

BENEFIT INFORMATION:

Long-Term Disability

- ◆ All LTD rates are guaranteed for 3 years from date of coverage.
- ◆ Long-Term Disability Income is intended primarily for the small business employer. It is available to firms with two or more eligible employees. The maximum monthly benefit is 60% of insured monthly earnings, not to exceed **\$7,500** per month (covered annual salary up to \$150,000), payable to age 65.
- ◆ Annual Salary means the Insured Employee's Basic Monthly Earnings or Predisability Income multiplied by 12.
- ◆ **Basic Monthly Earnings or Predisability Income** means the Insured Employee's average monthly base salary or hourly pay from the Employer before taxes on the Determination Date. The "Determination Date" is the last day worked just prior to the date the Disability begins.
It also includes paid commissions averaged over the 12 months just prior to the Determination Date; or over the actual period of employment with the Employer just prior to that date, if shorter. It does **not** include bonuses, overtime pay, or any other extra compensation. It does **not** include income from a source other than the Employer.

Special Features Include

- ◆ Choice of elimination period: **90** or **180 days**
- ◆ Benefits payable for disabilities due to both sickness and accident (on or off the job).
- ◆ Two year own occupation definition.
- ◆ Progressive Partial Disability benefits are designed to encourage and assist employees to return to work. With Progressive Partial Disability, an insured can receive a partial Disability benefit after satisfying the elimination period which consists of a period of total disability, partial disability or a combination thereof.
- ◆ Zero Day Residual.
- ◆ Full coverage for disabilities due to maternity.
- ◆ Benefits for disability resulting from mental or nervous conditions (extended beyond 24 months if hospitalized).
- ◆ "3-Month Survivor Benefit" payable in one lump sum to a surviving spouse if an employee dies after having been disabled for at least 180 days and was receiving benefits under this plan.
- ◆ \$100 minimum monthly benefit.
- ◆ LTD Conversion
- ◆ Employee Connect (EAP Services) These services provide 24 hour confidential support, guidance and resources for assistance for you or an immediate household family member regarding many issues such as:
 1. Parenting and childcare
 2. Eldercare
 3. Relationships
 4. Work and Career
 5. Financial
- ◆ Long-Term disability premium is waived while an employee is receiving benefits.

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Maximum Benefit Periods

- ◆ (For Sickness, Injury, or Pre-Existing Conditions): The Insured Employee's Social Security Normal Retirement Age, or the Maximum Benefit Period shown below (whichever is later).

<u>Age Disability Begins</u>	<u>Max. Benefit Period</u>
Under Age 60	To Age 65
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 or older	12 months

- ◆ Groups in **restricted industries** will be offered a 2 year benefit with 180 day elimination. Please contact The Managing Agency Group, Inc. for more information on these industries.

Benefit Offsets & Exclusions

- ◆ LTD benefits will be reduced by retirement benefits, disability benefits received from worker's compensation, Social Security (both primary and secondary), compulsory disability plans and any other group disability income plan.
- ◆ Exclusions: This Policy will not cover any period of Total or Partial Disability:
 1. due to war, declared or undeclared, or any act of war;
 2. due to intentionally self-inflicted injuries;
 3. due to active Participation in a Riot;
 4. due to the Insured Employee's committing of or the attempting to commit a felony;
 5. during which the Insured Employee is incarcerated for the commission of a felony;
 6. during which the Insured Employee is not under the regular care of a Physician; or
 7. after the Insured Employee has resided outside the United States or Canada for more than 12 consecutive benefit months for purposes other than employment with the Employer.

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Pre-Existing Conditions 12/6/24 (States may vary)

- ◆ "Pre-Existing Condition" means a Sickness or Injury for which the Insured Employee received treatment or where symptoms were present to the degree that a person would seek treatment within 12 months prior to his/her effective date of coverage
- ◆ This plan will cover a disability if it is caused by, contributed by, or results from a pre-existing condition and the disability begins:
 - (a) after the insured has gone at least 6 consecutive months from his/her effective date of coverage without treatment for the pre-existing condition; or
 - (b) after being insured for 24 consecutive months from his/her effective date of coverage.
- ◆ Continuity of coverage provision applies to take-over business.