

Custom Choices



Worksite Benefits

**DISABILITY INCOME
INSURANCE PROGRAM**
designed for members of



**International Association of
Machinists and Aerospace
Workers**

Boston Mutual Life Insurance Company
Worksite Insurance

LONG TERM DISABILITY INCOME INSURANCE

*Protecting Your Income is VITAL, Because Your Bills and Obligations Will Not Wait!
Have you considered what would happen in the event of a lengthy disability? A Long Term Disability Plan can help provide you the security of a stable, long-term income.*

LONG TERM DISABILITY INCOME INSURANCE BENEFIT HIGHLIGHTS

- This product has a 6 month elimination period. Accident & Sickness benefits begin on the 181st day of Disability.
- Benefits are payable up to 5 years.
- Individuals can select coverage amounts in increments of \$100 per month with a minimum monthly benefit available of \$300, and a maximum monthly benefit of 60% of your monthly compensation, not to exceed \$3000 per month.

Monthly Premium Cost: (Rate per \$100.00 of Covered Monthly Disability Benefit)

| | <u>Weekly</u> | <u>Monthly</u> |
|---------------|---------------|----------------|
| Age 18-39 | \$.11 | \$.46 |
| Age 40-49 | \$.33 | \$1.44 |
| Age 50-59 | \$.79 | \$3.46 |
| Age 60 & Over | \$1.66 | \$7.18 |

- Boston Mutual will not pay a benefit of more than 60% of your monthly compensation.
- The sum of the Disability Benefits payable to you may be reduced by lump sum or periodic payments you and your dependents are entitled to receive from the sources listed under OTHER INCOME BENEFITS.

Claims Example:

| | |
|--|--------------|
| Monthly Compensation: | \$3500 |
| Maximum Monthly Benefit: | \$2100 (60%) |
| Monthly Disability Benefit Purchased: | \$1800 |
| Other Income Source (Social Security): | \$ 800 |

How Benefits Would Be Determined:

| | |
|--|---------------|
| Maximum Monthly Disability Benefit: | \$1800 |
| Minus Other Income Source (Social Security): | - \$ 800 |
| Total: | \$1000 |

Note: If no other income source is payable, benefits would be payable up to \$1800 per month for 5 years, if continuously disabled. Subject to all policy provisions.

LONG TERM DISABILITY INCOME INSURANCE BENEFITS, HIGHLIGHTS AND DEFINITIONS

LONG TERM DISABILITY INCOME COVERAGE

A monthly disability benefit will be payable to you in the event of Disability resulting from a covered accident or sickness.

“Definition of Disability” Disability or Disabled means You are prevented from performing one or more of the Essential Duties of:

- Your Occupation during the Elimination Period;
- Your Occupation for the 24 months following the Elimination Period, and as a result Your Current Monthly Earnings are less than 80% of Your Indexed Pre-disability Earnings;

after that, Any Occupation.

ELIGIBILITY

All active full-time members and employees of members working 20 hours or more per week, who are 18 or older, and who have satisfied the waiting period are eligible to apply.

EFFECTIVE DATE OF COVERAGE

Certificates issued will take effect on the requested effective date or the date of approval, whichever is later, provided the first premium has been paid. The effective date of coverage will be the first of the month.

You must be Actively At Work on the date your coverage would become effective, otherwise the insurance will become effective on the first day of the calendar month after the date you resume Active Service.

“Actively At Work” means at work with Your Employer on a day that is one of Your Employer's scheduled workdays. On that day, You must be performing for wage or profit all of the regular duties of Your Occupation in the usual way and for Your usual number of hours. We will consider You Actively at Work on a day that is not a scheduled work day only if You were Actively at Work on the preceding scheduled work day.

DISABLED AND WORKING

means that You are prevented by:

- Injury;
- Sickness;
- Mental Illness;
- Substance Abuse; or
- pregnancy

from performing some, but not all of the Essential Duties of Your Occupation, are working on a part-time or limited duty basis and, as a result, Your Current Weekly Earnings are more than 20%, but are less than or equal to 80% of Your Pre-disability Earnings.

ESSENTIAL DUTY

means a duty that:

- is substantial, not incidental;
- is fundamental or inherent to the occupation; and
- cannot be reasonably omitted or changed.

Your ability to work the number of hours in Your regularly scheduled workweek is an Essential Duty.

RECURRENT DISABILITY

Those disabilities which result from the same condition or from a related condition will be treated as one disability and subject to one Maximum Disability Benefit Period unless they are separated by a return to work of 6 months.

MENTAL ILLNESS & DRUG/ALCOHOL LIMITED BENEFIT

Provides 100% of the disability benefit for up to 12 months for a disability due to mental illness and/or substance abuse, as defined in the certificate.

SURVIVOR BENEFIT

This benefit pays 3 months of DI benefit upon death of insured (*if death occurs while receiving disability benefits*). When this benefit is included and Disability Benefits are being collected, if the insured is diagnosed with a terminal illness (*6 months or less to live*), the survivor income benefit may be advanced in one lump sum under the **Accelerated Benefit for Terminal Illness**.

WAIVER OF PREMIUM

If you become disabled, no premium will be due for You:

- on the 1st of the month after You satisfy the Elimination Period; and
- for as long as benefits are payable.

If You are covered under a short-term disability policy issued by Us, Your long-term disability premium will be waived on the 1st of the month following the approval of your short-term disability claim.

STRIKE WAIVER OF PREMIUM

We will waive premiums on this Policy or Certificate if:

- We receive notice that You are on Strike for at least 30 days; and
- You are a dues paying member of the Union shown on the Schedule of Insurance page; and
- The Strike starts at least six (6) months after the effective date of this benefit and starts while this benefit is in force; and
- The notice of the Strike is received by Us within three (3) months of the start of the Strike.

Premiums will be waived as of the beginning of the first premium due date after the start of the Strike. The Union is shown on the Schedule of Insurance page.

Benefit

Premiums will be waived for up to six (6) months during a period of continuous Strike. If You qualify for this benefit for a period of less than six (6) months and You are on Strike again within two (2) months, the Strike periods will be considered as continuous. Premiums will be waived for a total of six (6) months during any continuous period of Striking.

Strike means a lawful primary strike authorized as provided by the union's constitution and by-law.

EXCLUSIONS

The Policy does not cover, and We will not pay a benefit for any Disability:

- unless You are under the Regular Care of a Physician;
- that is caused or contributed to by war or act of war (declared or not);
- caused by Your commission of or attempt to commit a felony;
- caused or contributed to by Your being engaged in an illegal occupation;
- caused or contributed to by an intentionally self-inflicted Injury;
- for which Workers' Compensation benefits are paid, or may be paid, if duly claimed; or
- sustained as a result of doing any work for pay or profit for another employer, including self-employment; or
- any disability that began prior to the certificate effective date.

PRE-EXISTING CONDITION LIMITATION

We will not pay any benefit, or any increase in benefits, under The Policy for any Disability that results from, or is caused or contributed to by, a Pre-existing Condition, unless, at the time You become Disabled:

- You have been continuously insured under The Policy for 12 consecutive month(s).

Pre-existing Condition means:

- any accidental bodily injury, sickness, Mental Illness, pregnancy, or episode of Substance Abuse; or
- any manifestations, symptoms, findings, or aggravations related to or resulting from such accidental bodily injury, sickness, Mental Illness, pregnancy, or Substance Abuse;

for which You received Medical Care during the 12 month period that ends the day before:

- Your effective date of coverage; or
- the effective date of a Change in Coverage.

Medical Care is received when a physician or other health care provider:

- is consulted or gives medical advice; or
- recommends, prescribes, or provides Treatment.

Treatment includes but is not limited to:

- medical examinations, tests, attendance or observation; and
- use of drugs, medicines, medical services, supplies or equipment.

This is a brief description of the coverage. For actual benefits, limitations, exclusions, and other provisions, please refer to the policy or certificate. Benefits and limitations may vary by State.

“Custom Choices Worksite Benefits” is a marketing name used for the employee worksite benefit programs presented and enrolled by Employee Benefit Systems, Inc. and is not the name of the products being offered under this name by the respective underwriting companies.

Underwritten and Administered by:

Boston Mutual Life Insurance Company

120 Royall Street • Canton, MA 02021

Toll Free 1-877-624-2249



Presented and Enrolled by:

Employee Benefit Systems, Inc.

P.O. Box 2489 • Houston, TX 77252

1-888-521-2900

OTHER INCOME BENEFITS

“Other Income Benefits” means the amount of any benefit for loss of income, provided to You or to Your family, as a result of the period of Disability for which You are claiming benefits under The Policy. This includes any such benefits for which You or Your family are eligible or that are paid to You, to Your family or to a third party on Your behalf such as payments received under Workers' Compensation law, occupational disease law, or similar law, SSA, state or Federal Disability, and Federal old age benefits.

TERMINATION OF INSURANCE

Your coverage will end on the earliest of the following:

- the date The Policy terminates;
- the date The Policy no longer insures Your class;
- the date premium payment is due but not paid by Your Employer;
- the last day of the period for which You make any required premium contribution;
- the last day of the month on or next following the month in which Your Employer terminates Your employment;