



School Insurance Specialists

VOLUNTARY BENEFITS







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VOLUNTARY BENEFITS

SET SEG Employee Benefits provides a variety of options to enhance your employer-sponsored benefit plan. In this book, you'll find a description of each benefit and the rates for coverage to help you decide which benefit is right for you and your family. For more information about the products listed in this book, contact SET SEG Employee Benefits at (800) 292-5421.



SET Voluntary Insurance Options

ADMINISTERED BY SET SEG EMPLOYEE BENEFIT SERVICES

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FOR INFORMATION ON HOW TO FILE A CLAIM

To file a claim for any of the benefits listed in this book, contact the insured employee's human resources office for necessary paperwork and further instructions.

Disclaimer: None of the limitations and conditions of any policies outlined in this booklet are waived or modified by reason of any omission from or description in this booklet. For the full terms and conditions of any coverage listed, please refer to your insurance certificate.

BASIC TERM LIFE & ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

This benefit provides \$5,000 of coverage in the event of your death as the insured employee. An additional \$5,000 Accidental Death and Dismemberment benefit is payable if you die due to an accident; 50 percent of the principle sum is payable if you lose a hand, foot, or the sight of one eye; 25 percent of the principle sum is payable if you lose your thumb or index finger on either hand. An automobile accident benefit pays an additional \$5,000 if you die as a result of injuries suffered in an automobile accident while wearing a seat belt.

This coverage must be purchased to have access to the following voluntary benefits described in this booklet:

- Dependent Term Life
- Short-Term Disability
- Short-Term Disability-Long-Term Disability Coordinated Plan
- Long-Term Disability
- Group Survivor Income Insurance
- Group Hospital Confinement Indemnity Insurance

COST OF COVERAGE

The cost for this coverage is \$2.36 per month.



DEPENDENT TERM LIFE INSURANCE

This product is available only if you have the Basic Term Life insurance described on page 4 of this booklet.

DESCRIPTION

This benefit provides a \$2,000 payment in the event of an eligible dependent's death.

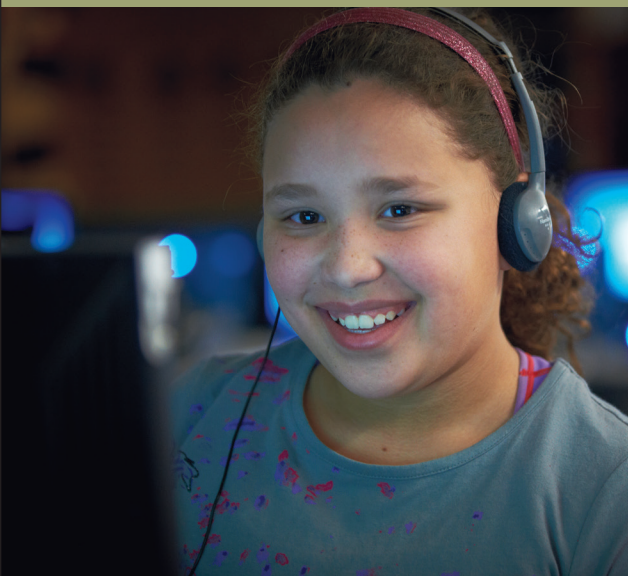
Eligible dependents include:

- Your spouse
- Unmarried children who are aged 14 days or older and are defined as dependents by the Internal Revenue Code. Coverage ends for children at the end of the calendar year in which they reach age 25, unless the child is incapable of self-sustaining employment by reason of mental or physical handicap, then until age 65. Sponsored dependents are not eligible for this coverage.

Dependents are not required to be covered under a medical insurance plan to qualify. If an eligible dependent, including a newborn child, is hospitalized on the date insurance would otherwise become effective, the insurance will become effective on the day following his/her discharge from the hospital.

COST OF COVERAGE

The cost for this coverage is \$1.48 per month for any and all insured dependents.



SHORT-TERM DISABILITY INCOME INSURANCE

This product is available only if you have the Basic Term Life insurance described on page 4 of this booklet.

DESCRIPTION

This insurance provides weekly benefits ranging from \$20 - \$700* in the event that you are disabled. You are considered disabled if you are unable to perform your regular job and are under the care of a licensed physician. For Short-Term Disability payments to continue through a vacation or beyond the 52-week benefit limitation (as described below), house or hospital confinement is required.

Benefits begin on the first day of disability for accidents or injuries and are payable for up to 52 weeks. For disabilities due to sickness or pregnancy, you can begin your payments eight or 29 consecutive days after the start of the disability. If your disability continues after that period of time, an additional 52-week benefit is payable at 50 percent of the selected rate.

*The benefit selected will be reduced by any benefit paid or payable under any workers' compensation law or United States Social Security Act.

COST OF COVERAGE

1. Locate your annual salary in the chart on page 7. If your salary is not listed, select the amount that is closest to your salary without going over.
2. The weekly benefit shows the maximum amount you are eligible to receive for your salary level. You may choose a weekly benefit that is less than the amount shown if you desire.
3. Determine monthly cost by selecting whether you want the benefit to begin after eight consecutive days or 29 consecutive days for disabilities due to sickness or pregnancy.

Example: if your annual salary is \$44,000, you may select a weekly benefit up to \$600. The cost is \$93.60 per month for the 8-day option or \$64.80 for the 29-day option.

ANNUAL SALARY	WEEKLY BENEFIT	MONTHLY RATE	
		8-DAY OPTION	29-DAY OPTION
\$1,300	\$20	\$3.12	\$2.16
\$1,950	\$30	\$4.68	\$3.24
\$2,600	\$40	\$6.24	\$4.32
\$3,250	\$50	\$7.80	\$5.40
\$3,900	\$60	\$9.36	\$6.48
\$4,500	\$70	\$10.92	\$7.56
\$5,200	\$80	\$12.48	\$8.64
\$5,850	\$90	\$14.04	\$9.72
\$6,500	\$100	\$15.60	\$10.80
\$7,250	\$110	\$17.16	\$11.88
\$8,000	\$120	\$18.72	\$12.96
\$8,750	\$130	\$20.28	\$14.04
\$9,500	\$140	\$21.84	\$15.12
\$10,250	\$150	\$23.40	\$16.20
\$11,000	\$160	\$24.96	\$17.28
\$11,750	\$170	\$26.52	\$18.36
\$12,500	\$180	\$28.08	\$19.44
\$13,250	\$190	\$29.64	\$20.52
\$14,000	\$200	\$31.20	\$21.60
\$17,800	\$250	\$39.00	\$27.00
\$21,500	\$300	\$46.80	\$32.40
\$25,250	\$350	\$54.60	\$37.80
\$29,000	\$400	\$62.40	\$43.20
\$36,400	\$500	\$78.00	\$54.00
\$43,000	\$600	\$93.60	\$64.80
\$50,500 and up	\$700	\$109.20	\$75.60

PRE-EXISTING CONDITIONS

No benefits will be paid for any disability caused by a pre-existing condition, including any injury, sickness or pregnancy for which you have consulted with a licensed physician or received medical care or services within the three-month period immediately preceding the date your insurance becomes effective at its current amount under this plan. A condition ceases to be considered pre-existing when one of the following occurs:

1. After the effective date of your insurance, a period of at least three consecutive months has elapsed during which you have incurred no expenses, received no medical treatment or services, or taken prescribed drugs or medicines in connection with such sickness, pregnancy or injury.
2. A period of at least 12 consecutive months has elapsed during which time you have been continuously insured for these benefits.
3. A period of at least six consecutive months has elapsed during which you have been continuously insured for these benefits and have been continuously actively at work.

SHORT-TERM DISABILITY INSURANCE – LONG-TERM DISABILITY COORDINATED PLAN

This product is available only if you have the Basic Group Term Life insurance described on page 4 of this booklet AND you are enrolled in your employer's Group Long-Term Disability plan.

DESCRIPTION

If your employer provides a long-term disability plan with a 60-, 90-, 120- or 180-day waiting period, you are eligible to enroll in a coordinated short-term disability plan with a benefit duration equal to your long-term disability waiting period.

In the event that you become disabled, coordinated short-term disability insurance provides a weekly benefit during your employer-paid, long-term disability waiting period. You are considered disabled if you are completely unable to engage in your regular work and require the care and attendance of a licensed physician.

To become eligible for benefits, you must remain disabled during the waiting period indicated in the benefit schedule. These benefits are payable while you meet our definition of disability, and until the maximum benefit duration ends. Premiums are not waived during periods of short-term disability.

Premium increases based on age and compensation levels are calculated every year on May 1.

WHEN BENEFITS BEGIN

Accident and hospital: Day 1

Sickness: 15 consecutive days after the first day of disability

COST OF COVERAGE

1. To determine your weekly benefit, multiply your weekly wage times 66.67 percent. The maximum benefit amount is capped at \$700.
2. Using the table below, find the amount corresponding to your age on the date of enrollment and the number of days you'd like for your benefit.
3. To calculate your monthly rate, divide your weekly benefit by 10 and multiply that number by the rate in the table that corresponds to your age and the number of days in your Long-Term Disability waiting period.

AGE	MONTHLY RATE			
	60-DAY	90-DAY	120-DAY	180-DAY
Through 29	\$1.00	\$1.11	\$1.20	\$1.31
30-34	\$0.82	\$0.92	\$1.00	\$1.11
35-39	\$0.69	\$0.77	\$0.86	\$0.94
40-44	\$0.59	\$0.68	\$0.76	\$0.86
45-49	\$0.65	\$0.72	\$0.81	\$0.92
50-54	\$0.72	\$0.86	\$0.94	\$1.07
55-59	\$0.89	\$1.01	\$1.14	\$1.30
60+	\$1.06	\$1.22	\$1.35	\$1.55

Example: Jane Smith is 40 years old and has a weekly salary of \$800. To determine her weekly benefit, she should calculate $\$800 \times .6667 = \533.36 (round this number to the nearest \$10). Monthly rate is $\$530/10 = 53$; $53 \times .59 = \$31.27$ for plans with a 60-day waiting period.

BENEFITS WILL BE REDUCED BY

- Amounts paid or due in connection with disability covered under any workers' compensation (or similar) laws.
- Weekly pay received from your employer during any disability period.
- Amounts paid or due in connection with disability or retirement under the Michigan Public School Employees Retirement System or Social Security.

SUCCESSIVE PERIODS OF DISABILITY

Should a successive period of disability occur due to the same or related causes, it will be considered a continuation of the first disability unless separated by a return to active work on a full-time basis at your usual place of business for two weeks or more.

Should a successive or concurrent period of disability occur, due to unrelated causes, it will be considered a continuation of the first disability unless separated by a return to work on a full-time basis at your usual place of business for one complete day or more.

EXCLUSIONS

- Benefits are not payable for the portion of any period of disability during which you cease to be under the direct care of a licensed physician or engaged in any work for remuneration or profit.
- No benefits are payable for any disability suffered as a result of the commission of an assault or felony or for intentionally self-inflicted injury of any kind, whether sane or insane.
- During the first year of each disability, benefits will not be paid for periods when you are not scheduled to work (e.g., summer vacations).
- Limited benefits will be paid for a disability caused by a mental or nervous disorder.

PRE-EXISTING CONDITIONS

No benefits will be paid for any disability caused by a pre-existing condition, including any injury, sickness or pregnancy for which you have consulted with a licensed physician or received medical care or services within the three-month period immediately before you become insured for your current amount under this plan.

A condition shall cease to be a pre-existing condition after the expiration of one of the following:

1. Completion of a period of at least three consecutive months on or after the effective date of insurance during which you have incurred no expenses, received no medical treatment or services, or taken prescribed drugs or medicines in connection with such sickness, pregnancy or injury.
2. A period of at least 12 consecutive months has elapsed during which time you have been continuously insured for these benefits.
3. A period of at least six consecutive months has elapsed during which you have been continuously insured for these benefits and have returned to active work.

EXTENDED BENEFIT

If you are disabled or partially disabled on the day the short-term disability terminates, and you remain disabled long enough to qualify, benefits will be paid according to the policy.

COORDINATED SHORT-TERM DISABILITY INSURANCE EARNINGS DEFINITION

Weekly pay is your basic wages or salary for one week of work from the participating employer. It is determined on the day before the period of disability starts. Bonuses, overtime and other compensation are not considered basic wages or salary and are not included. If you are an hourly employee, weekly pay is based on your hourly rate of pay, but not on more than 40 hours per week.

For covered persons who are paid on less than a 52-week basis, weekly pay is determined as follows:

1. For that part of the period of disability before the start of the next school year, the amount of weekly pay you would have been entitled to receive from the participating employer for that week if you had not become disabled; and
2. For that part of a period of disability after the start of the next school year, $1/52$ of the amount of annual pay you received or would have received from the participating employer for the school year in which the period of disability started.



LONG-TERM DISABILITY INCOME INSURANCE

This product is available only if you have the Basic Group Term Life insurance described on page 4 of this booklet.

DESCRIPTION

Long-term disability income insurance is designed to partially replace income lost during a period of total disability that continues beyond 52 weeks. This insurance provides monthly benefits ranging from \$100 to \$1,500 in increments of \$100.

You are considered totally disabled if, during the first 36 months of a disability period, you are under the regular care of a licensed physician and are unable to perform the duties of your regular occupation. After the first 36 months of a total disability period, you remain totally disabled if you are unable to perform the duties of any occupation for which you are reasonably fitted by education, training or experience.

If you are disabled at or after age 60, a benefit of at least 12 months is provided depending on your age when you become disabled. Rates are based on the amount of benefit selected and your age.

During open enrollment periods, no request will be rejected on the basis of health history regardless of the amount of benefit selected. However, benefit for disability resulting from conditions existing before you became insured will be excluded. If an enrollment request occurs outside of an open enrollment period, you may be subject to medical underwriting.

COST OF COVERAGE

1. Using the table on page 13, locate the row that contains your annual salary. The monthly benefit is the maximum amount you are eligible to receive; you may sign up for lesser amounts.
2. To determine cost, locate the rate that corresponds with your age based on your age on the date you enroll in the plan. Rate increases due to changes in age brackets occur each year on May 1. Monthly benefits are payable for a maximum period of five years.

ANNUAL SALARY	MONTHLY BENEFIT	MONTHLY RATE		
		THROUGH AGE 39	AGE 40-49	AGE 50-69
\$2,000	\$100	\$0.23	\$0.57	\$1.59
\$4,000	\$200	\$0.46	\$1.14	\$3.18
\$6,000	\$300	\$0.69	\$1.71	\$4.77
\$8,000	\$400	\$0.92	\$2.28	\$6.36
\$10,000	\$500	\$1.15	\$2.85	\$7.95
\$12,000	\$600	\$1.38	\$3.42	\$9.54
\$14,000	\$700	\$1.61	\$3.99	\$11.13
\$16,000	\$800	\$1.84	\$4.56	\$12.72
\$18,000	\$900	\$2.07	\$5.13	\$14.31
\$20,000	\$1,000	\$2.30	\$5.70	\$15.90
\$22,000	\$1,100	\$2.53	\$6.27	\$17.49
\$24,000	\$1,200	\$2.76	\$6.84	\$19.08
\$26,000	\$1,300	\$2.99	\$7.41	\$20.67
\$28,000	\$1,400	\$3.22	\$7.98	\$22.26
\$30,000 and up	\$1,500	\$3.45	\$8.55	\$23.85

EXCLUSIONS

- No benefits will be paid for any disability caused by alcoholism, drug addiction, war or act of war, intentionally self-inflicted injury, a pre-existing condition as described below, or participation in an assault, felony or riot.

PRE-EXISTING CONDITIONS

Pre-existing condition means any injury, illness or pregnancy for which you consulted with a licensed physician or received any medical care or services within the three month period immediately before you became insured for your current amount of benefit under this plan. A condition ceases to be a pre-existing condition at the end of a period of three consecutive months after you became so insured during which you have not consulted with a licensed physician or received any medical care or services for such injury, illness or pregnancy; or a period of three consecutive months during which time you have been continuously insured and there has been no loss of time from active employment due to the pre-existing condition.

- No benefits are payable for that portion of any period of disability where the disabled person is confined in a penal or correctional institution as a result of conviction for a criminal or other public offense.
- Limited benefits will be paid for a disability caused by a mental or nervous disorder.

The long-term disability benefit plus all other retirement and disability income benefits is limited to 70 percent of your monthly salary as of September 1 of the year preceding the disability. The retirement and disability benefits include any salary, wages, commissions or similar money paid for work or service you may receive or be entitled to receive; any periodic retirement benefits provided under or by an employee benefit plan or arrangement sponsored by the employer; any periodic payments of benefits provided under any life insurance disability plan; any periodic benefits for loss of time provided under any individual policy sponsored by the employer; any group, franchise or wholesale insurance contract; any periodic benefits under any workers' compensation act; any non-occupational disability benefits law or similar statute; any periodic cash payments for disability provided under the federal Social Security Act, the U.S. Railroad Retirement Act, any federal law pertaining to veteran's benefits; or any other law of the United State, Canada, a state, province or political subdivision.

GROUP SURVIVOR INCOME INSURANCE

This product is available only if you have the Basic Group Term Life insurance described on page 4 of this booklet.

DESCRIPTION

In the event of your death, group survivor income insurance provides a monthly benefit to your eligible survivors which include:

- Your spouse, if he/she was your lawful spouse on the day immediately preceding your death (unless legally separated). He/She cannot be remarried and cannot have attained the applicable limiting age defined below.
- An unmarried child who has not attained the limiting age defined below and is a dependent as defined by the Internal Revenue Code. Sponsored dependents are not eligible for this coverage.

The spouse benefit of \$200 per month is directly payable to your spouse. The child benefit of \$100 per child per month is payable to your spouse at the same time the spouse benefit is paid or is payable in equal shares to each surviving child. The benefit is payable as long as the dependents meet eligibility requirements.

LIMITING AGE

- For a spouse, age 65
- For a child, the end of the calendar year in which the child turns 25, unless the child is incapable of self-sustaining employment by reason of mental or physical handicap, then until age 65. Satisfactory proof of the child's incapacity is required at the time the child turns 25

COST OF COVERAGE

Use the chart at the right to locate the dollar amount that corresponds with your age on the date of enrollment. After enrollment, your age on May 1 of each year will be used to determine bracket changes.

EMPLOYEE AGE	MONTHLY CONTRIBUTION
Up to age 30	\$3.18
30-34	\$4.20
35-39	\$5.88
40-44	\$8.90
45-49	\$12.44
50-54	\$15.80
55+	\$18.90

GROUP HOSPITAL CONFINEMENT INDEMNITY INSURANCE

This product is available only if you have the Basic Group Term Life insurance described on page 4 of this booklet.

DESCRIPTION

Group hospital confinement indemnity insurance provides a daily benefit to you or your eligible dependents in the event of hospitalization (charged room and board) for up to 365 days. Benefit amounts range from \$10-\$100 in increments of \$10. This amount is in addition to other insurance you may have, including workers' compensation, group insurance or individual hospital plans. This coverage does not include confinement in a qualified nursing home, convalescent home or extended care facility.

Eligible dependents are your spouse and unmarried children who are 14 days of age or older and are considered dependent as defined by the Internal Revenue Code.

Dependent coverage ceases at the end of the year in which the child turns 25.

Sponsored dependents are not eligible for this coverage.

COST OF COVERAGE

To determine your monthly rate, use the table below to find your age on the date you enroll in the plan. After enrollment, your age on May 1 of each year will be used to determine bracket changes.

The monthly rates listed below are based on a \$10-per-day plan. If you'd like to select a higher benefit amount, use the following calculations:

- \$20-per-day = twice the amount shown
- \$30-per-day = three times the amount shown
- \$40-per-day = four times the amount shown
- \$60-per-day = six times the amount shown
- \$80-per-day = eight times the amount shown
- \$100-per-day = 10 times the amount shown

AGE	EMPLOYEE ONLY	EMPLOYEE & SPOUSE	EMPLOYEE & CHILDREN	EMPLOYEE & FAMILY
Up to age 34	\$1.10	\$2.20	\$2.30	\$3.40
35-44	\$1.20	\$2.40	\$2.40	\$3.60
45-54	\$1.60	\$3.20	\$2.80	\$4.40
55-64	\$2.10	\$4.20	\$3.10	\$5.20
65+	\$3.20	\$6.40	\$4.00	\$7.20

COVERAGE DETAILS

- Hospitalizations for conditions that begin on or after the effective date of your insurance will be covered immediately.
- Hospitalization due to war, attempted suicide, mental illness, alcoholism, drug addiction, service in the armed forces, confinement in any type of governmental facility, committing or attempting to commit an assault or felony is not covered.
- Hospitalization due to pre-existing conditions is not covered.
- If you are not actively at work, or your dependent is hospitalized on the date your coverage would take effect, the effective date of coverage will be deferred until you return to active work or the day following your dependent's discharge from the hospital.

PRE-EXISTING CONDITIONS

A pre-existing condition is any condition, including pregnancy, for which medical care or services were rendered or recommended to you by a licensed physician within the 12-month period immediately before you became insured for the current amount of benefit.

A condition ceases to be considered pre-existing after the expiration of one of the following:

- A period of 12 consecutive months during which the insured individual has not consulted with a licensed physician or received any medical care or services for such condition
- A period of two years beginning on the date the individual becomes insured for such amount
- If hospitalized at the end of the two-year period, the first day thereafter you return to work or your dependent is no longer confined.

SET VOLUNTARY TERM LIFE

ELIGIBILITY

Note: Some of the following benefits are limited by employee selection, and may not be available to you or be listed in your certificate of coverage.

To purchase this coverage, you must be a full-time employee working at least 15 hours per week. Your employer must participate in the Voluntary Group Term Life and Voluntary Accidental Death and Dismemberment plans.

EFFECTIVE DATE OF COVERAGE

If your request for coverage is approved by Reliance Standard Life Insurance Company for initial or additional amounts, your insurance coverage will become effective on the first day of the month coinciding with or next following the date your application is signed, provided you are actively at work on a full-time basis at your usual place of business on that date, and any required premium has been paid.

The effective date of coverage for dependents who are home or hospital confined on the date they would otherwise become insured will be deferred until the day after confinement ends.

INITIAL PREMIUM

The initial premium will be determined by your age and your spouse's age on the last birthday preceding the policy anniversary date. After the insurance goes into effect, premium adjustments based on age will occur each year on the policy anniversary date.

TERMINATION OF INSURANCE

All insurance will terminate due to the following circumstances:

- Upon the end of employment with a participating employer
- If you are no longer defined as an eligible employee
- If required contributions are discontinued
- If your employer ceases to participate in the plan or if the master policy is terminated
- If you enter military service

Dependent insurance will terminate for your spouse and/or children when they no longer meet the definition of an eligible dependent.

Voluntary Term Life and Accidental Death and Dismemberment Insurance are underwritten by Reliance Standard Insurance Company. Pages 17-26 contain brief descriptions of these plans, which are described in more detail in the certificates issued to insured persons. None of the limitations and conditions of such policy are waived or modified by reason of any omission from or description in this booklet. If a conflict exists between a statement in this booklet and any provision in the policy, the policy will govern.

LIFE INSURANCE

GUARANTEED ISSUE

- A guaranteed issue amount of \$30,000 is available for employees under age 60. For employees aged 60-69, the guaranteed issue amount is \$10,000. Employees must apply for coverage within 31 days of eligibility to receive guaranteed issue amounts.
- A guaranteed issue amount of \$20,000 is available for an employee's spouse under age 60; there is no guaranteed issue for spouses age 60 and older.

INSURANCE AMOUNTS FOR EMPLOYEES

Up to \$500,000 of coverage in \$10,000 increments may be elected. If this insurance is purchased prior to age 75, the table on the right shows the amount insurance will be reduced in accordance with your age on the policy anniversary date.

AGE	PERCENTAGE OF YOUR BENEFIT AMOUNT (PRE-AGE 75)
75	60%
80	35%
85	27.5%
90	20%
95	7.5%
100	5%



DEPENDENT LIFE INSURANCE

- Spouse option – up to \$500,000 of coverage, in increments of \$10,000, may be elected for your spouse. A spouse is eligible for coverage until age 75; however, your spouse must be under age 70 on the date of application.
- Children option – up to \$10,000 of coverage, in increments of \$2,500, may be elected for each eligible, unmarried, dependent child, from ages six months to 20 years (age 26 if a full-time student). Children ages 14 days to six months are provided \$1,000 coverage. You or your spouse must be insured for any eligible, dependent children to be insured. All dependent child coverage is guaranteed issue.

COST OF COVERAGE

- Use the table below and on the right to determine the cost of coverage for employees, spouses and dependent children.

MONTHLY RATES FOR EMPLOYEES AND THEIR SPOUSES	
AGE	RATE PER \$10,000 BENEFIT
Up to age 29	\$0.44
30-34	\$0.52
35-39	\$0.76
40-44	\$1.24
45-49	\$2.06
50-54	\$3.50
55-59	\$5.83
60-64	\$7.23
65-69	\$10.57
70+	\$20.22

MONTHLY RATES FOR DEPENDENT CHILDREN				
AGE	OPTION 1	OPTION 2	OPTION 3	OPTION 4
14 days – 6 months	\$1,000			
6 months – age 20; 26 for full-time students	\$2,500	\$5,000	\$7,500	\$10,000
RATE*	\$0.42	\$0.82	\$1.22	\$1.62

*There is one rate for all eligible children, regardless of the number of children covered

LIMITATION

Benefits are not paid for death from suicide during the first two years the insurance is in effect. Only premium amounts previously paid will be payable in the event of a suicide that occurs within 2 years of the effective date.

OTHER BENEFITS

Disability Waiver of Premium Benefit

We will extend the amount of insurance during a period of total disability for 1 year if:

1. The employee becomes totally disabled prior to age 60;
2. The total disability lasts for at least 6 months in a row;
3. We receive proof of total disability within 1 year from the date it began; and
4. The premium continues to be paid during the 6 month period.

“Total disability/totally disabled” means: an employee’s complete inability to engage in any type of work for wage or profit for which such employee is suited by education, training or experience.

After proof of total disability is approved by us, premium payment for the insured and his insured dependants is not required for 1 year. Also, any premiums paid from the start of the total disability will be returned.

The employee must submit annual proof of continued total disability to have insurance extended for additional 1 year periods.

Disabilities excluded from coverage include those stemming from intentionally self-inflicted injury and those that result from an act of war (declared or undeclared). Please see your individual certificate for more information.

Living Benefit

Reliance Standard will advance up to 50 percent of the applicable death benefit if you, your insured spouse or child have a terminal illness that results in an expected life span of less than 12 months. Payment of this benefit is subject to certain coverage requirements as described in the policy and is subject to a \$250,000 cap. Consult your tax advisor about the tax treatment of a living benefit.

PORTABILITY PRIVILEGES

If you leave your employer, you may keep your Voluntary Term Life insurance and that of your insured dependents under the plan’s portability of coverage feature by electing, within 31 days, to pay premiums directly to Reliance Standard. Contact SET SEG at (800) 292-5421 for portability rates.

CONVERSION PRIVILEGES

If your coverage terminates for any reason other than non-payment of premium, you may convert to an individual whole life policy without submitting evidence of insurability. An insured employee or spouse under age 70 may convert to an individual whole life policy up to the amount of their current life insurance. When an insured dependent child attains the maximum age for eligibility, he or she is also eligible to convert up to five times his or her current amount of life insurance to an individual whole life policy.

EVIDENCE OF INSURABILITY

Proof of good health is required for all amounts of new or additional life or dependent life insurance, except as provided by the guaranteed issue. The answers to health questions on the enrollment request form are sufficient for underwriting in most cases; however, additional proof of good health, such as an attending physician's statement or a physical examination, may be required.



ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)

In the event of accidental death, this elective provides coverage in amounts ranging from \$10,000 to \$500,000, in \$10,000 increments, for employees, their spouses and dependent children. An employee must elect AD&D coverage in order for a spouse and/or dependent children to become eligible to elect coverage. Amounts above \$150,000 cannot exceed 10 times the employee's earnings. At age 75, benefit amounts reduce by 50 percent of the pre-age 75 amount. At age 80, benefit amounts reduce by 75 percent of the pre-age 75 benefit. Benefit terminates upon retirement.

Eligible dependent children may be insured up to a maximum of \$100,000. The amount of dependent coverage cannot exceed the employee's or spouse's coverage amount.

DESCRIPTION OF COVERAGE

If an injury results in death or dismemberment within one year of a covered accident occurring while insured, benefits will be paid as follows:

- Loss of life – total benefit amount
- Loss of two or more members – total benefit amount
- Loss of speech or hearing – 50 percent to total benefit amount (depends on severity of the loss)
- Loss of one member – 50 percent of the benefit amount
- Thumb and index finger of the same hand – 25 percent of the benefit amount

Only one benefit, the largest amount to which the insured is entitled, will be paid if an insured suffers more than one loss in the same accident.

Losses must result directly and independently from injury with no other contributing cause.

- A member is a hand, foot or eye
- Loss with regard to hand or foot is the complete severance through or above the wrist or ankle joint
- Loss with regard to an eye is the total and irrecoverable loss of sight
- Loss with regard to speech or hearing means the total and irrecoverable loss of either function
- With regard to thumb and index finger, it means the complete severance through or above the knuckle joints

COST OF COVERAGE

Monthly rates for employee, spouse and dependent children are \$0.03 per thousand dollars of benefit to a maximum of \$500,000. Voluntary AD&D benefits cannot exceed 10 times the employee's basic annual earnings for amounts of \$150,000 or more.

TOTAL LOSS OF USE BENEFIT

If you are in a covered accident and suffer the total loss of use of an arm, leg or both within 12 months of that accident you are eligible for benefits according to the table below:

LOSS OF USE	PERCENTAGE OF FULL BENEFIT AMOUNT
Both arms and both legs	100%
Both arms and one leg OR both legs and one arm	75%
Both arms or both legs	66.67%
One arm and one leg	66.67%
One arm or one leg	50%

Proper medical authority is required at the end of the 12-month period to certify that the total loss of use is continuous and permanent. Only one benefit will be paid for more than one total loss of use resulting from any one accident; however, the largest amount will be used.

OTHER BENEFITS

Exposure and Disappearance

If an insured is exposed to the elements due to an accident and sustains a loss for which benefits would otherwise be payable, that loss will be covered. Reliance Standard will presume an insured suffered loss of life due to an injury if the insured is riding in conveyance that is involved in a covered accident and, as a result of the accident, the conveyance is wrecked, sinks, or disappears, and the body is not found within one year of the accident.

Reserve National Guard Coverage

If you or your insured dependent is a member of an organized Reserve Corps or National Guard unit, the following is covered:

- En route to or from or attending any regularly scheduled or routine training of less than 60 days

- Taking part in any authorized inactive duty training
- Taking part as a unit member in a parade or exhibition authorized by official orders
- Attending a service school operated by or on behalf of the United States of America

No benefit is payable for any loss that occurs during active duty.

Seat Belt/Air Bag Benefit

If you or your insured dependent dies as a result of a covered automobile accident, additional benefits may be paid in the following situations:

- You or your insured dependent were operating or riding in an automobile and using a seat belt, an additional benefit equal to 10 percent of the benefit amount will be paid
- An additional 5 percent of the benefit amount will be paid if the vehicle is equipped with a factory-installed air bag

Total maximum payable for this benefit is \$25,000. Use of seat belts and evidence that the air bag inflated properly upon impact must be established in the police report of the accident. Losses sustained while driving or riding in a vehicle used for a race, speed or endurance test, or for acrobatic or stunt diving are not covered. This benefit is not payable for any loss sustained if the seat belt was not worn, regardless of the reason. This benefit is also not payable for a loss sustained due to a defect in the air bag's diagnostic system.

Education Benefit

This benefit pays for educational expenses for your spouse and dependents in the event of your death due to a covered accident. The family plan must be in effect on the date of the accident. Benefit includes:

- For your spouse, actual tuition expense, up to \$3,000 annually for the cost of attendance at an institute of higher education (see policy for definition) is payable. Attendance must be intended to provide a means of support for your spouse, and the cost must be incurred within 30 months of your death.
- A dependent child who is in grade 12 and enrolls within one year of your death, or a dependent child who is already enrolled on the date of your accident, as a full-time student, in any institute of higher learning beyond grade 12 is eligible for this benefit.
- Annual payments for up to four consecutive years while the dependent is enrolled will equal 5 percent of your benefit amount, subject to a minimum of \$1,000 and a maximum of \$5,000 per year.

Coma Benefit

If you lapse into a coma as a result of an accident and it lasts for more than 30 days, this benefit will pay 1 percent of your benefit amount on a monthly basis. For this benefit to be payable, the coma does not need to be continuous, as long as recurrences are not due to an unrelated cause. You must be confined in a hospital or other medical facility and diagnosed as being in a coma by a licensed physician. The benefit will start on the day 31 of the coma. Benefits will continue until the coma ends, your death, or after 100 consecutive months, whichever occurs first. You are only eligible for one coma benefit for each eligible accident.

Day Care Benefit

In the event that you or your spouse dies due to injury, this monthly benefit covers the cost of day care up to 2 percent of your benefit amount, not to exceed \$2,400, in any one calendar year for each insured dependent child under age 14. The children must be in day care within 48 months from the date of death. For each child, the benefit will terminate on the date he/she turns 14 or the end of a period of four consecutive years from date of your or your spouse's death, whichever occurs first.

CONVERSION PROVISIONS

If your coverage terminates for reasons other than termination of the policy, you may convert to an individual policy without proof of good health. Application and premium payment must be made within 31 days of termination. The amount of insurance will not be more than your benefit amount under this plan or \$250,000, whichever is less. The conversion privilege is also available to a dependent when insurance ends due to eligibility constraints.

EXCLUSIONS

The policy does not cover any loss:

- Caused by or resulting from war or any act of war, declared or undeclared.
- Caused by an accident that occurs while in the armed forces of any country, except as shown under Reserve National Guard coverage.
- Caused by or resulting from riding in, getting into or out of any aircraft, except if:
 - The aircraft is any tested and approved civilian aircraft;
 - The aircraft is being used at the time for transporting passengers;
 - The aircraft is operated by the then-current rules of the authority having jurisdiction over the operation of the aircraft;
 - The insured is a passenger and not a pilot or crew member;
 - The aircraft is not owned, leased or operated by or on behalf of the policyholder, a participating member firm, the insured or the employer of the insured, if other than the policyholder, unless a specific written agreement has been obtained from the Reliance Standard.
- To which sickness, disease or myocardial infarction, including medical or surgical treatment thereof, is a contributing factor.
- Caused by suicide or intentional self-inflicted injuries.
- Sustained during the insured's commission or attempted commission of an assault or felony.

Notice Concerning Medical Information Bureau (read and retain this information)

Information regarding your insurability will be treated as confidential; however, Reliance Standard Life Insurance Company may make a brief report to the Medical Information Bureau, a non-profit membership organization of life insurance companies operating an information exchange on behalf of its members. Upon request, the Bureau will arrange disclosure of information in your file (non-medical information will be disclosed to you and medical information to your attending physician). If you question the accuracy of the information, you may contact the Bureau at www.mib.com to seek a correction in accordance with the procedures set forth in the Federal Fair Credit Reporting guidelines.



VOLUNTARY BENEFITS



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