



Voluntary Short Term Disability Insurance

A guide to your benefits

**You've made a good decision in choosing
Anthem® Blue Cross Life and Health Insurance Company**

Plan Sponsor: Bremer, Whyte, Brown & O'Meara LLP
Policy: L03486
Class: 02
Class Description: All Eligible Employees Residing Outside of California
Effective Date: October 1, 2023

NOTE: If You are 65 years or older at the time Your Certificate is issued, You may examine your certificate and, within 30 days, decide to cancel and request a refund of premiums paid.

[anthem.com/ca](https://www.anthem.com/ca)

Life and Disability products underwritten by Anthem Blue Cross Life and Health Insurance Company, an independent licensee of the Blue Cross Association.
®ANTHEM is a registered trademark of Anthem Insurance Companies, Inc. The Blue Cross name and symbol are registered marks of the Blue Cross Association.

Benefits Guide

Section Contents

Section I. - Your Certificate of Coverage

Section II. – ERISA Information

Section III. – Notice of Privacy Practices

This Plan Sponsor, on behalf of itself and its participants, hereby expressly acknowledges its understanding this policy constitutes a contract solely between this Plan Sponsor and Anthem Blue Cross Life and Health Insurance Company, which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the “Association”) permitting Anthem Blue Cross Life and Health Insurance Company to use the Blue Cross and/or Blue Shield Service Mark in California and that Anthem Blue Cross Life and Health Insurance Company is not contracting as the agent of the Association. This Plan Sponsor further acknowledges and agrees that it has not entered into this policy based upon representations by any person other than Anthem Blue Cross Life and Health Insurance Company and that no person, entity, or organization other than Anthem Blue Cross Life and Health Insurance Company shall be held accountable or liable to this Plan Sponsor for any of Anthem Blue Cross Life and Health Insurance Company’s obligations to the Plan Sponsor created under this policy. This paragraph shall not create any additional obligations whatsoever on the part of Anthem Blue Cross Life and Health Insurance Company other than those obligations created under other provisions of this agreement.

ANTHEM BLUE CROSS LIFE AND HEALTH INSURANCE COMPANY
DISABILITY INCOME INSURANCE
REQUIRED DISCLOSURE STATEMENT

The following paragraph is included in the disclosure if the plan has a pre-existing condition exclusion.

This policy contains a pre-existing condition exclusion. A pre-existing condition is a condition for which medical advice was given, treatment was recommended by or received from a physician within the number of months specified in Your booklet prior to Your becoming insured under this Policy. Please see the Exclusions section for important details.

This Policy does not pay benefits for any disability which is related to any of the following, or for any of the following specified periods: (1) an act of war, declared or undeclared, whether civil or international; (2) service in the armed forces, military reserves or National Guard of any country or international authority, or in a civilian unit serving with such forces; (3) self-inflicted injury or illness or Your attempt to commit suicide while sane or insane; (4) active participation in a riot or civil commotion, (5) participation in, committing or attempting to commit a felony, or any type of assault or battery, or engaging in an illegal occupation; (6) operating any motorized vehicle if (a) You are under the influence of any intoxicant or drug whether or not prescribed by a physician, or (b) Your blood alcohol concentration is in excess of the legal limit in the state in which the accident or injury occurred; (7) any accident, injury or illness caused by, resulting from, or related to Your being under the influence of any illicit drug, narcotic, controlled substance or chemical; (8) loss of professional license, occupational license or certification; (9) any illness or injury caused by or during employment for wage or profit, if You are eligible for coverage under Workers' Compensation insurance as allowed by the Plan Sponsor's state of domicile; (10) You are no longer receiving, accepting or following regular care from a physician, except for a period wherein the physician certifies that treatment is not warranted; (11) for a mental disorder, any period during which You are not under the continuing regular care of a psychiatrist specializing in psychiatric care; with respect to alcoholism and drug addiction, any period during which You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by us; (12) You have applied for benefits under fraudulent circumstances and these circumstances resulted in a conviction of fraud; and (13) You unreasonably fail to submit to an independent medical exam requested by us.

The following paragraph is included in the disclosure if the plan has a limitation for mental illness, alcoholism, or drug addiction.

This Policy limits benefit payments for mental illness, alcoholism and drug addiction to 24 months.

The following paragraph is included in the disclosure if the plan benefit is reduced by certain deductible sources of income.

This Policy reduces by any of the following deductible sources of income: (1) the amount You receive or are eligible to receive as disability income payments under any state compulsory benefit Act or Law, governmental retirement system as a result of Your employment with the Plan Sponsor, automobile liability insurance policy, other group insurance plan, or any plan or arrangement of disability coverage, whether insured or not, resulting from Your employment or association with the Plan Sponsor or any employer, or resulting from Your membership in or association with any group, association, union or other organization; (2) the amount that You, Your spouse and children receive as disability payments because of Your disability under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension plan, or any similar plan or act; (3) the amount that You receive as retirement payments, or the amount Your spouse and children receive as retirement payments because You are receiving retirement payments under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or any similar plan or act; (4) the amount that You receive as disability payments under the Plan Sponsor's retirement plan, voluntarily elect to receive as retirement payments under the Plan Sponsor's retirement plan, or are eligible to receive as retirement payments when You reach the later of age 62 or normal retirement age, as defined in the Plan Sponsor's retirement plan; (5) the amount You receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act); (6) the amount You receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise; (7) the amount You receive under the mandatory portion of any "no-fault" motor vehicle plan; (8) the amount You receive under any salary continuation or accumulated sick leave plans, except as specified; (9) commissions, sick pay or any similar employer sponsored paid time off plan where You receive income from the employer, or any salary continuation plan due to Your disability, except as specified. Any earnings from any work or employment may be used to reduce Your Monthly Benefit Payment unless otherwise specified by the terms of the Policy; (10) any amounts from partnership, proprietorship draws, or similar draws.

The following paragraph is included in the disclosure if the plan has a termination age.

This Policy terminates benefits at age 65 or Your normal retirement age under the 1983 amendments to the United States Social Security Act. Additional payments may be made in accordance with the maximum benefit period table found in Your booklet.

The above disclosure statement is a very brief summary of Your Policy.

The Policy itself sets forth the rights and obligations of both You and the insurance company. It is therefore important that You:

READ YOUR POLICY CAREFULLY

COMPLAINT NOTICE

Should you have any complaints or questions regarding your coverage, and this certificate was delivered by a broker, you should first contact the broker. You may also contact us at:

**Anthem Blue Cross Life and Health Insurance Company
Customer Service
21555 Oxnard Street
Woodland Hills, CA 91367
1-818-234-2700**

If the problem is not resolved, you may also contact the California Department of Insurance at:

**California Department of Insurance
Claims Service Bureau, 11th Floor
300 South Spring Street
Los Angeles, California 90013**

1-800-927-HELP (4357) – In California

1-213-897-8921 – Out of California

1-800-482-4833 – Telecommunication Device for the Deaf

**E-mail Inquiry: “Consumer Services” link at
www.insurance.ca.gov**

Section I.	Your Certificate of Coverage
-------------------	-------------------------------------

<u>Voluntary Short Term Disability Insurance</u>

The Policy does not cover disabilities due to an occupational illness or injury.

The policy does not replace or affect the requirements for coverage by any Worker's Compensation or state disability insurance.

Anthem Blue Cross Life and Health Insurance Company

21555 Oxnard Street
Woodland Hills, CA 91367
Phone: 1-800-232-0113

DLS B 0713 C

CERTIFICATE

Anthem Blue Cross Life and Health Insurance Company certifies that it has issued a Group Policy insuring certain eligible employees of the Plan Sponsor.

This Certificate describes the benefits provided as of the effective date. For purposes of effective dates and ending dates under the Policy, all days begin at 12:01 a.m. and end at 12:00 midnight at the Plan Sponsor's address.

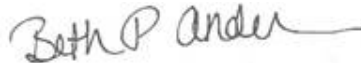
Certain terms of the Group Policy which affect Your insurance are contained in the following pages. Anthem Blue Cross Life and Health has written this Certificate in plain English. However, a few terms and provisions are written as required by insurance law. Anthem Blue Cross Life and Health urges You to read Your Certificate carefully and keep it in a safe place.

If the terms and provisions of the Certificate (issued to You) are different from the Policy (issued to the Plan Sponsor), the Policy will govern. Your coverage may be cancelled or changed in whole or in part under the terms and provisions of the Policy.

The Group Policy was issued in the state of California. Its laws and rules will govern in resolving any questions about the Group Policy, except to the extent that the Policy may be governed by the Employee Retirement Income Security Act of 1974, as amended (ERISA).

While You remain insured, this booklet is Your Certificate of insurance. It replaces any prior booklet or Certificate given to You for the types of insurance described here. It is void and of no effect if You are not entitled to or have ceased to be entitled to the insurance coverage. Many of the provisions of this Certificate are interrelated, and You should read the entire Certificate to get a full understanding of Your coverage. This Certificate also contains exclusions, so please be sure to read this Certificate carefully.

**Anthem Blue Cross Life and Health Insurance Company
21555 Oxnard Street
Woodland Hills, CA 91367**



**Beth P. Andersen
President and CEO**

Fraud: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

—TABLE OF CONTENTS—

CERTIFICATE	7
Schedule of Benefits	9
Voluntary Short Term Disability Benefit.....	9
Definitions	11
When Insurance Begins and Ends.....	16
Coverage Provisions	21
Voluntary Short Term Disability Insurance Benefits	22
Uniform Compulsory Provisions.....	34

Schedule of Benefits

About this Schedule

This Schedule of Benefits shows highlights of the coverage available under the Group Policy. Final interpretation of all provisions and coverages will be governed by the Group Policy on file with Anthem Blue Cross Life and Health Insurance Company at its Administrative Office.

Your amount of insurance is determined by this schedule.

Your Voluntary Short Term Disability Benefits help to protect You from loss of income due to a Disability as defined under the Policy. Your Voluntary Short Term Disability Benefits are subject to any limitations, maximums, exclusions and reductions under the Policy, including any reductions by Your Deductible Sources of Income. Refer to the *Voluntary Short Term Disability Insurance Benefits* section for details about how Your Weekly Benefit Payment is calculated.

Voluntary Short Term Disability Benefit

Benefit Percentage: 60%

Maximum Weekly Benefit: \$2,000

Minimum Weekly Benefit:

At no time will Your Weekly Benefit Payment be less than \$50 per week unless otherwise provided under the terms and conditions of the Policy.

Elimination Period:

The longer of:

- 8 calendar days following an Injury
- 8 calendar days following an Illness

Maximum Benefit Period 26 weeks

Premium Contributions:

Your coverage is Contributory. This means You pay all or part of the premium for Your Voluntary Short Term Disability Benefit coverage.

Your Voluntary Short Term Disability coverage is non-occupational. This means there is no coverage for any Injury or Illness that was caused by or aggravated by any employment for pay or profit.

Specific information regarding the Policy and its terms may be obtained from the Plan Sponsor. The provisions, terms and conditions listed in any Policy document, including but not limited to this Certificate may be modified, amended, or changed at any time. Consent from any Insured or beneficiary is not required for such modification, amendment, or change.

Definitions

Below, the definitions of the Policy are discussed. Where these terms are used in this Certificate, unless specified otherwise, they have the meaning explained here.

Accident or Accidental means accidental bodily Injury for which the primary cause is not a disease, Illness, or bodily infirmity.

Act or Law means the original enactments of the Act or Law, and all amendments.

Actively at Work means that You are performing the normal duties of Your Own Occupation and working Your normal hours for the Plan Sponsor on a permanent full-time basis and must be paid regular earnings.

Your work site must be:

- at the Plan Sponsor's usual place of business; *or*
- at a location to which the Plan Sponsor's business requires You to travel.

You are not considered Actively at Work when You are off work or lose time due to Illness, Injury, Leave of Absence, Strike or Layoff. Paid days off will count as active work days if You were fully capable of performing normal duties of Your Own Occupation during the paid days off, provided that You were Actively at Work on the last working day prior to the paid days off.

Additional Benefit or Additional Provision means an addendum to the Policy which increases or limits coverage for a specified set of conditions. The provisions, limitations, and exclusions in the entire Policy will apply unless specifically stated otherwise in the Additional Benefit or Additional Provision.

Annual Pre-disability Earnings means Your annual salary from the Plan Sponsor in effect immediately prior to Your date of disability. It does not include commissions, bonuses, overtime, or other forms of extra compensation. Annual Pre-disability Earnings will be determined according to the Plan Sponsor's records.

Your amount of insurance will be calculated based on the lesser of Your Annual Pre-disability Earnings as calculated above or the premium actually received by Us.

Certificate means this document which provides a description of the coverage available under the Policy.

Claimant means a person who has filed a claim for benefits under the Policy.

Class means a grouping of persons based on criteria agreed on between the Plan Sponsor and Us.

Contributory means that You pay all or a portion of the premium for the coverage.

Disabled and Disability are defined in the *Coverage Provisions* section of this Certificate.

Disability Work Earnings means weekly earnings which You receive while You are Disabled and working.

Eligible Employee means You meet all of the following:

- You are a regular full-time employee of the Plan Sponsor, working for pay on a scheduled normal week of at least 30 hours; *and*
- You perform that work at the Plan Sponsor's usual place of business, except for duties of a kind that must be done elsewhere, *and*
- You are in a covered Class named under the Policy; *and*
- You are a legal citizen or legal resident of the United States or Canada. You will become ineligible for insurance if You leave the United States or Canada for one hundred eighty (180) or more consecutive days.

Temporary, seasonal, or contract employees are not included as Eligible Employees under the Policy.

Eligibility Waiting Period means the continuous length of time that You must serve in an eligible Class to reach Your eligibility date and begin Your coverage.

Elimination Period means the period of continuous Disability which must be satisfied before You are eligible to receive benefits under the Policy. The Elimination Period is shown in the Schedule of Benefits of this plan and begins on the first day You meet the Definition of Disability.

If You do return to work for 3 or less days during the Elimination Period, those days will interrupt the Elimination Period. However, the Disability will be treated as continuous if it is from the same or a related condition. Only those days during which You are Disabled will be used to satisfy the Elimination Period. You must complete the full 7 day Elimination Period within a total period of not more than 10 consecutive days.

Full-Time Basis means the ability to work and earn more than 80% of Your Weekly Pre-disability Earnings. Ability is based on capacity and not market availability.

Gross Weekly Benefit means Your gross Voluntary Short Term Disability Benefit as calculated from the Schedule of Benefits, prior to any reductions for Deductible Sources of Income.

Hospital or Medical Facility means a facility accredited by JCAHO (Joint Commission on Accreditation of Health Care Organizations) duly licensed by the state to provide medical evaluation and treatment of patients under the direction of an active staff of licensed physicians.

Hospitalization means being an in-patient 24 hours a day.

Illness means a sickness or disease and will include pregnancy. Disability resulting from the sickness or disease must begin while You are covered under the Policy.

Independent Medical Exam means an examination by a Physician of the appropriate specialty for Your condition at Our expense. Such examination, scheduled by Us may be used for the purpose of determining eligibility for insurance or benefits, including eligibility under Additional Benefits or Additional Provisions, if any, associated with the Policy.

Injury means bodily injury resulting from an Accident, and which produces at the time of the Accident objective symptoms. The Injury must occur and Disability must begin while You are insured under the Policy. An Injury that occurs before You are covered under the Policy will be treated as an Illness for any subsequent claims.

Any Disability which begins more than 7 days after an Injury will be considered an Illness for the purpose of determining Voluntary Short Term Disability benefits.

Insured means an individual covered under the Policy.

Leave of Absence means an arrangement where You and the Plan Sponsor agree that You will not be Actively at Work for a specific period of time and You are expected to be Actively at Work at the end of that period. If You become Disabled while on a Leave of Absence, Benefit Payments will be based upon Weekly Pre-disability Earnings as last reported and premiums paid to Us immediately prior to the beginning of the Leave of Absence. Refer to *When Your Insurance Ends* to determine how long Your coverage can be continued during a Leave of Absence.

Motorized Vehicle means any self-propelled vehicle or conveyance, including but not limited to automobiles, trucks, motorcycles, ATV's, snowmobiles, tractors, golf carts, motorized scooters, lawn mowers, heavy equipment used for excavating, boats, and personal watercraft. Motorized Vehicle does not include a medically necessary motorized wheelchair.

Physician means:

- a person licensed to practice medicine in the jurisdiction where such services are performed; *or*
- any other person whose services must be treated as a Physician's for the purposes of the Policy according to applicable law. Each such person must be licensed in the jurisdiction where he or she performs the service and must act within the scope of that license. He or she must also be certified and/or registered if required by such jurisdiction.

Physician does not include:

- You
- Your Spouse
- Anyone employed by the Plan Sponsor, or any business partner of You or the Plan Sponsor.
- Any member of Your immediate family, including Your and/or Your Spouse's:
 - Parents;
 - Children (natural, step, or adopted);
 - Siblings;
 - Grandparents;
 - Grandchildren;
 - In-Laws.

Plan Sponsor means the employer who makes the Policy available to you.

Policy or **Group Policy** means the policy issued by Us to the Plan Sponsor and described in this Certificate.

Prior Plan means a group plan providing similar Voluntary Short Term Disability insurance benefits carried by the Plan Sponsor on the day before the Policy's effective date with Us.

Proof means evidence which allows the determination that the terms and provisions of the Policy have been met. Proof may include but is not limited to: questionnaires, physical exams, or Written documentation and records as required by Us. Proof must be received by Us at Our Administrative Office. All Proof must be given at Your expense (or that of Your representative or beneficiary), unless otherwise specifically provided by the terms of the Policy. If any additional Proof is reasonably required by Us, You may be required to give Us authorization to obtain such additional Proof. The following are some specific types of Proof referenced under the Policy:

Proof of Claim or **Proof of Disability** means evidence which allows the determination that a person has satisfied the conditions and requirements for a benefit under the Policy. The Proof must establish:

- the nature and extent of the loss or condition;
- our obligation to pay the claim under the Policy;
- the Claimant's right to receive payment.

Proof of Insurability means evidence of a person's health and other information related to insurability that is used to determine whether the person can become insured, or is eligible for an increase in coverage.

Recurrent Disability means a Disability which is related or due to the same cause(s) as a prior Disability for which a benefit was payable.

Regular Care means:

- You are under the continuing care of and personally visit a Physician as required according to standard medical practice, to effectively diagnose, manage and treat Your disabling condition(s); *and*
- You are receiving appropriate treatment and care of Your disabling condition(s) which conforms with standard medical practice by a Physician whose specialty and clinical experience is appropriate for Your disabling condition(s) according to standard medical practice.

Retirement Plan means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to employees and are not funded entirely by employee contributions.

Sign or **Signed** means use of any symbol or method executed or adopted by a person with the present intention to authenticate a record. Such authentication may be executed and/or transmitted by paper or electronic media, provided it is acceptable to Us and consistent with applicable law.

Voluntary Short Term Disability Benefits are the weekly benefits provided under the terms of the Policy.

We, Us, and Our mean the insurer Anthem Blue Cross Life and Health Insurance Company

Weekly Benefit Payment means the amount of income replacement payable to You while You are Disabled, subject to the terms of the Policy, and after any amounts shown in the *Deductible Sources of Income* section of the Policy and any Disability Work Earnings have been subtracted.

Weekly Pre-disability Earnings means Your Annual Pre-disability Earnings divided by 52.

Written or **Writing** means a record which is on or transmitted by paper or electronic media which is acceptable to Us and consistent with applicable law.

You and **Your** mean an Eligible Employee.

Other terms are defined elsewhere under the Policy.

When Insurance Begins and Ends

This section tells how You may become insured.

Obtaining Your Insurance

To obtain insurance under the Policy, You must be an Eligible Employee and be Actively at Work.

Specific information regarding the Group Policy and its terms may be obtained from the Plan Sponsor.

If You are an Eligible Employee on the effective date of the Policy, You are eligible for insurance on that date. Otherwise, You become eligible on the first day of the month coinciding with or next following the date You satisfy the Eligibility Waiting Period.

If You have been continuously employed by the Plan Sponsor for a period of time equal to the Eligibility Waiting Period, we will waive the Eligibility Waiting Period when You enter an eligible Class. We will apply any prior period of work with the Plan Sponsor toward the Eligibility Waiting Period to determine the date You are eligible for insurance.

Enrollment

If you contribute to the cost of your Coverage:

You must enroll for Your insurance if the coverage is Contributory.

An application for You to become insured must be completed on a form approved for that purpose by Us. The Plan Sponsor must send the completed application to Us at Our Administrative Office.

Effective Date of Insurance

This section tells when Your insurance will begin once You have become eligible and are Actively at Work.

Except as explained in this section, Your insurance will begin on the first day of the Policy month coinciding with or next following the date You become eligible for such insurance.

The Plan Sponsor may require You to contribute toward the cost of Your insurance. Any such Contributory insurance will not become effective for You before You Sign a form agreeing to make those contributions. The form may be obtained from the Plan Sponsor. If You Sign the form more than 31 days after You became eligible, Your Contributory insurance will be deferred until the date We approve Your Written Proof of Insurability.

If Your coverage is **not** Contributory, Your insurance begins on the first day You are Actively at Work following the date that You become an Eligible Employee and have satisfied the Eligibility Waiting Period. An application to become insured must be completed on a form approved for that purpose by Us. The Plan Sponsor must send Your completed application to Us at our Administrative Office unless We and the Plan Sponsor have agreed that the Plan Sponsor will retain the applications.

If Your coverage **is** Contributory, Your insurance begins on the first day You are Actively at Work coincident with or following *one* of the dates below:

- If Your application to become insured is completed *on or before the earliest date* on which You may become insured, Your insurance will take effect on that earliest date; *or*
- If Your application to become insured is completed *no more than 31 days* after the earliest date on which You may become insured, Your insurance will take effect on the date on which Your application has been completed; *or*
- If Your application to become insured is completed *more than 31 days* after the earliest date on which You may become insured, Your insurance will take effect on the date on which We have, in Writing, either approved Proof of Insurability or waived, in Writing, such requirement. Any Proof of Insurability must be provided without expense to Us.

If You are required to give Proof of Insurability for all or a portion of Your insurance, that insurance for which Proof of Insurability is required begins on the date We approve, in Writing, Your Proof of Insurability.

Delayed Effective Date of Your Insurance

If You are not Actively at Work on the date Your insurance would otherwise begin, Your insurance begins on the date You are again Actively at Work.

Changes in Your Insurance

Change in Class or Weekly Pre-disability Earnings

The amount of Your insurance may change if:

- You become a member of a different Class; *or*
- The amount of Your Annual Pre-disability Earnings changes.

If the change would *increase* Your amount of insurance, the increase takes effect on the first day You are Actively at Work following the *latest* of the date:

- The change occurs; *or*
- The Plan Sponsor tells Us in Writing about a change in Class or a change in the amount of Your Annual Pre-disability Earnings; *or*
- We approve, in Writing, Your Proof of Insurability, if You are required to give Proof of Insurability.

If the change would *decrease* the amount of insurance, the decrease takes effect on the date of the change.

When Insurance Ends

Your insurance coverage will end on the earliest of the date:

1. the Policy is canceled; *or*
2. on which You cease to be a member of a Class under the Policy; *or*
3. Your employment terminates. For the purpose of this provision, employment terminates when You are no longer Actively at Work, unless due to Disability; *or*
4. the Policy is changed to end the insurance for Your Class; *or*
5. The last day of the period for which premium was paid, if a premium is not paid when due; *or*
6. Preceding the date of Your death; *or*
7. Your Weekly Benefit Payments end, if You are not again Actively at Work the following day; *or*
8. You cease to be an Eligible Employee as defined in the Definitions of the Policy; *or*
9. You request, in Writing, for Your insurance to be terminated; *or*

10. You cease to be Actively at Work. However, the Plan Sponsor may continue Your insurance (unless it ends due to any of the above reasons) during the following periods:
- a) until the end of 3rd month following the month You cease to be Actively at Work due to a temporary layoff; *or*
 - b) until the end of the 3rd month following the month You cease to be Actively at Work due to a Leave of Absence or due to Your being called to active duty as a reservist with the U.S. Armed Forces Reserve; *or*
 - c) during an absence from work due to a Leave of Absence that is in compliance with the Family Medical Leave Act of 1993 ("FMLA") or applicable state, family and medical leave law; *or*
 - d) during the longest of the periods in above items (a), (b), and (c), if You cease to be Actively at Work due to Your being called to active duty as a reservist with the U.S. Armed Forces.

Any Leave of Absence must have been authorized in Writing by the Plan Sponsor. Unless otherwise specifically stated under the terms of the Policy, all premium required by the Policy must be paid in order for any continuance of insurance provision to be applicable.

If coverage is continued in accordance with the Leave of Absence provisions above, such continued coverage will cease immediately if any one or more of the following events occurs:

- the leave terminates prior to the agreed upon date; *or*
- the Policy terminates or Your employer ceases to be an associated employer with the Plan Sponsor; *or*
- You or the Plan Sponsor fail to pay premium when due; *or*
- the Policy no longer insures Your Class.

During the period that You are Disabled, Your Weekly Benefit Payments *will not* be affected by:

- termination or cancellation of the Plan Sponsor's Policy; *or*
- termination of Your coverage; *or*
- termination of Your employment; *or*
- any amendment to the Policy that becomes effective after the date You are Disabled.

CONTINUITY OF COVERAGE

Disability due to a Pre-existing Condition

We may waive the Pre-Existing Condition Exclusion of the Policy to make a benefit payment for Your Disability which is caused by, contributed to by, or resulting from a Pre-Existing Condition if:

1. You were insured by the prior policy at the time the Plan Sponsor changed insurance carriers to Anthem Blue Cross Life and Health Insurance Company; and
2. You have been continuously covered under the Anthem Blue Cross Life and Health Insurance Company Policy from the effective date of the Plan Sponsor's Anthem Blue Cross Life and Health Insurance Company Policy through the date Your Disability began.

In order to receive a payment, You must satisfy:

1. the terms of the Anthem Blue Cross Life and Health Insurance Policy's Pre-Existing Condition Exclusion; or
2. the terms of the prior policy's pre-existing condition provision, if benefits would have been paid had that policy remained in force.

If You satisfy the terms of the Pre-Existing Condition Exclusion of the Anthem Blue Cross Life and Health Policy, We will determine Your Weekly Benefit Payments according to the Anthem Blue Cross Life and Health Insurance Policy's provisions.

If You do not satisfy the terms of the Pre-Existing Condition Exclusion of the Anthem Blue Cross Life and Health Insurance Policy, but You do satisfy the terms of the prior policy's pre-existing condition provision:

1. Your Weekly Benefit Payment will be the lesser of:

- a. the weekly benefit payment that would have been payable under the terms of the prior policy if it had remained in force; or
- b. the Weekly Benefit Payment according to the Anthem Blue Cross Life and Health Insurance Policy's provisions; and

2. benefits will end on the earlier of:

- a. the date benefits would otherwise end under the Anthem Blue Cross Life and Health Insurance Policy, as described under the When Disability Benefits End provision; or
- b. the date benefits would have ended under the prior policy's provisions if it had remained in force.

If You do not satisfy either the Anthem Blue Cross Life and Health Insurance Policy's or the prior policy's pre-existing condition provisions as described above, We will not make any payments.

We will require proof that You were insured under the prior policy.

All other terms and conditions of the Anthem Blue Cross Life and Health Insurance Policy will apply.

Coverage Provisions

Description of the Coverage

The pages of this section specify when Policy benefits will be paid. Conditions governing whether, and how much benefit is paid are also discussed in this section.

To receive Policy benefits, You must be insured under the terms of the Policy, and as described in the *When Insurance Begins and Ends* section. Then, Your amounts of insurance are as shown in the Schedule of Benefits, subject to the terms of the Policy.

Definition of Disability and Disabled for Voluntary Short Term Disability

You will be considered disabled if You meet the definition of Total Disability or the definition of Partial Disability, included below:

Total Disability means that, as a result of Illness or Injury, You are not able to perform with reasonable continuity the Substantial and Material Acts necessary to pursue your Own Occupation in the usual or customary way.

Partial Disability means that, as a result of Illness or Injury, You are unable to earn more than 80% of Your Weekly Pre-disability Earnings in Your Own Occupation.

Own Occupation means the employment, business, trade, or profession that involves the Substantial and Material Acts of the occupation You were regularly performing for the employer when Your disability began. Own Occupation is not necessarily limited to the specific job You performed for the employer.

Substantial and Material Acts means the important tasks, functions, and operations generally required by employers from those engaged in Your Own Occupation that cannot be reasonably omitted or modified.

In determining what Substantial and Material Acts are necessary to pursue Your Own Occupation, We will first look at the specific duties required by Your employer. If You are unable to perform one or more of these duties with reasonable continuity, We will then determine whether those duties are customarily required of other employees engaged in Your Own Occupation. If any specific, material duties required of You by Your employer differ from the material duties customarily required of other employees engaged in Your Own Occupation, then We will not consider those duties in determining what Substantial and Material Acts are necessary to pursue Your Own Occupation.

Voluntary Short Term Disability Insurance Benefits

Voluntary Short Term Disability benefits will be payable for a period of Disability in accordance with the terms of the Policy, if:

- The Disability starts while You are insured under the Policy; *and*
- The Disability continues during and past the Elimination Period; *and*
- We receive Proof of Your Disability.

The Voluntary Short Term Disability Benefit and the Maximum Benefit Period are shown in the Schedule of Benefits. The Voluntary Short Term Disability Benefit may be reduced in accordance with the provisions of the *Deductible Sources of Income* section of the Policy. The Voluntary Short Term Disability Benefit will not:

- Exceed Your amount of coverage; *or*
- Be paid for longer than the Maximum Benefit Period.

You will begin to receive payments when We approve Your claim, provided the Elimination Period has been met. We will send You a payment each week for Voluntary Short Term Disability benefits for any period for which We are liable.

Calculating Your Voluntary Short Term Disability Benefit

Part A.

If You are Disabled and not working, or Disabled and working and Your Disability Work Earnings are less than 20% of Your Weekly Pre-disability Earnings, We will use the following process to calculate Your Weekly Benefit Payment:

1. Multiply Your Weekly Pre-Disability Earnings by 60%.
2. The maximum benefit is \$2,000 per week.
3. Compare the answer from Item 1 with the maximum benefit. The lesser of these two amounts is Your Gross Weekly Benefit.
4. Subtract from Your Gross Weekly Benefit any Deductible Sources of Income.

The amount calculated in Item 4 is Your Weekly Benefit Payment.

Part B.

If You are Disabled and working, and Your Disability Work Earnings are at least 20% but less than or equal to 80% of Your Weekly Pre-disability Earnings:

You will receive payments based on the percentage of income You are losing due to Your Disability. We will use the following process to calculate Your Weekly Benefit Payment:

1. Subtract Your Disability Work Earnings from Your Weekly Pre-disability Earnings.
2. Divide the answer in Item 1 by Your Weekly Pre-disability Earnings. The result is Your percentage of lost earnings.
3. From Your Gross Weekly Benefit, subtract any Deductible Sources of Income.
4. Multiply the answer in Item 2 by the answer in Item 3.

The answer in Item 4 is Your Weekly Benefit Payment.

If You are working and Your Disability Work Earnings are more than 80% of Your Weekly Pre-disability Earnings, no Voluntary Short Term Disability benefit will be payable.

We may require You to send Proof of Your weekly Disability Work Earnings. We will adjust Your Weekly Benefit Payment based on Your Disability Work Earnings.

As part of Your Proof of Disability Work Earnings, We may require that You send Us any appropriate financial records which We believe necessary as Proof of Your income.

Voluntary Short Term Disability Benefits while You are Disabled and working will only be paid for a maximum of 26 weeks.

Minimum Weekly Benefit

Your Minimum Weekly Benefit is shown in the Schedule of Benefits.

We may apply this amount toward an outstanding overpayment, as described in the Recovery of Overpayment provision.

If Your Disability Work Earnings Fluctuate

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

If We average Your Disability Work Earnings, We will not terminate Your claim unless the average of Your Disability Work Earnings for a three week period exceeds 80% of Your Weekly Pre-disability Earnings.

We will not pay You for any week during which Your Disability Work Earnings exceed the amount allowable under the Policy.

Recurrent Disability Provision for Voluntary Short Term Disability

If You have a Recurrent Disability, and after Your prior Disability ended, You return to work for the Plan Sponsor for 14 days or less, We will treat Your Disability as part of Your prior claim and You do not have to complete another Elimination Period.

Your Weekly Benefit Payment will be based on Your Weekly Pre-disability Earnings as of the date of Your initial claim.

Your Disability, as outlined above, will be subject to the same terms and conditions of the Policy as Your prior claim.

Your Disability will be treated as a new claim if Your current Disability:

- is unrelated to Your prior Disability; or
- after Your prior Disability ended, You returned to work for the Plan Sponsor for more than 14 consecutive days.

The new claim will be subject to all of the provisions of the Policy and You will be required to satisfy a new Elimination Period.

If the Policy terminates You will not be eligible for benefits under this provision, unless You became Disabled due to the Recurrent Disability prior to the Policy termination.

Period of Disability extended by a new condition

If a period of Disability is extended by a new condition while You are receiving Weekly Benefit Payments, then the extension of the period of Disability will be treated as a part of the same continuous period of Disability, subject to the same Maximum Benefit Period. All other requirements, limitations and exclusions of the Policy will apply to the new condition as well as to the original cause of Disability.

When Voluntary Short Term Disability Benefits End

Weekly Benefit Payments end on the earliest of the date:

1. You are no longer Disabled under the terms of the Policy; *or*
2. You are no longer receiving, accepting or following Regular Care from a Physician, except for a period wherein the Physician certifies that treatment is not warranted; *or*
3. The Maximum Benefit Period from the Schedule of Benefits ends; *or*
4. The period specified in the Voluntary Short Term Disability Limitations provision of the Policy ends, if that section applies; *or*
5. Preceding the date of Your death; *or*
6. We ask You for Proof that You are still Disabled, if We do not receive Proof of Disability within 90 days of Our request; *or*
7. We ask You for details about Your Deductible Sources of Income, including Your tax returns, if You do not give Us details within 90 days of Our request; *or*
8. We ask You to be examined by:
 - a Physician; *or*
 - a health care professional,if you do not reasonably cooperate with the examiner or if You unreasonably decline to be examined; *or*
9. Your Disability Work Earnings exceed the amount allowable under the Policy; *or*
10. You cease to reside in the United States or Canada. If You are outside the United States or Canada for a total period of 6 months or more during any 12 consecutive months of Weekly Benefit Payments, You will be considered to have ceased to reside in the United States or Canada; *or*
11. You are confined to a penal or correctional institution; *or*
12. With respect to a Mental Illness, that You are not under the continuing care of an appropriate specialist in psychiatric care; *or*
13. With respect to Alcoholism and Drug Addiction, that You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if none, by Us; *or*
14. You are no longer under the appropriate care of a Physician; *or*
15. You or Your Physician unreasonably fail to submit any medical or psychiatric information requested by Us; *or*
16. You would be able to work in Your Own Occupation on a part-time basis earning more than 80% of Your Weekly Pre-disability Earnings , but choose not to do so; *or*

17. You would be able to increase Your current earnings to more than 80% of Your Weekly Pre-disability Earnings by increasing the number of hours worked or the number of duties performed in Your Own Occupation, but choose not to do so.

If it is determined that You have applied for benefits under fraudulent circumstances, benefit payments will cease and the appropriate fraud defense action will be taken.

Benefits after Policy Cancellation

Cancellation of the Policy does not by itself affect Your right to receive Voluntary Short Term Disability Benefits for a Disability that begins while You are insured under the Policy. You must continue to comply with all requirements of the Policy. All terms and conditions of the Policy will apply.

Deductible Sources of Income

Deductible Sources of Income, except for Retirement Benefits, must be payable as a result of the same disability for which We pay a benefit. We will require You to apply for any of the Deductible Sources of Income for which You may reasonably be entitled, except for Retirement Benefits that would only be provided on a reduced basis. You may be required to sign a reimbursement agreement stating that if You receive any payments for Deductible Sources of Income, You will reimburse Us for any overpayment of benefits. You must immediately disclose to Us the amount of any retroactive payment You may receive from any of the Deductible Sources of Income.

The following are Deductible Sources of Income:

1. The amount that You receive under:
 - A worker's compensation law; *or*
 - An occupational disease law; *or*
 - Any other Act or Law with similar intent.
2. The amount that You receive as disability income payments under any:
 - state compulsory benefit Act or Law; *or*
 - governmental retirement system as a result of Your employment with the Plan Sponsor; *or*
 - automobile liability insurance policy; *or*
 - other group insurance plan; *or*
 - any plan or arrangement of disability coverage, whether insured or not, resulting from Your employment by or association with the Plan Sponsor or any employer, or resulting from Your membership in or association with any group, association, union or other organization.
- 3a. The amount that You, Your spouse, and children receive as disability payments because of Your Disability under:
 - The United States Social Security Act; *or*
 - the Canada Pension Plan; *or*

- the Quebec Pension Plan; *or*
 - any similar plan or act.
- 3b. The amount that You receive as retirement payments or the amount Your spouse and children receive as retirement payments because You are receiving retirement payments under:
- The United States Social Security Act; *or*
 - the Canada Pension Plan; *or*
 - the Quebec Pension Plan; *or*
 - any similar plan or act.
4. The amount that You:
- Receive as disability payments under the Plan Sponsor's Retirement Plan; *or*
 - Voluntarily elect to receive as retirement payments under the Plan Sponsor's Retirement Plan; *or*
 - are eligible to receive as retirement payments when You reach the later of age 62 or normal retirement age, as defined in the Plan Sponsor's Retirement Plan.

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

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

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

5. The amount You receive as a result of any action brought under Title 46, United States Code Section 688 (The Jones Act).
6. The amount You receive from a third party (after subtracting attorney's fees) by judgment, settlement or otherwise.
7. The amount You receive under the mandatory portion of any "no fault" motor vehicle plan.
8. Commissions.
9. Any amounts from partnership, proprietorship draws, or similar draws.

Lump Sum Payments

If You receive a lump sum payment of a Deductible Source of Income, We will deduct the lump sum from Your Weekly Benefit Payment by pro-rating the lump sum on a weekly basis over the time period for which the lump sum was given. If no time period is stated, the lump sum will be pro-rated based on the lesser of the Maximum Benefit Period or Your expected lifetime as determined by Us.

Non-Deductible Sources of Income

We will not subtract from Your Weekly Benefit Payment any income You receive from the following:

1. 401(k) plans;
2. profit sharing plans;
3. thrift plans;
4. tax sheltered annuities;
5. stock ownership plans;
6. credit disability insurance;
7. non-qualified plans of deferred compensation;
8. pension plans for partners;
9. military pension and disability income plans;
10. franchise disability income plans;
11. "no fault" automobile insurance plans;
12. individual disability plans wholly or partially by the Employee;
13. a retirement plan from another plan sponsor;
14. individual retirement accounts (IRA);
15. retirement benefits from the United States Social Security Act if Your Disability begins after age 65 and You were already receiving such retirement benefits prior to Your Disability.
16. salary continuation, sick pay or any similar employer sponsored paid time off plan where You receive income from the employer, or any salary continuation plan due to your disability.

If any salary continuation, or sick pay, or any similar employer sponsored paid time off plan where You receive income from the employer, plus the Weekly Benefit Payment and any Disability Work Earnings exceed 100% of Your Weekly Pre-disability Earnings, We will subtract the amount in excess of 100% from Your Benefit Payment.

If You May Qualify for Deductible Income Benefits

You must apply for benefits listed in the *Deductible Sources of Income* section of the Policy, if there is a reasonable basis that You may be entitled to them. When We determine that You may qualify for benefits under items 1, 2 and 3 or 3a, in the *Deductible Sources of Income* section, We will estimate Your entitlement to these benefits. We can reduce Your payment by the estimated amounts if:

- You have not applied for the benefits or You have failed to pursue them with reasonable diligence; and
- We have a reasonable belief that You are entitled to the benefits, and that we have a means for reasonably estimating the payable amount.

Deduction for Social Security Benefits

You must apply for benefits under the Federal Social Security Act if there is a reasonable basis for application. If the Social Security Administration denies such benefits, You are required to appeal the initial denial.

Within 6 months following the date You became Disabled; You must:

- Send us Proof that You have applied for Social Security Benefits; *and*
- Sign a reimbursement agreement in which You agree to repay Us for any overpayments We may make to You under the Policy; *and*
- Sign a release that authorizes the Social Security Administration to provide information directly to Us regarding Your Social Security benefits eligibility.

When You receive approval, or denial for Your claim for Social Security benefits as described above, You must notify Us immediately. We will adjust the amount of Your Weekly Benefit Payment. You must promptly repay Us for any overpayment.

Recovery of Overpayment

We have the right to recover any overpayment. This includes any prior or current overpayment from any past, current or new payable claim under the Policy. An overpayment occurs if:

- The total amount paid by Us on Your claim is more than the total amount then due to You under the Policy; *or*
- Payment made by Us should have been made under another plan.

If such overpayment occurs, You have an obligation to reimburse Us in full within 60 days of Our Written notice to You.

If We do not receive reimbursement in full within 60 days, We may use any available legal means to collect the overpayment, including but not limited to one or both of the following:

- Taking legal action;
- Stopping or reducing any future payments under the Policy which might otherwise be payable to You or any other Claimant or payee.

You must immediately disclose to Us the amount of any retroactive payment You may receive from any of the Deductible Sources of Income. We have the right to obtain any information We may require relating to Your eligibility, application or receipt of Deductible Sources of Income. You must provide Us with Your Signed authorization to obtain such information upon Our request.

Adjustment for Underpayment

If You have been paid less than You are entitled to under the Policy, We will pay You the difference in a lump sum.

Proration

Any Voluntary Short Term Disability Benefit payable for less than a week will be prorated based on a 7 day week. The prorated amount may be less than the Minimum Weekly Benefit.

Awards of Damages and Right of Reimbursement

You will be required to reimburse Us for any benefits We pay to You if *both* of the following conditions are met:

1. Benefits are paid under the Policy; *and*
2. You recover damages whether by action at law, settlement, or compromise from any person, organization, or legal entity that is or may be liable for any illness, Injury, or other event giving rise directly or indirectly, to the Disability for which benefits are payable.

The term damages will include all lump sum or periodic payments however designated You receive under paragraph number 2 above. The provisions of this section shall apply whether or not the person, organization, or legal entity admits liability.

If You receive damages in one or more lump sum payments instead of in monthly or weekly payments, the amount You must reimburse to Us will be based on the amount of the award pro-rated over the period benefits have been or will be paid. You must provide Proof of the award to Us. Our rights shall be to the first reimbursement out of all funds You, Your parents if You are a minor, or Your legal representative, is or was able to obtain under the conditions outlined above.

Your lawyer may represent Our rights of reimbursement. However, We reserve the right to:

- Appoint another lawyer to act on Our behalf; *and*
- Commence an action to pursue Our rights of reimbursement directly against a third party.

As an Insured, You must:

- Agree to fully co-operate with Us in pursuing Our claim against the third party, including but not limited to the furnishing of any information, documents, or other assistance We may reasonably require.

- Agree to notify Us of any action You have or bring against any third party.

Additional Benefit for Work Retention Assistance

If You:

1. have a medical condition or functional impairment that You report to Us and that has the reasonable potential to result in a Disability under the Policy, according to generally accepted medical standards; *but*
2. have not yet become Disabled,

We may provide Vocational Rehabilitation services and assistance determined necessary and appropriate to minimize the effects of such condition or impairment and to assist You in retaining the ability to perform the Substantial and Material Acts of Your Own Occupation or of another appropriate gainful occupation offered by the Plan Sponsor. The services must be agreed to by You, by Us, and by Your Physician.

Exclusions

The following exclusions apply to any and all benefits under the Policy, including any Additional Benefits or Additional Provisions unless otherwise specifically referenced.

The Policy does not cover any disabilities or loss caused by, resulting from, or related to any of the following:

1. Disability or loss caused or substantially contributed to by war or any act of war, declared or undeclared, whether civil or international;
2. Service in the armed forces, military reserves or National Guard of any country or international authority, or in a civilian unit serving with such forces;
3. Disability or loss caused or substantially contributed to by any attempt at suicide or intentionally self-inflicted injury, while sane or insane;
4. Disability or loss caused or substantially contributed to by active participation in a riot, insurrection, or terrorist activity;
5. Disability or loss caused or substantially contributed to by committing or attempting to commit a felony.
6. Disability or loss in consequence of the Insured being intoxicated, as defined by the jurisdiction where the disability or loss occurred;
7. Disability or loss caused or substantially contributed to by voluntary intake of any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions;
8. Disability or loss caused or materially contributed to by engaging in an illegal occupation;
9. Any Illness or Injury arising in the course of any occupation or employment for which You receive benefits under any Workers' Compensation Act or similar law.

In addition, the Policy will not pay a benefit for any period for which any of the following applies:

1. With respect to a mental disorder, any period during which You are not under the continuing regular care of an appropriate specialist in psychiatric care. With respect to Alcoholism and Drug Addiction, any period during which You are not being actively supervised by and receiving continuing treatment from a rehabilitation center or a designated institution approved for such treatment by an appropriate body in the governing jurisdiction, or, if not, by Us.
2. You have applied for benefits under fraudulent circumstances and these circumstances resulted in a conviction of fraud.
3. You unreasonably fail to submit to an Independent Medical Exam requested by Us.

4. Disability results from cosmetic or reconstructive surgery, except for complications arising from such surgery, or surgery necessary to correct a deformity caused by Illness or accidental Injury.
5. Any period that any other requirement or condition of the Policy is not met, including but not limited to those listed in the *When Disability Benefits Ends* section.

If your professional or occupational license or your certification is suspended, revoked or surrendered, loss of your license or certification, by itself, does not mean you are disabled.

Your Disability must start while You are insured under the Policy. At the time of claim, Proof of Disability based on medical evaluation by a Physician, will be required. Thereafter, no benefits are payable for any period of disability during which you are not under the Regular Care of a Physician, or You or Your Physician unreasonably fail to provide Proof of continuing Disability, or any medical or any psychiatric records which We request.

Pre-Existing Condition Exclusion

You are not covered for a Disability caused or substantially contributed to by a Pre-Existing Condition or medical or surgical treatment of a Pre-Existing Condition. You have a Pre-Existing Condition if:

1. (a) You received medical treatment, care or services for a diagnosed condition or took prescribed medication for a diagnosed condition in the 3 months prior to Your effective date of coverage under the Policy; or
(b) You suffered from a diagnosed physical or mental condition which was misrepresented or not disclosed in Your application, (i) for which You received a Physician's treatment within 3 months prior to Your effective date of coverage under the Policy, or (ii) which caused symptoms within 3 months prior to Your effective date of coverage under the Policy; and
2. The Disability caused or substantially contributed to by the condition begins in the first 12 months after Your effective date of coverage under the Policy.

Uniform Compulsory Provisions

Entire Contract, Changes

This Policy, the application of the employer, if any, and the individual applications, if any, of the employees constitutes the entire contract between the parties, and any statement made by the employer or by any employee shall, in the absence of fraud, be deemed a representation and not a warranty. No such statement shall avoid the insurance or reduce the benefits under this Policy or be used in defense to a claim hereunder unless it is contained in a written application, nor shall any such statement of the employer, except a fraudulent misstatement, be used at all to void this Policy after it has been in force for two years from the date of its issue, nor shall any such statement of any employee eligible for coverage under the Policy, except a fraudulent misstatement, be used at all in defense to a claim for loss incurred or disability as defined in the Policy commencing after the insurance coverage with respect to which claim is made has been in effect for two years from the date it became effective.

No change in this Policy shall be valid unless approved by an executive officer of the insurer and unless such approval be endorsed herein or attached hereto. No agent has authority to change this Policy or waive any of its provisions.

Time Limit on Certain Defenses

After two years from the date of issue of this policy, no misstatement, except a fraudulent misstatement, made by you in your application shall be used to void the policy; and after two years from the effective date of the coverage with respect to which any claim is made no misstatement of any employee eligible for coverage under the policy, except a fraudulent misstatement, made in an application under the policy shall be used to deny a claim for loss incurred or disability (as defined in the policy) commencing after expiration of such two years.

No claim for loss incurred or disability (as defined in the policy) commencing after two years from the effective date of the insurance coverage with respect to which the claim is made shall be reduced or denied on the ground that a disease or physical condition, not excluded from coverage by name or specific description effective on the date of loss, had existed prior to the effective date of the coverage with respect to which the claim is made.

Grace Period

A grace period of 31 days will be granted for the payment of premiums accruing after the first premium, during which grace period the Policy shall continue in force, but the employer shall be liable to the insurer for the payment of the premium accruing for the period the Policy continues in force.

Notice of Claim

Written notice of claim must be given to the insurer within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the claimant to the insurer at:

Anthem Blue Cross Life and Health Insurance Company
Claims Service Center
P.O. Box 105426
Atlanta, GA 30348-5426
1 800-232-0113

with information sufficient to identify the insured employee, shall be deemed notice to the insurer.

Claim Forms

The insurer, upon receipt of a written notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within 15 days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

Proof of Loss

Written proof of loss must be furnished to the insurer, in case of claim for loss for which this policy provides any periodic payment contingent upon continuing loss, within 90 days after the termination of the period for which the insurer is liable, and in case of claim for any other loss, within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the employee, later than one year from the time proof is otherwise required.

Time of Payment of Claim

Indemnities payable under this policy for any loss other than loss for which this policy provides periodic payments will be paid to the insured employee as they accrue immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnity for loss for which this policy provides periodic payment will be paid weekly to the insured employee and any balance remaining unpaid upon the termination of the period of liability will be paid immediately upon receipt of due written proof.

Physical Examination and Autopsy

The insurer at its own expense shall have the right and opportunity to examine the person of any individual whose injury or sickness is the basis of claim when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death, where it is not forbidden by law.

Legal Actions

No action at law or in equity shall be brought to recover on this policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

Other Provisions

Assignment

You cannot assign Your rights or benefits under the Policy.

Currency

All payments made to or by Us will be made in United States dollars.

Class Membership

You may only be insured under one Class at any time.

Misstatement of Age or Other Facts

If Your age or any other fact was misstated, We will use the correct facts to determine whether You are insured and if so, for what amount and duration.

Errors

You must be properly insured under the Policy. An error or omission by the Plan Sponsor or by Us will not cause You to become insured. An error or omission by the Plan Sponsor or by Us will not cancel insurance that should continue nor continue insurance that should end. The requirements and conditions of the Policy must be properly met for any change in the amount of Your insurance to take effect. We have the right to full recovery of any overpayments made. Such reimbursement will be required regardless of whether the overpayment occurred due to an error by Us or by You, Your representative or beneficiary, or the Plan Sponsor.

Agency

The Plan Sponsor or employer and any administrator appointed by the Plan Sponsor or employer shall not be considered Our agents for any purpose. We are not liable for any of their acts or omissions.

Changes while You are not Actively at Work

If You are not Actively at Work on the effective date of the amendment, the effective date with respect to You will be the date that You are again Actively at Work. However, if the amendment would reduce the amount of Your insurance, the effective date with respect to You will be the effective date of the amendment.

It is understood that, if the Policy is amended during Your continuous period of Disability, the amendment will have no effect on the amount of insurance during the same continuous period of Disability.

Enforcement of Policy Terms

If at any time We do not enforce a provision of the Policy, We will still retain Our right to enforce that provision at Our option.

Proof Of Continuing Disability

From time to time You must give Proof to Us at Your expense that You are still Disabled. We will ask You for this Proof at reasonable intervals. We will stop Weekly Benefit Payments if You do not give Proof that You are still Disabled. We may investigate Your claim at any time.

Proof Of Financial Loss

We have the right to require written Proof of Financial Loss. This includes, but is not limited to:

1. statements of Weekly Earnings;
2. statements of income received from other sources while disabled;
3. evidence that due application has been made for all other available benefits;
4. tax returns, tax statements, and accountants' statements; and
5. any other Proof that We may reasonably require.

We may perform financial audits at Our expense as often as We may reasonably require.

Reconsideration Of A Denied Claim

You may request Us to review Our denial of all or part of Your claim. This request must be in writing and must be received by Us no more than 180 days after You receive notice of Our claim decision. As part of this review, You may:

- Send Us written comments;
- Review any non-privileged information relating to Your claim; *and*
- Provide Us with other information or Proof in support of Your claim.

We will review Your claim promptly after receiving Your request. We will advise You of the results of Our review within 45 days after We receive Your request, or within 90 days if there are special circumstances that require more time. If We request additional information, You will have 45 days to respond to Our request, and We will send written notice of Our claim decision within 30 days after We receive Your response. Our decision will be in Writing and will include reference to specific Policy provisions, rules or guidelines on which the decision was based, and notice to You of Your right to bring a civil action.

Section II. ERISA Information

The following statement is required by federal law and regulation:

As a participant of the Employee Welfare Benefit Plan, you are entitled to valuable financial protection – beyond your paycheck – that is provided by this plan. These benefits have been summarized and described for you in this Certificate so that you will have the facts you need for reference.

Your employee welfare plan benefits have been affected by The Employee Retirement Income Security Act of 1974 (ERISA) since September 2, 1974. ERISA was signed into law to provide additional protection of your rights under this plan. The law does not require a company to provide benefits, but it does set standards for any benefits a company wishes to offer. It also requires that you be fully informed of the benefits you can expect to receive and your rights under ERISA.

It is your right to know about your benefit plans in detail. Therefore, in addition to the information provided in this Certificate, you will receive each year – at no cost – a summary of the annual report of the plan's financial activities. You can also review the various plan documents at your place of work or receive copies of them at reasonable cost, if you file a written request with the Plan Administrator.

You also have a right to expect that the people who are responsible for the activities of the plan, who are called fiduciaries, act prudently and in your best interest. The plan fiduciaries have always acted in this manner, and have a commitment to the company to continue to do so. They also have a commitment under ERISA to make up any losses they may cause the plan through any imprudence.

If your claim for a benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim.

There are steps you can take to enforce your rights. You have a right to file suit if:

- A fiduciary has misused funds;
- The company improperly denies you a benefit;
- The company fails to furnish within 30 days any documents you have requested in writing; or
- The company discriminates against you for asserting your rights.

We doubt that will ever happen, but the right to file suit and to get the Department of Labor to help you is yours. The court will decide who should pay court costs and legal fees and could require the Plan Administrator to provide materials you requested and pay you up to \$110 a day until you receive the materials. If you are successful the court may order the person you have sued to pay these costs and fees.

If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

The company cannot dismiss you or discriminate against you to prevent you from obtaining benefits or exercising your rights under ERISA.

If you have any questions about this plan or your rights under ERISA, please contact the Plan Administrator who will be glad to help you. You can also obtain such information at the nearest Area Office of the U.S. Labor-Management Service Administration, Department of Labor.

FOR YOUR INFORMATION

CLAIMS DISCLOSURE NOTICE REQUIRED BY ERISA

The certificate contains information on reporting claims, including the time limitations on submitting a claim. Claim forms may be obtained from the Plan Administrator or Anthem Blue Cross Life and Health. In addition to this information, if this plan is subject to ERISA, ERISA applies some additional claim procedure rules. The additional rules required by ERISA are set forth below. To the extent that the ERISA claim procedure rules are more beneficial to you, they will apply in place of any similar claim procedure rules included in the certificate. This Claims Disclosure Notice Required by ERISA is not a part of your certificate.

A decision for a disability claim will be made by Anthem Blue Cross Life and Health within 45 days of the date the claim is filed. Under special circumstances, this decision may take up to another 60 days. You will be notified and the reason for the delay will be explained to you. The decision will be sent to you in writing.

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, upon request obtain copies of the claim file and other documents relevant to the decision without charge, and to appeal any denial, all within certain time schedules.

If you do not understand our decision or you are not satisfied with it, you may request a review of the denied claim within 180 days of receipt of written notice that your claim has been denied. You may also review the pertinent documents and submit comments in writing.

A decision must be made within 45 days after the request for review is made, unless circumstances of the claim require an extension, in which event the decision will be made as soon as possible, but not longer than 90 days after the request for review is made.

The written notice will explain the reason for the adverse benefit determination and the specific Policy provisions, internal rules, guidelines, protocols, standards or other similar criteria of the Policy on which the decision was based, or a statement that none were used.

Note: You, your beneficiary, or a duly authorized representative may appeal any denial of a claim for benefits with Anthem Blue Cross Life and Health and request a review of the denial. In connection with such a request:

- Documents pertinent to the administration of the Plan may be reviewed free of charge; and
- Issues outlining the basis of the appeal may be submitted.

You may have representation throughout the appeal and review procedure.

Section III.	Notice of Privacy Practices
---------------------	------------------------------------

Note: The following Notice of Privacy Practices is not a part of Your Certificate of Coverage and does not modify your insured benefits.

STATE NOTICE OF PRIVACY PRACTICES

We keep the health and financial information of our current and former members private as required by law, accreditation standards, and our rules. This notice explains your rights. It also explains our legal duties and privacy practices. We are required by state law to give you this notice.

Your Personal Information

We may collect, use, and share your nonpublic personal information (PI) as described in this notice. If we use or disclose PI for underwriting purposes, we are prohibited from using or disclosing PI that is genetic information of an individual for such purposes.

PI identifies a person and is often gathered in an insurance matter. Because PI is defined as any information that can be used to make judgments about your health, finances, character, habits, hobbies, reputation, career and credit, we take reasonable safety measures to protect the PI we have about you.

Collection of Personal Information

We may collect PI about you. PI may be about your health. It may also be demographic, such as your name, address, and birth date or financial, such as your credit card number. In most cases, you are our most important source for this information. We may also collect or check PI by speaking to others, such as your doctor or hospital. We may also contact other insurance companies to whom you have applied. We collect PI about your dealings with us and others acting on our behalf. This includes data about claims, medical history, eligibility, and payment. We may collect this PI by letter, telephone, personal contact, or electronic request.

Sharing Personal Information

Your PI is used to manage your coverage well. We do not share the PI of current or former members with others unless you tell us that it is OK for us to do so. We will only share PI without your OK when allowed by law. Here are some samples of when we may give PI to others:

- To third parties that do services for us. They must agree to protect your PI as required by law.
- To third parties so they can give us PI to determine eligibility for benefits or to spot or put a stop to criminal action, fraud, or misrepresentation.
- To our agents and brokers, other insurance companies, self-insured groups, or insurance support groups as needed to spot or put a stop to criminal action, fraud, or misrepresentation.

- To our agents and brokers, other insurance companies, self-insured groups, or insurance support groups as needed to give you the right service or to carry out an insurance matter that has to do with you or a covered member of your family. For example, we may share PI with another insurance company to help manage insurance benefits. In some states, the person who gets the information is not allowed to share it with others without your OK unless you are told about it ahead of time and are given a chance to find out if your PI was shared.
- To a doctor, hospital, or other medical provider to confirm coverage or benefits. To tell you about a medical problem that you may not be aware of. To carry out an operational or service audit.
- To insurance regulatory agencies.
- In response to a court order. This includes a search warrant or subpoena.
- To law enforcement or governmental authority to protect ourselves against an act of fraud, or if we reasonably believe that illegal activities have taken place.
- To industry and professional groups who carry out actuarial and research studies. Normally, the results of such studies benefit our members and the general public. That is why we would share data for that type of purpose. PI is removed to a point that it is still useful before sharing it with researchers. If it is shared, you will not be identified in any report that results from the research. All PI given to researchers is treated in a private manner.
- To your group health plan if reasonably needed to report claims experience or carry out an audit of our services. In some states, we are only allowed to give information on a group level (no PI) for these reasons.
- To a peer review group for review of the service or conduct of a doctor, hospital, or other medical provider.
- To a policyholder to give them information on the status of an insurance matter.
- To the government to decide your eligibility for health benefits if the government may be held responsible.
- To state governments to protect the public health and welfare. But only as needed to allow them to perform their duties when reporting is required or allowed by law.
- To an affiliate when it has to do with an audit of our company, or for marketing an insurance product or service. The affiliate must agree not to share the PI for any other reason or to those who are not affiliated. In some states, we may not share health care information for these reasons. In some states, we are required to get your OK in writing before we share any PI for these reasons.
- To a party to a sale, merger, or consolidation of all or part of our business. We can only share the PI reasonably needed to allow the person getting it to make business choices about the purchase. The person who gets the PI agrees not to share it with others unless allowed by state law.
- To a person who we know has a legal or beneficial interest in an insurance policy. No medical record information is shared unless allowed by state law. Only PI reasonably needed to allow such person to protect his or her interests in such policy is shared.
- To a non-affiliated party to market a product or service. In these cases, information that has to do with your medical records, character, habits, mode of living or reputation, is not shared. The non-affiliated party will only use the limited information to market the product or service. We will only share your information in this way if we gave you the

chance to opt-out (see below). In some states, and under HIPAA, we may only share your PI with third parties for marketing reasons if we get an OK in writing from you.

- As otherwise allowed or required by law.

Information obtained from a report prepared by an insurance support group may be kept by the group and made known to other persons. These groups are companies that routinely take part in gathering data about persons just to give the data to an insurance company.

Opt-out Opportunity

If we take part in an activity that would require us to give you a chance to opt-out, we will contact you. We will tell you how you can let us know that you do not want us to use or share your PI for that activity.

Your Rights

Under state law, you have a number of rights that have to do with your PI.

Access. You may ask for access to certain recorded PI that we can reasonably locate and get for you.

Amendment. You may ask us to correct, change, or delete recorded PI we have if you think it is wrong.

To ask for access or to change your PI, call Customer Service at the phone number printed on your ID card. They can give you the address to send the request. They can also give you any forms we have that may help you with this process. We will need your full name, address, date of birth, all ID numbers and details about what PI you want to access or change.

How we protect information

We are dedicated to protecting your PI. We set up a number of policies and practices to help make sure this PI is kept secure.

We keep your oral, written, and electronic PI safe using physical, electronic, and procedural means. These safeguards follow federal and state laws. Some of the ways we keep your PI safe include offices that are kept secure, computers that need passwords, and locked storage areas and filing cabinets. We require our employees to protect PI through written policies and procedures. The policies limit access to PI to only those employees who need the data to do their job. Employees are also required to wear ID badges to help keep people who do not belong out of areas where sensitive data is kept. Also, where required by law, our affiliates and non-affiliates must protect the privacy of data we share in the normal course of business. They are not allowed to give personal information to others without your written OK, except as allowed by law.

Complaints

If you think we have not protected your privacy, you can file a complaint with us. We will not take action against you for filing a complaint.

Contact Information

Please call Customer Service at the phone number printed on your ID card. they can help you apply your rights, file a complaint, or talk with you about privacy issues.

Copies and Changes

You have the right to get a new copy of this notice at any time. Even if you have agreed to get this notice by electronic means, you still have the right to a paper copy. We reserve the right to change this notice. A revised notice will apply to PI we already have about you as well as any we may get in the future. We are required by law to follow the privacy notice that is in effect at this time. We may tell you about any changes to our notice in a number of ways. We may tell you about the changes in a member newsletter or post them on our website. We may also mail you a letter to tell you about changes.

Si necesita ayuda en español para entender este documento, puede solicitarla sin costo adicional, llamando al número de servicio al cliente que aparece al dorso de su tarjeta de identificación o en el folleto de inscripción.

This Notice is provided by the following companies:



Anthem Blue Cross Life and Health Insurance Company
21555 Oxnard Street
Woodland Hills, CA 91367
Phone: 1 800-232-0113