

SCHEDULE OF BENEFITS

FOR

GROUP LONG TERM DISABILITY (LTD) INSURANCE

Class Name: Administrators and Administrative Staff

Group Name: Vicksburg Community Schools

City, State: Vicksburg, Michigan

Carrier Number: 10408

Group Effective Date: November 1, 2008

Minimum Hour Requirement For Active Service: 30 hour per week

Probationary Period: None

LTD Insurance is applicable only if elected by the Eligible Employee and premiums have been remitted for such coverage. Evidence of Insurability may be required – check with your Employer.

Benefit Amount	Maximum Benefit Period		Elimination Period
Elected in \$100 increments	Option 1		Longer of 52 weeks or duration of Short Term Disability Benefits
	<u>Age at Disablement</u>	<u>Duration of Benefits</u>	
	Less than 66	5 years	
	66	4 years	
	67	3 years	
	68	2 years	
	69 or older	1 year	
	Option 2		
	<u>Age at Disablement</u>	<u>Duration of Benefits</u>	
	Less than 69	To Age 70	
69 or older	1 year		

Maximum Monthly Benefit:

60% of Basic Earnings or \$5,000, whichever is less, minus any Other Income Benefits

All Sources Maximum Benefit Percentage:

70%

Recurrent Disability:

“Recurrent disability” means a disability which is related to or due to the same cause(s) of a prior disability for which a monthly benefit was payable.

A recurrent disability will be treated as part of the prior total disability if, after receiving total disability benefits under this policy, you:

1. return to your regular occupation on a full-time basis for less than six months; and
2. perform all the material duties of your occupation.

Benefit payments will be subject to the terms of the policy for the prior total disability.

If you return to your occupation on a full-time basis for six months or more, a recurrent disability will be treated as a new period of total disability. You must complete another elimination period.

Successive disability which results from (an) unrelated cause(s) will be deemed to be a continuation of the first disability unless separated by your return to active service for at least one full day.

Qualifying Event:

The following is added to the end of item '(3)' found under 'SECTION II – ELIGIBILITY AND EFFECTIVE DATES', section 'C. EFFECTIVE DATE OF INSURANCE':

'Once enrolled in the Long Term Disability Insurance plan, you may increase your election by up to 10% without Evidence of Insurability within 30 days of one of the following Qualifying Events:

- Change in marital status;
- Birth/adoption of a child;
- Permanent increase in hours worked of at least 10 hours per week (can occur no more than once per 12-month period); or
- Permanent change in job classification that results in a salary increase of at least 20%.

The increased election must be an increment of \$100 and may not exceed 60% of Basic Earnings or \$5,000, whichever is less.'

Other Income Benefits:

On Certificate Insert Page 'A(1)', item no. '(3)' is hereby deleted in its entirety and replaced with:

'(3) the amount of any disability income benefits for which you are eligible under:

- (a) any other group insurance plan;
- (b) any state or federal government disability or retirement plan; or
- (c) any individual policy for which the employer pays some or all of the premiums.

The insured must apply for any state disability plan benefits within 12 months of the date Total Disability commences.'

Furthermore, the following is added to Certificate Insert Page 'A(1)':

'After the first deduction for Other Income Benefits, the Monthly Benefit will not be further reduced due to any cost of living increase payable under any Other Income Benefits.'

Pre-Existing Condition Exclusion:

This policy will not cover any total disability:

- (3) caused by, contributed to by, or resulting from a pre-existing condition; and
- (4) which begins in the first 12 months after your initial effective date or effective date of increased coverage.

Pre-Existing Condition means a sickness or injury for which you received medical treatment, consultation, care or services including diagnostic measures, or had taken prescribed drugs or medicines in the 12 months prior to your initial effective date or effective date of increased coverage.'

Mental Illness Limitation:

Certificate Insert Page 'L(1)' applies. Furthermore, the definition of "Mental or emotional illness" found on this page is hereby deleted in its entirety and replaced with:

"Mental or emotional illness" means any neurosis, psychoneurosis, psychopathy, psychosis and all other mental or emotional illness of any type including, but not limited to, substance abuse or addiction and the use of any hallucinogen. "Substance abuse" includes alcoholism and the taking of a prescription or controlled drug in a manner not prescribed or recommended by a physician.'

Full Maternity Coverage:

Pregnancy, childbirth and related medical conditions shall be regarded as a Sickness and shall be subject to all the provisions of the Policy relating to Sickness. However, your inability to engage in your own or any occupation shall not be due to lack of presentability or childrearing.

TC/A(1)/C/E/H/I/L(1)/N(2)/AMEND-3/AMEND35