

## APPENDIX – KEY TERMS & DEFINITIONS

Unum – 850 | All states except California

**Non-Cancellable and Guaranteed Renewable** As long as the premium is paid on time, Unum cannot change your policy or its premium rate until the Guarantee Date shown in the Disability Income Highlights page. Non-cancellable means the coverage and premium rates cannot be changed until the guarantee date of the policy. For a To Age 67 maximum period of payment, the guaranteed date will be the insured's 67th birthday or the fifth anniversary of the policy, if later. Guarantee Date – the date on which your policy is no longer Non-Cancellable and Guaranteed Renewable. It is shown in the Disability Income Highlights.

**Renewable Option After Guarantee Date** -The insured individual can renew this policy after the guarantee date, as long as the insured continues to work a minimum of 30 hours.  
Premiums and coverage are subject to change.

**Definition of Total Disability\*** - Due to an injury or sickness, you are unable to perform the material and substantial duties of your regular occupation and you are not working in any occupation and are not working in any other occupation throughout the life of the claim. You must be under the regular care of a physician in order to be considered disabled. Unum will waive this requirement if Unum receives written proof acceptable to us that further regular care from a physician would be of no benefit to you.

The loss of a professional or occupational license or certification does not, in itself, constitute disability.  
\*FL - No "Any Occ" test during first 12 months of total disability (Your occ only)

**Waiver of Premium** - After your first 90 days of a covered disability, all premiums are waived. The premiums you paid during the 90-day period are refunded.

**Voluntary Suspension During Unemployment** - You can suspend paying premiums for up to one year due to your unemployment. Any loss occurring during the suspension period will not be covered.

**Rehabilitation Program** - Your policy includes a Rehabilitation Program to assist you in returning to a level of work activity that is appropriate to your functional and cognitive capacity. Rehabilitation in this program will be voluntary on your part and on our part. If You and Unum agree on a program of occupational rehabilitation in advance, Unum will pay for the program as set forth in a written agreement. The goal of the program must be to return you to work. Nonparticipation in the Rehabilitation Program shall not affect our determination of whether you are disabled. The extent of our role will be determined by us in a written agreement. Generally, Unum may pay the expenses of the program that are not already covered by some other social or insurance program. Some of the services that might be provided could include, but are not limited to:

- coordination of physical rehabilitation and medical services;
- financial and business planning;
- vocational evaluation and transferable skills analysis;
- career counseling and retraining;
- labor market surveys and job placement services; and
- evaluation of necessary worksite modifications and adaptive equipment.

Unum can periodically review the program and your progress in it. Unum will continue to pay for the agreed upon program as long as Unum determines that it is helping you return to work.

Participation in the program will not, of itself, be considered a recovery from injury or sickness.

**Recurring Disability** - For a disability that recurs within 6 months\* after the end of a previous disability, which is due to the same or related causes, this provision waives the Elimination Period. You won't have to satisfy a new Elimination Period and your benefit period will resume where it ceased, when you returned to work full-time.  
\*12 months for New York

**Survivor Benefit** - Three months of benefits will be paid as a lump sum to your estate if you have satisfied the Elimination Period and are receiving benefits at the time you pass away.

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**Guaranteed Coverage Increase (GCI)** - Provides an annual option to increase your monthly benefit to keep pace with your income as it increases. There is no medical underwriting associated with this feature and increases are available up to the guaranteed standard issue maximum benefit amount. Increases to coverage are applicable to new periods of disability beginning after the effective date of the increase. The option to elect/exercise GCI remains available as long as you 1) are employed with your employer, 2) continue to be a part of the Guaranteed Standard Issue offer available to your employer and 3) as eligible, exercise the GCI feature on an annual basis

### **Limitation for all Mental Disorders\***

Benefits for disability caused or contributed to by mental disorders will be limited in the aggregate to a maximum of 24 monthly payments during the life of this policy.

\*VT - Only Full/Unlimited.

### **Exclusions:**

The exclusions and limitations may vary by state. See actual policy or your Unum representative for specific details.

Unum will not provide benefits for a Disability contributed to or caused by:

- participating in war or any act of war, whether declared or undeclared;
- committing or attempting to commit a felony;
- being engaged in an illegal occupation;
- injuring oneself intentionally or attempting or committing suicide, whether sane or not;

or

- any loss Unum has excluded by name or specific description (any such Exclusion will appear in the Disability Income Highlights).

No benefits will be paid nor will premiums be waived during any period of legal incarceration or legal detainment in a penal or correctional institution of more than 7 days.

\*MT- No Prudent Person pre-ex language.

\*ND - No Prudent Person ore-ex language, No incarceration exclusions.

\*NY - No incarceration exclusion.

\*WY - No Prudent Person pre-ex language.

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### **Limitation of Pre-Existing Conditions for Coverage with Simplified Underwriting**

#### **3/12 PECL- Pre-Existing Condition Limitation**

You have a Pre-Existing Condition if, at any time during the 3 months just prior to an Effective Date, you have an injury or sickness, or the symptoms of an injury or sickness, whether diagnosed or not, for which you:

1. received treatment, consultation, care or services, including diagnostic measurements; or
2. took prescribed drug or medicines; or
3. were recommended by a physician to receive treatment, consultation, care or services, including diagnostic measures during this period; or
4. were previously prescribed medicine to be taken during this period; or
5. had symptoms for which an ordinarily prudent person would have consulted a physician.

Unum will not pay any benefit for a disability that begins in the first 12 months after an Effective Date caused, contributed to by, or resulting from your Pre-Existing Condition. The Pre-Existing Condition Limitation will also apply to an increase in coverage subject to the Effective Date of the increased coverage. An increase in coverage includes, but not limited to:

1. a decrease in an elimination period;
2. an increase in a benefit period;
3. an increase in a benefit amount; or
4. an additional of a benefit rider.

#### **6/12 PECL- Pre-Existing Condition Limitation**

You have a Pre-Existing Condition if, at any time during the 6 months just prior to an Effective Date, you have an injury or sickness, or the symptoms of an injury or sickness, whether diagnosed or not, for which you:

1. received treatment, consultation, care or services, including diagnostic measurements; or
2. took prescribed drug or medicines; or
3. were recommended by a physician to receive treatment, consultation, care or services, including diagnostic measures during this period; or
4. were previously prescribed medicine to be taken during this period; or
5. had symptoms for which an ordinarily prudent person would have consulted a physician.

Unum will not pay any benefit for a disability that begins in the first 12 months after an Effective Date caused, contributed to by, or resulting from your Pre-Existing Condition. The Pre-Existing Condition Limitation will also apply to an increase in coverage subject to the Effective Date of the increased coverage. An increase in coverage includes, but not limited to:

1. an decrease in an elimination period;
2. an increase in a benefit period;
3. an increase in a benefit amount; or
4. an additional of a benefit rider.

#### **12/12 PECL- Pre-Existing Condition Limitation**

You have a Pre-Existing Condition if, at any time during the 12 months just prior to an Effective Date, you have an injury or sickness, or the symptoms of an injury or sickness, whether diagnosed or not, for which you:

1. received treatment, consultation, care or services, including diagnostic measurements; or
2. took prescribed drug or medicines; or
3. were recommended by a physician to receive treatment, consultation, care or services, including diagnostic measures during this period; or
4. were previously prescribed medicine to be taken during this period; or
5. had symptoms for which an ordinarily prudent person would have consulted a physician.

Unum will not pay any benefit for a disability that begins in the first 12 months after an Effective Date caused, contributed to by, or resulting from your Pre-Existing Condition. The Pre-Existing Condition Limitation will also apply to an increase in coverage subject to the Effective Date of the increased coverage. An increase in coverage includes, but not limited to:

1. an decrease in an elimination period;
2. an increase in a benefit period;
3. an increase in a benefit amount; or
4. an additional of a benefit rider.

\*12/12 PECL not available in WY.

## APPENDIX – OPTIONAL\* RIDERS

\*Riders listed below may be available to you – please review your enrollment offer to confirm rider availability  
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### **Residual Disability Benefits:**

You must be under a doctor's care to be eligible for this benefit, which can pay benefits through the end of your benefit period. You don't have to be totally disabled to be eligible, but you must continue to lose time (due to injury or sickness) from your job or be unable to perform some of your job requirements and incur a loss of earnings of at least 20%. If Loss of Earnings equals 75% or greater of Pre-Disability Earnings, Unum will deem the loss to be 100% of Pre-Disability Earnings.

The time during which you qualify for Residual benefits after your elimination period will be your Residual Benefit Period. If you attempt to return to work during this time, you will receive a proportional loss benefit.

### **Work Incentive Benefit:**

At the beginning of the Residual Benefit Period, you will receive an additional benefit called the Work Incentive Benefit (WIB). Your WIB benefit will be the difference between your pre-disability income and your current income. It cannot be larger than your maximum monthly benefit amount. The total income you receive during your WIB period from your work and your policy can be as much as 100% of your prior income.

### **Recovery Benefit:**

You may continue to suffer a loss of earnings even after you have fully recovered and returned to work in your own occupation full-time. While disabled and not at work, your base of income may have deteriorated. The Recovery Benefit provides financial support while you re-establish your business. The Recovery Benefit pays a benefit based on the percentage of earnings you have lost, if prior to a specified age, you have:

1. Suffered a loss of earnings due to Total or Residual Disability; and
2. Satisfied the Elimination Period for Total or Residual Disability; and
3. Returned to work full-time in your occupation, working at least as many hours as you did before you were disabled and continuing to suffer an earnings loss of at least 20% due to your disability.

### **Catastrophic Disability Benefit\*:**

Offers an additional income benefit in the event of certain catastrophic disabilities that are likely to increase living expenses. A catastrophic disability is defined as the loss of two or more Activities of Daily Living, including bathing, dressing, eating, toileting, continence and transferring; cognitive impairment; or presumptive disability (the total and permanent loss of hearing, sight, speech or use of two limbs).

### **Fixed Cost of Living Adjustment (COLA) - 3%**

Commencing on the first anniversary date that benefits begin to accrue after the Elimination Period has been satisfied, COLA increases your monthly benefit at a 3% fixed compound annual rate while you are disabled. There is no cap on cumulative increases to your benefit. If you recover and return to work before you reach age 60, you may purchase the amount of coverage by which your original benefit increased, without medical or financial documentation. This benefit is optional.