Short Term Disability Income Insurance Coverage Benefits, Highlights & Definitions

SHORT TERM DISABILITY INCOME COVERAGE

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

"Total Disability" (or Totally Disabled) means during the first 12 months of Total Disability (depending on your plan) that you are unable to perform with reasonable continuity the substantial and material acts necessary to pursue your usual occupation in the usual or customary way. After that, "Total Disability" means you are unable to perform with reasonable continuity in another occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, physical and mental capacity.

ELIGIBILITY

All active full-time members and employees of members working 25 hours or more per week, who are under age 70, 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 on Active Service 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.

"Active Service" means that you are doing in the usual manner all of the substantial and material duties of your employment on a full-time basis on a scheduled work day or would be able to do so if it were a scheduled work day.

REDUCTIONS

The Disability Benefits paid to you will be reduced by the payments you and your dependents are receiving on your behalf from the following sources, and are receiving the sources as a result of the same disabling condition for which benefits are claimed under this policy:

- Federal Social Security Act which includes benefits paid to you and your dependents specifically to compensate for the same disabling condition and loss of income for which benefits are claimed under this policy;
- state or federal government disability or retirement plan or increases thereof which begin on or after the date of Total Disability, and are received specifically to compensate for the same disabling condition and loss of income for which benefits are claimed under this policy; (with respect to military benefits, only the amount, if any, by which your military retirement benefits are increased specifically to compensate you for the same disabling condition and loss of income for which benefits are payable under the policy will be used to adjust the Disability Benefit); and
- salary or wage continuance plans such as sick leave paid for by the policyholder or your employer which extend beyond 30 calendar days.

Federal Social Security increases which take effect after the monthly disability benefits become payable will not further reduce benefits under this plan.

The minimum Disability Benefit payable will be reduced to no less than $100.00.

EXCLUSIONS

The policy does not cover any loss, fatal or non-fatal, which results from:

- intentionally self-inflicted injury while sane or insane;
- an act of war, declared or undeclared;
- accident sustained or sickness contracted while in the service of the armed forces of any country;
- committing a felony;
- acting as a pilot or crew member or for performing any duty of your occupation connected with such flight;
- accident or sickness arising out of or in the course of any occupation for wage or profit;
- penal incarceration for a period of 30 consecutive days or longer.

MENTAL ILLNESS LIMITED BENEFIT

If you are Totally Disabled due to a mental illness, regardless of the cause, Disability Benefits are payable for 1/2 of the benefit period on 6-month, 12-month and 24-month plans. Benefits will be paid the same way as any other illness on 3 month plans.

ALCOHOL AND DRUG ADDICTION LIMITED BENEFIT

If you become Totally Disabled due to alcoholism or drug addiction, a limited benefit of up to 15 days in any 12-month period will be paid.

WAIVER OF PREMIUM

If you become Totally Disabled due to a covered accident or sickness, your insurance will be continued without payment of premium. Waiver of Premium will begin the first of the month following the later of:

- satisfaction of the elimination period; or
- 90 days of continuous Total Disability

provided premium has been paid from the beginning of Total Disability to the date Waiver of Premium begins.

Waiver of Premium will continue until the earliest of:

- the end of your Total Disability;
- the end of the maximum disability benefit period;
- the end of the period for which benefits would otherwise be payable;
- the date the policy terminates; or
- the date your employment or membership with the policyholder ends, as determined by your employer.

The Company will require proof on an annual basis that you remain Totally Disabled during said period.

RESIDUAL DISABILITY BENEFIT

A Residual Disability Benefit will be paid if you return to work on a limited basis following a period of Total Disability due to a covered accident or sickness, and during which you are recovering and able to work on a less than full-time basis. The Maximum Monthly Residual Benefit will be equal to 50% of the Maximum Monthly Disability Benefit.

Payment of the Residual Disability Benefit is subject to the following conditions:

- The Elimination Period for Total Disability must be satisfied and Total Disability Benefits payable.
- Residual Disability Benefits will be payable beginning the first day following cessation of Total Disability.
- The Residual Disability must be the result of the same accident or sickness which caused Total Disability and for which Total Disability Benefits were payable.
- The Residual Disability Benefit will be payable for each period of Residual Disability which continues up to the Maximum Residual Disability Benefit Period; however, the combined period of time for which benefits are payable for Total Disability and Residual Disability may not exceed the Maximum Disability Benefit Period.
- The Maximum Residual Disability Benefit will be reduced by your total gross earnings during partial employment plus the income received from all other sources listed in Reductions, and may not exceed 100% of your pre-disability gross earnings.

"Residual Disability" means an amount of disability lesser than Total Disability that occurs following a period of Total Disability, during which you may be recovering and able to work on a less than full-time basis.

PRE-EXISTING CONDITION LIMITATION

There will be no Disability Benefit payable for Total Disability due to a Pre-Existing Condition during the first 12 months of coverage. This limitation will be waived after you have:

- gone treatment free;
- incurred no expense;
- taken no medication; and
- received no diagnosis or advice from a physician,

For 12 consecutive months (depending on your plan) for such Pre-Existing Condition after the effective date of coverage; or, for increases in coverage, 12 consecutive months (depending on your plan) after the effective date of the increase. Any increase in the amount of your Maximum Monthly Disability Benefit will be subject to this Pre-Existing Condition Limitation, beginning on the effective date of the increase.

"Pre-Existing Condition" means a disease, accident, sickness, or physical condition for which you:

- had treatment;
- incurred expense;
- took medication; or
- received a diagnosis or advice from a physician,

during the 12 month period (depending on your plan) immediately before the effective date of your coverage.

TERMINATION OF INSURANCE

Your insurance coverage will end on the earliest of these dates:

- the date you do not qualify as an Insured;
- the date you retire;
- the date you are no longer a member in good standing of the policyholder;
- the date you cease to be on Active Service, or three months plus the partial month remaining, following the date you cease to be on Active Service;
- the end of the last period for which premium has been paid; or
- the date the policy is discontinued.

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

Boston Mutual Life Insurance Company

120 Royall Street Canton, Massachusetts 02021
(781) 828-7000 • 1-800-669-2668