

## Disability 1000

Colonial Life's supplemental short-term disability insurance policy is an individual plan that is sold via payroll deduction at the workplace. It replaces a portion of your employee's income if he becomes unable to work because of a covered accident or sickness.

This policy offers two plan choices that provide off-job and on- and off-job coverage options.

- Off-Job Accident/Off-Job Sickness—Disability benefits for off-job covered accidents and off-job covered sicknesses.
- On/Off-Job Accident/ Sickness—Disability benefits for on-job and off-job covered accidents and on-job and off-job covered sicknesses.

## Benefits

Plan Structure	<ul style="list-style-type: none"> <li>▪ <b>Off-Job Accident and Off-Job Sickness</b></li> <li>▪ <b>On/Off-Job Accident / Sickness</b></li> </ul> <p><b>Please note that the on-job benefit is 50% of the off job benefit.</b></p>
Benefit Amount	<ul style="list-style-type: none"> <li>▪ <b>\$400 to \$6,500 (offered in \$100 increments)</b></li> </ul> <p><b>Maximum income replacement is 60% of income.</b></p>
Benefit Periods	<ul style="list-style-type: none"> <li>▪ <b>3 months</b></li> <li>▪ <b>6 months</b></li> <li>▪ <b>12 months</b></li> <li>▪ <b>24 months</b></li> </ul>
Elimination Periods	<ul style="list-style-type: none"> <li>▪ <b>0/7, 7/7, 0/14, 14/14, 0/30, 30/30 60/60, 90/90, and 180/180</b></li> </ul> <p><b>Choice of elimination periods based on benefit periods selected.</b></p> <p><b>Elimination period means the number of days following a disability before benefits begin. The first number represents accident elimination period /the second number represents sickness.</b></p> <p><b>If \$4,100 to \$6,500 in monthly benefits is selected, a 3, 6, 12 or 24 month benefit period with a 14/14, 30/30, 60/60, 90/90 or 180/180 elimination period is available.</b></p>

## Optional Rider

An optional rider is available and can be purchased at an additional cost to provide extra coverage and benefits.

## Health Screening Rider

- \$50 per calendar year for one of 18 health screening tests
- 30 day waiting period
- Rider is guaranteed renewable for life

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## Features

- Benefits are paid directly to the insured unless they specify otherwise.
- Benefits are paid in addition to other insurance your employees may have with other insurance companies.
- Total and partial disability benefits. Pays partial benefits after total disability benefits are paid, if the insured returns to work less than 20 hours per week.
- Guaranteed renewable. This policy is guaranteed renewable to the policy anniversary date on or next following the policyholder's 70<sup>th</sup> birthday. Premiums can be changed only if we change them on all policies of this kind in the state where the policy is issued.
- Coverage is portable. An employee can take this coverage with him if he changes jobs or leaves your company.
- Worldwide coverage. The policyholder is covered for disabilities occurring outside the regularly covered geographical areas for up to 60 days.
- Unisex rates. Premiums are the same for males and females.
- Waiver of premium after insured is disabled for 90 consecutive days.
- No integration. There is no integration with other coverages. Benefits are paid regardless of benefits received from other sources. For benefit amounts over \$4,000 per month, offsetting occurs during the application process.

## Eligibility Requirements

### *Disability 1000 Base Policy*

- Offered to all permanent, benefit-eligible employees up to age 69 who work at least 20 hours per week on a regular basis

## Participation Requirements

To offer this plan, we require only 3 eligible applicants.

## Premium Information

- Age-banded and one blended risk.
- Premiums are based on the account's industry risk classification.
- Age bands of 17-49, 50-69.
- Premiums do not increase as the policyholder ages.

## Definitions

**Total Disability:** means you are unable to perform the material and substantial duties of your job; not, in fact, working at any job; and under the regular and appropriate care of a doctor.

**Partial Disability:** means you are unable to perform the material and substantial duties of your job for 20 hours or more per week; you are able to work at your job or any other job for less than 20 hours per week; your employer will allow you to work for less than 20 hours per week and you are under the regular and appropriate care of a doctor. To qualify for partial disability, total

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disability benefit must have been paid for one month. Partial disability pays 50% of the total disability benefit.

**Pre-existing Condition:** means your having a sickness or physical condition for which you were treated, received medical advice, or had taken medication within 12 months before the effective date of this policy. If the policyholder becomes disabled because of a pre-existing condition, the policy does not pay for any disability period if it begins during the first 12 months the policy is in force. Any recurrent disability caused by a pre-existing condition will not be covered if it is treated as a continuation of the previous disability.

**Waiver of Premium Benefit:** After you have been totally disabled or qualify for partial disability benefits as the result of a covered accident or covered sickness for more than 90 consecutive days (while your policy is in effect), or after the elimination period shown in your policy (whichever is greater), we will waive the premium for as long as you remain disabled. The premium will be waived up to the maximum benefit period shown in your policy.

There is no limit to the number of times you can receive the Waiver of Premium benefit. This Waiver of Premium benefit does not apply to any period that you are totally disabled due to an accident or condition which is excluded by name or specific description in the policy.

**Worldwide Coverage:** If the policyholder becomes totally disabled as the result of a covered accident or a covered sickness while outside the covered geographical areas, the Geographical Limitations provision may allow us to provide benefits. The policyholder must be totally disabled longer than the elimination period, and the maximum benefit period for total disability and partial disability combined while outside the covered geographical areas will be limited to 60 days. Covered geographical areas are less than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, the Bahama Islands, the Virgin Islands, Bermuda, or Jamaica

## What is Not Covered

General Exclusions and Limitations:

- Alcoholism or Drug Addiction
- Flying
- Giving Birth: Giving birth within the first nine months after the effective date of this policy as the result of a normal pregnancy, including Cesarean. Complications of pregnancy will be covered to the same extent as any other covered sickness.
- Illegal Activities
- Pre-Existing Conditions
- Psychiatric or Psychological Conditions
- Suicide or Self-inflicted Injuries
- War or Armed Conflict

The above list does not include a complete description of each limitation and exclusion. To obtain a complete description, please refer to an outline of coverage, sample policy, or see your Colonial Life representative.

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