

SERFF Tracking Number: LSVX-G127156604 State: Arkansas  
Filing Company: USAbLe Life State Tracking Number: 48694  
Company Tracking Number: AR000790100006  
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.003 Long Term  
Product Name: Group Long Term Disability, LTD-P  
Project Name/Number: Group Long Term Disability, LTD-P/AR000790100006

## Filing at a Glance

Company: USAbLe Life

Product Name: Group Long Term Disability, LTD-P

TOI: H11G Group Health - Disability Income

Sub-TOI: H11G.003 Long Term

Filing Type: Form

SERFF Tr Num: LSVX-G127156604

SERFF Status: Closed-Accepted For Informational Purposes

Co Tr Num: AR000790100006

Author: SPI Life and Specialty Ventures

Date Submitted: 05/05/2011

State: Arkansas

State Tr Num: 48694

State Status: Filed-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 05/10/2011

Disposition Status: Accepted For Informational Purposes

Implementation Date:

Implementation Date Requested: 06/06/2011

State Filing Description:

## General Information

Project Name: Group Long Term Disability, LTD-P

Project Number: AR000790100006

Requested Filing Mode: Informational

Explanation for Combination/Other:

Submission Type: Resubmission

Group Market Size: Small and Large

Overall Rate Impact:

Deemer Date:

Submitted By: SPI Life and Specialty Ventures

Filing Description:

We are enclosing for your information, a revised Group Long Term Disability certificate.

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Previous Filing Number: LSVX-126075574

Group Market Type: Employer

Filing Status Changed: 05/10/2011

State Status Changed: 05/10/2011

Created By: SPI Life and Specialty Ventures

Corresponding Filing Tracking Number:

This form was previously approved under SERFF Filing #LSVX-126075574 and AR State Filing #41829, on March 17, 2009. We recently noticed the certificate had a typographical error on page 4, under "Schedule of Insurance". The only change to the form is the minimum amount for the Maximum Monthly Benefit. It has been changed from [\$1,000] to [\$100].

SERFF Tracking Number: LSVX-G127156604 State: Arkansas  
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Considering this amount was previously marked as variable, we are submitting this change for informational purposes only. All changes have been highlighted for your convenience. We have also enclosed the previously filed statement of variability for your information. There are no changes to this document.

## Company and Contact

### Filing Contact Information

Tracy Caballero, Regulatory Resource Analyst tcaballero@usablelife.com  
 PO Box 1650 501-212-8935 [Phone] 8935 [Ext]  
 Little Rock, AR 72203-1650 501-235-8484 [FAX]

### Filing Company Information

USable Life CoCode: 94358 State of Domicile: Arkansas  
 PO Box 1650 Group Code: 876 Company Type: Life & Health  
 Little Rock, AR 72203-1650 Group Name: Life and Speciality State ID Number:  
 Ventures (LSV)  
 (501) 375-7200 ext. [Phone] FEIN Number: 71-0505232  
 -----

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation:  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
USable Life	\$50.00	05/05/2011	47288563

SERFF Tracking Number: LSVX-G127156604 State: Arkansas  
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Accepted For Rosalind Minor Informational Purposes		05/10/2011	05/10/2011

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## Disposition

Disposition Date: 05/10/2011

Implementation Date:

Status: Accepted For Informational Purposes

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: LSVX-G127156604 State: Arkansas  
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Application	Accepted for Informational Purposes	Yes
Supporting Document	Flesch Certification	Accepted for Informational Purposes	Yes
Supporting Document	AR - NAIC TRANSMITTAL DOCUMENT	Accepted for Informational Purposes	Yes
Supporting Document	AR - NAIC FORM FILING ATTACHMENT	Accepted for Informational Purposes	Yes
Supporting Document	Statement of Variability	Accepted for Informational Purposes	Yes
Supporting Document	LTD-C (5-09) Highlighted Changes	Accepted for Informational Purposes	Yes
Form	Group Long Term Disability Certificate	Accepted for Informational Purposes	Yes

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## Form Schedule

### Lead Form Number: LTD-C (5-09)

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Accepted for Information al Purposes 05/10/2011	LTD-C (5-09)	Certificate	Group Long Term Disability Certificate	Initial		52.300	AR LTD-C (5-09) Min Issue Change.PDF



[320 W. Capitol] • P.O. Box 1650 • Little Rock, AR 72203-1650  
[(501) 375-7200 • (800) 648-0271]

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## GROUP LONG TERM DISABILITY CERTIFICATE OF INSURANCE

**Policyholder:** [GROUP\_NAME]

**Class:** [CLASS\_NUMBER and Description]

**State of Residence:** [ARKANSAS]

This is to certify that USABLE Life has issued and delivered The Group Long Term Disability Insurance Policy to the Policyholder.

The policy insures the employees of the policyholder who:

1. are eligible for the insurance;
2. become insured; and
3. continue to be insured;

according to the terms of the policy.

The terms of the policy that affect your insurance are contained in the following pages.

This Certificate of Insurance is a part of the policy. This certificate replaces any other that USABLE Life may have issued to the policyholder to give to you under the Group Insurance Policy specified herein.

Signed for USABLE Life:

Handwritten signature of James Touse in black ink.

Secretary

Handwritten signature of Jason Allen in black ink.

President

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## Schedule of Insurance

**Policyholder:** [A-Z Services, Inc.]  
**Policy Number:** [GLT-123456]  
**Effective Date:** [October 1, 2008\*]  
\*This certificate replaces any certificate issued before the date shown.

**[Associated Company:** John Doe & Associates]

**Contributions:**

You [do or do not] contribute toward the cost of the [CORE] Plan.

[You must contribute toward the cost of the Buy-up Plan.]

**Eligible Class:** [Class 1 All Active Full-time Employees]

**Waiting Period:** [You will be eligible for coverage on the first of the policy month or the day following completion of the following period of continuous active work:

1. If you are working for the employer on the policy effective date – [none – 365 days]
2. If you start working for the employer after the policy effective date – [none – 365 days]

**Annual Enrollment Date:** [January 1 of each year]

**Full-time Employment:** [15-40] hours weekly

**Elimination Period:** [30 days to 360 days]

**Benefit Percentage:** [Core Plan] [30-80]%  
[Buy-up Plan] 30-80%

**Maximum Monthly Benefit:** [Core Plan] [\$100-\$25,000]  
[Buy-up Plan] [\$100-\$25,000]

**[Guaranteed Issue Maximum Monthly Benefit:** [\$100-\$25,000]. Amounts over this will be subject to Evidence of Insurability.]

**[Monthly Payment Limit:** [50%-100% of Pre-Disability Earnings]

**Minimum Monthly Benefit:** [\$50-100] or [The greater of: [\$50-100] or [10-15]% of the benefit based on Pre-Disability Earnings.

**Maximum Interruption During Elimination Period:** [7, 14, 30 days ]

This Maximum applies to all returns to active work during any one elimination period.

**[Additional Riders Included:]**

[Accidental Dismemberment Rider]

[Activities of Daily Living Benefit Rider:

ADL Benefit: [10% - 20%] of your Basic Monthly Earnings, not to exceed [\$1,000 - \$5,000] per month.

Caregiver Respite: Cost incurred not to exceed [\$100 -\$200] per day.

Caregiver Training: Cost incurred subject to a [\$300-\$1000] maximum  
[Benefits Payable for 12-36 months]]

[Cost of Living Adjustment Rider: [1-10%] per year [for 5, 10 years]]

[Education Benefit Rider: [\$100 - \$1,000] per month]

[Medical and COBRA Premium Rider: [\$100 - \$500 per month]]

**Maximum Benefit Period**

We will not pay benefits beyond the maximum benefit period stated below, based on the person's age on the day the period of disability started.

<b><u>AGE</u></b>	<b><u>MAXIMUM BENEFIT PERIOD</u></b>
Less Than 60	To normal retirement age
60	60 months or normal retirement age*, whichever is longer
61	48 months or normal retirement age*, whichever is longer
62	42 months or normal retirement age*, whichever is longer
63	36 months or normal retirement age*, whichever is longer
64	30 months or normal retirement age*, whichever is longer
65	24 months
66	21 months
67	18 months
68	15 months
69 or over	12 months ]

\***Normal Retirement Age** means the Social Security Normal Retirement Age as stated in the 1983 revision of the United States Social Security Act. It is determined by your date of birth as follows:

<b><u>Year of Birth</u></b>	<b><u>Normal Retirement Age</u></b>
1937 or before	65
1938	65 + 2 mo.
1939	65 + 4 mo.
1940	65 + 6 mo.
1941	65 + 8 mo.
1942	65 + 10 mo.
1943 through 1954	66
1955	66 + 2 mo.
1956	66 + 4 mo.
1957	66 + 6 mo.
1958	66 + 8 mo.
1959	66 + 10 mo.
1960 or after	67]

## Section 1 – Definitions

The terms listed, if used, will have these meanings.

**[Accommodation Expense** means the costs your employer incurs to accommodate your disability, as required by the Americans with Disabilities Act or similar legislation. It also means costs you incur for tools, equipment, furniture, computer software, or other items necessary for you to return to work. The amount of the accommodation expense will be limited to [\$3,000] for each period of disability.]

**[Active Work or Actively at Work** mean the expenditure of time and energy for the policyholder or an associated company at your usual place of business on a full-time basis. If you are not working on a day your coverage would otherwise take effect, you will be considered to be at active work on that day only if:

1. when that workday begins, it would be reasonable to expect that you would be physically and mentally able to complete a full-time week of work in your regular occupation; and
2. you are not disabled; and
3. your contract of employment, if applicable, remains active; and
4. you are not on an unapproved, administrative or disciplinary leave; and
5. you return to work at the end of a paid break or vacation period.]

**[Annual Enrollment Period** means the 60 days prior to and the 30 days immediately following the Annual Enrollment Date shown in the Schedule of Insurance.]

**Associated Company** means any company shown in the application which is owned by or affiliated with the policyholder.

**[Basic Monthly Earnings** for sole proprietor, partners, members of a limited liability company taxable as a partnership under the federal income tax laws, or share holders in a S-Corporation means:

1. the monthly average of earnings reported as “net earnings from self-employment” for federal income tax purposes for:
  - a. the [1, 2, 3] calendar year[s] just prior to the date of disability; or
  - b. the number of months you were employed in this capacity, if less than above period; and
2. contributions you make through a salary reduction agreement with the employer to:
  - a. an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - b. an executive non-qualified deferred compensation arrangement; or
  - c. a salary reduction arrangement under an IRC Section 125 plan, for the same period as above.

Basic Monthly Earnings does not include dividends, capital gains, and returns of capital.]

**[Basic Monthly Earnings** [for other employees] means your regular monthly rate of pay from the employer just prior to the date you become disabled:

1. including contributions you make through a salary reduction agreement with the employer to:
  - a. an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - b. an executive non qualified deferred compensation arrangement;
  - c. a salary reduction arrangement under an IRC Section 125 plan;
2. [including [bonuses][and][commissions]];
3. not including:

- a. expense reimbursements;
- b. overtime pay,[or
- c. bonuses;] [or
- d. commissions],

for the same period as above.]

**[Bonuses** means monthly average of bonuses paid to you by the policyholder or associated company over the [1-3] calendar year[s] ending just prior to the date you become disabled, or over the number of calendar months of employment if less than this period].

**[Commissions** means the monthly average of commissions paid to you by the policyholder or associated company over the [1-3] calendar year[s] ending just prior to the date you become disabled, or over the number of calendar months of employment if less than this period].

**[Contagious Disease** means the asymptomatic but communicable conditions: Hepatitis B that is surface antigen positive and Human Immunodeficiency Virus (HIV)].

**Contributory** means you pay part of the premium.

**Covered Person** means an eligible person who is also an eligible employee or member of the policyholder, or an associated company who has become insured for coverage. Covered persons do not include contract, temporary, seasonal, or part-time workers.

**Date of Disability** means the first day that you are under the regular care of a physician and meet the definition of disability as defined below.

**Disability or Disabled** means you satisfy [either] the Occupation Test [or the Earnings Test] [or the Contagious Disease Test] as described below. You need only satisfy one Test to be considered disabled.

#### Occupation Test

1. [[During the elimination period and the first [36] months of a period of disability,] an injury, sickness, or pregnancy requires that you be under the regular care of a physician, and prevents you from performing [at least one] [all] of the material duties of your regular occupation with reasonable accommodations; and ]
2. [[After [36] months of disability,] an injury, sickness, or pregnancy prevents you from performing [at least one] [all] of the material duties of any gainful occupation with reasonable accommodations for which your education, training, and experience qualifies you.]

[If, [during the elimination period and the first [36] months of a period of disability,] you can perform the material duties of your regular occupation with reasonable accommodation(s), you will not be considered disabled.] [If, after [36] months of a period of disability,] you can perform any gainful occupation for which your education, training, and experience qualifies you, with reasonable accommodation(s), you will not be considered disabled.] The inability to perform a material duty because of the discontinuation of reasonable accommodation(s) on the part of the employer does not, in itself, constitute disability.

#### Earnings Test

1. [[During the elimination period and the first [36] months of a period of disability,] you may be considered disabled in any month in which you are actually working, if an injury, sickness, or pregnancy prevents you from being capable of earning more than [80%] of your indexed pre-disability earnings in that month. On each anniversary of the date your disability started, we will use your indexed pre-disability earnings to decide whether you are disabled under this test. Any month in which you are capable of earning more than [80%] of your indexed pre-disability earnings, you will not be considered disabled under

the Earnings Test even if your actual earnings in that month are less than [80%] of your indexed pre-disability earnings.]

2. [[After [36] months of disability,] you may be considered disabled in any month in which you are actually working, if an injury, sickness, or pregnancy prevents you from being capable of earning more than [60%] of your indexed pre-disability earnings in that month in any occupation for which your education, training or experience qualifies you. On each anniversary of the date your disability started, we will use your indexed pre-disability earnings to decide whether you are disabled under this test. Any month in which you are capable of earning more than [60%] of your indexed pre-disability earnings, you will not be considered disabled under the Earnings Test even if your actual earnings in that month are less than [60%] of your indexed pre-disability earnings.]

If your actual earnings during any month are more than the percentage noted above, you will not be considered disabled under the Earnings Test during that month. In making this determination, salary, wages, partnership or proprietorship draw, commissions, bonuses, or similar pay, and any other income you receive or are entitled to receive will be included. Any lump sum payment will be pro-rated, based on the time over which it accrued or the period for which it was paid.]

#### Contagious Disease Test

[During the elimination period and the first [36] months of a period of disability,] you may also be considered disabled in any month in which you:

1. have a contagious disease; and
2. are capable, both physically and mentally, of performing the material duties of your regular occupation; and
3. your ability to perform these duties has been restricted by a state licensing board or by another appropriate government authority because of the risk of transmission of a contagious disease to others with whom you may come in contact; and
4. the restrictions stated in item 3 prevent you from earning more than 80% of your indexed pre-disability earnings.]

**[Education Expense** means, in your rehabilitation plan, the costs you incur which are required for your education or training to return to work.]

**Eligible Class** means a class of persons eligible for insurance under the policy. This class is based on employment or membership in a group.

**Eligible Person** means a person who:

1. is a citizen of the United States of America (U.S.) or Canada, who either:
  - a. resides in the U.S. or Canada; or
  - b. is stationed outside the U.S. or Canada for a period of less than 6 months; or
2. is a foreign national residing in the U.S. and meets all of the following requirements:
  - a. has a valid permanent residency visa;
  - b. participates in U.S. Social Security; and
  - c. is covered by Workers' Compensation.

**Elimination Period** means the number of days during a period of disability that must pass before benefits are payable. No benefits are payable for the Elimination Period. You cannot satisfy any part of the elimination period with any period of non-covered disability. The elimination period is shown on the Schedule of Insurance and begins on the first day of your disability.

If you return to active work during the elimination period for no more than the number of days in the Maximum Interruption During Elimination Period shown in the Schedule of Insurance, you will not have to satisfy that part of the elimination period already fulfilled if you:

1. remain insured under the policy; and
2. become disabled [by the Earnings Test, the Occupation Test, or the Contagious Disease Test] again for the same cause or one related to it.

**Evidence of Insurability** means a signed health and medical history form provided by us, a medical examination, if requested, and any additional information and attending physicians' statements that we may require.

**Family Member** means a person who is a parent, spouse, child, sibling, domestic partner, grandparent, grandchild, step-child, step-parent, step-sister, step-brother, father-in-law, or mother-in-law of the covered person; or spouses, as applicable, of any of these.

**Full-time** means working at least the number of hours indicated in the Schedule of Insurance for Full-time employment.

**Gainful Occupation** means any employment that exists in the national economy that you may be expected to follow based on your education, training, experience, age, and physical and mental capacity.

**Government Plan** means the United States Social Security Act, the Railroad Retirement Act, the Canadian Pension Plan, similar plans provided under the laws of other nations, and any plan provided under the laws of a state, province, or other political subdivision. It also includes any public employee retirement plan or any teachers' employment retirement plan, or any plan provided as an alternative to any of the above acts or plans. It does not include any Workers' Compensation Act or similar law, or the Maritime Doctrine of Maintenance, Wages, or Cure.

**Home Office** means the principal office of US Able Life in Little Rock, Arkansas.

**Hospital** means a facility supervised by one or more physicians which is licensed and operated under state and local laws. It must have 24-hour nursing service by registered graduate nurses. It may specialize in treating alcoholism, drug addiction, chemical dependency, or mental disease, but it cannot be a rest home, convalescent home, or a home for the aged.

**Hospital Confined and Hospital Confinement** means staying in a hospital as a registered inpatient for 24 hours a day.

**Indexed Pre-disability Earnings** means your pre-disability earnings increased by [4%] on each anniversary of the date your disability started.

**Injury** means accidental bodily injury. It does not mean intentionally self-inflicted injury while sane or insane.

**[Intoxicated** means that you were under the influence of alcohol as determined by the laws of the jurisdiction in which the accident occurred. Conviction is not necessary for a determination of being intoxicated.]

**Long Term Disability Insurance** means the group long term disability insurance provided under the policy.

**Material Duty or Material Duties** mean the sets of tasks or skills required generally by employers from those engaged in an occupation. We will consider one material duty of your regular occupation to be the ability to work for an employer on a full-time basis as defined in the policy.

**[Medical Expense** means the reasonable costs you incur for medical treatment, physical therapy, and adaptive equipment necessary for your vocational rehabilitation, in excess of amounts paid or payable by third parties and any amounts under a policy of major medical coverage.]

**[Mental Illness** means a mental disorder as listed in the current edition of the Diagnostic and Statistical Manual of Mental Disorders, as published by the American Psychiatric Association. A mental illness, as so defined, may be related to or be caused by physical or biological factors, or result in physical symptoms or expressions. For the purposes of the policy, mental illness does not include any mental disorder listed within any of the following categories found in the Diagnostic and Statistical Manual of Mental Disorders, as published by the American Psychiatric Association:

1. mental retardation;
2. motor skills disorder;
3. pervasive developmental disorders;
4. delirium, dementia, and amnesic and other cognitive disorders;
5. schizophrenia; and
6. narcolepsy, obstructive sleep apnea, and sleep disorder due to a general medical condition].

**[Moving Expense** means the costs you incur to move more than [100] miles so that you can attend school or accept gainful work.]

**No-fault Motor Vehicle Coverage** means a motor vehicle plan that pays disability or medical benefits without considering who was at fault in any accident that occurs.

**Noncontributory** means the policyholder pays the premium.

**Occupation** means a group of jobs:

1. in which a common set of tasks is performed; or
2. which are related in terms of similar objectives and methodologies, and which may be related in terms of materials, products, worker actions, or worker characteristics.

**Other Disability Plan** means any group disability plan sponsored by your employer, the policyholder, or an associated company, except the one provided under the policy.

**[Participation in a riot** shall include promoting, inciting, conspiring to promote or incite, aiding, abetting, and all forms of taking part in, but shall not include actions taken in defense of public or private property, or actions taken in your own defense, if such actions of defense are not taken against persons seeking to maintain or restore law and order including but not limited to police officers and firemen.]

**Period of Disability** means the time that begins on the day you become disabled and ends on the day before you return to active work. If you satisfy the elimination period and then return to active work, become disabled again, and remain insured under the policy; the same period of disability may continue. Your return to active work must be for less than:

1. [6 months], if the later disability results from the same cause, or a related one; or
2. 1 day, if the later disability results from a different cause.

If your return to active work meets either of the above conditions, you do not have to satisfy the elimination period again. The Maximum Benefit Period will continue on the day you become disabled again.

If you return to active work for more than the time shown above, and then become disabled again, you will start a new period of disability. You must satisfy the elimination period again and the Maximum Benefit Period will start over.

**Physician** means a person acting within the scope of his or her license to practice medicine, prescribe drugs or perform surgery. Also, a person whom we are required to recognize as a physician by the laws or regulations of the governing jurisdiction, or a person who is legally licensed to practice psychiatry, psychology or psychotherapy and whose primary work activities involve the care of patients, is a physician. However, neither you nor a family member will be considered a physician.

**Plan** means the policy and certificates of insurance provided for covered persons.

**Plan Administrator** means the employer that sponsors the plan for the benefit of its employees and eligible dependents.

**Policy** means the group policy issued by us to the policyholder that describes the benefits for which you may be eligible.

**Policyholder** means the entity to which the policy is issued.

**Pre-disability Earnings** means your Basic Monthly Earnings in effect on the day before you became disabled.

**Reasonable Accommodation(s)** means any modification(s) to the worksite, the job or employment practices, which would allow you to perform the material duties of the occupation and which would not create an undue hardship for the employer.

**Regular Care** means you personally visit a physician as often as is medically required to effectively manage and treat your disabling condition(s), according to generally accepted medical standards; and you are receiving appropriate treatment and care, according to generally accepted medical standards. Treatment and care for the sickness or injury causing your disability must be given by a physician whose specialty or experience is appropriate.

**Regular Occupation** means the occupation in which you were working immediately prior to becoming disabled.

**[Rehabilitation Plan** means a written statement, developed by us, which describes:

1. the vocational rehabilitation goals for you;
2. our responsibilities, your responsibilities, and the responsibilities of any other parties to the plan;
3. the timing of the implementation and expected completion of the plan, to the extent that it can be established, assuming your full cooperation; and
4. the costs of the rehabilitation services.

The rehabilitation plan will be designed to enable you to return to work in a gainful occupation. ]

**Retirement Plan** means a formal or informal retirement plan, whether or not under an insurance or annuity contract. It also means any public employee retirement plan, or teachers' employment retirement plan provided as an alternative to rather than a supplement for such plans.

It does not include:

1. a plan you pay for entirely;
2. a qualified profit-sharing plan;
3. a thrift plan;
4. an individual retirement account (IRA);
5. a tax sheltered annuity (TSA);
6. a stock ownership plan;
7. a government plan; or
8. a plan that qualifies under Internal Revenue Service Code 401(k).

**[Riot]** shall include all forms of public violence, disorder, or disturbance of the public peace, by three or more persons assembled together; whether or not acting with common intent and whether or not damage to persons or property or unlawful act or acts is the intent or the consequence of such disorder.]

**Sickness** means a disease or illness, including pregnancy.

**Social Security** plan means:

1. the United States Social Security Act;
2. the Railroad Retirement Act;
3. the Canadian Pension Plan; or
4. any similar plan provided under the laws of any other nation.

**[Special Conditions]** means:

1. mental illness;
2. musculoskeletal and connective tissue disorders of the neck and back including any disease or disorder of the cervical, thoracic and lumbosacral back and its surrounding soft tissue including sprains and strains of joints and adjacent muscles, except
  - a. arthritis;
  - b. herniated intervertebral discs;
  - c. scoliosis;
  - d. spinal fractures;
  - e. osteopathies;
  - f. spinal tumors, malignancy, or vascular malformations;
  - g. radiculopathies, documented by electromyogram;
  - h. spondylolisthesis, grade II or higher;
  - i. myelopathies and myelitis;
  - j. demyelinating diseases; or
  - k. traumatic spinal cord necrosis;
3. chronic fatigue syndrome;
4. fibromyalgia;
5. carpal tunnel syndrome;
6. environmental allergic illness, including but not limited to sick building syndrome and multiple chemical sensitivity; or
7. alcohol, drug or chemical abuse, dependency or addiction.]

**United States of America** means the fifty (50) states of the United States and the District of Columbia. It does not include territories of the United States.

**Waiting Period** is the number of continuous [days] of service during which you must be an active, full-time employee in a class eligible for insurance before you become eligible for coverage.

**[War]** means declared or undeclared war or a conflict involving the armed forces of any country, group of countries, governments, or international organization.]

**We, Us, and Our** mean US Able Life.

**You and Your** mean an employee or member of the policyholder or an associated company who has met all the eligibility requirements for coverage.

## Section 2 – Eligibility and Effective Date Provisions

### Eligible Employee

If you are working on a full-time basis for the employer, you are eligible for insurance after completion of the required waiting period, provided you are in a class of employees who are included.

### Eligibility Date

If you are working for your employer, the date you are eligible for coverage is the latest of the following dates:

1. the policy effective date;
2. the day after you complete any waiting period shown in the Schedule of Insurance by continuous service with the employer, the policyholder, or an associated company;
3. the date the policy is changed to include your class;
4. the date you become a member of a class eligible for insurance;

[If you do not apply when you are first eligible, you will again be eligible on the first Annual Enrollment Date as shown in the Schedule of Insurance which immediately follows the date noted in items 2, 3, or 4 above.]

**[Rehires:** If you were insured under this policy and your insurance terminated due to termination of employment or eligibility, and you again become an eligible employee within [12] months, there is no waiting period.]

### Effective Date of Insurance

You must use forms provided by us when applying for insurance.

[[For Benefit Amounts Not Requiring Evidence of Insurability:]

1. When your Employer pays 100% of the cost of your coverage under the policy (non-contributory), you will be covered on your eligibility date.
2. When you and your Employer share the cost of your coverage under the policy or when you pay 100% of the cost yourself (contributory), you will be covered on the latest of the following dates:
  - a. on your eligibility date, if you enroll for insurance within 31 days after the date you first become eligible for coverage; or
  - b. on the first day of the policy month following the date we approve your application if you do not apply for insurance within 31 days after your eligibility date;[ or
  - c. on the Annual Enrollment Date as shown in the Schedule of Insurance if you enroll during the annual enrollment period. If you do not apply for voluntary coverage during the first annual enrollment period following your eligibility date, you will be required to submit satisfactory evidence of insurability.]]

[For Benefit Amounts Requiring Satisfactory Evidence of Insurability, your coverage will be effective on the first day of the policy month following the date we approve your application.]

### Delayed Effective Date

If you are not actively at work on the date your insurance or any increase in insurance is scheduled to take effect, it will take effect on the day you return to active work. If your insurance is scheduled to take effect on a non-working day, your active work status will be based on the last working day before the scheduled effective date of your insurance.

## **Section 3 – Changes In Coverage Provisions**

### **When Coverage Amounts Change (Redetermination Date)**

The policy redetermines your Basic Monthly Earnings on [the policy anniversary date.] [the date a change occurs.] [the first day of the policy month after a change occurs.] [The policyholder must report current earnings for all covered persons under the policy on the policy anniversary.] [The policyholder must report updates to all covered person's earnings as they occur.] Changes to a covered person's earnings are subject to any proof of insurability requirements of the policy. As of the policy's redetermination date, we use a covered person's Basic Monthly Earnings on record with us to: (a) set rates; (b) set benefit amounts and limits; and (c) calculate premium payable under the policy.

### **Delayed Effective Date of Change**

You must be actively at work on a full-time basis on the redetermination date. If you are not, your coverage amount will not change until the date you return to active work on a full-time basis. Changes in earnings will not apply to a recurring disability.

Any decrease in coverage will take effect immediately but will not affect a payable claim that occurs prior to the decrease.

### **Changes to the Policy**

Any increase or decrease in coverage because of a change in the plan of insurance will become effective on the date of the change. The following limitations will apply to an increase:

1. the Delayed Effective Date provision; and
2. the Pre-existing Condition Exclusion.

## Section 4 – Termination Provisions

### When a Person's Insurance Ends

A covered person's insurance will end on the date:

1. the policy ends;
2. the policy is changed to end the insurance for a person's eligible class;
3. a person is no longer in an eligible class;
4. a person stops active work; or
5. a required contribution was not paid.

### [Continuation of Insurance]

[If a person is unable to perform active work for a reason shown below, the policyholder may continue the person's insurance on a premium-paying basis provided the person remains in other respects a member of an eligible class. The continuation cannot be more than the maximum continuation shown below. The employer must act so as not to discriminate unfairly among employees in similar situations.

The maximum continuation for long term disability insurance is the longest applicable period described below:

1. the end of the calendar month following the month active work stopped, due to temporary lay-off or approved leave of absence; or
2. the end of the period the policyholder is required to allow after the last day of active work due to family or medical leave of absence under:
  - a. the federal Family and Medical Leave Act; or
  - b. any similar state law.

Any leave of absence, including a family or medical leave of absence described above, must be approved in advance in writing by the policyholder if the person's insurance is to be continued.]

## **Section 5 – Claim Provisions**

### **Payment of Benefits**

We will pay benefits at the end of each month (or shorter period) for which we are liable, after we receive the required proof. If any amount is unpaid when disability ends, we will pay it when we receive the required proof.

### **To Whom Payable**

We will pay all benefits to you. However, if we receive proof that a legal guardian or conservator has been appointed, we will pay benefits to such guardian or conservator. If any amount remains unpaid when you die, we will pay at our discretion, to one of the following classes of survivors: (1) your spouse; (2) your surviving children in equal shares; (3) your mother and/or father; (4) your brother and/or sister; or (5) your estate.

### **Authority**

The policyholder delegates to us and agrees that we have the sole discretionary authority to determine eligibility for participation or benefits and to interpret the terms of the policy.

We decide: (a) if a covered person is eligible for this insurance; (b) if a covered person meets the requirements for benefits to be paid; and (c) what benefits are to be paid by the policy. We also interpret how the policy is to be administered. What we pay and the terms for payment are explained in this certificate.

### **Filing a Claim**

1. You must send us notice of the claim. We must have written notice of any insured loss within 30 days after it occurs, or as soon as reasonably possible. You can send the notice to our Home Office. We need enough information to identify you as a covered person.
2. Within 15 days after the date of your notice, we will send you certain claim forms. The forms must be completed and sent to our Home Office. If you do not receive the claim forms within 15 days, we will accept a written description of the exact nature and extent of the loss.
3. The time limit for filing a claim, by submission of a completed claim form, is 90 days after the end of the first month (or shorter period) for which we are liable.
4. To decide our liability, we may require:
  - a. proof of benefits from other sources, and
  - b. proof that you have applied for all benefits from other sources, and that you have furnished any proof required to get them.

### **Proof of Loss**

Within 30 days of the start of your disability, you should give us proof that you are currently disabled and have been continuously disabled since your last day of active work. Proof must be given within 90 days after the end of your elimination period.

Continuing proof of disability must be given as often as we may reasonably require. Continuing proof must be given within 60 days of our request.

You must provide us with all of the information we specify as necessary to determine proof of loss and decide our liability. This may include but is not limited to: medical records; hospital records; pharmacy records; test results; therapy and office notes; mental health progress notes; medical exams and consultations; tax returns; business records; Workers' Compensation records; payroll and attendance records; job descriptions; Social Security award and denial notices; and Social Security earnings records.

You must provide us with a written authorization allowing the sources of medical, vocational, occupational, financial, and governmental information to release documents to us which enables us to decide our liability. If you do not provide us with continuing proof of disability and the items and authorization necessary to allow us to determine our liability, we will not pay benefits.

### **Right to Examine or Interview**

We may ask you to be examined as often as we require at any time we choose. We may require you to be interviewed by our authorized representative. We will pay third party charges for any independent medical exam or interview which we require. If you fail to attend or fully participate, we will not pay your benefits.

### **Limit on Legal Action**

No action at law or in equity may be brought against the policy until at least 60 days after you file proof of loss. No action can be brought after the statute of limitations has expired, but, in any case, not after three (3) years from the date of loss.

### **Review Procedure**

You must request, in writing, a review of a denial of your claim within 180 days after you receive notice of denial.

You have the right to review, upon request and free of charge, copies of all documents, records, and other information relevant to your claim for benefits, and you may submit written comments, documents, records and other information relating to your claim for benefits.

We will review your claim after receiving your request and send you a notice of our decision within 45 days after we receive your request, or within 90 days if special circumstances require an extension. We will state the reasons for our decision and refer you to the relevant provisions of the policy. We will also advise you of your further appeal rights, if any.

### **Subrogation and Right of Reimbursement**

The plan assumes and is subrogated to your legal rights to recover any payments the plan makes for benefits, when a covered sickness or injury resulted from the action or fault of a third party. The plan's subrogation rights include the right to recover the amount of benefits paid to you.

The plan has the right to recover any and all amounts equal to the plan's payments from:

1. the insurance of the injured party;
2. the person, company (or combination thereof) that caused the sickness or injury, or any insurance company; or
3. any other source, including disability benefit coverage.

This right of recovery under this provision will apply whether recovery was obtained by suit, settlement, mediation, arbitration, or otherwise. The plan's recovery will not be reduced by your negligence, nor by attorney fees and costs you incur.

### **Priority Right of Reimbursement**

Separate and apart from the plan's right of subrogation, the plan shall have first lien and right to reimbursement. This priority right of reimbursement supersedes your right to be made whole from any recovery, whether full or partial. You agree to reimburse the plan 100% first for any and all benefits provided through the plan, and for any costs of recovering such amounts from those third parties from any and all amounts recovered through:

1. any settlement, mediation, arbitration, judgment, suit, or otherwise, or settlement from your own insurance and/or from the third party (or their insurance);

2. any auto or recreational vehicle insurance coverage or benefits including, but not limited to disability benefit coverage; and
3. business and homeowner disability insurance coverage or payments.

The plan may notify those parties of its lien and right to reimbursement without notice to or consent from any covered person.

This priority right of reimbursement will not be reduced by attorney fees and costs you incur.

The plan may enforce its rights of subrogation and recovery against, without limitation, any tortfeasors, other responsible third parties or against available disability insurance coverages. Such actions may be based in tort, contract or other cause of action to the fullest extent permitted by law.

#### Notice and Cooperation

You are required to notify us promptly if you are involved in an incident that gives rise to such subrogation rights and/or priority right of reimbursement, to enable us to protect the plan's rights under this section. You are also required to cooperate with us and to execute any documents that we, acting on behalf of the policyholder, deems necessary to protect the plan's rights under this section.

You shall not do anything to hinder, delay, impede or jeopardize the plan's subrogation rights and/or priority right of reimbursement. Failure to cooperate or to comply with this provision shall entitle the plan to withhold any and all benefits due you under the plan. This is in addition to any and all other rights that the plan has pursuant to the provisions of the plan's subrogation rights and/or priority right of reimbursement.

If the plan has to file suit, or otherwise litigate to enforce its subrogation rights and/or priority right of reimbursement, you are responsible for paying any and all costs, including attorneys' fees, the plan incurs in addition to the amounts recovered through the subrogation rights and/or priority right of reimbursement.

#### Legal Action and Costs

If a covered person settles any claim or action against any third party, that covered person shall be deemed to have been made whole by the settlement and the plan shall be entitled to collect the present value of its rights as the first priority claim from the settlement fund immediately. The covered person shall hold any such proceeds of settlement or judgment in trust for the benefit of the plan. The plan shall also be entitled to recover reasonable attorneys' fees incurred in collecting proceeds held by the covered person in such circumstances.

Additionally, the plan has the right to sue on the covered person's behalf, against any person or entity considered responsible for any condition resulting in benefits paid or to be paid by the plan.

#### Settlement or Other Compromise

The covered person must notify the plan prior to settlement, resolution, court approval, or anything that may hinder, delay, impede or jeopardize the plan's rights so that the plan may be present and protect its subrogation rights and/or priority right of reimbursement.

The plan's subrogation rights and priority right of reimbursement attach to any funds held, and do not create personal liability against the covered person.

The right of subrogation and the right of reimbursement are based on the plan language in effect at the time of judgment, payment, or settlement.

The plan, or its representative, may enforce the subrogation and priority right of reimbursement.

## **Alternate Dispute Resolution Procedures**

This dispute resolution procedure (“procedure”) is intended to provide a fair, quick and inexpensive method of resolving any and all disputes with us. Such disputes include any matters that cause you to be dissatisfied with any aspect of your relationship with us, including any claim, controversy, or potential cause of action you may have against us. Please contact the Dispute Resolution office at [800-648-0271] if you have any questions about this section of the certificate or to begin the dispute resolution process.

The following terms are applicable to all disputes:

1. This procedure is the exclusive method of resolving any disputes.
2. The procedure can only resolve disputes that are subject to our control.
3. This procedure will be governed by the Employee Retirement Income Security Act of 1974 (“ERISA”); Rules and Regulations for Administration and Enforcement; Claims Procedure (the “Claims Regulation”). That includes the definition of an adverse benefit determination, which is defined as any denial, reduction, termination or failure to provide or make payment for what you believe should be a covered benefit.
4. You may request a form from our Dispute Resolution office to authorize another person to act on your behalf concerning a dispute.
5. We may elect to skip one or more of the steps of this procedure if it is determined that step will not help to resolve the dispute.
6. Any dispute will be resolved in accordance with the terms of this certificate, applicable state or Federal laws and regulations.
7. You must begin the dispute process within 180 days from the date you receive notice of an adverse benefit determination. If you do not initiate the dispute process within that 180 day period, you give up the right to take any action based on that Dispute.

## **Description of the Procedure**

### Inquiry

You should contact our Dispute Resolution office to discuss and attempt to resolve any issues regarding a dispute. We hope that this informal process will resolve your questions or concerns.

### Appeals

If you are not satisfied with the response to your inquiry, you may submit a written request (an “appeal”) to the Office of the Appeals Coordinator, USAble Life, PO Box 1650, Little Rock AR 72203-1650, asking that we reconsider an adverse benefit determination. Please contact the Dispute Resolution office if you have any questions about how to submit an appeal to us. You are not required to use a specific form, but you may request that the Dispute Resolution office send you a blank appeal form to ensure that you provide the information that will be needed to review your appeal.

We will assign a coordinator to review your appeal. The appeal coordinator is an individual with appropriate expertise who is neither the individual who made the adverse benefit determination, nor a subordinate of that individual.

The appeal coordinator may request that you submit additional information concerning your grievance. The appeal coordinator will also consider information submitted by others, including information requested from other USAble Life representatives. The appeal coordinator will have full discretionary authority to make eligibility, benefit or claim determinations and construe the terms of the policy. Such determinations shall be subject to the review standards applicable to ERISA plans, even if the policy is not governed by ERISA.

We will make a decision within 60 days after receiving your appeal concerning a claim determination.

The appeal coordinator will send you a written decision concerning your appeal. The appeal coordinator's decision will include: a statement of the coordinator's understanding of your appeal; a statement explaining the basis of the decision; and a list of the documents or information upon which that decision was based. We will send you a copy of the listed documents, without charge, if you make a written request for such documents.

### **Post Appeal Procedure**

If you are still not satisfied after completing the appeal procedure, you have the right to bring a civil action against us to obtain the remedies available pursuant to Sec. 502(a) of ERISA (an "ERISA Action") after completing the mandatory appeal process. Those ERISA remedies will apply to this policy even if your plan is not otherwise governed by ERISA. If you agree to arbitrate a dispute, we agree to suspend (or toll) any time periods affecting your right to bring an ERISA Action against us related to that dispute, until the arbitration has been completed.

You may request that the dispute be submitted for resolution by arbitration. That arbitration request must be submitted, in writing, to USABLE Life's General Counsel within sixty (60) days after you receive the appeal coordinator's decision.

The dispute will be submitted to arbitration in accordance with the rules of the American Arbitration Association, unless we both agree to use an alternative dispute resolution administrator or procedure. The arbitration will be conducted before a single arbitrator.

We will pay the filing fee charged by the administrator and the arbitrator. You will be solely responsible for any other costs that you incur to participate in the arbitration process, including your attorney's fees. The filing fee and arbitrator's fees may be reallocated as part of an arbitration award, in whole or in part, at the discretion of the arbitrator.

The arbitration will be conducted in a location where it is reasonably convenient for you to participate. If we can not agree concerning a convenient location, the administrator or arbitrator, if appointed, shall have the discretion to decide where the arbitration will be conducted.

The arbitrator: (a) shall consider the dispute individually and shall not certify or consider multiple disputes as part of a class action; (b) shall be required to issue a reasoned written decision explaining the basis of his or her decision and the manner of calculating any award; (c) shall limit his or her decision to deciding if our adverse benefit decision was arbitrary or capricious based on ERISA standards; (d) may not award punitive, extra-contractual, treble or exemplary damages unless permitted to do so by applicable statutes or regulations; (e) may not vary or disregard the terms of the policy; and (f) shall be bound by controlling law; when issuing a decision concerning the dispute.

The arbitrator shall limit discovery to the extent possible consistent with the objective of completing the arbitration in a fair, prompt, and cost effective manner. Emergency relief such as injunctive relief may be awarded by the arbitrator.

### **Contact Information**

General Counsel  
USABLE Life  
P. O. Box 1650  
Little Rock, AR 72203-1650  
Telephone: [1-800-648-0271]  
Email: [AppealCoordinator@usablelife.com]

Office of the Dispute Resolution Coordinator  
P. O. Box 1650  
Little Rock, AR 72203-1650  
Telephone: [1-800-648-0271]  
Email: [AppealCoordinator@usablelife.com]

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Email: [AppealCoordinator@usablelife.com]

## **Section 6 – General Provisions**

### **Entire Contract**

This certificate is furnished in accordance with and subject to the terms of the policy. The entire contract consists of the policy, which includes the application, and any attached papers; and this certificate, your enrollment form, if required, and any riders or endorsements. No change in the policy will be effective until approved by one of our officers. This approval can only be in writing and must be noted on or attached to the policy. No agent has authority to change the policy or certificate or to waive any of their provisions.

Any statement made by you or the policyholder is considered a representation. It is not considered a warranty or guarantee. A statement will not be used in a dispute unless it is written and signed, and a copy is given to you.

### **Errors**

An error in keeping records will not cancel insurance that should continue nor continue insurance that should end. We will adjust the premium, if necessary. If the premium was overpaid, we will refund the difference. If the premium was underpaid, the difference must be paid to us.

### **Misstatements**

If any information about you or the policyholder's plan is misstated or altered after the application is submitted, including information with respect to participation or who pays the premium and under what circumstances, the facts will determine whether insurance is in effect and in what amount. We will retroactively adjust the premium.

### **Incontestability**

Unless the premiums have not been paid, the validity of the policy cannot be contested after it has been in force for two years.

Any statement made by the policyholder or a covered person will be considered a representation. It is not considered a warranty or guarantee. A statement will not be used in a dispute unless it is written and signed, and a copy is given to the covered person or the beneficiary.

No statement, except fraudulent misstatement, made by a covered person about insurability will be used to deny a claim for a loss incurred or disability starting after coverage has been in effect for two years.

No claim for loss starting two or more years after the covered person's effective date may be reduced or denied because a disease or physical condition existed before the person's effective date, unless the condition was specifically excluded by a provision in effect on the date of loss.

### **Agency**

Neither the policyholder, any employer, any associated company, nor any administrator appointed by the foregoing is our agent. We are not liable for any of their acts or omissions.

### **Unpaid Premium**

We may deduct any unpaid premium then due from the payment of a claim under this certificate.

## **Refund of Premium**

On the death of the covered person, proceeds payable hereunder shall include the amount of unearned premium paid beyond the end of the policy month in which death occurred. Payment shall be made in one lump sum no later than 30 days after proof of the covered person's death has been furnished to us.

## **Conformity with State Statutes**

If the provisions of this certificate do not conform with the laws of the state in which you reside on the certificate effective date, they are hereby amended to conform with the minimum requirements of the statutes of that state.

## **Policy Management**

Efficient management of the policy requires the joint efforts of the policyholder, US Able Life, and each covered person. Each party has certain duties to bring about the effective administration of the policy.

***Duties of the Policyholder:*** The policyholder's primary duties under the policy are listed below.

1. Give us prompt, written notice of any change in business of the policyholder and employer. This includes, but is not limited to: (a) the type of business; (b) addition or deletion of an associated company; or (c) financial status due to bankruptcy; merger; acquisition; or dissolution.
2. Give us pertinent records for all covered persons. This includes, but is not limited to: (a) hire dates; (b) eligibility dates; (c) salaries; (d) occupations; and (e) birth dates. Give us updates of such records as needed.
3. In order to start case management, give us prompt notice of a covered person's disability. This notice should be given as soon as possible after the date of injury or start of sickness. The most effective time for such notice is when the covered person has not been able to perform active work for 30 days.
4. In order to support case management, give us occupational data for all disabled covered persons. This includes, but is not limited to: (a) job descriptions and analyses; and (b) environmental factors.

***Duties of Covered Persons:*** Your primary duties under the policy are listed below.

1. Give notice of claim as soon as possible after the date of your injury or the start of your sickness. Prompt notice will permit us to start case management.
2. Give a complete account of the details of your sickness or injury. This will include: (a) the cause of your disability, if known; (b) a description of your sickness or the accident that caused your injury; and (c) a list of all physicians, hospitals, or other facilities where you have been treated for the cause of your disability.
3. Allow release of medical and/or income data needed to assess your claim.
4. Give periodic medical updates as required by the policy.
5. Take part in any medical, financial or vocational assessment as required by the policy.
6. Apply for other income benefits to which you may be entitled.
7. Promptly report to us the receipt or denial of such other income benefits. And, appeal any denials to the extent possible.
8. Promptly report to us changes in your personal status. This includes: (a) change of address or phone number; (b) changes in how your disability affects your daily living; and (c) changes in your level of social, volunteer or business activities.
9. If we overpay benefits, promptly report and repay any amount overpaid.

10. If you are working while disabled, promptly report to us the amount of your income for such work.
11. Give us proof of your earnings for the period prior to your disability and while you are disabled.

**Fraud**

It is unlawful to knowingly provide false, incomplete or misleading facts or information with the intent of defrauding us. An application for insurance or statement of claim containing any materially false or misleading information may lead to reduction, denial or termination of benefits or coverage under the policy and recovery of any amounts we have paid.

## Section 7 – Long Term Disability Benefits

### Insurance Provided

If you become disabled while insured under the policy, we will pay long term disability insurance benefits after you satisfy the elimination period. We will continue to pay benefits during your disability but not beyond the Maximum Benefit Period. Any benefits are subject to the provisions of the policy.

### Monthly Benefit Calculation

[Your monthly benefit is your pre-disability earnings multiplied by the Benefit Percentage, subject to the Maximum Monthly Benefit, [minus the Eligible Offsets].]

However, if you are disabled and working and your disability earnings are at least 20% but less than [80%] of your indexed pre-disability earnings, the following calculation will be used to determine if your benefits will be further reduced:

[During the first [12] months benefits are paid while you are working, your monthly benefit payment will not be reduced as long as your disability earnings, [including all Eligible Offsets,] plus your monthly benefit do not exceed 100% of your [indexed] pre-disability earnings.

1. Add your monthly disability earnings [and the amount of all Eligible Offsets] to your monthly benefit.
2. Compare the answer in item 1 to your indexed pre-disability earnings.

If the answer from item 1 is less than or equal to 100% of your indexed pre-disability earnings, we will not further reduce your monthly benefit.

If the answer from item 1 is more than 100% of your indexed pre-disability earnings, we will subtract the amount over 100% from your monthly benefit.]

[After [12] months of benefit payments while you are working,] you will receive payments based on the percentage of income you are losing due to disability as follows:

1. Subtract your disability earnings from your indexed pre-disability earnings.
2. Divide the answer from item 1 by your indexed pre-disability earnings. This is your percentage of lost earnings.
3. Multiply your monthly benefit by the answer in item 2.

This is the amount we will pay you each month.]

If you are disabled and working, and your disability earnings are more than [80%] of your monthly earnings prior to disability, no benefit will be payable.]

### If Your Disability Earnings Fluctuate

If your disability earnings fluctuate from month to month, we may average your disability earnings over the most recent three months 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 from the last three months exceeds [80%] of your pre-disability earnings.

**Minimum Monthly Benefit:** If you are eligible for a benefit under the policy, we will never pay less than the Minimum Benefit shown on the Schedule of Insurance.

### [Eligible Offsets]

[If you [or your family] are eligible for any of the following benefits for loss of income as a result of the period of disability for which you are claiming benefits under this plan, the total of all monthly benefits and other amounts will be subtracted from your monthly benefit. This includes

any such benefits for which you [or your family] are eligible or that are paid to you, [to your family,] or to a third party on your behalf, pursuant to any of the following:

1. [temporary disability benefits under a Workers' Compensation Law, the Jones Act, occupational disease law, similar law, or substitutes or exchanges for such benefits;]
2. [governmental law or program that provides disability or unemployment benefits as a result of your job with the employer;]
3. [a plan or arrangement of coverage, whether insured or not, as a result of employment by or association with the employer or as a result of membership in or association with any group, association, union or other organization, including benefits required by state law, under an employer sponsored short term disability program or under a sick leave or salary continuation program;]
4. [an individual insurance policy where the premium is wholly or partially paid by the employer;]
5. [mandatory "no-fault" automobile insurance plan;]
6. [disability benefits under:
  - a. the United States Social Security Act, or alternative plan offered by a state or municipal government;
  - b. the Railroad Retirement Act;
  - c. the Canada Pension Plan, the Canada Old Age Security Act, the Quebec Pension Plan, or any provincial pension or disability plan; or
  - d. similar plan or actthat you [,your spouse and children,] are eligible to receive because of your disability; or]
7. [disability benefit from the Department of Veterans Affairs, or any other foreign or domestic governmental agency:
  - a. that begins after you become disabled; or
  - b. if you were receiving the benefit before becoming disabled, the amount of any increase in the benefit that is attributed to your disability.]

Eligible Offsets also include any payments that are made to you, your family, or to a third party on your behalf, pursuant to any of the following:

1. [disability benefit under the Employer's Retirement Plan;]
2. [permanent disability or impairment benefits under a Workers' Compensation Law, the Jones Act, occupational disease law, similar law, or substitutes or exchanges for such benefits;]
3. [portion of a settlement or judgment, minus associated costs, of a lawsuit that represents or compensates for your loss of earnings;]
4. [retirement benefit from a Retirement Plan that is wholly or partially funded by employer contributions, unless:
  - a. you were receiving it prior to becoming disabled; or
  - b. you immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement.Eligible Offsets will not include the portion, if any, of such retirement benefit that was funded by your [after-tax] contributions; or]
5. [retirement benefits under:
  - a. the United States Social Security Act, or alternative plan offered by a state or municipal government;
  - b. the Railroad Retirement Act;
  - c. the Canada Pension Plan, the Canada Old Age Security Act, the Quebec Pension Plan, or any provincial pension or disability plan; or
  - d. similar plan or act

that you[, your spouse and children,] receive because of your retirement, unless you were receiving them prior to becoming Disabled.]

If you are paid benefits under any of the Eligible Offsets in a lump sum or settlement, you must provide proof satisfactory to us of:

1. the amount attributed to loss of income; and
2. the period of time covered by the lump sum or settlement. We will pro-rate the lump sum or settlement over this period of time. If you cannot or do not provide this information, we will assume the entire sum to be for loss of income, and the time period to be [24] months. We may make a retroactive allocation of any retroactive Eligible Offset. A retroactive allocation may result in an overpayment of your claim.

The amount of any increase in any of the Eligible Offsets will not be included as an Eligible Offset if such increase:

1. takes effect after the date benefits become payable under [this/your employer sponsored] plan; and
2. is a general increase which applies to all persons who are entitled to such benefits.

### **Estimate of Benefits or Other Amounts**

If you:

1. are eligible for benefits or other amounts from any of the above sources; or
2. it is reasonable to believe that you would be paid such benefits or other amounts if you had applied for them or had applied for them on time;

we will figure your monthly benefit as though you are receiving these other benefits, even if you are not.

For the purposes of this provision, we will estimate an amount equal to the amount you [and your dependents] would receive under the United States Social Security Act. This amount will reduce your monthly benefit beginning after five full months of disability. This reduction will continue unless you submit proof to us that you have applied for benefits under such Act, but you are not eligible to receive such benefits after completing the application and appeals processes, at least through the Administrative Law Judge hearing level, with the Social Security Administration. Any lump sum payment received by you shall be deducted immediately from your monthly disability benefits.]

### **[Social Security Assistance]**

[Your claim for Social Security disability benefits may be denied. If it is, we may provide you with assistance for your appeal.]

### **Adjustment of Benefits**

If we find that the amount of benefit which we should have paid is different from the amount we actually paid you, we will adjust your benefit.

If we paid you less than we should have, we will pay you the difference.

If we paid you more than we should have, you or your estate must reimburse us within 60 days. Any future benefits we determine to be due, including the Minimum Benefit, will be applied to the overpayment until we are reimbursed in full.

### **Lump Sum Benefit**

If you receive benefits from any source in a lump sum, we will pro-rate it over the time in which it accrued, based on information from the source of the payment. If we do not receive all the information we need, we will pro-rate the payment according to its nature and purpose.

## **Benefit Freeze**

We will not reduce your monthly benefit further if the amount of benefits from any source, other than the policy, changes because of a cost of living increase that occurs automatically or by law after you satisfy the elimination period.

## **Waiver of Premium Benefit**

While you are receiving benefits, your premiums do not have to be paid. However for coverage to be continued if you return to active work with the employer, premium payments must resume once you are no longer receiving benefits under the policy.

## **[Managed Rehabilitation]**

[You may be eligible to receive vocational rehabilitation services. In order to be eligible for such services you must have the functional capability to successfully complete a rehabilitation plan.

Vocational rehabilitation services will include the preparation of a rehabilitation plan for you, with input from you and your physician. We, you, your physician, or your employer can begin the process of developing a rehabilitation plan. Vocational rehabilitation services may include, but are not limited to, payment of your medical expense, education expense, moving expense, or accommodation expense. We have the right to determine which services are appropriate.

[If you return to work as part of a rehabilitation plan while you are disabled, we will pay your employer:

1. 100% of your salary, wages, partnership or proprietorship draw, commissions, or similar pay; or
2. the Schedule Amount, if less;

for the first month after you return to work, or your remaining period of disability, if less.]

[If your disability ends while you are participating, with your full cooperation, in your rehabilitation plan, and you are not able to find gainful work, we will:

1. pay you the amount of benefit, other than rehabilitation benefits, that would have been payable to you if you had remained disabled until:
  - a. 3 months after your disability ends; or
  - b. the date you are able to find gainful work, if earlier; and
2. provide or pay for reasonable job placement services for a period of up to 3 months after your disability ends].

Failure to participate with your full cooperation in the rehabilitation plan, without good cause, will result in the reduction or the termination of your long term disability insurance benefits. If benefits terminate, your long term disability insurance coverage under the policy will terminate. Reduction of benefits will be based on your projected income if you had met the goals of the rehabilitation plan. Benefits will be figured as though you were:

1. actually working in the occupation contemplated in the rehabilitation plan; and
2. earning the projected income amount.

If such work at the projected income amount would have resulted in the termination of your long term disability insurance benefits, your benefits will terminate as of the expected completion of the rehabilitation plan. "Good cause" means a medical reason preventing implementation of the rehabilitation plan.

We will make the final determination of any vocational rehabilitation services provided, of your eligibility for participation, and of any continued benefit payments.]

### **[Survivor Benefit]**

[If you die while entitled to benefits under the policy, we will pay a survivor benefit. We must receive proof of your death and proof that the person claiming the benefit is entitled to it. We will pay the survivor benefit only to your lawful spouse, if living, otherwise, to your children. Children must be under age [25]. "Children" include step-children or foster children that depended on you for support and maintenance. Adopted children are also included. If there are no survivors living at your death, we will pay your estate.

The survivor benefit is one lump-sum payment equal to [1 - 12] times your monthly benefit amount without reduction for [Offsets or ]Other Sources of income.

Payment of the survivor benefit is subject to the other provisions of the policy.]

### **Termination of Benefit Payments**

We will terminate benefit payments on the earliest of the following dates:

1. the date you are no longer disabled as defined; or
2. the date you fail to furnish Proof of Loss, when requested by us; or
3. the date you are no longer under the regular care of a physician, or refuse our request that you submit to an examination by a physician; or
4. the date you die; [ or
5. [the date your current monthly earnings exceed:
  - a. [[80%] of your indexed pre-disability earnings [if you are receiving benefits for being disabled from your regular occupation;] [or]
  - b. [an amount that is equal to the product of your indexed pre-disability earnings and the benefit percentage not to exceed [60%], if you are receiving benefits for being disabled from any gainful occupation; or]
6. [the date you refuse to receive recommended treatment that is generally acknowledged by physicians to cure, correct or limit the disabling condition;] [or
7. the date you [refuse to participate in your rehabilitation plan, or] refuse to cooperate with or try:
  - a. [modifications made to the work site or job process to accommodate your identified medical limitations to enable you to perform the material duties of your regular occupation;]
  - b. [adaptive equipment or devices designed to accommodate your identified medical limitations to enable you to perform the material duties of your regular occupation;]
  - c. [modifications made to the work site or job process to accommodate your identified medical limitations to enable you to perform the material duties of any gainful occupation, if you were receiving benefits for being disabled from any gainful occupation; or]
  - d. [adaptive equipment or devices designed to accommodate your identified medical limitations to enable you to perform the material duties of any gainful occupation, if you were receiving benefits for being disabled from any gainful occupation;]provided, a qualified physician agrees that such [modifications, adaptive equipment,] [or rehabilitation plan,] accommodate your medical limitations; or]
8. [the date you receive retirement benefits from any employer's Retirement Plan, unless:
  - a. you were receiving them prior to becoming disabled; or
  - b. you immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement; or]
9. the date determined by the Maximum Benefit Period table shown in the Schedule of Insurance; or
10. the date no further benefits are payable under any provision in the policy that limits benefit duration; or

11. after 12 months of payments if you are considered to reside outside the U.S. or Canada. You will be considered to reside outside these countries when you have been outside the U.S. or Canada for a total period of 6 months or more during any 12 consecutive months of benefits.

[We will not pay benefits if:

1. your employer, the policyholder, or an associated company has offered you the opportunity to return to limited work while you are disabled;
2. you are functionally capable of performing the limited work which is offered; and you do not return to work when scheduled.

Benefits will end as of the date you were first scheduled to return to work].

### **Extension of Benefit Payments**

If you are entitled to benefits while disabled and the policy terminates, benefits:

1. will continue as long as you remain disabled by the same disability, but
2. will not be provided beyond the date we would have ceased to pay benefits had the insurance remained in force.

Termination of the policy for any reason will have no effect on our liability under this provision.

## Section 8 – Limitations and Exclusions

### **[Special Conditions Limitation]**

[We pay only a limited benefit for periods of disability due to special conditions. The Maximum Benefit Period for all such periods of disability is a total of [24 months]. This is not a separate maximum for each such condition, or for each period of disability, but a combined maximum for all periods of disability and for all of these conditions.

Your period of disability will be considered due to special conditions if:

1. you are limited by one or more of the stated conditions; and
2. you do not have other conditions which, in the absence of the stated conditions, would continue to exist, limit your activities, and lead us to conclude that you were disabled.

Benefits may be payable for more than [24 months], but not beyond the Maximum Benefit Period in the Schedule, if you

1. are hospital confined at the end of the [24-month] period above, and
2. remain disabled.

Benefits will be payable for the length of your confinement [and for up to 60 days following the end of your confinement] but not beyond the Maximum Benefit Period in the Schedule of Insurance].

If you are hospital confined again during the [60-day period] for [at least 14 consecutive days], benefits will be payable for the length of the second confinement [and for up to 60 days following the end of the second confinement.]

### **[Alcoholism, Drug Addiction, Chemical Dependency, and ] [Mental Illness Limitation]**

[We pay only a limited benefit for a period of disability due to [alcoholism, drug addiction, chemical dependency and] [mental illness]]. The Maximum Benefit Period for all such periods of disability is a total of [24 months]. This is not a separate maximum for each such condition, or for each period of disability, but a combined maximum for all periods of disability and for all of these conditions.

Your period of disability will be considered due to [alcoholism, drug addiction, chemical dependency or] [mental illness] if:

1. you are limited by [one or more of the stated conditions]; and
2. you do not have other conditions which, in the absence of the stated condition[s], would continue to exist, limit your activities, and lead us to conclude that you were disabled.

Benefits may be payable for more than [24 months], but not beyond the Maximum Benefit Period in the Schedule of Insurance], if you

1. are hospital confined at the end of the [24-month] period above, and
2. remain disabled.

Benefits will be payable for the length of your confinement [and for up to 60 days following the end of your confinement] but not beyond the Maximum Benefit Period in the Schedule of Insurance].

If you are hospital confined again during the [60-day period] for [at least 14 consecutive days], benefits will be payable for the length of the second confinement [and for up to 60 days following the end of the second confinement.]

### **Pre-Existing Condition Exclusion**

Benefits will not be paid if your disability begins in the first [12] months following the effective date of your coverage and your disability is caused by, contributed to by, or the result of a pre-existing condition, [unless you had no treatment of the pre-existing condition for [6] consecutive months after your effective date of coverage.]

**Pre-Existing Condition** means any condition for which you have done any of the following at any time during the [3] months just prior to your effective date of coverage:

1. received medical treatment or consultation;
2. taken or were prescribed drugs or medicine; or
3. received care or services, including diagnostic measures,

whether or not that condition is diagnosed at all or is misdiagnosed during that period of time.

### **Exclusions**

[We will not pay benefits for any time you are confined to any facility because you were convicted of a crime or public offense.]

We will not pay benefits for any disability caused by:

1. war or any act of war, or while serving in the armed forces of any country or international authority;
2. attempted suicide or intentional self-inflicted injury, while sane or insane; or
3. [your active participation in a riot or insurrection;] or
4. your voluntary commission of, or attempting to commit, [an assault or] [a] felony; or participating in an illegal occupation; or
5. [injury occurring while intoxicated;] or
6. [elective or cosmetic surgery, except for surgery to repair damage to the natural body caused by an injury or treatment of a sickness; or ]
7. [your acting as an organ donor.]

[No benefits are payable for any period of disability during which you are incarcerated in a penal or correctional facility for a period of [30] or more consecutive days.]

## [Section 9 – Continuity of Coverage]

### Definitions

**[Prior plan]** means the policyholder's plan of group long term disability insurance, if any, under which you were insured on the day before the effective date of this policy.

**Prior plan benefits** mean the benefits, if any, that would have been paid to you under the prior plan had it remained in effect, and had you continued to be insured under the prior plan.

### Continuity of Coverage

We will provide continuity of coverage as described below if you were covered under the prior plan.

If you are actively at work on the effective date of this policy and otherwise eligible to become insured under this policy, you will be insured under this policy.

If you are not at active work on the effective date of the policy due to a reason other than a disability, and would otherwise be eligible to become insured under the requirements of this policy, we will cover you for the lesser of what you would receive under this policy or what you would receive under the prior plan benefits until the earliest of:

1. the date you return to active work;
2. the end of any period of continuance of the prior plan; or
3. the date coverage ends, according to the provision of the policy.

Any benefits payable under the conditions described above will be paid by us:

1. as if the prior plan had remained in effect; and
2. will be reduced by any benefits paid or payable by the prior plan.

If you were covered under the prior plan on the day before the effective date of this policy but were not actively at work due to a disability, you are not eligible to become insured under this policy.

### Prior Plan Credit for Long Term Disability Insurance

The benefits payable for disability due to a pre-existing condition are limited or excluded unless you meet certain requirements. For any disability which would be limited or excluded during the time period to which this limitation or exclusion applies, we will give you credit for the length of time you were covered under the prior plan. Benefits provided will be the lesser of:

1. the benefits of the policy without the pre-existing conditions provision, or
2. prior plan benefits (applying the prior plan's pre-existing conditions provision, if any) just as if it had remained in effect.

The pre-existing conditions limitation or exclusion of this policy will apply to the amount of any benefit increase which results from a change from the prior policy to this policy.

If you are not eligible for benefits under the prior plan or benefits under this policy, no benefit will be paid.

The definition of period of disability in the policy describes the conditions that must be met for two or more disabilities to be considered as having occurred during one period of disability. This allows you to avoid having to satisfy a separate elimination period for each disability. If you received benefits under the prior plan, and have a recurrence of the same disability within [6 months] of your return to active work while insured under the policy, and there are no benefits available for the recurrence under the prior policy, we will apply this definition as though the policy had been in effect since the date you first became disabled, and not require fulfillment of

a new elimination period. Benefits paid under this scenario will be those eligible under the prior plan.]

## **Important Notice**

The following information is provided to assist you in answering any questions you might have:

### **Soliciting Agent**

The name, address and telephone number of our soliciting agent is available to you, if needed, by calling our Customer Service Department at [501-375-7200].

### **USABLE Life**

USABLE Life  
P. O. Box 1650  
Little Rock, AR 72203-1650  
Phone [(501) 375-7200 or  
Toll Free (800) 648-0271]

If we fail to provide you with reasonable and adequate service, you may contact:

### **Arkansas Insurance Department**

Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, AR 72201-1904  
Phone (501) 371-2640 or  
Toll Free 1-800-852-5494

We appreciate the opportunity to serve your insurance needs.

SERFF Tracking Number: LSVX-G127156604 State: Arkansas  
 Filing Company: US Able Life State Tracking Number: 48694  
 Company Tracking Number: AR000790100006  
 TOI: H11G Group Health - Disability Income Sub-TOI: H11G.003 Long Term  
 Product Name: Group Long Term Disability, LTD-P  
 Project Name/Number: Group Long Term Disability, LTD-P/AR000790100006

## Supporting Document Schedules

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b>	Application	Accepted for Informational Purposes	05/10/2011
<b>Bypass Reason:</b>	Not an application filing		
<b>Comments:</b>			

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	Flesch Certification	Accepted for Informational Purposes	05/10/2011
<b>Comments:</b>			
<b>Attachment:</b>	AR - READABILITY CERTIFICATION.PDF		

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	AR - NAIC TRANSMITTAL DOCUMENT	Accepted for Informational Purposes	05/10/2011
<b>Comments:</b>			
<b>Attachment:</b>	AR - NAIC TRANSMITTAL DOCUMENT.PDF		

		<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b>	AR - NAIC FORM FILING ATTACHMENT	Accepted for Informational Purposes	05/10/2011
<b>Comments:</b>			
<b>Attachment:</b>	AR - NAIC FORM FILING ATTACHMENT.PDF		

<b>Item Status:</b>	<b>Status Date:</b>
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SERFF Tracking Number: LSVX-G127156604 State: Arkansas  
Filing Company: USable Life State Tracking Number: 48694  
Company Tracking Number: AR000790100006  
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.003 Long Term  
Product Name: Group Long Term Disability, LTD-P  
Project Name/Number: Group Long Term Disability, LTD-P/AR000790100006  
**Satisfied - Item:** Statement of Variability Accepted for Informational Purposes 05/10/2011

**Comments:**

**Attachment:**

LTD Variables for LTDP.PDF

**Item Status:** Accepted for Informational Purposes  
**Status Date:** 05/10/2011  
**Satisfied - Item:** LTD-C (5-09) Highlighted Changes

**Comments:**

**Attachment:**

AR LTD-C (5-09) Min Issue Change (highlighted).PDF

**STATE OF ARKANSAS**  
**READABILITY CERTIFICATION**

**COMPANY NAME:** USAbLe Life

This is to certify that the form(s) referenced below has achieved a Flesch Reading Ease Score as indicated below and complies with the requirements of Ark. Stat. Ann. Section 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

<b>Form Number</b>	<b>Score</b>
LTD-C (5-09)	52.3

Signed:   
Name: Connie Phillips  
Title: Assistant General Counsel & Assistant Secretary  
Date: 05/05/2011

**Life, Accident & Health, Annuity, Credit Transmittal Document**

<b>1.</b>	<b>Prepared for the State of</b>	Arkansas
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<b>2.</b>	<b>Department Use Only</b>	
	<b>State Tracking ID</b>	

3. Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #
USable Life PO Box 1650 Little Rock AR 72203-1650	AR	Life & Health	876	94358	71-0505232	

4. Contact Name & Address	Telephone #	Fax #	E-mail Address
Tracy Caballero PO Box 1650 Little Rock AR 72203-1650	800-648-0271 Ext. 8935	501-235-8484	tcaballero@usablelife.com

5. Requested Filing Mode	<input type="checkbox"/> Review & Approval <input type="checkbox"/> File & Use <input checked="" type="checkbox"/> Informational <input type="checkbox"/> Combination (please explain): _____ <input type="checkbox"/> Other (please explain): _____
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6. Company Tracking Number	AR000790100006
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7. <input type="checkbox"/> New Submission	<input checked="" type="checkbox"/> Resubmission	Previous file #	LSVX-126075574
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8. Market	Group	<input type="checkbox"/> Individual	<input type="checkbox"/> Franchise
		<input type="checkbox"/> Small <input type="checkbox"/> Large <input checked="" type="checkbox"/> Small and Large <input checked="" type="checkbox"/> Employer <input type="checkbox"/> Association <input type="checkbox"/> Blanket <input type="checkbox"/> Discretionary <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____	

9. Type of Insurance	H11G Group Health - Disability Income
----------------------	---------------------------------------

10. Product Coding Matrix Filing Code	H11G.003 Long Term
---------------------------------------	--------------------

11. Submitted Documents	<input type="checkbox"/> <b>FORMS</b> <input type="checkbox"/> Policy <input type="checkbox"/> Outline of Coverage <input checked="" type="checkbox"/> Certificate <input type="checkbox"/> Application/Enrollment <input type="checkbox"/> Rider/Endorsement <input type="checkbox"/> Advertising <input type="checkbox"/> Schedule of Benefits <input type="checkbox"/> Other: _____  <input type="checkbox"/> <b>RATES</b> <input type="checkbox"/> New Rate <input type="checkbox"/> Revised Rate  <input type="checkbox"/> <b>FILING OTHER THAN FORM OR RATE:</b> Please explain: _____  <b>SUPPORTING DOCUMENTATION</b> <input type="checkbox"/> Articles of Incorporation <input type="checkbox"/> Third Party Authorization <input type="checkbox"/> Association Bylaws <input type="checkbox"/> Trust Agreement <input checked="" type="checkbox"/> Statement of Variability <input type="checkbox"/> Certifications <input type="checkbox"/> Actuarial Memorandum <input type="checkbox"/> Other: _____
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12.	<b>Filing Submission Date</b>	05/05/2011
13.	<b>Filing Fee (If required)</b>	Amount _____ Check Date _____ Retaliatory <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Check Number _____
14.	<b>Date of Domiciliary Approval</b>	
15.	<b>Filing Description:</b>	
<p>We are enclosing for your information, a revised Group Long Term Disability certificate.</p> <p>This form was previously approved under SERFF Filing #LSVX-126075574 and AR State Filing #41829, on March 17, 2009. We recently noticed the certificate had a typographical error on page 4, under "Schedule of Insurance". The only change to the form is the minimum amount for the Maximum Monthly Benefit. It has been changed from [\$1,000] to [\$100].</p> <p>Considering this amount was previously marked as variable, we are submitting this change for informational purposes only. All changes have been highlighted for your convenience. We have also enclosed the previously filed statement of variability for your information. There are no changes to this document.</p>		

16.	<b>Certification (If required)</b>	
<p><b>I HEREBY CERTIFY</b> that I have reviewed the applicable filing requirements for this filing, and the filing complies with all applicable statutory and regulatory provisions for the state of <u>Arkansas</u>.</p>		
<p>Print Name <u>Tracy Caballero</u> Title <u>Regulatory Resource Analyst</u></p>		
<p>Signature <u></u> Date <u>05/05/2011</u></p>		

<b>17.</b>	<b>Form Filing Attachment</b>	
<b>This filing transmittal is part of company tracking number</b>	AR000790100006	
<b>This filing corresponds to rate filing company tracking number</b>		

	<b>Document Name</b>	<b>Form Number</b>		<b>Replaced Form Number</b>
	<b>Description</b>			<b>Previous State Filing Number</b>
01	Group Long Term Disability Certificate	LTD-C (5-09)	<input type="checkbox"/> Initial <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Other _____	
02			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
03			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
04			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
05			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
06			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
07			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
08			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
09			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
10			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	
11			<input type="checkbox"/> Initial <input type="checkbox"/> Revised <input type="checkbox"/> Other _____	

## STATEMENT OF VARIABILITY

***Any use of variability shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination.***

### GENERAL VARIABLES

1. Items which are customarily varied according to the individual policyholder's specific plan of insurance. This includes all the items appearing in the applications and on the Schedule pages.
2. Vary the definitions to the extent that such definition may be included, omitted or transferred to another page to suit the needs of a particular policyholder.

For specific variables within a definition, see the Specific Variables.

3. Vary the paragraphs to the extent that such paragraphs may be included, omitted or transferred to another page to suit the needs of a particular policyholder.

For specific variables within a paragraph, see the Specific Policy Variables.

4. Numbers and percentages may vary, but will not be more restrictive than allowed by state law.
5. Time periods may be modified according to a policyholder's plan, but will not be more restrictive than allowed by state law.
6. Benefit amounts may be modified according to a policyholder's plan.
7. References to "you" may be changed to "covered person".
8. Company name may be changed as approved by the governing jurisdiction.
9. Company address, officer names, titles and signatures may be changed as necessary.
10. Headings may be modified to reflect the specifics of a particular plan.
11. The words "employee," "individual," "employer," and "policyholder" are completely variable to incorporate the exact classes of employees and the exact eligible groups for a specific policyholder.

Example: Employee means any manager, supervisor or clerical staff in active employment with the ABC Company.

12. All letters and numbers (excluding form numbers) are variable subject to the laws of the governing jurisdiction.
13. Colons, semicolons, semicolons followed by the word "or," and semicolons followed by the words "and/or" may be omitted. If omitted, a period will be substituted, if necessary.

## **SPECIFIC POLICY VARIABLES LTD-P**

### **Policy Face Page**

The bracketed material consists of those items which are customarily varied to apply to a particular policyholder's contract. Such items include policyholder's name, policy number, policy effective date, premium due date, anniversary date, and the name of the state in which the policy is delivered.

### **Section 1 - Schedule of Insurance**

The bracketed material consists of those items which are customarily varied to apply to a particular policyholder's contract. Such items include policyholder's name, policy number, policy effective date, and the renewal date.

### **Section 4 – Premium Provisions**

Our Right to Change Premiums Rates:

1. The renewal date referenced in the first item 1 is variable by group.
2. The 12 month period referenced in the second item 1 is variable by group; but will never be less than 12 months. (12 to 36 month range)
3. The 31 day advance notice referenced in item 2 is variable by group. The range is a minimum of 31 days to a maximum of 180 days.

### **Section 5 – Policy Provisions**

1. Changes to the Policy: The reference to 31 days advance written notice is variable by group, but will never be less than 31 days.
2. Grace Period: The reference to a 31 day grace period is variable by group. The range is a minimum of 31 days to a maximum of 90 days.
3. Termination of Policy:
  - a. In items 2 and 4 under “For Cause” the number of days may vary from 30 to 60 by group.
  - b. Under “For No Cause” the number of days may vary from 10 to 30 by group.

### **Section 6 – Self-Administered Provisions**

The entire section may be included or excluded.

If Section 6 is included, the following variables apply:

1. The Policyholder’s Obligation:
  - a. The reference to “on an annual basis” in item 5 is included or excluded. When included, it is variable by group.
  - b. The reference to “90 days” in item 5 is variable by group. (60 to 365 day range)
  - c. The bracketed statement in item 5f is included or excluded.
2. Notice: the bracketed statement is variable by the Company.

## SPECIFIC CERTIFICATE VARIABLES

### LTD-C

#### Certificate Face Page and Schedule of Insurance

1. The group information on the certificate cover and all information on the Schedule of Insurance describing the plan is variable to describe the plan purchased by a particular policyholder.

#### Section 1 – Definitions

1. Accommodation Expense definition would be omitted if Managed Rehabilitation benefit is not included. Benefit amount can vary.
2. Active Work definition may be varied to meet the needs of a particular policyholder.
3. Annual Enrollment Period definition would be omitted if coverage is not Voluntary.
4. Basic Monthly Earnings definition for proprietorships, partnerships, LLCs, S-Corps will be omitted or included based on the needs of a particular policyholder. Number of years in item 1a will vary from 1 – 3.
5. Basic Monthly Earnings definition for use with commissions or with bonuses or with both will be omitted or included based on the needs of a particular policyholder. References to bonuses and commissions are included or not based on the needs of a particular policyholder. Reference to “for other employees” would be omitted if the definition for proprietorships, partnerships, LLCs, S-Corps is not included.
6. The following Basic Monthly Earnings definition will be used when salary is based on prior year’s earnings as required by a particular policyholder. Number of years will vary from 1 to 3. Reference to “for other employees” would be omitted if the definition for proprietorships, partnerships, LLCs, S-Corps is not included. References to bonuses and commissions are included or not based on the needs of a particular policyholder.

**[Basic Monthly Earnings [for other employees]** means your average monthly rate of pay from the employer for the [1-3] calendar year[s] ending just prior to the date you become disabled, or over the number of calendar months of employment if less than this period:

1. [including [bonuses][and][commissions]];
2. including contributions you make through a salary reduction agreement with the employer to:
  - a. an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - b. an executive non qualified deferred compensation arrangement; or
  - c. a salary reduction arrangement under an IRC Section 125 plan;
3. not including:
  - a. overtime pay;
  - b. expense reimbursements;for the same period as above.]

7. Bonuses definition will be included or omitted based on whether or not bonuses are included in the Basic Monthly Earnings definition. Number of years will vary from 1 to 3.
8. Commissions definition will be included or omitted based on whether or not commissions are included in the Basic Monthly Earnings definition. Number of years will vary from 1 to 3.
9. Contagious Disease definition will be included or omitted based on whether or not contagious disease is included in the Disability definition.
10. The definition of Disability or Disabled may include the Occupation Test only, the Earnings and Occupation Test, or the Earnings, Occupation and Contagious Disease Test.
11. The Occupation Test:
  - a. May include or omit item 1. If included, the phrase “During the elimination period and the first

- [12 to 60] months of a period of disability” may be included or omitted, and we would include one of the following phrases: “at least one” or “all.”
- b. May include or omit item 2. If included, the phrase “After [12 to 60] months of disability” may be included or omitted, and we would include one of the following phrases: “at least one” or “all.”
  - c. The first sentence of the second paragraph may be omitted for “any occupation” definition of disability.
  - d. The second sentence of the second paragraph may be omitted for “extensive own occupation” definition of disability.
  - e. The phrase “during the elimination period and the first [12 to 60] months of a period of disability” may be omitted for “extensive own occupation” definition of disability.
  - f. The phrase “after [12 to 60] months of disability” may be omitted if there is no “own occupation” definition of disability.
12. The Earnings Test, if included:
    - a. May include or omit item 1. If included, the phrase “During the elimination period and the first [12 to 60] months of a period of disability” may be included or omitted, and the percentage may vary from 50 to 100%.
    - b. May include or omit item 2. If included, the phrase “After [12 to 60] months of disability” may be included or omitted, and the percentage may vary from 50 to 100%.
  13. In the Contagious Disease Test definition, if included, the phrase “During the elimination period and the first [12 to 60] months of a period of disability” may be included or omitted.
  14. Education Expense definition would be omitted if Managed Rehabilitation benefit is not included.
  15. The definition of Elimination Period may be modified to reference the exact “Tests” referenced in the Disability definition.
  16. Indexed Pre-disability Earnings definition: The reference to 4% may vary from 3% to 10%.
  17. Intoxicated definition would be omitted if the intoxication exclusion is not included in the plan.
  18. Medical expense definition would be omitted if the Managed Rehabilitation Benefit is not included.
  19. Mental Illness definition may be omitted if the Mental Illness or the Special Conditions Limitation is not included.
  20. Moving expense definition may be omitted if the Managed Rehabilitation Benefit is not included, and number of miles may vary from 50 – 100.
  21. Participation in a riot definition would be omitted if the participation in a riot exclusion is not included in the plan.
  22. The 6 month time period in the Period of disability definition regarding the “same period of disability” may vary from 3 to 12 months.
  23. The definition of Rehabilitation plan may be omitted if the Managed Rehabilitation Benefit is not included.
  24. Riot definition would be omitted if the participation in a riot exclusion is not included in the plan.
  25. The Special Conditions definition may be omitted if the Special Conditions Limitation is not included.
  26. Waiting Period definition may be varied to reflect days or months as requested by a particular policyholder.
  27. War definition would be omitted if the war exclusion is not included in the plan.

## **Section 2 – Eligibility and Effective Date**

1. Eligibility Date
  - a. Second paragraph, which is referring to “Voluntary coverage,” will be included or excluded based on the plan purchased by the policyholder.
  - b. Bracketed content referring to “Rehires” will be included or excluded based on the policyholder’s request.
  - c. If “Rehires” is included, the period is chosen by the policyholder. The range is a minimum of six months to a maximum of 24 months.

2. Effective Date of Insurance
  - a. The Effective Date wording may vary to meet the needs of a particular policyholder.
  - b. Bracketed sections labeled “For Benefit Amounts Not Requiring Evidence of Insurability” and “For Benefit Amounts Requiring Satisfactory Evidence of Insurability” will be included, excluded, or the language may vary to meet the needs of a particular policyholder. If the section labeled “For Benefit Amounts Not Requiring Evidence of Insurability” is included; each item, in and of itself, is variable based on the policyholder’s needs.
  - c. Item 2c is referring to “voluntary coverage” and will be included or excluded based on the plan purchased by the policyholder.

### **Section 3 – Changes in Coverage Provision**

1. When Coverage Amounts Change (Redetermination Date)
  - a. The amount of insurance will be redetermined on one of the following dates, based on the policyholder’s request:
    - i) The policy anniversary; or
    - ii) The date a change occurs, or
    - iii) The first day of the policy month after a change occurs.
  - b. One of the following variables will be included as determined by the policyholder election in item 1:
    - i) The policyholder must report current earnings for all covered persons under the policy on the policy anniversary; or
    - ii) The policyholder must report updates to all covered person’s earnings as they occur.

### **Section 4 – Termination Provisions**

The Continuation of Insurance section may be omitted to meet the needs of a particular policyholder.

### **Section 7 – Long Term Disability Benefits**

1. Monthly Benefit Calculation: References throughout the section to Eligible Offsets would be removed if the plan does not include offsets.
2. The first paragraph which is bracketed is included when a “direct” benefit is sold. If an “All Sources” benefit is sold, the following language would be included instead:

[Your monthly benefit will be the lesser of:

1. your pre-disability earnings multiplied by the Benefit Percentage, subject to the Maximum Monthly Benefit, or
2. your pre-disability earnings multiplied by [50% to 100%] [minus any Eligible Offsets].]

3. In the second paragraph, which starts with “However, if you are disabled and working...,”the reference to 80% is variable according to the policyholder’s plan. The range is a minimum of 60% to a maximum of 80%.
4. The third paragraph starting “During the first [12 to 36] months ...” will be omitted if “Work Incentive” is not included. Also, if Work Incentive is not included, the phrase “After [12] months of payment, while working” would be omitted from either the Proportionate Loss paragraph or the 50% Offset paragraph, depending on which is used.
5. Paragraph starting “After [12 to 36] months of benefit payments...” will be included for “Proportionate Loss” benefit. It will be replaced with the following for “50% Offset” benefit:

[After [12 to 36] months of benefit payments while you are working,] we will subtract 50% of your disability earnings from your monthly benefit.

This is the amount we will pay you each month.]

6. In the paragraph starting “If you are disabled and working...” the percentage may vary from 50% to 80%.
7. In the second paragraph of the If Your Disability Earnings Fluctuate provision, the percentage may vary from 50% to 80%.
8. The Eligible Offsets section, including the Estimate of Benefits or Other Amounts section, may be removed.
9. Eligible Offsets: [or your family] and [to your family] will be omitted if “Primary Only” Social Security integration is elected.
10. Any of the bracketed Eligible Offsets may be omitted or modified. References to “your spouse and children” will be omitted if “Primary Only” Social Security integration is elected.
11. “After-tax” in item 4 of second paragraph may be included or omitted.
12. Number of months in item 2 of third paragraph may vary for 12 to 60 months.
13. In fourth paragraph item 1 may reference either “this plan” or “your employer sponsored” plan.
14. Under Estimate of Benefits or Other Amounts, “and your dependents” may be removed if “Primary Only” Social Security integration is elected.
15. The Social Security Assistance benefit may be omitted.
16. The Managed Rehabilitation Benefit may be omitted, or the benefit amount and charges covered may be modified.
17. The Survivor Benefit may be omitted. If included, the children age limit may be modified as required by a particular policyholder, or the number of months may be varied from 1 to 12.
18. Termination of Benefit Payments:
  - a. Item 5 may be deleted or modified.
    - i) If included, the percentage range in 5a will be 60% to 80%.
    - ii) If 5a is included, the phrase “if you are receiving benefits for being disabled from your regular occupation” may be deleted if the plan does not include an “own occupation” period of disability.
    - iii) Item 5b may be deleted if the plan includes “extensive own occupation” disability coverage (no “any occupation” period).
    - iv) If included, the percentage range in 5b will be 50% to 80%
  - b. Item 6 may be deleted
  - c. Item 7 may be deleted, however, if included:
    - i) Items 7a and/or 7b may be deleted.
    - ii) Items 7c and 7d will be deleted for plans with “extensive own occupation” disability definitions.
  - d. Item 8 is deleted if the “Integrate with Retirement” option is chosen by the group and items listed thereafter would be renumbered.
  - e. Last two paragraphs may be deleted.

## **Section 8 – Limitations and Exclusions**

1. The Special Conditions limitation wording may be omitted, or the time periods may be modified. The provision may be replaced with one of the following: Alcoholism, Drug Addiction, Chemical Dependency, and Mental Illness limitation provision or the Mental Illness provision which may have one or more of the conditions omitted or time periods modified. The 24 month period may be changed to 12 months.
2. Under the Pre-Existing Conditions limitation, the referenced time periods may be modified as required, but never longer than allowed by law. The reference to a “treatment free” period may be omitted.
3. The bracketed Exclusions may be omitted.

## **Section 9 – Continuity of Coverage**

This section will only be included if policyholder had a prior carrier. Recurrence time period may be modified from 3 to 12 months.

### **Medical and COBRA Premium Benefit Rider**

1. Effective Date language may be modified as required.
2. Amount of Medical and COBRA Premium Disability Benefit Payment: Benefit amount will vary to meet the needs of the policyholder. (\$100 to \$500)

### **Education Benefit Rider**

1. Effective Date language may be modified as required.
2. Dependent Child age may be modified but never less than required by law.
3. Benefit amount may vary to meet the needs of the policyholder. Range: \$200 to \$700.

### **Cost of Living Adjustment Rider**

1. Effective Date language may be modified as required.
2. Benefit percentage may be modified from 1 to 10%.
3. Benefit period may be modified to end on: "the 10th anniversary," the 5th anniversary," or it would be removed if there was no end date for the adjustments.

### **Activities of Daily Living Rider**

1. Effective Date language may be modified as required.
2. Respite Interval: 14 days may vary from 7 to 21.
3. Benefit percentage may be modified from 10 to 20%.
4. Benefit maximum may be modified from \$1,000 to \$5,000.
5. Caregiver Respite time period may vary from 3 to 12 and benefit amount may vary from \$100 to \$200.
6. Caregiver Training benefit amount may vary from \$300 to \$1,000.
7. Termination of Benefit Payments item #4 may be omitted, or 24 month time period may vary from 12 to 60 months.

### **Accidental Dismemberment Benefit Rider**

1. Effective Date language may be modified as required.
2. Number of days during which loss must occur may vary from 90 day to 365 days.



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## GROUP LONG TERM DISABILITY CERTIFICATE OF INSURANCE

**Policyholder:** [GROUP\_NAME]

**Class:** [CLASS\_NUMBER and Description]

**State of Residence:** [ARKANSAS]

This is to certify that USABLE Life has issued and delivered The Group Long Term Disability Insurance Policy to the Policyholder.

The policy insures the employees of the policyholder who:

1. are eligible for the insurance;
2. become insured; and
3. continue to be insured;

according to the terms of the policy.

The terms of the policy that affect your insurance are contained in the following pages.

This Certificate of Insurance is a part of the policy. This certificate replaces any other that USABLE Life may have issued to the policyholder to give to you under the Group Insurance Policy specified herein.

Signed for USABLE Life:

Handwritten signature of James Touse in black ink.

Secretary

Handwritten signature of Jason Allen in black ink.

President

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## Schedule of Insurance

**Policyholder:** [A-Z Services, Inc.]  
**Policy Number:** [GLT-123456]  
**Effective Date:** [October 1, 2008\*]  
\*This certificate replaces any certificate issued before the date shown.

**[Associated Company:** John Doe & Associates]

**Contributions:**

You [do or do not] contribute toward the cost of the [CORE] Plan.

[You must contribute toward the cost of the Buy-up Plan.]

**Eligible Class:** [Class 1 All Active Full-time Employees]

**Waiting Period:** [You will be eligible for coverage on the first of the policy month or the day following completion of the following period of continuous active work:

1. If you are working for the employer on the policy effective date – [none – 365 days]
2. If you start working for the employer after the policy effective date – [none – 365 days]

**Annual Enrollment Date:** [January 1 of each year]

**Full-time Employment:** [15-40] hours weekly

**Elimination Period:** [30 days to 360 days]

**Benefit Percentage:** [Core Plan] [30-80]%  
[Buy-up Plan] 30-80%

**Maximum Monthly Benefit:** [Core Plan] **[\$100-\$25,000]**  
[Buy-up Plan] **[\$100-\$25,000]**

**[Guaranteed Issue Maximum Monthly Benefit:** **[\$100-\$25,000]**. Amounts over this will be subject to Evidence of Insurability.]

**[Monthly Payment Limit:** [50%-100% of Pre-Disability Earnings]

**Minimum Monthly Benefit:** [\$50-100] or [The greater of: [\$50-100] or [10-15]% of the benefit based on Pre-Disability Earnings.

**Maximum Interruption During Elimination Period:** [7, 14, 30 days ]

This Maximum applies to all returns to active work during any one elimination period.

**[Additional Riders Included:]**

[Accidental Dismemberment Rider]

[Activities of Daily Living Benefit Rider:

ADL Benefit: [10% - 20%] of your Basic Monthly Earnings, not to exceed [\$1,000 - \$5,000] per month.

Caregiver Respite: Cost incurred not to exceed [\$100 -\$200] per day.

Caregiver Training: Cost incurred subject to a [\$300-\$1000] maximum  
[Benefits Payable for 12-36 months]]

[Cost of Living Adjustment Rider: [1-10%] per year [for 5, 10 years]]

[Education Benefit Rider: [\$100 - \$1,000] per month]

[Medical and COBRA Premium Rider: [\$100 - \$500 per month]]

**Maximum Benefit Period**

We will not pay benefits beyond the maximum benefit period stated below, based on the person's age on the day the period of disability started.

<u>AGE</u>	<u>MAXIMUM BENEFIT PERIOD</u>
Less Than 60	To normal retirement age
60	60 months or normal retirement age*, whichever is longer
61	48 months or normal retirement age*, whichever is longer
62	42 months or normal retirement age*, whichever is longer
63	36 months or normal retirement age*, whichever is longer
64	30 months or normal retirement age*, whichever is longer
65	24 months
66	21 months
67	18 months
68	15 months
69 or over	12 months ]

\***Normal Retirement Age** means the Social Security Normal Retirement Age as stated in the 1983 revision of the United States Social Security Act. It is determined by your date of birth as follows:

<u>Year of Birth</u>	<u>Normal Retirement Age</u>
1937 or before	65
1938	65 + 2 mo.
1939	65 + 4 mo.
1940	65 + 6 mo.
1941	65 + 8 mo.
1942	65 + 10 mo.
1943 through 1954	66
1955	66 + 2 mo.
1956	66 + 4 mo.
1957	66 + 6 mo.
1958	66 + 8 mo.
1959	66 + 10 mo.
1960 or after	67]

## Section 1 – Definitions

The terms listed, if used, will have these meanings.

**[Accommodation Expense** means the costs your employer incurs to accommodate your disability, as required by the Americans with Disabilities Act or similar legislation. It also means costs you incur for tools, equipment, furniture, computer software, or other items necessary for you to return to work. The amount of the accommodation expense will be limited to [\$3,000] for each period of disability.]

**[Active Work or Actively at Work** mean the expenditure of time and energy for the policyholder or an associated company at your usual place of business on a full-time basis. If you are not working on a day your coverage would otherwise take effect, you will be considered to be at active work on that day only if:

1. when that workday begins, it would be reasonable to expect that you would be physically and mentally able to complete a full-time week of work in your regular occupation; and
2. you are not disabled; and
3. your contract of employment, if applicable, remains active; and
4. you are not on an unapproved, administrative or disciplinary leave; and
5. you return to work at the end of a paid break or vacation period.]

**[Annual Enrollment Period** means the 60 days prior to and the 30 days immediately following the Annual Enrollment Date shown in the Schedule of Insurance.]

**Associated Company** means any company shown in the application which is owned by or affiliated with the policyholder.

**[Basic Monthly Earnings** for sole proprietor, partners, members of a limited liability company taxable as a partnership under the federal income tax laws, or share holders in a S-Corporation means:

1. the monthly average of earnings reported as “net earnings from self-employment” for federal income tax purposes for:
  - a. the [1, 2, 3] calendar year[s] just prior to the date of disability; or
  - b. the number of months you were employed in this capacity, if less than above period; and
2. contributions you make through a salary reduction agreement with the employer to:
  - a. an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - b. an executive non-qualified deferred compensation arrangement; or
  - c. a salary reduction arrangement under an IRC Section 125 plan, for the same period as above.

Basic Monthly Earnings does not include dividends, capital gains, and returns of capital.]

**[Basic Monthly Earnings** [for other employees] means your regular monthly rate of pay from the employer just prior to the date you become disabled:

1. including contributions you make through a salary reduction agreement with the employer to:
  - a. an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
  - b. an executive non qualified deferred compensation arrangement;
  - c. a salary reduction arrangement under an IRC Section 125 plan;
2. [including [bonuses][and][commissions]];
3. not including:

- a. expense reimbursements;
- b. overtime pay,[or
- c. bonuses;] [or
- d. commissions],

for the same period as above.]

**[Bonuses** means monthly average of bonuses paid to you by the policyholder or associated company over the [1-3] calendar year[s] ending just prior to the date you become disabled, or over the number of calendar months of employment if less than this period].

**[Commissions** means the monthly average of commissions paid to you by the policyholder or associated company over the [1-3] calendar year[s] ending just prior to the date you become disabled, or over the number of calendar months of employment if less than this period].

**[Contagious Disease** means the asymptomatic but communicable conditions: Hepatitis B that is surface antigen positive and Human Immunodeficiency Virus (HIV)].

**Contributory** means you pay part of the premium.

**Covered Person** means an eligible person who is also an eligible employee or member of the policyholder, or an associated company who has become insured for coverage. Covered persons do not include contract, temporary, seasonal, or part-time workers.

**Date of Disability** means the first day that you are under the regular care of a physician and meet the definition of disability as defined below.

**Disability or Disabled** means you satisfy [either] the Occupation Test [or the Earnings Test] [or the Contagious Disease Test] as described below. You need only satisfy one Test to be considered disabled.

#### Occupation Test

1. [[During the elimination period and the first [36] months of a period of disability,] an injury, sickness, or pregnancy requires that you be under the regular care of a physician, and prevents you from performing [at least one] [all] of the material duties of your regular occupation with reasonable accommodations; and ]
2. [[After [36] months of disability,] an injury, sickness, or pregnancy prevents you from performing [at least one] [all] of the material duties of any gainful occupation with reasonable accommodations for which your education, training, and experience qualifies you.]

[If, [during the elimination period and the first [36] months of a period of disability,] you can perform the material duties of your regular occupation with reasonable accommodation(s), you will not be considered disabled.] [If, after [36] months of a period of disability,] you can perform any gainful occupation for which your education, training, and experience qualifies you, with reasonable accommodation(s), you will not be considered disabled.] The inability to perform a material duty because of the discontinuation of reasonable accommodation(s) on the part of the employer does not, in itself, constitute disability.

#### Earnings Test

1. [[During the elimination period and the first [36] months of a period of disability,] you may be considered disabled in any month in which you are actually working, if an injury, sickness, or pregnancy prevents you from being capable of earning more than [80%] of your indexed pre-disability earnings in that month. On each anniversary of the date your disability started, we will use your indexed pre-disability earnings to decide whether you are disabled under this test. Any month in which you are capable of earning more than [80%] of your indexed pre-disability earnings, you will not be considered disabled under

the Earnings Test even if your actual earnings in that month are less than [80%] of your indexed pre-disability earnings.]

2. [[After [36] months of disability,] you may be considered disabled in any month in which you are actually working, if an injury, sickness, or pregnancy prevents you from being capable of earning more than [60%] of your indexed pre-disability earnings in that month in any occupation for which your education, training or experience qualifies you. On each anniversary of the date your disability started, we will use your indexed pre-disability earnings to decide whether you are disabled under this test. Any month in which you are capable of earning more than [60%] of your indexed pre-disability earnings, you will not be considered disabled under the Earnings Test even if your actual earnings in that month are less than [60%] of your indexed pre-disability earnings.]

If your actual earnings during any month are more than the percentage noted above, you will not be considered disabled under the Earnings Test during that month. In making this determination, salary, wages, partnership or proprietorship draw, commissions, bonuses, or similar pay, and any other income you receive or are entitled to receive will be included. Any lump sum payment will be pro-rated, based on the time over which it accrued or the period for which it was paid.]

#### Contagious Disease Test

[During the elimination period and the first [36] months of a period of disability,] you may also be considered disabled in any month in which you:

1. have a contagious disease; and
2. are capable, both physically and mentally, of performing the material duties of your regular occupation; and
3. your ability to perform these duties has been restricted by a state licensing board or by another appropriate government authority because of the risk of transmission of a contagious disease to others with whom you may come in contact; and
4. the restrictions stated in item 3 prevent you from earning more than 80% of your indexed pre-disability earnings.]

**[Education Expense** means, in your rehabilitation plan, the costs you incur which are required for your education or training to return to work.]

**Eligible Class** means a class of persons eligible for insurance under the policy. This class is based on employment or membership in a group.

**Eligible Person** means a person who:

1. is a citizen of the United States of America (U.S.) or Canada, who either:
  - a. resides in the U.S. or Canada; or
  - b. is stationed outside the U.S. or Canada for a period of less than 6 months; or
2. is a foreign national residing in the U.S. and meets all of the following requirements:
  - a. has a valid permanent residency visa;
  - b. participates in U.S. Social Security; and
  - c. is covered by Workers' Compensation.

**Elimination Period** means the number of days during a period of disability that must pass before benefits are payable. No benefits are payable for the Elimination Period. You cannot satisfy any part of the elimination period with any period of non-covered disability. The elimination period is shown on the Schedule of Insurance and begins on the first day of your disability.

If you return to active work during the elimination period for no more than the number of days in the Maximum Interruption During Elimination Period shown in the Schedule of Insurance, you will not have to satisfy that part of the elimination period already fulfilled if you:

1. remain insured under the policy; and
2. become disabled [by the Earnings Test, the Occupation Test, or the Contagious Disease Test] again for the same cause or one related to it.

**Evidence of Insurability** means a signed health and medical history form provided by us, a medical examination, if requested, and any additional information and attending physicians' statements that we may require.

**Family Member** means a person who is a parent, spouse, child, sibling, domestic partner, grandparent, grandchild, step-child, step-parent, step-sister, step-brother, father-in-law, or mother-in-law of the covered person; or spouses, as applicable, of any of these.

**Full-time** means working at least the number of hours indicated in the Schedule of Insurance for Full-time employment.

**Gainful Occupation** means any employment that exists in the national economy that you may be expected to follow based on your education, training, experience, age, and physical and mental capacity.

**Government Plan** means the United States Social Security Act, the Railroad Retirement Act, the Canadian Pension Plan, similar plans provided under the laws of other nations, and any plan provided under the laws of a state, province, or other political subdivision. It also includes any public employee retirement plan or any teachers' employment retirement plan, or any plan provided as an alternative to any of the above acts or plans. It does not include any Workers' Compensation Act or similar law, or the Maritime Doctrine of Maintenance, Wages, or Cure.

**Home Office** means the principal office of US Able Life in Little Rock, Arkansas.

**Hospital** means a facility supervised by one or more physicians which is licensed and operated under state and local laws. It must have 24-hour nursing service by registered graduate nurses. It may specialize in treating alcoholism, drug addiction, chemical dependency, or mental disease, but it cannot be a rest home, convalescent home, or a home for the aged.

**Hospital Confined and Hospital Confinement** means staying in a hospital as a registered inpatient for 24 hours a day.

**Indexed Pre-disability Earnings** means your pre-disability earnings increased by [4%] on each anniversary of the date your disability started.

**Injury** means accidental bodily injury. It does not mean intentionally self-inflicted injury while sane or insane.

**[Intoxicated** means that you were under the influence of alcohol as determined by the laws of the jurisdiction in which the accident occurred. Conviction is not necessary for a determination of being intoxicated.]

**Long Term Disability Insurance** means the group long term disability insurance provided under the policy.

**Material Duty or Material Duties** mean the sets of tasks or skills required generally by employers from those engaged in an occupation. We will consider one material duty of your regular occupation to be the ability to work for an employer on a full-time basis as defined in the policy.

**[Medical Expense** means the reasonable costs you incur for medical treatment, physical therapy, and adaptive equipment necessary for your vocational rehabilitation, in excess of amounts paid or payable by third parties and any amounts under a policy of major medical coverage.]

**[Mental Illness** means a mental disorder as listed in the current edition of the Diagnostic and Statistical Manual of Mental Disorders, as published by the American Psychiatric Association. A mental illness, as so defined, may be related to or be caused by physical or biological factors, or result in physical symptoms or expressions. For the purposes of the policy, mental illness does not include any mental disorder listed within any of the following categories found in the Diagnostic and Statistical Manual of Mental Disorders, as published by the American Psychiatric Association:

1. mental retardation;
2. motor skills disorder;
3. pervasive developmental disorders;
4. delirium, dementia, and amnesic and other cognitive disorders;
5. schizophrenia; and
6. narcolepsy, obstructive sleep apnea, and sleep disorder due to a general medical condition].

**[Moving Expense** means the costs you incur to move more than [100] miles so that you can attend school or accept gainful work.]

**No-fault Motor Vehicle Coverage** means a motor vehicle plan that pays disability or medical benefits without considering who was at fault in any accident that occurs.

**Noncontributory** means the policyholder pays the premium.

**Occupation** means a group of jobs:

1. in which a common set of tasks is performed; or
2. which are related in terms of similar objectives and methodologies, and which may be related in terms of materials, products, worker actions, or worker characteristics.

**Other Disability Plan** means any group disability plan sponsored by your employer, the policyholder, or an associated company, except the one provided under the policy.

**[Participation in a riot** shall include promoting, inciting, conspiring to promote or incite, aiding, abetting, and all forms of taking part in, but shall not include actions taken in defense of public or private property, or actions taken in your own defense, if such actions of defense are not taken against persons seeking to maintain or restore law and order including but not limited to police officers and firemen.]

**Period of Disability** means the time that begins on the day you become disabled and ends on the day before you return to active work. If you satisfy the elimination period and then return to active work, become disabled again, and remain insured under the policy; the same period of disability may continue. Your return to active work must be for less than:

1. [6 months], if the later disability results from the same cause, or a related one; or
2. 1 day, if the later disability results from a different cause.

If your return to active work meets either of the above conditions, you do not have to satisfy the elimination period again. The Maximum Benefit Period will continue on the day you become disabled again.

If you return to active work for more than the time shown above, and then become disabled again, you will start a new period of disability. You must satisfy the elimination period again and the Maximum Benefit Period will start over.

**Physician** means a person acting within the scope of his or her license to practice medicine, prescribe drugs or perform surgery. Also, a person whom we are required to recognize as a physician by the laws or regulations of the governing jurisdiction, or a person who is legally licensed to practice psychiatry, psychology or psychotherapy and whose primary work activities involve the care of patients, is a physician. However, neither you nor a family member will be considered a physician.

**Plan** means the policy and certificates of insurance provided for covered persons.

**Plan Administrator** means the employer that sponsors the plan for the benefit of its employees and eligible dependents.

**Policy** means the group policy issued by us to the policyholder that describes the benefits for which you may be eligible.

**Policyholder** means the entity to which the policy is issued.

**Pre-disability Earnings** means your Basic Monthly Earnings in effect on the day before you became disabled.

**Reasonable Accommodation(s)** means any modification(s) to the worksite, the job or employment practices, which would allow you to perform the material duties of the occupation and which would not create an undue hardship for the employer.

**Regular Care** means you personally visit a physician as often as is medically required to effectively manage and treat your disabling condition(s), according to generally accepted medical standards; and you are receiving appropriate treatment and care, according to generally accepted medical standards. Treatment and care for the sickness or injury causing your disability must be given by a physician whose specialty or experience is appropriate.

**Regular Occupation** means the occupation in which you were working immediately prior to becoming disabled.

**[Rehabilitation Plan** means a written statement, developed by us, which describes:

1. the vocational rehabilitation goals for you;
2. our responsibilities, your responsibilities, and the responsibilities of any other parties to the plan;
3. the timing of the implementation and expected completion of the plan, to the extent that it can be established, assuming your full cooperation; and
4. the costs of the rehabilitation services.

The rehabilitation plan will be designed to enable you to return to work in a gainful occupation.】

**Retirement Plan** means a formal or informal retirement plan, whether or not under an insurance or annuity contract. It also means any public employee retirement plan, or teachers' employment retirement plan provided as an alternative to rather than a supplement for such plans.

It does not include:

1. a plan you pay for entirely;
2. a qualified profit-sharing plan;
3. a thrift plan;
4. an individual retirement account (IRA);
5. a tax sheltered annuity (TSA);
6. a stock ownership plan;
7. a government plan; or
8. a plan that qualifies under Internal Revenue Service Code 401(k).

**[Riot]** shall include all forms of public violence, disorder, or disturbance of the public peace, by three or more persons assembled together; whether or not acting with common intent and whether or not damage to persons or property or unlawful act or acts is the intent or the consequence of such disorder.]

**Sickness** means a disease or illness, including pregnancy.

**Social Security** plan means:

1. the United States Social Security Act;
2. the Railroad Retirement Act;
3. the Canadian Pension Plan; or
4. any similar plan provided under the laws of any other nation.

**[Special Conditions]** means:

1. mental illness;
2. musculoskeletal and connective tissue disorders of the neck and back including any disease or disorder of the cervical, thoracic and lumbosacral back and its surrounding soft tissue including sprains and strains of joints and adjacent muscles, except
  - a. arthritis;
  - b. herniated intervertebral discs;
  - c. scoliosis;
  - d. spinal fractures;
  - e. osteopathies;
  - f. spinal tumors, malignancy, or vascular malformations;
  - g. radiculopathies, documented by electromyogram;
  - h. spondylolisthesis, grade II or higher;
  - i. myelopathies and myelitis;
  - j. demyelinating diseases; or
  - k. traumatic spinal cord necrosis;
3. chronic fatigue syndrome;
4. fibromyalgia;
5. carpal tunnel syndrome;
6. environmental allergic illness, including but not limited to sick building syndrome and multiple chemical sensitivity; or
7. alcohol, drug or chemical abuse, dependency or addiction.]

**United States of America** means the fifty (50) states of the United States and the District of Columbia. It does not include territories of the United States.

**Waiting Period** is the number of continuous [days] of service during which you must be an active, full-time employee in a class eligible for insurance before you become eligible for coverage.

**[War]** means declared or undeclared war or a conflict involving the armed forces of any country, group of countries, governments, or international organization.]

**We, Us, and Our** mean US Able Life.

**You and Your** mean an employee or member of the policyholder or an associated company who has met all the eligibility requirements for coverage.

## Section 2 – Eligibility and Effective Date Provisions

### Eligible Employee

If you are working on a full-time basis for the employer, you are eligible for insurance after completion of the required waiting period, provided you are in a class of employees who are included.

### Eligibility Date

If you are working for your employer, the date you are eligible for coverage is the latest of the following dates:

1. the policy effective date;
2. the day after you complete any waiting period shown in the Schedule of Insurance by continuous service with the employer, the policyholder, or an associated company;
3. the date the policy is changed to include your class;
4. the date you become a member of a class eligible for insurance;

[If you do not apply when you are first eligible, you will again be eligible on the first Annual Enrollment Date as shown in the Schedule of Insurance which immediately follows the date noted in items 2, 3, or 4 above.]

**[Rehires:** If you were insured under this policy and your insurance terminated due to termination of employment or eligibility, and you again become an eligible employee within [12] months, there is no waiting period.]

### Effective Date of Insurance

You must use forms provided by us when applying for insurance.

[[For Benefit Amounts Not Requiring Evidence of Insurability:]

1. When your Employer pays 100% of the cost of your coverage under the policy (non-contributory), you will be covered on your eligibility date.
2. When you and your Employer share the cost of your coverage under the policy or when you pay 100% of the cost yourself (contributory), you will be covered on the latest of the following dates:
  - a. on your eligibility date, if you enroll for insurance within 31 days after the date you first become eligible for coverage; or
  - b. on the first day of the policy month following the date we approve your application if you do not apply for insurance within 31 days after your eligibility date;[ or
  - c. on the Annual Enrollment Date as shown in the Schedule of Insurance if you enroll during the annual enrollment period. If you do not apply for voluntary coverage during the first annual enrollment period following your eligibility date, you will be required to submit satisfactory evidence of insurability.]]

[For Benefit Amounts Requiring Satisfactory Evidence of Insurability, your coverage will be effective on the first day of the policy month following the date we approve your application.]

### Delayed Effective Date

If you are not actively at work on the date your insurance or any increase in insurance is scheduled to take effect, it will take effect on the day you return to active work. If your insurance is scheduled to take effect on a non-working day, your active work status will be based on the last working day before the scheduled effective date of your insurance.

## **Section 3 – Changes In Coverage Provisions**

### **When Coverage Amounts Change (Redetermination Date)**

The policy redetermines your Basic Monthly Earnings on [the policy anniversary date.] [the date a change occurs.] [the first day of the policy month after a change occurs.] [The policyholder must report current earnings for all covered persons under the policy on the policy anniversary.] [The policyholder must report updates to all covered person's earnings as they occur.] Changes to a covered person's earnings are subject to any proof of insurability requirements of the policy. As of the policy's redetermination date, we use a covered person's Basic Monthly Earnings on record with us to: (a) set rates; (b) set benefit amounts and limits; and (c) calculate premium payable under the policy.

### **Delayed Effective Date of Change**

You must be actively at work on a full-time basis on the redetermination date. If you are not, your coverage amount will not change until the date you return to active work on a full-time basis. Changes in earnings will not apply to a recurring disability.

Any decrease in coverage will take effect immediately but will not affect a payable claim that occurs prior to the decrease.

### **Changes to the Policy**

Any increase or decrease in coverage because of a change in the plan of insurance will become effective on the date of the change. The following limitations will apply to an increase:

1. the Delayed Effective Date provision; and
2. the Pre-existing Condition Exclusion.

## Section 4 – Termination Provisions

### When a Person's Insurance Ends

A covered person's insurance will end on the date:

1. the policy ends;
2. the policy is changed to end the insurance for a person's eligible class;
3. a person is no longer in an eligible class;
4. a person stops active work; or
5. a required contribution was not paid.

### [Continuation of Insurance]

[If a person is unable to perform active work for a reason shown below, the policyholder may continue the person's insurance on a premium-paying basis provided the person remains in other respects a member of an eligible class. The continuation cannot be more than the maximum continuation shown below. The employer must act so as not to discriminate unfairly among employees in similar situations.

The maximum continuation for long term disability insurance is the longest applicable period described below:

1. the end of the calendar month following the month active work stopped, due to temporary lay-off or approved leave of absence; or
2. the end of the period the policyholder is required to allow after the last day of active work due to family or medical leave of absence under:
  - a. the federal Family and Medical Leave Act; or
  - b. any similar state law.

Any leave of absence, including a family or medical leave of absence described above, must be approved in advance in writing by the policyholder if the person's insurance is to be continued.]

## **Section 5 – Claim Provisions**

### **Payment of Benefits**

We will pay benefits at the end of each month (or shorter period) for which we are liable, after we receive the required proof. If any amount is unpaid when disability ends, we will pay it when we receive the required proof.

### **To Whom Payable**

We will pay all benefits to you. However, if we receive proof that a legal guardian or conservator has been appointed, we will pay benefits to such guardian or conservator. If any amount remains unpaid when you die, we will pay at our discretion, to one of the following classes of survivors: (1) your spouse; (2) your surviving children in equal shares; (3) your mother and/or father; (4) your brother and/or sister; or (5) your estate.

### **Authority**

The policyholder delegates to us and agrees that we have the sole discretionary authority to determine eligibility for participation or benefits and to interpret the terms of the policy.

We decide: (a) if a covered person is eligible for this insurance; (b) if a covered person meets the requirements for benefits to be paid; and (c) what benefits are to be paid by the policy. We also interpret how the policy is to be administered. What we pay and the terms for payment are explained in this certificate.

### **Filing a Claim**

1. You must send us notice of the claim. We must have written notice of any insured loss within 30 days after it occurs, or as soon as reasonably possible. You can send the notice to our Home Office. We need enough information to identify you as a covered person.
2. Within 15 days after the date of your notice, we will send you certain claim forms. The forms must be completed and sent to our Home Office. If you do not receive the claim forms within 15 days, we will accept a written description of the exact nature and extent of the loss.
3. The time limit for filing a claim, by submission of a completed claim form, is 90 days after the end of the first month (or shorter period) for which we are liable.
4. To decide our liability, we may require:
  - a. proof of benefits from other sources, and
  - b. proof that you have applied for all benefits from other sources, and that you have furnished any proof required to get them.

### **Proof of Loss**

Within 30 days of the start of your disability, you should give us proof that you are currently disabled and have been continuously disabled since your last day of active work. Proof must be given within 90 days after the end of your elimination period.

Continuing proof of disability must be given as often as we may reasonably require. Continuing proof must be given within 60 days of our request.

You must provide us with all of the information we specify as necessary to determine proof of loss and decide our liability. This may include but is not limited to: medical records; hospital records; pharmacy records; test results; therapy and office notes; mental health progress notes; medical exams and consultations; tax returns; business records; Workers' Compensation records; payroll and attendance records; job descriptions; Social Security award and denial notices; and Social Security earnings records.

You must provide us with a written authorization allowing the sources of medical, vocational, occupational, financial, and governmental information to release documents to us which enables us to decide our liability. If you do not provide us with continuing proof of disability and the items and authorization necessary to allow us to determine our liability, we will not pay benefits.

### **Right to Examine or Interview**

We may ask you to be examined as often as we require at any time we choose. We may require you to be interviewed by our authorized representative. We will pay third party charges for any independent medical exam or interview which we require. If you fail to attend or fully participate, we will not pay your benefits.

### **Limit on Legal Action**

No action at law or in equity may be brought against the policy until at least 60 days after you file proof of loss. No action can be brought after the statute of limitations has expired, but, in any case, not after three (3) years from the date of loss.

### **Review Procedure**

You must request, in writing, a review of a denial of your claim within 180 days after you receive notice of denial.

You have the right to review, upon request and free of charge, copies of all documents, records, and other information relevant to your claim for benefits, and you may submit written comments, documents, records and other information relating to your claim for benefits.

We will review your claim after receiving your request and send you a notice of our decision within 45 days after we receive your request, or within 90 days if special circumstances require an extension. We will state the reasons for our decision and refer you to the relevant provisions of the policy. We will also advise you of your further appeal rights, if any.

### **Subrogation and Right of Reimbursement**

The plan assumes and is subrogated to your legal rights to recover any payments the plan makes for benefits, when a covered sickness or injury resulted from the action or fault of a third party. The plan's subrogation rights include the right to recover the amount of benefits paid to you.

The plan has the right to recover any and all amounts equal to the plan's payments from:

1. the insurance of the injured party;
2. the person, company (or combination thereof) that caused the sickness or injury, or any insurance company; or
3. any other source, including disability benefit coverage.

This right of recovery under this provision will apply whether recovery was obtained by suit, settlement, mediation, arbitration, or otherwise. The plan's recovery will not be reduced by your negligence, nor by attorney fees and costs you incur.

### **Priority Right of Reimbursement**

Separate and apart from the plan's right of subrogation, the plan shall have first lien and right to reimbursement. This priority right of reimbursement supersedes your right to be made whole from any recovery, whether full or partial. You agree to reimburse the plan 100% first for any and all benefits provided through the plan, and for any costs of recovering such amounts from those third parties from any and all amounts recovered through:

1. any settlement, mediation, arbitration, judgment, suit, or otherwise, or settlement from your own insurance and/or from the third party (or their insurance);

2. any auto or recreational vehicle insurance coverage or benefits including, but not limited to disability benefit coverage; and
3. business and homeowner disability insurance coverage or payments.

The plan may notify those parties of its lien and right to reimbursement without notice to or consent from any covered person.

This priority right of reimbursement will not be reduced by attorney fees and costs you incur.

The plan may enforce its rights of subrogation and recovery against, without limitation, any tortfeasors, other responsible third parties or against available disability insurance coverages. Such actions may be based in tort, contract or other cause of action to the fullest extent permitted by law.

#### Notice and Cooperation

You are required to notify us promptly if you are involved in an incident that gives rise to such subrogation rights and/or priority right of reimbursement, to enable us to protect the plan's rights under this section. You are also required to cooperate with us and to execute any documents that we, acting on behalf of the policyholder, deems necessary to protect the plan's rights under this section.

You shall not do anything to hinder, delay, impede or jeopardize the plan's subrogation rights and/or priority right of reimbursement. Failure to cooperate or to comply with this provision shall entitle the plan to withhold any and all benefits due you under the plan. This is in addition to any and all other rights that the plan has pursuant to the provisions of the plan's subrogation rights and/or priority right of reimbursement.

If the plan has to file suit, or otherwise litigate to enforce its subrogation rights and/or priority right of reimbursement, you are responsible for paying any and all costs, including attorneys' fees, the plan incurs in addition to the amounts recovered through the subrogation rights and/or priority right of reimbursement.

#### Legal Action and Costs

If a covered person settles any claim or action against any third party, that covered person shall be deemed to have been made whole by the settlement and the plan shall be entitled to collect the present value of its rights as the first priority claim from the settlement fund immediately. The covered person shall hold any such proceeds of settlement or judgment in trust for the benefit of the plan. The plan shall also be entitled to recover reasonable attorneys' fees incurred in collecting proceeds held by the covered person in such circumstances.

Additionally, the plan has the right to sue on the covered person's behalf, against any person or entity considered responsible for any condition resulting in benefits paid or to be paid by the plan.

#### Settlement or Other Compromise

The covered person must notify the plan prior to settlement, resolution, court approval, or anything that may hinder, delay, impede or jeopardize the plan's rights so that the plan may be present and protect its subrogation rights and/or priority right of reimbursement.

The plan's subrogation rights and priority right of reimbursement attach to any funds held, and do not create personal liability against the covered person.

The right of subrogation and the right of reimbursement are based on the plan language in effect at the time of judgment, payment, or settlement.

The plan, or its representative, may enforce the subrogation and priority right of reimbursement.

## **Alternate Dispute Resolution Procedures**

This dispute resolution procedure (“procedure”) is intended to provide a fair, quick and inexpensive method of resolving any and all disputes with us. Such disputes include any matters that cause you to be dissatisfied with any aspect of your relationship with us, including any claim, controversy, or potential cause of action you may have against us. Please contact the Dispute Resolution office at [800-648-0271] if you have any questions about this section of the certificate or to begin the dispute resolution process.

The following terms are applicable to all disputes:

1. This procedure is the exclusive method of resolving any disputes.
2. The procedure can only resolve disputes that are subject to our control.
3. This procedure will be governed by the Employee Retirement Income Security Act of 1974 (“ERISA”); Rules and Regulations for Administration and Enforcement; Claims Procedure (the “Claims Regulation”). That includes the definition of an adverse benefit determination, which is defined as any denial, reduction, termination or failure to provide or make payment for what you believe should be a covered benefit.
4. You may request a form from our Dispute Resolution office to authorize another person to act on your behalf concerning a dispute.
5. We may elect to skip one or more of the steps of this procedure if it is determined that step will not help to resolve the dispute.
6. Any dispute will be resolved in accordance with the terms of this certificate, applicable state or Federal laws and regulations.
7. You must begin the dispute process within 180 days from the date you receive notice of an adverse benefit determination. If you do not initiate the dispute process within that 180 day period, you give up the right to take any action based on that Dispute.

## **Description of the Procedure**

### Inquiry

You should contact our Dispute Resolution office to discuss and attempt to resolve any issues regarding a dispute. We hope that this informal process will resolve your questions or concerns.

### Appeals

If you are not satisfied with the response to your inquiry, you may submit a written request (an “appeal”) to the Office of the Appeals Coordinator, USAble Life, PO Box 1650, Little Rock AR 72203-1650, asking that we reconsider an adverse benefit determination. Please contact the Dispute Resolution office if you have any questions about how to submit an appeal to us. You are not required to use a specific form, but you may request that the Dispute Resolution office send you a blank appeal form to ensure that you provide the information that will be needed to review your appeal.

We will assign a coordinator to review your appeal. The appeal coordinator is an individual with appropriate expertise who is neither the individual who made the adverse benefit determination, nor a subordinate of that individual.

The appeal coordinator may request that you submit additional information concerning your grievance. The appeal coordinator will also consider information submitted by others, including information requested from other USAble Life representatives. The appeal coordinator will have full discretionary authority to make eligibility, benefit or claim determinations and construe the terms of the policy. Such determinations shall be subject to the review standards applicable to ERISA plans, even if the policy is not governed by ERISA.

We will make a decision within 60 days after receiving your appeal concerning a claim determination.

The appeal coordinator will send you a written decision concerning your appeal. The appeal coordinator's decision will include: a statement of the coordinator's understanding of your appeal; a statement explaining the basis of the decision; and a list of the documents or information upon which that decision was based. We will send you a copy of the listed documents, without charge, if you make a written request for such documents.

### **Post Appeal Procedure**

If you are still not satisfied after completing the appeal procedure, you have the right to bring a civil action against us to obtain the remedies available pursuant to Sec. 502(a) of ERISA (an "ERISA Action") after completing the mandatory appeal process. Those ERISA remedies will apply to this policy even if your plan is not otherwise governed by ERISA. If you agree to arbitrate a dispute, we agree to suspend (or toll) any time periods affecting your right to bring an ERISA Action against us related to that dispute, until the arbitration has been completed.

You may request that the dispute be submitted for resolution by arbitration. That arbitration request must be submitted, in writing, to USABLE Life's General Counsel within sixty (60) days after you receive the appeal coordinator's decision.

The dispute will be submitted to arbitration in accordance with the rules of the American Arbitration Association, unless we both agree to use an alternative dispute resolution administrator or procedure. The arbitration will be conducted before a single arbitrator.

We will pay the filing fee charged by the administrator and the arbitrator. You will be solely responsible for any other costs that you incur to participate in the arbitration process, including your attorney's fees. The filing fee and arbitrator's fees may be reallocated as part of an arbitration award, in whole or in part, at the discretion of the arbitrator.

The arbitration will be conducted in a location where it is reasonably convenient for you to participate. If we can not agree concerning a convenient location, the administrator or arbitrator, if appointed, shall have the discretion to decide where the arbitration will be conducted.

The arbitrator: (a) shall consider the dispute individually and shall not certify or consider multiple disputes as part of a class action; (b) shall be required to issue a reasoned written decision explaining the basis of his or her decision and the manner of calculating any award; (c) shall limit his or her decision to deciding if our adverse benefit decision was arbitrary or capricious based on ERISA standards; (d) may not award punitive, extra-contractual, treble or exemplary damages unless permitted to do so by applicable statutes or regulations; (e) may not vary or disregard the terms of the policy; and (f) shall be bound by controlling law; when issuing a decision concerning the dispute.

The arbitrator shall limit discovery to the extent possible consistent with the objective of completing the arbitration in a fair, prompt, and cost effective manner. Emergency relief such as injunctive relief may be awarded by the arbitrator.

### **Contact Information**

General Counsel  
USABLE Life  
P. O. Box 1650  
Little Rock, AR 72203-1650  
Telephone: [1-800-648-0271]  
Email: [AppealCoordinator@usablelife.com]

Office of the Dispute Resolution Coordinator  
P. O. Box 1650  
Little Rock, AR 72203-1650  
Telephone: [1-800-648-0271]  
Email: [AppealCoordinator@usablelife.com]

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## **Section 6 – General Provisions**

### **Entire Contract**

This certificate is furnished in accordance with and subject to the terms of the policy. The entire contract consists of the policy, which includes the application, and any attached papers; and this certificate, your enrollment form, if required, and any riders or endorsements. No change in the policy will be effective until approved by one of our officers. This approval can only be in writing and must be noted on or attached to the policy. No agent has authority to change the policy or certificate or to waive any of their provisions.

Any statement made by you or the policyholder is considered a representation. It is not considered a warranty or guarantee. A statement will not be used in a dispute unless it is written and signed, and a copy is given to you.

### **Errors**

An error in keeping records will not cancel insurance that should continue nor continue insurance that should end. We will adjust the premium, if necessary. If the premium was overpaid, we will refund the difference. If the premium was underpaid, the difference must be paid to us.

### **Misstatements**

If any information about you or the policyholder's plan is misstated or altered after the application is submitted, including information with respect to participation or who pays the premium and under what circumstances, the facts will determine whether insurance is in effect and in what amount. We will retroactively adjust the premium.

### **Incontestability**

Unless the premiums have not been paid, the validity of the policy cannot be contested after it has been in force for two years.

Any statement made by the policyholder or a covered person will be considered a representation. It is not considered a warranty or guarantee. A statement will not be used in a dispute unless it is written and signed, and a copy is given to the covered person or the beneficiary.

No statement, except fraudulent misstatement, made by a covered person about insurability will be used to deny a claim for a loss incurred or disability starting after coverage has been in effect for two years.

No claim for loss starting two or more years after the covered person's effective date may be reduced or denied because a disease or physical condition existed before the person's effective date, unless the condition was specifically excluded by a provision in effect on the date of loss.

### **Agency**

Neither the policyholder, any employer, any associated company, nor any administrator appointed by the foregoing is our agent. We are not liable for any of their acts or omissions.

### **Unpaid Premium**

We may deduct any unpaid premium then due from the payment of a claim under this certificate.

## **Refund of Premium**

On the death of the covered person, proceeds payable hereunder shall include the amount of unearned premium paid beyond the end of the policy month in which death occurred. Payment shall be made in one lump sum no later than 30 days after proof of the covered person's death has been furnished to us.

## **Conformity with State Statutes**

If the provisions of this certificate do not conform with the laws of the state in which you reside on the certificate effective date, they are hereby amended to conform with the minimum requirements of the statutes of that state.

## **Policy Management**

Efficient management of the policy requires the joint efforts of the policyholder, US Able Life, and each covered person. Each party has certain duties to bring about the effective administration of the policy.

***Duties of the Policyholder:*** The policyholder's primary duties under the policy are listed below.

1. Give us prompt, written notice of any change in business of the policyholder and employer. This includes, but is not limited to: (a) the type of business; (b) addition or deletion of an associated company; or (c) financial status due to bankruptcy; merger; acquisition; or dissolution.
2. Give us pertinent records for all covered persons. This includes, but is not limited to: (a) hire dates; (b) eligibility dates; (c) salaries; (d) occupations; and (e) birth dates. Give us updates of such records as needed.
3. In order to start case management, give us prompt notice of a covered person's disability. This notice should be given as soon as possible after the date of injury or start of sickness. The most effective time for such notice is when the covered person has not been able to perform active work for 30 days.
4. In order to support case management, give us occupational data for all disabled covered persons. This includes, but is not limited to: (a) job descriptions and analyses; and (b) environmental factors.

***Duties of Covered Persons:*** Your primary duties under the policy are listed below.

1. Give notice of claim as soon as possible after the date of your injury or the start of your sickness. Prompt notice will permit us to start case management.
2. Give a complete account of the details of your sickness or injury. This will include: (a) the cause of your disability, if known; (b) a description of your sickness or the accident that caused your injury; and (c) a list of all physicians, hospitals, or other facilities where you have been treated for the cause of your disability.
3. Allow release of medical and/or income data needed to assess your claim.
4. Give periodic medical updates as required by the policy.
5. Take part in any medical, financial or vocational assessment as required by the policy.
6. Apply for other income benefits to which you may be entitled.
7. Promptly report to us the receipt or denial of such other income benefits. And, appeal any denials to the extent possible.
8. Promptly report to us changes in your personal status. This includes: (a) change of address or phone number; (b) changes in how your disability affects your daily living; and (c) changes in your level of social, volunteer or business activities.
9. If we overpay benefits, promptly report and repay any amount overpaid.

10. If you are working while disabled, promptly report to us the amount of your income for such work.
11. Give us proof of your earnings for the period prior to your disability and while you are disabled.

**Fraud**

It is unlawful to knowingly provide false, incomplete or misleading facts or information with the intent of defrauding us. An application for insurance or statement of claim containing any materially false or misleading information may lead to reduction, denial or termination of benefits or coverage under the policy and recovery of any amounts we have paid.

## Section 7 – Long Term Disability Benefits

### Insurance Provided

If you become disabled while insured under the policy, we will pay long term disability insurance benefits after you satisfy the elimination period. We will continue to pay benefits during your disability but not beyond the Maximum Benefit Period. Any benefits are subject to the provisions of the policy.

### Monthly Benefit Calculation

[Your monthly benefit is your pre-disability earnings multiplied by the Benefit Percentage, subject to the Maximum Monthly Benefit, [minus the Eligible Offsets].]

However, if you are disabled and working and your disability earnings are at least 20% but less than [80%] of your indexed pre-disability earnings, the following calculation will be used to determine if your benefits will be further reduced:

[During the first [12] months benefits are paid while you are working, your monthly benefit payment will not be reduced as long as your disability earnings, [including all Eligible Offsets,] plus your monthly benefit do not exceed 100% of your [indexed] pre-disability earnings.

1. Add your monthly disability earnings [and the amount of all Eligible Offsets] to your monthly benefit.
2. Compare the answer in item 1 to your indexed pre-disability earnings.

If the answer from item 1 is less than or equal to 100% of your indexed pre-disability earnings, we will not further reduce your monthly benefit.

If the answer from item 1 is more than 100% of your indexed pre-disability earnings, we will subtract the amount over 100% from your monthly benefit.]

[After [12] months of benefit payments while you are working,] you will receive payments based on the percentage of income you are losing due to disability as follows:

1. Subtract your disability earnings from your indexed pre-disability earnings.
2. Divide the answer from item 1 by your indexed pre-disability earnings. This is your percentage of lost earnings.
3. Multiply your monthly benefit by the answer in item 2.

This is the amount we will pay you each month.]

If you are disabled and working, and your disability earnings are more than [80%] of your monthly earnings prior to disability, no benefit will be payable.]

### If Your Disability Earnings Fluctuate

If your disability earnings fluctuate from month to month, we may average your disability earnings over the most recent three months 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 from the last three months exceeds [80%] of your pre-disability earnings.

**Minimum Monthly Benefit:** If you are eligible for a benefit under the policy, we will never pay less than the Minimum Benefit shown on the Schedule of Insurance.

### [Eligible Offsets]

[If you [or your family] are eligible for any of the following benefits for loss of income as a result of the period of disability for which you are claiming benefits under this plan, the total of all monthly benefits and other amounts will be subtracted from your monthly benefit. This includes

any such benefits for which you [or your family] are eligible or that are paid to you, [to your family,] or to a third party on your behalf, pursuant to any of the following:

1. [temporary disability benefits under a Workers' Compensation Law, the Jones Act, occupational disease law, similar law, or substitutes or exchanges for such benefits;]
2. [governmental law or program that provides disability or unemployment benefits as a result of your job with the employer;]
3. [a plan or arrangement of coverage, whether insured or not, as a result of employment by or association with the employer or as a result of membership in or association with any group, association, union or other organization, including benefits required by state law, under an employer sponsored short term disability program or under a sick leave or salary continuation program;]
4. [an individual insurance policy where the premium is wholly or partially paid by the employer;]
5. [mandatory "no-fault" automobile insurance plan;]
6. [disability benefits under:
  - a. the United States Social Security Act, or alternative plan offered by a state or municipal government;
  - b. the Railroad Retirement Act;
  - c. the Canada Pension Plan, the Canada Old Age Security Act, the Quebec Pension Plan, or any provincial pension or disability plan; or
  - d. similar plan or actthat you [,your spouse and children,] are eligible to receive because of your disability; or]
7. [disability benefit from the Department of Veterans Affairs, or any other foreign or domestic governmental agency:
  - a. that begins after you become disabled; or
  - b. if you were receiving the benefit before becoming disabled, the amount of any increase in the benefit that is attributed to your disability.]

Eligible Offsets also include any payments that are made to you, your family, or to a third party on your behalf, pursuant to any of the following:

1. [disability benefit under the Employer's Retirement Plan;]
2. [permanent disability or impairment benefits under a Workers' Compensation Law, the Jones Act, occupational disease law, similar law, or substitutes or exchanges for such benefits;]
3. [portion of a settlement or judgment, minus associated costs, of a lawsuit that represents or compensates for your loss of earnings;]
4. [retirement benefit from a Retirement Plan that is wholly or partially funded by employer contributions, unless:
  - a. you were receiving it prior to becoming disabled; or
  - b. you immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement.Eligible Offsets will not include the portion, if any, of such retirement benefit that was funded by your [after-tax] contributions; or]
5. [retirement benefits under:
  - a. the United States Social Security Act, or alternative plan offered by a state or municipal government;
  - b. the Railroad Retirement Act;
  - c. the Canada Pension Plan, the Canada Old Age Security Act, the Quebec Pension Plan, or any provincial pension or disability plan; or
  - d. similar plan or act

that you[, your spouse and children,] receive because of your retirement, unless you were receiving them prior to becoming Disabled.]

If you are paid benefits under any of the Eligible Offsets in a lump sum or settlement, you must provide proof satisfactory to us of:

1. the amount attributed to loss of income; and
2. the period of time covered by the lump sum or settlement. We will pro-rate the lump sum or settlement over this period of time. If you cannot or do not provide this information, we will assume the entire sum to be for loss of income, and the time period to be [24] months. We may make a retroactive allocation of any retroactive Eligible Offset. A retroactive allocation may result in an overpayment of your claim.

The amount of any increase in any of the Eligible Offsets will not be included as an Eligible Offset if such increase:

1. takes effect after the date benefits become payable under [this/your employer sponsored] plan; and
2. is a general increase which applies to all persons who are entitled to such benefits.

### **Estimate of Benefits or Other Amounts**

If you:

1. are eligible for benefits or other amounts from any of the above sources; or
2. it is reasonable to believe that you would be paid such benefits or other amounts if you had applied for them or had applied for them on time;

we will figure your monthly benefit as though you are receiving these other benefits, even if you are not.

For the purposes of this provision, we will estimate an amount equal to the amount you [and your dependents] would receive under the United States Social Security Act. This amount will reduce your monthly benefit beginning after five full months of disability. This reduction will continue unless you submit proof to us that you have applied for benefits under such Act, but you are not eligible to receive such benefits after completing the application and appeals processes, at least through the Administrative Law Judge hearing level, with the Social Security Administration. Any lump sum payment received by you shall be deducted immediately from your monthly disability benefits.]

### **[Social Security Assistance]**

[Your claim for Social Security disability benefits may be denied. If it is, we may provide you with assistance for your appeal.]

### **Adjustment of Benefits**

If we find that the amount of benefit which we should have paid is different from the amount we actually paid you, we will adjust your benefit.

If we paid you less than we should have, we will pay you the difference.

If we paid you more than we should have, you or your estate must reimburse us within 60 days. Any future benefits we determine to be due, including the Minimum Benefit, will be applied to the overpayment until we are reimbursed in full.

### **Lump Sum Benefit**

If you receive benefits from any source in a lump sum, we will pro-rate it over the time in which it accrued, based on information from the source of the payment. If we do not receive all the information we need, we will pro-rate the payment according to its nature and purpose.

## **Benefit Freeze**

We will not reduce your monthly benefit further if the amount of benefits from any source, other than the policy, changes because of a cost of living increase that occurs automatically or by law after you satisfy the elimination period.

## **Waiver of Premium Benefit**

While you are receiving benefits, your premiums do not have to be paid. However for coverage to be continued if you return to active work with the employer, premium payments must resume once you are no longer receiving benefits under the policy.

## **[Managed Rehabilitation]**

[You may be eligible to receive vocational rehabilitation services. In order to be eligible for such services you must have the functional capability to successfully complete a rehabilitation plan.

Vocational rehabilitation services will include the preparation of a rehabilitation plan for you, with input from you and your physician. We, you, your physician, or your employer can begin the process of developing a rehabilitation plan. Vocational rehabilitation services may include, but are not limited to, payment of your medical expense, education expense, moving expense, or accommodation expense. We have the right to determine which services are appropriate.

[If you return to work as part of a rehabilitation plan while you are disabled, we will pay your employer:

1. 100% of your salary, wages, partnership or proprietorship draw, commissions, or similar pay; or
2. the Schedule Amount, if less;

for the first month after you return to work, or your remaining period of disability, if less.]

[If your disability ends while you are participating, with your full cooperation, in your rehabilitation plan, and you are not able to find gainful work, we will:

1. pay you the amount of benefit, other than rehabilitation benefits, that would have been payable to you if you had remained disabled until:
  - a. 3 months after your disability ends; or
  - b. the date you are able to find gainful work, if earlier; and
2. provide or pay for reasonable job placement services for a period of up to 3 months after your disability ends].

Failure to participate with your full cooperation in the rehabilitation plan, without good cause, will result in the reduction or the termination of your long term disability insurance benefits. If benefits terminate, your long term disability insurance coverage under the policy will terminate. Reduction of benefits will be based on your projected income if you had met the goals of the rehabilitation plan. Benefits will be figured as though you were:

1. actually working in the occupation contemplated in the rehabilitation plan; and
2. earning the projected income amount.

If such work at the projected income amount would have resulted in the termination of your long term disability insurance benefits, your benefits will terminate as of the expected completion of the rehabilitation plan. "Good cause" means a medical reason preventing implementation of the rehabilitation plan.

We will make the final determination of any vocational rehabilitation services provided, of your eligibility for participation, and of any continued benefit payments.]

### **[Survivor Benefit]**

[If you die while entitled to benefits under the policy, we will pay a survivor benefit. We must receive proof of your death and proof that the person claiming the benefit is entitled to it. We will pay the survivor benefit only to your lawful spouse, if living, otherwise, to your children. Children must be under age [25]. "Children" include step-children or foster children that depended on you for support and maintenance. Adopted children are also included. If there are no survivors living at your death, we will pay your estate.

The survivor benefit is one lump-sum payment equal to [1 - 12] times your monthly benefit amount without reduction for [Offsets or ]Other Sources of income.

Payment of the survivor benefit is subject to the other provisions of the policy.]

### **Termination of Benefit Payments**

We will terminate benefit payments on the earliest of the following dates:

1. the date you are no longer disabled as defined; or
2. the date you fail to furnish Proof of Loss, when requested by us; or
3. the date you are no longer under the regular care of a physician, or refuse our request that you submit to an examination by a physician; or
4. the date you die;[ or
5. [the date your current monthly earnings exceed:
  - a. [[80%] of your indexed pre-disability earnings [if you are receiving benefits for being disabled from your regular occupation;] [or]
  - b. [an amount that is equal to the product of your indexed pre-disability earnings and the benefit percentage not to exceed [60%], if you are receiving benefits for being disabled from any gainful occupation; or]
6. [the date you refuse to receive recommended treatment that is generally acknowledged by physicians to cure, correct or limit the disabling condition;] [or
7. the date you [refuse to participate in your rehabilitation plan, or] refuse to cooperate with or try:
  - a. [modifications made to the work site or job process to accommodate your identified medical limitations to enable you to perform the material duties of your regular occupation;]
  - b. [adaptive equipment or devices designed to accommodate your identified medical limitations to enable you to perform the material duties of your regular occupation;]
  - c. [modifications made to the work site or job process to accommodate your identified medical limitations to enable you to perform the material duties of any gainful occupation, if you were receiving benefits for being disabled from any gainful occupation; or]
  - d. [adaptive equipment or devices designed to accommodate your identified medical limitations to enable you to perform the material duties of any gainful occupation, if you were receiving benefits for being disabled from any gainful occupation;] provided, a qualified physician agrees that such [modifications, adaptive equipment,] [or rehabilitation plan,] accommodate your medical limitations; or]
8. [the date you receive retirement benefits from any employer's Retirement Plan, unless:
  - a. you were receiving them prior to becoming disabled; or
  - b. you immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement; or]
9. the date determined by the Maximum Benefit Period table shown in the Schedule of Insurance; or
10. the date no further benefits are payable under any provision in the policy that limits benefit duration; or

11. after 12 months of payments if you are considered to reside outside the U.S. or Canada. You will be considered to reside outside these countries when you have been outside the U.S. or Canada for a total period of 6 months or more during any 12 consecutive months of benefits.

[We will not pay benefits if:

1. your employer, the policyholder, or an associated company has offered you the opportunity to return to limited work while you are disabled;
2. you are functionally capable of performing the limited work which is offered; and you do not return to work when scheduled.

Benefits will end as of the date you were first scheduled to return to work].

### **Extension of Benefit Payments**

If you are entitled to benefits while disabled and the policy terminates, benefits:

1. will continue as long as you remain disabled by the same disability, but
2. will not be provided beyond the date we would have ceased to pay benefits had the insurance remained in force.

Termination of the policy for any reason will have no effect on our liability under this provision.

## Section 8 – Limitations and Exclusions

### **[Special Conditions Limitation]**

[We pay only a limited benefit for periods of disability due to special conditions. The Maximum Benefit Period for all such periods of disability is a total of [24 months]. This is not a separate maximum for each such condition, or for each period of disability, but a combined maximum for all periods of disability and for all of these conditions.

Your period of disability will be considered due to special conditions if:

1. you are limited by one or more of the stated conditions; and
2. you do not have other conditions which, in the absence of the stated conditions, would continue to exist, limit your activities, and lead us to conclude that you were disabled.

Benefits may be payable for more than [24 months], but not beyond the Maximum Benefit Period in the Schedule, if you

1. are hospital confined at the end of the [24-month] period above, and
2. remain disabled.

Benefits will be payable for the length of your confinement [and for up to 60 days following the end of your confinement] but not beyond the Maximum Benefit Period in the Schedule of Insurance].

If you are hospital confined again during the [60-day period] for [at least 14 consecutive days], benefits will be payable for the length of the second confinement [and for up to 60 days following the end of the second confinement.]

### **[Alcoholism, Drug Addiction, Chemical Dependency, and ] [Mental Illness Limitation]**

[We pay only a limited benefit for a period of disability due to [alcoholism, drug addiction, chemical dependency and] [mental illness]]. The Maximum Benefit Period for all such periods of disability is a total of [24 months]. This is not a separate maximum for each such condition, or for each period of disability, but a combined maximum for all periods of disability and for all of these conditions.

Your period of disability will be considered due to [alcoholism, drug addiction, chemical dependency or] [mental illness] if:

1. you are limited by [one or more of the stated conditions]; and
2. you do not have other conditions which, in the absence of the stated condition[s], would continue to exist, limit your activities, and lead us to conclude that you were disabled.

Benefits may be payable for more than [24 months], but not beyond the Maximum Benefit Period in the Schedule of Insurance], if you

1. are hospital confined at the end of the [24-month] period above, and
2. remain disabled.

Benefits will be payable for the length of your confinement [and for up to 60 days following the end of your confinement] but not beyond the Maximum Benefit Period in the Schedule of Insurance].

If you are hospital confined again during the [60-day period] for [at least 14 consecutive days], benefits will be payable for the length of the second confinement [and for up to 60 days following the end of the second confinement.]

### **Pre-Existing Condition Exclusion**

Benefits will not be paid if your disability begins in the first [12] months following the effective date of your coverage and your disability is caused by, contributed to by, or the result of a pre-existing condition, [unless you had no treatment of the pre-existing condition for [6] consecutive months after your effective date of coverage.]

**Pre-Existing Condition** means any condition for which you have done any of the following at any time during the [3] months just prior to your effective date of coverage:

1. received medical treatment or consultation;
2. taken or were prescribed drugs or medicine; or
3. received care or services, including diagnostic measures,

whether or not that condition is diagnosed at all or is misdiagnosed during that period of time.

### **Exclusions**

[We will not pay benefits for any time you are confined to any facility because you were convicted of a crime or public offense.]

We will not pay benefits for any disability caused by:

1. war or any act of war, or while serving in the armed forces of any country or international authority;
2. attempted suicide or intentional self-inflicted injury, while sane or insane; or
3. [your active participation in a riot or insurrection;] or
4. your voluntary commission of, or attempting to commit, [an assault or] [a] felony; or participating in an illegal occupation; or
5. [injury occurring while intoxicated;] or
6. [elective or cosmetic surgery, except for surgery to repair damage to the natural body caused by an injury or treatment of a sickness; or ]
7. [your acting as an organ donor.]

[No benefits are payable for any period of disability during which you are incarcerated in a penal or correctional facility for a period of [30] or more consecutive days.]

## [Section 9 – Continuity of Coverage]

### Definitions

**[Prior plan]** means the policyholder's plan of group long term disability insurance, if any, under which you were insured on the day before the effective date of this policy.

**Prior plan benefits** mean the benefits, if any, that would have been paid to you under the prior plan had it remained in effect, and had you continued to be insured under the prior plan.

### Continuity of Coverage

We will provide continuity of coverage as described below if you were covered under the prior plan.

If you are actively at work on the effective date of this policy and otherwise eligible to become insured under this policy, you will be insured under this policy.

If you are not at active work on the effective date of the policy due to a reason other than a disability, and would otherwise be eligible to become insured under the requirements of this policy, we will cover you for the lesser of what you would receive under this policy or what you would receive under the prior plan benefits until the earliest of:

1. the date you return to active work;
2. the end of any period of continuance of the prior plan; or
3. the date coverage ends, according to the provision of the policy.

Any benefits payable under the conditions described above will be paid by us:

1. as if the prior plan had remained in effect; and
2. will be reduced by any benefits paid or payable by the prior plan.

If you were covered under the prior plan on the day before the effective date of this policy but were not actively at work due to a disability, you are not eligible to become insured under this policy.

### Prior Plan Credit for Long Term Disability Insurance

The benefits payable for disability due to a pre-existing condition are limited or excluded unless you meet certain requirements. For any disability which would be limited or excluded during the time period to which this limitation or exclusion applies, we will give you credit for the length of time you were covered under the prior plan. Benefits provided will be the lesser of:

1. the benefits of the policy without the pre-existing conditions provision, or
2. prior plan benefits (applying the prior plan's pre-existing conditions provision, if any) just as if it had remained in effect.

The pre-existing conditions limitation or exclusion of this policy will apply to the amount of any benefit increase which results from a change from the prior policy to this policy.

If you are not eligible for benefits under the prior plan or benefits under this policy, no benefit will be paid.

The definition of period of disability in the policy describes the conditions that must be met for two or more disabilities to be considered as having occurred during one period of disability. This allows you to avoid having to satisfy a separate elimination period for each disability. If you received benefits under the prior plan, and have a recurrence of the same disability within [6 months] of your return to active work while insured under the policy, and there are no benefits available for the recurrence under the prior policy, we will apply this definition as though the policy had been in effect since the date you first became disabled, and not require fulfillment of

a new elimination period. Benefits paid under this scenario will be those eligible under the prior plan.]

## **Important Notice**

The following information is provided to assist you in answering any questions you might have:

### **Soliciting Agent**

The name, address and telephone number of our soliciting agent is available to you, if needed, by calling our Customer Service Department at [501-375-7200].

### **USABLE Life**

USABLE Life  
P. O. Box 1650  
Little Rock, AR 72203-1650  
Phone [(501) 375-7200 or  
Toll Free (800) 648-0271]

If we fail to provide you with reasonable and adequate service, you may contact:

### **Arkansas Insurance Department**

Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, AR 72201-1904  
Phone (501) 371-2640 or  
Toll Free 1-800-852-5494

We appreciate the opportunity to serve your insurance needs.