

BENEFITS PROPOSAL



This document provides a brief description of US Able Life's insurance. This is not an insurance policy. Limitations and exclusions may apply and coverage may be reduced or terminated due to lack of eligibility. Please read the insurance policy carefully.

US Able LifeSM



For over 40 years, US Able Life has been a trusted name among elite carriers in ancillary insurance, offering a broad portfolio of flexible and affordable life and disability insurance benefits. We bring the power of partnership to our health plan owners and partners, businesses and their employees, and individual customers.

Live life. You're covered.®

US Able Life's mission is to make a meaningful difference in the lives of our customers. Our financial strength and stability allows us to deliver the highest quality of financial security to our customers while being able to pay claims quickly and accurately.

US Able Life maintains an "A" (excellent) rating by A.M. Best and is an eight-year Ward's Top 50 Life-Health Performer. We are the 20TH largest life insurer in the U.S. and ranked among the **TOP 10** supplemental, life, and disability in the markets we serve.

We offer the advanced expertise and capabilities of a major carrier without treating our customers like just another number. We know that no two companies are alike; neither are their employees. That's why we offer the protection you want with flexible, tailored plans for the company you're running and the lives your employees are living.

Competitive products and services to meet your needs



INCOME PROTECTION

Our disability plans complement health insurance and protect your employees' income by covering unexpected medical events and paying cash directly to your employees in addition to any other insurance.



TAILORED TO MEET YOUR NEEDS

We offer multiple disability plan options that can be used to cover medical and nonmedical expenses. Life insurance plan options are available for individuals, spouses, and dependents, and policy is guaranteed renewable as long as premiums are paid on time.



SERVICE EXPERTISE

US Able Life delivers on our promise to provide excellent service and leading-edge technology focused on your financial well-being. We provide the local service you expect from a blue-focused carrier and the expertise in enrollment and maintenance technology through streamlined data exchange, including AccessAbleSM — simplifying administration, making it easier to administer and enroll. We're proud to serve more than 29,000 groups and 1.7 million members.



Consecutively ranked "A" (excellent) by A.M. Best



Recognized as one of the "Ward's 50" L&H Top Performers



Long Term Disability

Help employees protect a portion of their income in the event of a disability. This product pays a monthly benefit when the employee is unable to work or working at a less than full-time capacity.

Option #1 Rate Sheet

Class	Class Description	Eligible Employees	Required Participation	Employer Contribution
Class 1	All full-time active employees	2 - 9 Eligible Lives	75 %	100 %

Age Bracket	Rates (per \$100) Monthly Covered Payroll
Under 25	\$0.160
25- 29	\$0.170
30- 34	\$0.220
35- 39	\$0.290
40-44	\$0.400
45-49	\$0.530
50- 54	\$0.720
55- 59	\$1.010
60+	\$1.260
Rate Guarantee Duration	24 Months

Long Term Disability

Option #1 Summary

Long Term Disability benefit	Class 1
Percent of salary	60%
Minimum benefit amount	10% \$100
Maximum benefit amount	\$6,000.00
Benefit duration	5 YRS RBD
Elimination period	90 days
Own occupation	2 Years with loss of duties or loss of earnings
SS integration method	Primary/Family
Gainful earnings	80%
Work incentive benefit	12 months
Mental/Nervous limitation	24 months
Drug/Alcohol limitation	24 months
Special conditions limitation	24 months
Survivor benefit	3 Months
Workers' compensation	Yes
Zero day residual	Included
Pre-existing condition	12/24
Family member care expense	\$250 for 12 months to a maximum of \$1,000
Vocational rehabilitation benefits	5% to \$500

Long Term Disability

Help employees protect a portion of their income in the event of a disability. This product pays a monthly benefit when the employee is unable to work or working at a less than full-time capacity.

Option #2 Rate Sheet

Class	Class Description	Eligible Employees	Required Participation	Employer Contribution
Class 1	All full-time active employees	2 - 9 Eligible Lives	75 %	100 %

Age Bracket	Rates (per \$100) Monthly Covered Payroll
Under 25	\$0.230
25- 29	\$0.280
30- 34	\$0.370
35- 39	\$0.510
40-44	\$0.670
45-49	\$0.910
50- 54	\$1.170
55- 59	\$1.430
60+	\$1.780
Rate Guarantee Duration	24 Months

Long Term Disability

Option #2 Summary

Long Term Disability benefit	Class 1
Percent of salary	60%
Minimum benefit amount	10% \$100
Maximum benefit amount	\$6,000.00
Benefit duration	SSNRA
Elimination period	90 days
Own occupation	2 Years with loss of duties or loss of earnings
SS integration method	Primary/Family
Gainful earnings	80%
Work incentive benefit	12 months
Mental/Nervous limitation	24 months
Drug/Alcohol limitation	24 months
Special conditions limitation	24 months
Survivor benefit	3 Months
Workers' compensation	Yes
Zero day residual	Included
Pre-existing condition	12/24
Family member care expense	\$250 for 12 months to a maximum of \$1,000
Vocational rehabilitation benefits	5% to \$500

Long Term Disability

Help employees protect a portion of their income in the event of a disability. This product pays a monthly benefit when the employee is unable to work or working at a less than full-time capacity.

Option #3 Rate Sheet

Class	Class Description	Eligible Employees	Required Participation	Employer Contribution
Class 1	All full-time active employees	2 - 9 Eligible Lives	75 %	100 %

Age Bracket	Rates (per \$100) Monthly Covered Payroll
Under 25	\$0.070
25- 29	\$0.170
30- 34	\$0.250
35- 39	\$0.340
40-44	\$0.430
45-49	\$0.600
50- 54	\$0.870
55- 59	\$1.200
60+	\$1.500
Rate Guarantee Duration	24 Months

Long Term Disability

Option #3 Summary

Long Term Disability benefit	Class 1
Percent of salary	60%
Minimum benefit amount	10% \$100
Maximum benefit amount	\$6,000.00
Benefit duration	SSNRA
Elimination period	180 days
Own occupation	2 Years with loss of duties or loss of earnings
SS integration method	Primary/Family
Gainful earnings	80%
Work incentive benefit	12 months
Mental/Nervous limitation	24 months
Drug/Alcohol limitation	24 months
Special conditions limitation	24 months
Survivor benefit	3 Months
Workers' compensation	Yes
Zero day residual	Included
Pre-existing condition	12/24
Family member care expense	\$250 for 12 months to a maximum of \$1,000
Vocational rehabilitation benefits	5% to \$500

Continuity of Coverage

If the employee is covered under the prior policy, and is not actively at work due to injury or sickness when coverage is replaced with our policy, and would otherwise be eligible to become insured under our policy, we will provide Continuity of Coverage under our policy. Coverage under this provision will begin on our policy effective date and will continue until the earliest of:

- The date the employee returns to active work; or
- The end of any period of continuance or extension provided under the prior policy; or
- The date coverage would otherwise end according to the provisions of our policy.

Premiums for coverage under our policy must be paid during the period the employee is covered under Continuity of Coverage. Any benefits payable will be paid as if the prior policy had remained in force. We will reduce the payment by any amount for which the prior carrier is liable.

Enrollment

Once eligibility requirements are met, the employee may complete an application for coverage. Applications subject to evidence of insurability will be effective the first day following the month after approval by USABLE Life.

Employees that have not previously participated may elect to participate on the annual enrollment date. Employees that did not elect to participate when initially eligible will be considered late applicants. Late applicants may be required to provide evidence of insurability.

Family Member Care Expense

If the employee is receiving monthly payments from the policy, participating in a VRS Plan, and incurring expenses to provide care for an eligible dependent, they may be eligible for an additional monthly benefit. Additional information about this incentive can be found in the plan benefit description.

LTD Exclusions

Benefits will not be paid for disability if it is caused by any of the exclusions listed in the certificate.

Offsets For Other Income

Long term disability benefits are offset for Social Security using the method outlined above. Your benefit may be subject to other reductions if you are receiving payments from your employer, workers compensation, unemployment insurance, other work earnings, or certain other benefit sources where payments are triggered by your disability. Benefits from some contributory pension plans, military pensions, and certain other sources such as profit sharing awards generally will not reduce your benefit. See the sample certificate for complete details.

Participation Requirements

The greater of 100% or 2 approved applications is required for group implementation and guaranteed issue.

Pre-Existing Condition Exclusion - Takeover Provision

If the employee suffers a disability due to a Pre-Existing Condition after coverage is replaced with our policy, we may pay a benefit if:

- The employee is covered under the prior policy at the time the employer changed insurance carriers to our policy;
- The employee has been continuously covered under our policy from the effective date of our policy through the date the disability began; and
- Benefits are not payable under the prior policy.

For the employee to receive benefits they must satisfy the Pre-Existing Condition provision under our policy or the prior policy had the prior policy remained in force. If the employee does not satisfy the Pre-Existing Condition under either policy, no benefits are payable.

All other terms and conditions of our policy apply.

Pre-Existing Condition Limitation

No benefit is payable for a disability that results from a pre-existing injury or illness, including pregnancy, during the Pre-Existing Condition Limitation period. For instance, a 12/12 pre-existing limitation indicates that a disability that is diagnosed or treated in the twelve months prior to the effective date is excluded unless the insured has been continuously insured for 12 months from the policy effective date.

Return to Work Incentive

To encourage return to work, benefits will not be reduced for employees who work while disabled until the employee's benefits and earnings together exceed 100% of pre-disability earnings. Additional information about this incentive, including duration, can be found in the plan benefit description.

Voluntary Rehabilitation Benefit

To assist the employee in their return to work, employee vocational rehabilitation services (VRS) may be offered. The employee's participation is voluntary and will not affect the claim. If the employee agrees to participate in the VRS and fails to complete their responsibilities under the VRS Plan, payments may be reduced or discontinued. Employees that participate in the VRS may be eligible to receive an additional monthly benefit. Additional information about this incentive can be found in the plan benefit description. The VRS plan services that may be offered include, but are not limited to the following:

- Coordination with the employer;
- Evaluation of job accommodations;
- Evaluation of possible workplace modifications with the employees regular occupation or another job or occupation;
- Vocational evaluation to determine how the disability may impact employment options;
- Job placement services, including resume preparation services and training in job-seeking skills;
- Alternative treatment plans such as recommendations for support groups, physical therapy, occupational therapy, or other treatment designed to enhance the ability to work.

The VRS Benefits will end when the employee is no longer eligible to participate or participating in a VRS plan or when the monthly benefits cease.

Waiver of Premium

We do not require premium payments while the employee is receiving or is entitled to receive Long Term Disability (LTD) payments under the policy.

Proposal Contingencies:

Company must be in business for a minimum of 2 years for insurance coverage for all products.

No more than 50% of the employees can be family members.

IMPORTANT INFORMATION TO KNOW

Contingency Disclosures

Coverage and rates quoted are based on the information provided.

Proposal assumes that all employees to be covered are actively at work. Those employees disabled on the effective date are not covered prior to their return to work unless specifically noted in the proposal assumptions. Rates and coverages quoted are based on USABLE Life's standard non-participating policy and certificate language unless noted. Rates and plans quoted may be subject to minimum lives requirement or a minimum participation percentage. If those requirements are not met, USABLE reserves the right to decline to issue the quoted plan. This proposal is a summary of coverages quoted. Terms used in this proposal are general in nature, and the terms used in the policy and certificate will have specific definitions that may be broader or narrower than those in general usage. You should consult the policy and certificate for specific definitions of significant terms. Coverage is not in force until approval of a Master Application and issuance of a policy and certificate by USABLE Life. Coverage issued is subject to all terms, conditions, limitations, and exclusions in the policy and certificate. In the event of a discrepancy between this proposal and the policy or certificate, the policy and certificate shall prevail.

Coverage offered is intended to comply with all applicable state and federal laws, regulations and requirements. In the event of a conflict between applicable law and this proposal, or policies and certificates, the requirements of the governing jurisdiction shall prevail.

Earnings Definition

The employee's normal rate of pay in effect the day prior to the date a claim is incurred,

- including, commissions
- excluding overtime, bonus, or any other extra pay

For owners, shareholders, or partners earnings will be defined as:

- Partners
- Earnings means self-employment earnings (loss) from the your Schedule K-1 (Form 1065) for the one calendar years just prior to the date Disability begins
- Sub Chapter S

Earnings means your average weekly income from the Employer in effect just prior to the date Disability begins. It includes income from Schedule K-1 (Ordinary business income (loss)), and your W-2 from the Employer just prior to the date Disability begins.

Eligibility

All permanent, full time, active employees as defined by employer classes who:

- work the minimum number of hours required (20 per week for GTL/AD&D, 30 per week STD and LTD); and
- have completed the waiting period; and
- no more than 50% of the group may be members of the same family; and
- are working at the employer's normal place of business; **and**
- are not otherwise limited by conditions pertaining to their employment.

Guarantee Issue

All coverages are being offered at 100% Guarantee Issue.

The term "employees" includes all persons who work for the Policyholder at least 20 hours per week (GTL/AD&D), 30 hours (STD and LTD) per week. Unless specifically included in a class designated by the employer, and approved by us, no director, officer, or other person not actively at work on behalf of the employer will be considered an employee unless the criteria above is satisfied. Independent Contractors and those compensated via IRS Form 1099 are not considered employees under this definition. Eligible Employees must be citizens of the United States of America or working in the United States with proper Authorization from the U.S. Citizenship and Immigration Services.

How can we help?

A sample contract with detailed policy information is available upon request. For more information visit USABLElife.com.

THE FOLLOWING INDUSTRIES ARE NOT ELIGIBLE FOR ANY COVERAGE

<u>SIC</u>	<u>Industry</u>
011 – 076	Agriculture
081 – 085	Forestry
091 – 097	Fishing, Hunting, and Trapping
101 – 149	Mining
152 – 153	General Business Contractors – Residential
161 – 1622	Heavy Construction (Highway, Bridge)
1794	Excavation Work
1795	Wrecking and Demolition
201	Meat Products (Packaging and Slaughter)
241 – 249	Lumber and Wood Products Manufacturing
261 – 263	Paper and Pulp Mills
2892	Explosive Manufacturing
3292	Asbestos Products Manufacturing
331 – 339	Primary Metal Industries (Blast Furnace, Foundries)
348	Ordinance and Accessories (Gun and Accessories)
401	Railroad
411 – 417	Passenger Transit
4213	Long Haul Trucking
441 – 449	Transportation – Water
451 – 458	Transportation – Air
4953, 4959	Sanitary Services, Refuse Systems
5093	Scrap and Waste Materials
533	Variety Stores
551 – 553	Automotive Dealers (new and used cars), Auto Supply Dealers
554	Gasoline Stations
557 – 559	Automotive Dealers, Motorcycle Dealers
581	Eating and Drinking Places
592	Liquor Stores
701 – 704	Hotels and Lodging Places
721	Personal Services, Laundry and Cleaning
723 – 724	Barber, Beauty Shops
725	Shoe Repair
734	Building Services, Maintenance and Pest Control
736	Personnel Services – Employment Agencies
7381	Detective and Armored Car Services
7382	Security Systems
752 – 754	Auto Parking, Repair and Services
781 – 783	Motion Picture Production and Services
791 – 799	Amusement and Recreation Services
801 – 804	Doctor’s Offices – Physicians
811	Legal Services – Lawyers
8666	Religious Organizations
881	Private Households
922	Police, Fire Safety and Corrections
9511	Environmental-Air, Water, Waste Management
9512	Environmental-Land Mineral, Wildlife Conservation
971 – 972	National Security, International Affairs