

## APPENDIX – KEY TERMS & DEFINITIONS

Unum – 675 | California Only

**Non-Cancellable and Guaranteed Renewable** - As long as your premiums are paid on time, your policy cannot be cancelled and your premium amount is guaranteed until your 65th birthday or for five years from the effective date of your policy, if later.

**Renewable after Age 65** - At age 65 or five years from the effective date of your policy, if later, you may continue your policy for a disability benefit with a limited benefit period while you are actively and regularly employed a minimum of 30 hours per week. There is no age limit. The premium will be that in effect at your age for all insureds age 65 and older in the same occupation class with the same elimination period who have this policy form.

**Definition of Total Disability** - The policy pays benefits for the duration of the benefit period if you are unable to perform with reasonable continuity the substantial and material acts necessary to perform your usual occupation in the usual and customary way and you choose not to work at any occupation and are under the care of a doctor.

**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.

**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

**Rehabilitation Benefit** - 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 Unum's 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 Unum's determination of whether you are disabled.

The extent of Unum's role will be determined by Unum 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

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### **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.

\*After the maximum monthly payments have been made and subject to the provisions of this policy, Unum will only pay benefits due to a disability from mental disorders while you are continuously confined as an in-patient in a hospital under the care of a physician, but not to exceed the maximum benefit periods for total disability.

### **Exclusions:**

Unum will not provide benefits for a disability contributed to or caused by: war or act of war, whether declared or undeclared; or intentionally self-inflicted injuries; or any loss Unum has excluded by name or specific description (any such exclusion will appear in the policy schedule); or any loss to which a contributing cause was your commission of or intent to commit a felony or to which a contributing cause was your engagement in an illegal occupation.

## APPENDIX – OPTIONAL\* RIDERS

\*Riders listed below may be available to you – please review your enrollment offer to confirm rider availability  
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### **Partial 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 Partial benefits after your elimination period will be your Partial Benefit Period. If you attempt to return to work during this time, you will receive a proportional loss benefit.

### **Work Incentive Benefit:**

A feature of the Residual Disability Benefit that provides a short-term benefit that can replace up to 100% of your income during a set number of months of a compensable residual disability. Your benefit will be the difference between your prior income and your loss of earnings, up to the policy's maximum monthly benefit amount.

### **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.

### **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.

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

This option provides an additional monthly benefit in addition to your group and individual policy benefits if you suffer a catastrophic disability. 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).

\*Not available in CT, GA, NH, TX and VT.