the Material and Substantial Duties of their occupation without causing undue hardship to any employer. It must meet federal standards of reasonable accommodation as defined by the Americans with Disabilities Act of 1991.

**Recurrent Disability** means a disability which is due to the same cause(s) as Your prior disability for which We made a Weekly Payment.

**Regular Care** means:

- You personally visit in person or by telemedicine a Provider as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat Your disabling condition(s); and
- You are receiving the most appropriate treatment and care, which conform with generally accepted, medical standards, for Your disabling condition(s) by a Provider whose specialty or experience is the most appropriate for Your disabling conditions(s) according to generally accepted medical standards.

**Regular Occupation**, also called *Regular Job* means the occupation You are routinely performing when Your disability begins. We will look at Your occupation as it is normally performed and how the work tasks are performed for Your Employer or at a specific location.

**Retirement Plan** means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to Employees and are not funded entirely by Employee contributions. Retirement plan includes but is not limited to any plan which is part of any federal, state, county, municipal or association retirement system.

**Salary Continuation or Accumulated Sick Leave** means continued payments to You by Your Employer of all or part of Your Weekly Earnings, after You become disabled as defined by the plan. This continued payment must be part of an established plan maintained by Your Employer for the benefit of all Employees covered under the plan. Salary continuation or accumulated sick leave does not include compensation paid to You by Your Employer for work You actually perform after Your disability begins.

**Sickness** means illness, disease or Complications of Pregnancy.

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

**Spouse** means Your lawful spouse.

**Third Party** means any person or entity whose act or omission, in full or in part, caused You to suffer a disability for which benefits are paid or payable under this plan. Third party also includes Your homeowner's, automobile or other insurance company if they make payments to You because of the acts or omissions of another person or entity.

**Vocational Rehabilitation Program** means a Written plan that a vocational rehabilitation professional, designated by Us, prepares in accordance with the *Vocational Rehabilitation Services Program* provision of the plan.

**Weekly Earnings** means Your gross weekly income from Your Employer as stated in the *Schedule of Benefits*.

**Weekly Payment** means Your benefit after any Deductible Sources of Income and have been subtracted from Your Gross Weekly Benefit.

**Weekly Payment** means Your Gross Weekly Benefit.

**We, Us, and Our (with or without initial capital letters)** means Continental American Insurance Company in our capacity as Claims Administrator.

**Written or In Writing** means a record which is on or transmitted by paper, electronic media, or other durable media and which is consistent with applicable law.

**You, Your (with or without initial capital letters)** means an Employee who is a member of an Eligible Class and who is eligible for benefit.

## ELIGIBILITY

### Eligible Class(es):

You may only become eligible for the plan if You are a member of an Eligible Class shown in the *Schedule of Benefits*. Refer to the *Schedule of Benefits* or contact Your Employer to determine if You are in an Eligible Class.

### When are You Eligible for Coverage?

If You are in Active Employment, the date You are eligible for coverage is the later of:

- the plan Effective Date;
- Your date of hire; or
- the date You enter an Eligible Class.

### Enrollment

If You are not required to contribute towards the cost of coverage, Your enrollment will be handled by Your Employer.

### Effective Date of the Plan

Subject to the requirements of the section below, *Deferred Effective Date*, Your coverage will become effective as determined in this section if You are in Active Employment on the date coverage would take effect. If You are not in Active Employment on the date coverage is to take effect, Your Effective Date of coverage will be determined in the section below entitled *Deferred Effective Date*.

Coverage for eligible persons covered under the Prior Plan will be effective on the plan's Effective Date.

For persons, who were not covered under the Prior Plan, and all new or newly eligible persons, coverage will become effective as described below.

#### Rules For Non-Contributory Coverage

Non-Contributory coverage will take effect in accordance with the rules stated below. You must be in Active Employment on the date such coverage takes effect.

Non-Contributory coverage will become effective the later of:

- the plan Effective Date; or
- the date You become eligible.

#### Deferred Effective Date

Unless otherwise stated in the section entitled *Continuity of Coverage* if You are not in Active Employment on the day before:

- the plan Effective Date;
- the scheduled Effective Date of Your coverage; or
- an increase in Your coverage.

Your coverage, or an increase, will not become effective until the day You return to Active Employment.

## CHANGING YOUR COVERAGE

### When Will Changes to Your Coverage Take Effect?

#### Effective Date for Benefit Changes Due to a Change in Weekly Earnings

A change in Your Weekly Benefit due to a change in Your Weekly Earnings will be effective on the date of the change, if You are in Active Employment. If You are not in Active Employment due to Injury or Sickness, any increased or additional coverage will begin on the date You return to Active Employment.

#### Effective Date for Benefit Changes Due to a Change in Your Eligible Class

A change in Your Weekly Benefit due to a change in Your Eligible Class will be effective immediately. If You are not in Active Employment due to Injury or Sickness, any increased or additional coverage will begin on the date You return to Active Employment.

#### Effective Date for Benefit Changes by Plan Amendment

A change in Your Weekly Benefit due to a change in the plan, will be effective on the date of the change, if You are in Active Employment. If You are not in Active Employment on the date a benefit payable change would otherwise be effective, any increased or additional coverage will begin on the date You return to Active Employment.

#### Effective Date of a Benefit Decrease

Any decrease in coverage will take effect immediately upon the Effective Date of the change.

#### Effect of a Change in Coverage on a Payable Claim

Neither an increase nor a decrease in coverage will affect a Payable Claim that occurs prior to the increase or decrease.

## CONTINUATION OF COVERAGE

### When Will Your Coverage Continue If You Are Temporarily Not Working? As described below:

#### If You Are Not in Active Employment Due to a Sickness or Injury

If You are not in Active Employment due to Sickness or Injury or other authorized leave as agreed to by Your Employer, You will be covered for up to 6 months from which your Sickness or Injury begins, or at long term disability satisfaction of elimination period.

#### Continuation of Coverage While on a Family and Medical Leave of Absence

Coverage will continue in accordance with the Employer's policy on family medical and military leaves of absence.

If You were granted a Leave of Absence according to the "Family and Medical Leave Act of 1993", Your coverage will continue under this provision for the balance of Your leave.

Coverage will be continued until the end of the later of:

- the leave period required by the federal Family and Medical Leave Act of 1993 and any amendments; or
- the leave period required by applicable national, state or local law, or any similar law, plan or act.

#### Continuation of Coverage While on Leave During Military Service

We may continue Your coverage, if applicable, in accordance with the Employer's policies regarding Leave of Absence for military service under the Uniformed Services Employment and Reemployment Rights Act (USERRA) and applicable state law. Coverage may be continued until the end of the period required by USERRA. If Your coverage is not continued during a Leave of Absence for active military service, and You return to Active Employment, Your coverage will be reinstated in accordance with USERRA and applicable state law.

## Concurrent Leaves

If Your Employer has approved more than one type of Leave of Absence for You during any one period that You are not in Active Employment, We will consider such leaves to be concurrent for the purpose of determining how long Your coverage may continue under the plan.

## End of a Continuation Period

Continuation will end on the earliest of the following:

- the date Your continuation leave ends;
- the date the plan is terminated; or
- the maximum continuation period has been reached.

At the end of any of a continuation period if You resume Active Employment in an Eligible Class You will continue to be covered.

If You do not resume Active Employment in an Eligible Class at this time, Your employment will be considered to end, and all coverage will end.

***In no event will coverage be continued beyond the date Your coverage would otherwise end according to the terms of the When Does Your Coverage End provision.***

## DATE COVERAGE ENDS

### When Does Your Coverage End?

Your coverage ends on the earliest of:

- the date the plan is terminated;
- the date You voluntarily stop Your coverage;
- the date You are no longer in an Eligible Class;
- the date You are no longer eligible for coverage;
- the date Your Eligible Class is no longer covered;
- the last day You are in Active Employment except as provided under the *Continuation of Coverage* provision; or
- the date Your employment stops for any reason. This will be the date You stop Active Employment; or
- the date on which You retire.

## SHORT TERM DISABILITY BENEFIT INFORMATION

### How Do We Define a Short Term Disability?

You are considered to be disabled if, solely and directly because of a Sickness or Injury, all of the following applies:

- You must be covered by this plan at the time You become disabled;
- You must be under the Regular Care of a Provider for Your Sickness or Injury;
- the Sickness or Injury is not an Occupational Sickness or Injury; and
- You must meet the conditions of disability below.

During the Elimination Period, You are disabled when it is determined that due to Your Sickness or Injury:

- You are unable to perform one or more of the Material and Substantial Duties of Your Regular Occupation; and
- You have a 20% or more loss in Your Weekly Earnings.

After the Elimination Period, You are disabled when it is determined that due to Your Sickness or Injury:

- You are unable to perform one or more of the Material and Substantial Duties of Your Regular Occupation; and
- You have a 20% or more loss in Your Weekly Earnings.

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

We will assess Your ability to work and the extent to which You are able to work by considering the facts and opinions from Your Providers and medical practitioners or vocational experts of Our choice.

We may require You to be examined by a Provider, other medical practitioner and/or vocational expert of Our choice. We will pay for this examination. We can require an examination as often as it is reasonable to do so. We may also require You to be interviewed by Our authorized representative. Refusal to be examined or interviewed may result in denial or termination of Your claim.

### Elimination Period

#### How Long Must You Be Disabled Before You Are Eligible to Receive Benefits?

The Elimination Period is the period of continuous disability You must satisfy before You are eligible to receive benefits. You must be continuously disabled through Your Elimination Period. Your Elimination Period is as stated in the *Schedule of Benefits*. The days that You are not disabled will not count toward Your Elimination Period.

If Your disability stops during the Elimination Period, We will not consider Your disability to be continuous.

No benefit is payable for or during the Elimination Period. You must be under the care of a Provider during the Elimination Period.

The Elimination Period begins on the first day of Your disability.

Benefits for a Payable Claim begin the day after the Elimination Period is completed.

#### Can You Satisfy Your Elimination Period If You Are Working?

Yes. If You are working while You are disabled, the days You are disabled will count toward Your Elimination Period.

#### Accumulation of Elimination Period

If, during the Elimination Period, You return to Active Employment for 10 days or less, Your disability will be treated as continuous. Days that You are in Active Employment during this accumulation period will not count towards the Elimination Period.

If You do not satisfy the Elimination Period within the accumulation period, a new period of disability will begin. The Elimination Period and the accumulation period begin on the first day of Your disability.

Benefits for a Payable Claim begin the day after the Elimination Period is completed.

## **When Will You Begin To Receive Benefits?**

The benefit payable is the Weekly Benefit shown in the *Schedule of Benefits*. The Weekly Benefit is based on Your Weekly Earnings.

You will begin to receive benefits when Your claim is approved, providing the Elimination Period has been satisfied, You are under the Regular Care of a Provider, and You are disabled as defined in this document. We will send You a Weekly Benefit for any period for which We are liable but not beyond the Maximum Period of Payment shown in the *Schedule of Benefits*. No benefit is payable during the Elimination Period.

After the Elimination Period, if You are disabled for less than 1 week, We will send You 1/7<sup>th</sup> of Your Weekly Payment for each day of Your disability.

If You are receiving or are eligible to receive benefits for a disability under a prior disability plan that was sponsored by Your Employer or You were terminated before the Effective Date of this plan, then no benefits will be payable for the disability under the plan.

## **What Is the Maximum Period of Payment?**

You will receive a benefit for each week You remain disabled up to the Maximum Period of Payment. Your Maximum Period of Payment is described in the *Schedule of Benefits*.

## **Recurrent Disability**

If You return to Active Employment and You have a Recurrent Disability, We will treat Your disability as part of Your prior claim, and You will not have to complete another benefit Elimination Period if:

- You were continuously covered under the plan for the period between the end of Your prior claim and Your Recurrent Disability; and
- Your Recurrent Disability occurs within 180 days from the end of Your prior claim and Your return to Active Employment.

Your Recurrent Disability will be subject to the same terms of the plan as Your prior claim and will be treated as a continuation of that disability.

Any disability, which occurs after 180 days from the date Your prior claim ended, will be treated as a new claim. The new claim will be subject to all of the plan provisions, including the Elimination Period.

## **How is Your Benefit Determined?**

### **How Is Your Benefit Determined When Not Working?**

We will follow this process to calculate Your benefit amount:

1. Multiply Your Weekly Earnings by the Weekly Benefit percentage shown in the *Schedule of Benefits*.
2. The Maximum Weekly Benefit is listed in Your *Schedule of Benefits*.
3. Compare the answer from item 1 with the Maximum Weekly Benefit. The lesser of these two amounts is Your Gross Weekly Benefit.
4. Subtract any Deductible Sources of Income from Your Gross Weekly Benefit.

The amount figured in item 4 is Your Weekly Benefit. The Weekly Benefit will be recalculated when You receive any new Deductible Sources of Income.

### **How is Your Benefit Determined if You Are Disabled and Working?**

You may continue to work or return to work while You are disabled and still be eligible to collect Your Weekly Benefit. Your Weekly Benefit may be reduced by Your Disability Earnings from the Employer, or another employer for which You become employed after Your disability began. As part of Your Proof of Disability Earnings, We can require that You send Us appropriate financial records that We believe are necessary to substantiate Your income.

## **Work Incentive Benefit**

If You are disabled and return to work, We will not reduce Your Weekly Benefit for Disability Earnings if Your weekly Disability Earnings are less than 20% of Your Weekly Earnings.

If You are disabled and Your weekly Disability Earnings are 20% or more of Your Weekly Earnings, We will calculate Your Weekly Benefit as follows:

- 1) Add Your weekly Disability Earnings and Deductible Sources of Income, if any to Your Gross Weekly Benefit.
- 2) Compare the answer in item 1 to Your Weekly Earnings.

If the answer from item 1 is less than or equal to 100% of Your Weekly Earnings, We will not further reduce Your Weekly Benefit.

If the answer from item 1 is more than 100% of Your Weekly Earnings, We will subtract the amount over 100% from Your Weekly Benefit.

**Total Benefit:** The total benefit payable on a weekly basis (including all benefits provided under this plan), will not exceed 100% of Your Weekly Earnings unless otherwise stated in this plan under the specific conditions stated.

**Disability Earnings While Participating in a Vocational Rehabilitation Program:** Only 77.67% of any Disability Earnings You receive while a participant in an approved rehabilitation program will be included as such income.

### **How is the Benefit Calculated if Disability Earnings Fluctuate?**

If Your weekly Disability Earnings routinely fluctuate widely from week to week, We may average Your Disability Earnings over the most recent 12 weeks to determine if Your claim should continue.

If We average Your Disability Earnings, We will not terminate Your claim unless the average of Your Disability Earnings exceeds 80% of Your Weekly Earnings.

We will not pay You for any week during which Disability Earnings exceed the above amounts. The Minimum Weekly Benefit will not be paid when Disability Earnings exceed the above amounts. In no event will benefits be paid beyond the Maximum Period of Payment.

## **What Are Deductible Sources of Income And How Do They Affect My Benefits?**

**Deductible Sources of Income** are other income benefits You, Your Spouse or Child may be entitled to receive because of Your disability or retirement. These benefits are taken into consideration when Your Weekly Benefit is calculated and may reduce Your Weekly Benefit.

We will only subtract Deductible Sources of Income which are payable as a result of Your disability, with the exception of retirement payments, amounts earned or received from any form of employment and amounts received from any unemployment compensation law.

We will subtract from Your Gross Weekly Benefit the following Deductible Sources of Income:

1. The amount that You receive or are entitled to receive as disability payments for Your disability under:
  - any state or federal occupational disease or injury law; or
  - any other plan, act or law with similar intent.
2. The amount that You, Your Spouse and Children receive or are entitled to receive as disability benefits under any:
  - state compulsory benefit act or law;
  - income payments under any "no fault" motor vehicle plan;
  - other group insurance plan to the extent that such policy or plan covers the same pre-disability income; or
  - governmental retirement system as a result of Your job with Your Employer.

3. The gross amount that You, Your Spouse and Children receive or are entitled to receive as disability benefits because of Your disability under:
- the United States Social Security Act;
  - the Canada Pension Plan;
  - the Quebec Pension Plan;
  - the Railroad Retirement Act; or
  - any similar plan, act or law of any country, state or province.

Benefits paid to Your former spouse or to Your Children living with such spouse will not be included.

4. The gross amount that You receive as retirement payments or the amount Your Spouse and Children receive as retirement payments because You are receiving retirement payments under:
- the United States Social Security Act;
  - the Canada Pension Plan;
  - the Quebec Pension Plan;
  - the Railroad Retirement Act; or
  - any similar plan, act or law of any country, state or province.

This does not include benefits for any month before You reach normal retirement age, as defined under the Social Security Act, unless You choose to receive these benefits.

Benefits paid to Your former spouse or Your Children living with such Spouse will not be included.

5. The amount that You:
- receive as disability benefits under Your Employer's Retirement Plan;
  - voluntarily elect to receive as retirement benefits under Your Employer's Retirement Plan; or
  - receive as retirement benefits when You reach the later of age 62 or normal retirement age, as defined in Your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits which are paid due to disability and do not reduce the retirement benefit which would have been paid if the disability had not occurred.

Retirement benefits will be those benefits that are paid based on Your Employer's contribution to the Retirement Plan. Disability benefits which reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, We will consider Your and Your Employer's contributions to be distributed simultaneously throughout Your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. We will use the definition of eligible Retirement Plan as defined in Section 402 of the Internal Revenue code including any future amendments that affect the definition.

6. Disability and retirement benefits under a government plan, including but not limited to, state and municipal public employee plans and state teachers plans (PERS/STRS).

Disability and retirement benefits under plans provided by the insured person's policyholder, Employer or collective bargaining unit, as applicable; this reduction may be limited to employer contributions and some type of Retirement Plans, such as 401(k), may be excluded.

7. Third Party payments, damages, settlements or judgments received for lost income for Your disability (after subtracting attorneys' fees). If the amount received from the Third Party does not specify the lost income amount, We will estimate the amount using a percentage of the settlement amount based on the insured person's Weekly Earnings, prorated to cover the period for which the settlement or judgment was made. If Your disability benefit is reduced because of 1) other benefits or income for amounts received minus legal fees, or 2) for lost income due to a disability because of omission of the Third Party, the claim will not be subject to subrogation.

8. The amount You receive under Title 46, United States Code Section 688 (The Jones Act) and the Doctrine of Unseaworthiness.
9. Disability benefits received under state disability benefit plans and state family leave benefit plans, where permitted by state law.
10. Another group disability income policy or plan to the extent that such policy or plan covers the same pre-disability income.
11. The amount of loss of time benefits that You receive or are entitled to receive under any Salary Continuation and Accumulated Sick Leave.
12. The amount You receive or are entitled to receive under any unemployment income act or law due to the end of employment with Your Employer or payable by insured and uninsured plans or as a result of Your membership or association in any group, union or other organization.
13. 100% of Your Disability Earnings after the work incentive period ends.
14. The amount You receive from franchise disability plans to the extent that cumulative benefits payable would exceed Weekly Earnings.
15. The amount that You receive from a partnership, proprietorship or any similar draws.

With the exception of retirement payments, or amounts that You receive from a partnership, proprietorship or any similar draws, We will only subtract Deductible Sources of Income which are payable as a result of the same disability.

We will not reduce Your payment by Your social security retirement income if Your disability begins after age 65 and You were already receiving social security retirement payments.

### **What Are Not Deductible Sources of Income?**

We will not subtract from Your Gross Weekly Benefit income You receive from, but not limited to, the following:

- 401(k) plans;
- profit sharing plans;
- thrift plans;
- tax sheltered annuities;
- stock ownership plans;
- non-qualified plans of deferred compensation;
- pension plans for partners;
- military pension and disability income plans;
- credit disability insurance;
- individual retirement accounts (IRA);
- individual disability income plans paid for by You;
- 457 deferred compensation plans;
- 403(b) tax sheltered annuity plans; or
- retirement benefits from a former employer;
- social security widow's benefits.

### **What Happens When You Receive A Cost Of Living Increase From Deductible Sources of Income?**

Once We have subtracted any Deductible Sources of Income from Your Gross Weekly Benefit, We will not further reduce Your Weekly Benefit due to a cost of living increase from that source.

## What If We Determine You May Qualify For Deductible Income Benefits?

If Your disability may qualify for benefits in the *Deductible Sources of Income* section, We will estimate Your entitlement to these benefits. We can reduce Your Weekly Benefit by the estimated amounts if such benefits:

- have not been awarded or received; and
- have not been denied; have been denied, and the denial is not being appealed, if appeal rights are provided.

Your Weekly Benefit may not be reduced by the estimated amount if You:

- apply for the benefits in the *Deductible Sources of Income* section, and appeal Your denial to all administrative levels We feel are necessary; and
- sign Our reimbursement agreement form. This form states that You promise to pay Us any overpayment caused by an award.

If Your benefit has been reduced by an estimated amount, Your benefit will be adjusted when We receive Proof:

- of the amount awarded; or
- that benefits have been denied and all appeals We feel are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to You.

We will not estimate Your entitlement to the following:

- payments You receive as disability payments under Your Employer's Retirement Plan;
- payments You voluntarily elect to receive as retirement payments under Your Employer's Retirement Plan;
- payments You are eligible to receive as retirement payments when You reach the later of age 62 or normal retirement age, as defined in Your Employer's Retirement Plan;
- the amount You receive as disability payments under any "no fault" motor vehicle plan; or
- the amount You receive from a Third Party (after subtracting attorneys' fees) by judgment, settlement or otherwise as disability payments.

## What Happens If You Receive a Lump Sum Payment?

If You receive a lump sum payment from any Deductible Sources of Income, the lump sum will be pro-rated on a weekly basis over the time period for which the sum was given. If no time period is stated, We will use a reasonable one. If any part of the lump sum payment dates back to a prior date it may be allocated on a retroactive basis. We will prorate the lump sum payment over Your remaining benefit period.

## When Will Disability Benefits Stop or Will Not Be Paid?

### When Will Disability Benefits Stop?

Your claim will end, and benefits will stop on the earliest of the following:

- the end of the Maximum Period of Payment;
- the date You are no longer disabled under the terms of the plan;
- the date when You are functionally able to work in Your Regular Occupation on a Part-Time Basis, increase Your hours, or increase the number or type of duties You perform in Your Regular Occupation but You choose not to;
- the date You fail to submit Proof of continuing disability;
- during a period, You are in legal incarceration or in a penal or correctional institution;
- Your date of death;
- the date You retire; or
- the date any Employer offers You another or modified job position, which Provider agree You are able to functionally perform, at a pay rate that exceeds 80% of Your Weekly Earnings.

## **When Will Disability Benefits Not Be Paid?**

Disability benefits will not be paid for any period of disability during which You:

- are not following a plan of Regular Care for Your disability, or complications of Your disability. This includes effective treatment for alcoholism or drug abuse, if alcoholism or drug abuse is the cause (or part of the cause of Your disability);
- are not receiving Regular Care;
- refuse to be examined by an independent Provider or a licensed certified health care practitioner as requested by Us when provided at Our expense;
- refuse to follow or have rejected the treatment plan recommended by Your Provider unless You dispute such treatment in good faith on the advice of another Provider;
- refuse a Reasonable Accommodation or modification to Your worksite or a job process designed to suit identified medical limitations;
- refuse adaptive equipment or devices that would allow You to perform Your Regular Occupation or any Reasonable Occupation;
- refuse a transitional work arrangement or other modified work arrangement without Good Cause;
- during a period, You are in legal incarceration or in a penal or correctional institution;
- fail to complete Your responsibilities under the Vocational Rehabilitation Program without Good Cause;
- refuse to participate, or stop Your participation in a Vocational Rehabilitation Program without Good Cause;
- fail to cooperate with Us in the administration of the claim. Such cooperation includes, but is not limited to providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due; or
- refuse to interview with Our representative about Your disability.

If You become covered under another group disability income policy or plan to the extent that such policy or plan covers the same pre-disability income, You will not be eligible for benefits under this disability plan.

## EXCLUSIONS AND LIMITATIONS

### Disabilities Not Covered

The plan does not cover any disabilities caused by, contributed to by, or resulting from Your:

- commission or attempt to commit a felony;
- intentionally self-inflicted harm;
- attempted suicide;
- operating a motor vehicle while under the influence of alcohol as evidenced by a blood alcohol level in excess of the state legal intoxication limit;
- loss or death occurring while an Insured Person is incarcerated;
- war, declared or undeclared, or any act of war, whether civil or international, and any substantial armed conflict between organized forces of a military nature;
- active participation in a riot, act of insurrection, rebellion or civil commotion, or act of terrorism;
- cosmetic surgery except when required for your Regular Care as a result of your Sickness or Injury; Cosmetic surgery does not include:
  - reconstructive surgery when the surgery is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part and reconstructive surgery because of congenital disease or anomaly resulting in a functional defect;
  - if the disability is caused by your donation of an organ in a non-experimental organ transplant procedure;
- engaging in any illegal occupation, work, employment or activity;
- Occupational Sickness or Injury; and
- Sickness or Injury for which workers' compensation benefits are paid or may be paid if duly claimed;
- high risks activities;
  - hang-gliding, skydiving, parachuting, ultralight, soaring, ballooning and parasailing;
  - participation in recreational or for wage, compensation or profit, motor sports events, racing, speed or endurance contest (auto, truck, cycle or boat), rock or mountain climbing, skin or scuba diving, bungee jumping;
  - participation in any sport for wage, compensation or profit;
  - parachuting or otherwise exiting from an aircraft while such aircraft is in flight except for self-preservation.

## OTHER BENEFITS

### Vocational Rehabilitation Program

We have vocational rehabilitation services available to assist You in returning to work to the extent of Your ability. We will review Your disability claim to determine whether You are eligible for these services. In order to be eligible for vocational rehabilitation services and a Vocational Rehabilitation Weekly Benefit, You must be medically able to participate in a return to work plan.

Your claim file will be reviewed by a vocational rehabilitation professional to determine if rehabilitation services might help You return to gainful employment. As Your file is reviewed, medical and vocational information will be analyzed to determine an appropriate return to work plan.

We will make the final determination of Your eligibility for these services. Nonparticipation in a rehabilitation plan will not affect Our determination of whether You are disabled.

If We determine that vocational rehabilitation services are appropriate, We will provide You with a Written Vocational Rehabilitation Program developed specifically for You.

The Vocational Rehabilitation Program may include at Our sole discretion, but is not limited to, the following services:

- coordination with Your Employer to assist You to return to work;
- evaluation of adaptive equipment or Reasonable Accommodations to allow You to work;
- evaluation of possible workplace modifications which might allow You to return to work in Your Regular Occupation or another job or occupation;
- vocational evaluation to determine how Your disability may impact Your employment options;
- job placement services, including resume preparation services and training in job-seeking skills;
- alternative treatment plans such as recommendations for support groups, physical therapy, occupational therapy; or
- other treatment designed to enhance Your ability to work.

### When The Vocational Rehabilitation Program Ends

Vocational rehabilitation benefits will end on the earliest of the following dates:

- the date We determine that You are no longer eligible to participate in a Vocational Rehabilitation Program;
- the date You are no longer participating in a Vocational Rehabilitation Program; or
- any other date on which Weekly Benefits would stop in accordance with the plan.

If You are participating in a vocational rehabilitation services program and fail to complete Your responsibilities under the Vocational Rehabilitation Program without Good Cause, then We may discontinue Our payments to You. If benefits are discontinued under this provision, You will have the right to an appeal review of that decision. Failure to complete Your responsibilities under the Vocational Rehabilitation Program will not affect Our determination of whether You are disabled.

### Vocational Rehabilitation Weekly Benefit

If You are receiving Weekly Benefits, and You are participating in a Vocational Rehabilitation Program, You may be eligible for an additional Vocational Rehabilitation Weekly Benefit. We will pay an additional Weekly Benefit equal to the amount shown in the *Schedule of Benefits*. If the You are eligible for a Rehabilitation Incentive Benefit, the benefit percentage shown in the Plan Specifications, will be increased to 77.67%. The increased benefit will begin on the first day of the month after Liberty, on behalf of the Employee, receives written Proof of the Employee's full participation in the Rehabilitation Program.

#### When Vocational Rehabilitation Benefits End

Vocational rehabilitation benefits will end on the earliest of the following dates:

- the date We determine that You are no longer eligible to participate in a Vocational Rehabilitation Program;
- the date You are no longer participating in a Vocational Rehabilitation Program;
- the date the Maximum Benefit is paid; or
- any other date on which Weekly Benefits would stop in accordance with the plan.

## GENERAL PROVISIONS

### **Clerical Error**

Clerical error or omission will not:

- prevent You from receiving coverage, if You are entitled to coverage under the terms of the plan;
- cause coverage to begin or continue for You when the coverage would not otherwise be effective; or
- continue benefit payments under the plan that otherwise should validly terminate.

If We or the plan administrator make a clerical error in keeping data that is required to compute fees and administer the terms of the plan, We will:

- use the facts to decide whether You have coverage and in what amounts; and
- make a fair adjustment of the fees.

### **Workers' Compensation or State Disability Insurance**

The plan does not replace or affect the requirements for coverage by any workers' compensation or state disability insurance.

### **Termination or Amendment of the Plan**

If a disability for which Weekly Benefits are payable begins while Your coverage under the plan is in force, benefits will be payable after termination of Your coverage to the same extent as if the coverage had not terminated.

## CLAIM INFORMATION

### Notice of Claim

We encourage You to notify Us of Your claim as soon as possible. This will help Us make a claim decision in a timely manner. Written notice of a claim should be given to Us within 30 days after the date Your disability begins. Failure to give notice within this time frame shall not invalidate or reduce any Payable Claim if it can be shown that it was not reasonably possible to give such notice within that time and the notice was given as soon as reasonably possible.

### Claim Forms

The claim form is available from the Your Employer, or You can request a claim form from Us.

Within 15 days after We receive Your notice of a claim, We will send claim forms. The claim form is also available from Your Employer. If We do not send You the claim forms within 15 days after receiving notice of Your claim, You shall be deemed to have complied with the requirements of Proof of claim when You submit Written Proof that covers the occurrence, character and extent of the loss for which a claim is made.

### Filing a Claim

You and Your Employer must fill out Your own sections of the claim form and then give it to Your attending Provider. Your Provider should fill out his or her section of the form and send it directly to Us.

Our customer service department will assist You to file Your claim. Call the toll-free number in this Summary Plan Description.

### Proof of Your Claim

You must send Us Written Proof of Your disability claim no later than 90 days after Your Elimination Period ends. Your Proof of claim, provided at Your expense, must show:

- that You are under the Regular Care of a Provider;
- the date Your disability began as determined by Your Provider;
- the cause of Your disability;
- the appropriate documentation of Your Weekly Earnings and Disability Earnings;
- the extent of Your disability, including restrictions and limitations preventing You from performing Your Regular Occupation;
- the name and address of any Hospital, Health Facility, or Institution where You received treatment, including all attending Providers; and
- documentation of prior disability coverage, if applicable.

For all other claims You must send Us Written Proof no later than 90 days after the date of the loss.

Failure to give such Proof within this time frame will not invalidate or reduce any Payable Claim if it can be shown that it was not reasonably possible to give such Proof within that time, and the Proof was given as soon as reasonably possible. You must provide Proof of claim no later than 1 year after the time Proof is otherwise required, except in the absence of legal capacity.

You will be required to give Us Written authorization to obtain additional medical information and to provide non-medical information such as vocational, occupational, financial and governmental as part of Your Proof of claim. We will deny Your claim, if the appropriate information is not submitted within 45 days of the request.

### Continuing Proof of Claim

We may require You to provide continuing Proof of Your claim as often as it is reasonable to do so. You will have 60 days from the date of Our request to provide Us with continuing Proof of Your claim. Failure to provide continuing Proof of Your claim will not result in a reduction of Your benefits; however, Your benefit payments may be delayed until the requested continuing Proof is provided. We may request that You provide Us with Proof of continuing disability indicating that You are under the Regular Care of a Provider. You must provide continuing Proof of claim no later than 1 year after the time Proof is otherwise required, except in the absence of legal capacity. This Proof must be In Writing and satisfactory to Us.

You or Your Employer must notify Us immediately when You return to work in any capacity.

## **Who receives payment?**

We will pay Your benefits to You unless this plan specifies otherwise. If any amount remains unpaid when You die, We will pay that amount to Your Eligible Survivor or, if none, to Your estate. If, however, it is necessary for the establishment of a guardianship or conservatorship, or appointment of a trustee, executor or administrator, We may withhold further benefits until sufficient evidence is provided to Us that any such establishment or appointment has been finalized. We will pay benefits within 30 days of receiving sufficient evidence of the establishment or appointment. If We pay benefits on or after the 31st day of receiving sufficient evidence, the delayed payment will be subject to a simple 10% interest rate per year, beginning with the 31st day and ending on the day benefits are paid.

## **When are claims paid?**

Once Your claim has been approved, We will send You a payment at the end of each week for as long as benefits are due. The first Weekly Payment will be paid within 30 days of an approved claim.

## **Authority**

The plan has delegated to Us or its designee certain rights. These include the right to make determinations regarding the eligibility for participation or benefits and to interpret the terms of the plan. This delegation is made for the purpose of claims and enrollment administration only. We are not the plan administrator, as this term is defined by ERISA.

## **Physical Examination**

We may require You to be examined by one or more Providers, other medical practitioners, or vocational experts of Our choice. We will pay for this examination. We can require an examination as often as it is reasonable to do so during the pendency of a claim. We may also require You to be interviewed by Our authorized representative. Your failure to comply with this request may result in denial or termination of benefits.

## **Claims of Creditors**

Disability benefit payments are exempt from legal or equitable process for Your debts, where permitted.

## **Right to Reimbursement**

The plan has the right to recover any overpayments due to:

- fraud;
- any administrative error the Claims Administrator makes in processing a claim; or
- Your receipt of Deductible Sources of Income.

You must reimburse the plan in full. If We find that We should have paid a benefit amount different from the amount actually paid, We will adjust the benefit accordingly. If We underpaid Your benefit, then We will adjust the benefit to make up the underpayment. If We overpaid Your benefit, You must reimburse the plan. Any future benefits that are determined to be due, including any applicable minimum benefit, will be applied to the overpayment until We are reimbursed in full. If future benefits are not due, We will determine the method by which the repayment is to be made.

You will not act or fail to act in any manner that will prejudice the right to reimbursement without Our prior Written agreement. If You prejudice the right to reimbursement, fail to cooperate with Us or fail to comply with this provision, We may withhold any and all benefits in addition to pursuing all remedies available to Us under applicable law.

If the plan pursues legal action against You to obtain reimbursement, You will be required to pay costs and attorneys' fees as permitted by applicable law. The plan reserves the right to recover any prior or current overpayment not only from the amounts You receive as Deductible Sources of Income (to the extent permitted by applicable law) but also from any benefits from any past, current or new disability claim payable under the plan as well as from any other funds You may have.

## **How Will the Plan Handle Fraud?**

We have the right and promise to use all means available to detect, investigate, deter and prosecute those who commit fraud. The plan administrator has the right to pursue all legal remedies if You commit fraud.

Fraud occurs when You knowingly and with intent to defraud or deceive, provide false information or file a claim for benefits that contains any false, incomplete or misleading information, or conceals for the purpose of misleading, information concerning any material fact.

You may be guilty of a criminal offense and subject to penalties under the law.

**Need help?**

If You have any questions about the plan, please contact the Claim Administrator at:

**Continental American Insurance Company  
P.O. Box 427 Columbia, South Carolina 29202  
800.992.3522**