



**Lincoln Life Assurance Company of Boston**  
 A Stock Company  
 Home Office Location: 100 Liberty Way, Suite 100,  
 Dover, New Hampshire 03820-4695  
 Group Insurance Service Office: 8801 Indian Hills  
 Drive, Omaha, NE 68114-4066  
 (800) 423-2765 Online: www.LincolnFinancial.com

**GROUP DISABILITY INCOME POLICY**

**Sponsor:** Dentsu International Americas, LLC

**Policy Number:** GF3-890-LF0307-01

**Effective Date:** January 1, 2021

**Governing Jurisdiction** is New York and subject to the laws of that State.

**Premiums** are due and payable monthly on the first day of each month.

**Policy Anniversaries** shall occur each January 1st beginning in 2022.

Lincoln Life Assurance Company of Boston (hereinafter referred to as Lincoln) agrees to pay benefits provided by this policy in accordance with its provisions. This policy provides Long Term Disability coverage.

**PLEASE READ THIS POLICY CAREFULLY FOR FULL DETAILS.**

This policy is a legal contract and is issued in consideration of the Application of the Sponsor, a copy of which is attached, and of the payment of premiums by the Sponsor.

For purposes of this policy, the Sponsor acts on its own behalf or as the Covered Person's agent. Under no circumstances will the Sponsor be deemed the agent of Lincoln.

This policy is delivered in and governed by the laws of the governing jurisdiction and to the extent applicable by The Employee Retirement Income Security Act of 1974 (ERISA) and any subsequent amendments.

The following pages including any amendments, riders or endorsements are a part of this policy.

THE INSURANCE EVIDENCED BY THIS CERTIFICATE PROVIDES DISABILITY INCOME INSURANCE ONLY. IT DOES NOT PROVIDE BASIC HOSPITAL, BASIC MEDICAL OR MAJOR MEDICAL INSURANCE AS DEFINED BY THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES.

Signed at Lincoln's Home Office, 100 Liberty Way, Suite 100, Dover, New Hampshire 03820-4695

Secretary

President

**NON-PARTICIPATING**

**FORM ADOP**

**(NY)**

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates.

**TABLE OF CONTENTS**

SECTION 1. .... SCHEDULE OF BENEFITS

SECTION 2. .... DEFINITIONS

SECTION 3. .... ELIGIBILITY AND EFFECTIVE DATES

SECTION 4. .... DISABILITY INCOME BENEFITS

SECTION 5. .... EXCLUSIONS

SECTION 6. .... TERMINATION PROVISIONS

SECTION 7. .... GENERAL PROVISIONS

SECTION 8. .... PREMIUMS

SECTION 9. .... APPLICATION

## SECTION 1 - SCHEDULE OF BENEFITS

### ELIGIBILITY REQUIREMENTS FOR INSURANCE BENEFITS

#### Minimum Hourly Requirement:

Employees working a minimum of 21 regularly scheduled hours per week

#### Long Term Disability Benefits:

Class 1: All active, full-time US Employees

**Note:** This policy does not cover the following Employees: Temporary and Seasonal Employees, and Employees who are not legal residents working in the United States.

#### Eligibility Waiting Period:

1. If the Covered Person is employed by the Sponsor on the policy effective date - First of the month coincident with or next following the date of hire
2. If the Covered Person begins employment for the Sponsor after the policy effective date - First of the month coincident with or next following the date of hire

#### Employee Contributions Required:

Yes

#### Name of Associated Companies:

Helloworld  
32 6th Avenue  
18th Floor  
New York, NY 10013 USA

Merkle Response Mgmt Group  
100 Jamison Ct  
Hagerstown, MD 21740 USA

DWA Inc.  
1160 Battery Street West  
Ste 400  
San Francisco, CA 94111 USA

Amplifi Inc.  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Merkle Inc.  
7001 Columbia Gateway Dr  
Columbia, MD 21045 USA

AMNET Group Inc  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Aegis Media Americas, LLC  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Aegis Media Innov8  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Media 8 Inc.  
32 Avenue of the Americas  
New York, NY 10013 USA

Dentsu X  
32 Avenue of the Americas  
New York, NY 10013 USA

Gravity Media LLC  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

V2 LLC  
32 Avenue of the Americas  
New York, NY 10013 USA

Mutesix Inc  
6080 Center Dr  
Floor 9  
Los Angeles, CA 90045 USA

ICUC iPROSPECT MODERATION SERV  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

iProspect Inc  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Gyro LLC  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

AM Innov8 Search/Digital LLC  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Cardinal Path LLC  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Mitchell Communications Group  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

MKTG, Inc  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Character  
487 Bryant Street  
3rd Floor  
San Francisco, CA 94107 USA

Digital Evolution Group LLC  
32 Avenue of the Americas  
New York, NY 10013 USA

John Brown US, LLC  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Dentsu Entertainment USA, Inc.  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Carat USA Inc.  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

ISI Dentsu of America  
767 3rd Ave  
28th Floor  
New York, NY 10017 USA

Posterscope USA Inc.  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Dentsu Innovation Studio  
767 3rd Ave  
28th Floor  
New York, NY 10017 USA

Dentsu Sports America  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Isobar Inc  
150 East 42nd Street  
14th Floor  
New York, NY 10017 USA

Dentsu Holdings USA  
32 Avenue of the Americas  
New York, NY 10013 USA

Isobar US, LLC  
1 South Station  
Suite 300  
Boston, MA 02110 USA

## SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

### LONG TERM DISABILITY COVERAGE

#### Elimination Period:

The greater of:

- a. the end of the Covered Person's Short Term Disability Benefits; or
- b. 180 days.

#### Amount of Insurance:

60.00% of Basic Monthly Earnings not to exceed a Maximum Monthly Benefit of \$20,000.00 less Other Income Benefits and Other Income Earnings as outlined in Section 4.

**Maximum Basic Monthly Earnings on which the Benefit is Based:** \$33,333.33

#### Own Occupation Duration:

24 Month Own Occupation

## SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

### LONG TERM DISABILITY COVERAGE (Continued)

#### Minimum Monthly Benefit:

The Minimum Monthly Benefit is \$100.00 or 10.00% of the Covered Person's Gross Monthly Benefit, whichever is greater.

#### Maximum Benefit Period:

<u>Age at Disability</u>	<u>Maximum Benefit Period</u>
Less than age 60	To age 65 (but not less than 5 years)
60	60 months
61	48 months
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

## SECTION 2 - DEFINITIONS

In this section Lincoln defines some basic terms needed to understand this policy. The male pronoun whenever used in this policy includes the female.

**"Active Employment"** means the Employee must be actively at work for the Sponsor:

1. on a full-time or part-time basis and paid regular earnings;
2. for at least the minimum number of hours shown in the Schedule of Benefits; and either perform such work:
  - a. at the Sponsor's usual place of business; or
  - b. at a location to which the Sponsor's business requires the Employee to travel.

An Employee will be considered actively at work if he was actually at work on the day immediately preceding:

1. a weekend (except where one or both of these days are scheduled work days);
2. holidays (except when the holiday is a scheduled work day);
3. paid vacations;
4. any non-scheduled work day;
5. an excused leave of absence (except medical leave for the Covered Person's own disabling condition and lay-off); and
6. an emergency leave of absence (except emergency medical leave for the Covered Person's own disabling condition).

**"Administrative Office"** means Lincoln Life Assurance Company of Boston, 100 Liberty Way, Suite 100, Dover, New Hampshire 03820-4695.

**"Annual Enrollment Period"** or **"Enrollment Period"** means the period before each policy anniversary so designated by the Sponsor and Lincoln during which an Employee may enroll for coverage under this policy.



## SECTION 2 - DEFINITIONS

(Continued)

"**Any Occupation**" means any occupation that the Covered Person is or becomes reasonably fitted by training, education, experience, age, physical and mental capacity.

"**Application**" is the document designated in Section 9; it is attached to and is made a part of this policy.

"**Appropriate Available Treatment**" means care or services which are:

1. generally acknowledged by Physicians to cure, correct, limit, treat or manage the disabling condition;
2. accessible within the Covered Person's geographical region;
3. provided by a Physician who is licensed and qualified in a discipline suitable to treat the disabling Injury or Sickness;
4. in accordance with generally accepted medical standards of practice.

"**Basic Monthly Earnings**" means the Covered Person's monthly rate of earnings from the Sponsor in effect immediately prior to the date Disability or Partial Disability begins. However, such earnings will not include bonuses, commissions, overtime pay and extra compensation.

"**Consumer Price Index**" means the government publication "The Consumer Price Index for Urban Wage Earners and Clerical Workers" provided monthly by the U.S. Department of Labor, or its successor or in the event of no successor a similar Index of comparable purpose chosen by Lincoln with the approval of the Superintendent of Insurance.

"**Covered Person**" means an Employee insured under this policy.

## SECTION 2 - DEFINITIONS

(Continued)

**"Disability" or "Disabled"** means:

1. For persons other than pilots, co-pilots, and crewmembers of an aircraft:

- i. that during the Elimination Period and the next 24 months of Disability the Covered Person, as a result of Injury or Sickness, is unable to perform the Material and Substantial Duties of his Own Occupation; and
- ii. thereafter, the Covered Person is unable to perform, with reasonable continuity, the Material and Substantial Duties of Any Occupation.

2. With respect to Covered Persons employed as pilots, co-pilots and crewmembers of an aircraft:

**"Disability" or "Disabled"** means as a result of Injury or Sickness the Covered Person is unable to perform the Material and Substantial Duties of Any Occupation.

**"Disability Benefits under a Retirement Plan"** means money which:

1. is received under a Retirement Plan due to Disability as defined in that plan; and
2. does not reduce the amount of money which would have been paid as retirement benefits at the normal retirement age under the plan if the Disability had not occurred. (If the payment does cause such a reduction, it will be deemed a Retirement Benefit as defined in this policy.)

## SECTION 2 - DEFINITIONS

(Continued)

**"Domestic Partner"** means a relationship that is demonstrated by mutual economic interdependence. Mutual economic interdependence is demonstrated by registration as a domestic partnership in jurisdictions that have such registration. For partners residing where registration does not exist, mutual economic interdependence is demonstrated by the following.

1. An alternative affidavit of domestic partnership that is notarized and contains the following:
  - a. the partners are both 18 years of age or older and are mentally competent to consent to contract;
  - b. the partners are not related by blood in a manner that would bar marriage under laws of the State of New York;
  - c. the partners have been living together on a continuous basis prior to the date of the application; and
  - d. Neither individual has been registered as a member of another domestic partnership within the last six (6) months.
2. Proof of cohabitation (driver's license, tax return or other sufficient proof).
3. Proof that the partners are financially interdependent. Two or more of the following are collectively sufficient to establish financial interdependence:
  - a. joint bank account, joint credit card, joint charge card, joint obligation on a loan, joint ownership in residence, joint ownership of real estate other than residence, joint ownership of vehicle, or joint ownership of major items of personal property;
  - b. listing of both partners on a lease of the shared residence; or
  - c. other item(s) of proof sufficient to establish economic interdependency.

**"Eligibility Date"** means the date an Employee becomes eligible for insurance under this policy. Eligibility Requirements are shown in the Schedule of Benefits.

**"Eligible Survivor"** means the Covered Person's spouse or Domestic Partner, if living, otherwise the Covered Person's children under age 26.

**"Eligibility Waiting Period"** means the continuous length of time an Employee must be in Active Employment in an eligible class to reach his Eligibility Date.

**"Elimination Period"** means a period of consecutive days of Disability or Partial Disability for which no benefit is payable. The Elimination Period is shown in the Schedule of Benefits and begins on the first day of Disability.

If the Covered Person returns to work for any thirty or fewer days during the Elimination Period and cannot continue, Lincoln will count only those days the Covered Person is Disabled or Partially Disabled to satisfy the Elimination Period.

**"Employee"** means a person in Active Employment with the Sponsor.

**"Enrollment Form"** is the document completed by the Covered Person, if required, when enrolling for coverage. This form must be satisfactory to Lincoln.

**"Evidence of Insurability"** means a statement of proof of an Employee's medical history upon which acceptance for insurance will be determined by Lincoln.

## SECTION 2 - DEFINITIONS

(Continued)

**"Extended Treatment Plan"** means continued care that is consistent with the American Psychiatric Association's standard principles of Treatment, and is in lieu of confinement in a Hospital or Institution. It must be approved in writing by a Physician.

**"Family and Medical Leave"** means a leave of absence for the birth, adoption or foster care of a child, or for the care of the Covered Person's child, spouse or parent or for the Covered Person's own serious health condition as those terms are defined by the Federal Family and Medical Leave Act of 1993 (FMLA) and any amendments, or by applicable state law.

**"Family Status Change"** means any one of the following events that may occur:

1. the Employee's marriage or divorce;
2. the Employee's filing or rescinding of a Domestic Partner certification;
3. the birth of a child to the Employee;
4. the adoption of a child by the Employee;
5. the death of the Employee's spouse or Domestic Partner or child;
6. the commencement or termination of employment of the Employee's spouse or Domestic Partner;
7. the change from part-time employment to full-time employment by the Employee or the Employee's spouse or Domestic Partner;
8. the change from full-time employment to part-time employment by the Employee or the Employee's spouse or Domestic Partner;
9. the taking of unpaid leave of absence by the Employee or the Employee's spouse or Domestic Partner.

**"Gross Monthly Benefit"** means the Covered Person's Monthly Benefit before any reduction for Other Income Benefits and Other Income Earnings.

**"Hospital"** or **"Institution"** means a short-term, acute, general hospital which meets all of the following:

1. It must be primarily engaged in providing to inpatients, by or under the continuous supervision of Physicians, diagnostic services and therapeutic services for diagnosis, treatment, and care of injured or sick persons.
2. It must:
  - a. have organized departments of medicine and surgery;
  - b. require patients to be under the care of a Physician or Dentist; and
  - c. provide 24-hour nursing service by or under the supervision of a registered professional nurse (RN).
3. If located in New York State, it must also have in effect a hospitalization review plan applicable to all patients which meets at least the standards set forth in section 1861(k) of United States Public Law 89-97(42 USCA 1395x(k)).
4. It must be duly licensed by the agency responsible for licensing such hospitals.

It does not include, other than incidentally, a place of rest, a place primarily for the treatment of tuberculosis, a place for the aged, a place for drug addicts, alcoholics, or a place for convalescent, custodial, educational, or rehabilitary care.

## SECTION 2 - DEFINITIONS

(Continued)

**"Indexed Basic Monthly Earnings"** means the Covered Person's Basic Monthly Earnings in effect just prior to the date Disability or Partial Disability began adjusted on the first anniversary of benefit payments and each anniversary thereafter.

**"Initial Enrollment Period"** means one of the following periods during which an Employee may first enroll for coverage under this policy:

1. for an Employee who is eligible for insurance on the policy effective date, a period before the policy effective date set by the Sponsor and Lincoln.
2. for an Employee who becomes eligible for insurance after the policy effective date, the period which ends 31 days after his Eligibility Date.

**"Injury"** means physical harm or damage to the body that requires treatment by a Physician. For the purpose of determining benefits under this policy:

1. any Disability which begins more than 60 days after an Injury will be considered a Sickness; and
2. any Injury which occurs before the Covered Person is covered under this policy, but which accounts for a medical condition that arises while the Covered Person is covered under this policy will be treated as a Sickness.

**"Last Monthly Benefit"** means the gross Monthly Benefit payable to the Covered Person prior to his death without any reduction for earnings received from employment.

**"Material and Substantial Duties"** means responsibilities that are normally required to perform the Covered Person's Own Occupation, or any other occupation, and cannot be reasonably eliminated or modified.

## SECTION 2 - DEFINITIONS

(Continued)

**"Mental Illness"** means a psychiatric or psychological condition classified as such in the most current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM) regardless of the underlying cause of the Mental Illness. If the DSM is discontinued, Lincoln will use the replacement chosen or published by the American Psychiatric Association.

**"Monthly Benefit"** means the monthly amount payable by Lincoln to the Disabled or Partially Disabled Covered Person.

**"Own Occupation"** means the Covered Person's occupation that he was performing when his Disability or Partial Disability began. For the purposes of determining Disability under this policy, Lincoln will consider the Covered Person's occupation as it is normally performed in the national economy.

## SECTION 2 - DEFINITIONS

(Continued)

**"Partial Disability" or "Partially Disabled"** means the Covered Person, as a result of Injury or Sickness, is able to:

1. perform one or more, but not all, of the Material and Substantial Duties of his Own Occupation or Any Occupation on an Active Employment or a part-time basis; or
2. perform all of the Material and Substantial Duties of his Own Occupation or Any Occupation on a part-time basis; and
3. earn between 20.00% and 80.00% of his Basic Monthly Earnings.

**"Physician"** means a person who:

1. is licensed to practice medicine and is practicing within the terms of his license; or
2. is a licensed practitioner of the healing arts in a category specifically favored under the health insurance laws of the state where the Treatment is received and is practicing within the terms of his license.

It does not include a Covered Person, any member of a Covered Person's immediate family, or a Covered Person's domestic partner. A Covered Person's immediate family is a husband or wife; birth or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; and spouse of a grandparent or grandchild.

**"Pre-Existing Condition Tolling Period"** means the period immediately after the Covered Person's effective date of coverage and may last no more than up to 12 months.

## SECTION 2 - DEFINITIONS

(Continued)

**"Proof"** means the evidence in support of a claim for benefits and includes, but is not limited to, the following:

1. a claim form completed and signed (or otherwise formally submitted) by the Covered Person claiming benefits;
2. an attending Physician's statement completed and signed (or otherwise formally submitted) by the Covered Person's attending Physician; and
3. the provision by the attending Physician of standard diagnosis, chart notes, lab findings, test results, x-rays and/or other forms of objective medical evidence in support of a claim for benefits.

Proof must be submitted in a form or format satisfactory to Lincoln.

**"Regular Attendance"** means the Covered Person's personal visits to a Physician which are medically necessary according to generally accepted medical standards to effectively manage and treat the Covered Person's Disability or Partial Disability.

**"Retirement Benefit under a Retirement Plan"** means money which:

1. is payable under a Retirement Plan either in a lump sum or in the form of periodic payments;
2. does not represent contributions made by an Employee (payments which represent Employee contributions are deemed to be received over the Employee's expected remaining life regardless of when such payments are actually received); and
3. is payable upon:
  - a. early or normal retirement; or
  - b. Disability, if the payment does reduce the amount of money which would have been paid under the plan at the normal retirement age.



## SECTION 2 - DEFINITIONS

(Continued)

**"Retirement Plan"** means a plan which provides retirement benefits to Employees and which is not funded wholly by Employee contributions. The term shall not include a profit-sharing plan, informal salary continuation plan, registered retirement savings plan, stock ownership plan, 401(K) or a non-qualified plan of deferred compensation.

**"Schedule of Benefits"** means the section of this policy which shows, among other things, the Eligibility Requirements, Eligibility Waiting Period, Elimination Period, Amount of Insurance, Minimum Benefit, and Maximum Benefit Period.

**"Sickness"** means illness, disease, pregnancy or complications of pregnancy.

**"Sponsor"** means the entity to whom this policy is issued.

**"Sponsor's Retirement Plan"** is deemed to include any Retirement Plan:

1. which is part of any Federal, State, Municipal or Association retirement system; or
2. for which the Employee is eligible as a result of employment with the Sponsor.

**"Treatment"** means consulting, receiving care or services provided by or under the direction of a Physician including diagnostic measures, being prescribed drugs and/or medicines, whether the Covered Person chooses to take them or not, and taking drugs and/or medicines.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

### Eligibility Requirements for Insurance Benefits

The eligibility requirements for insurance benefits are shown in the Schedule of Benefits.

### Eligibility Date for Insurance Benefits

An Employee in an eligible class will qualify for insurance on the later of:

1. this policy's effective date; or
2. the day after the Employee completes the Eligibility Waiting Period shown in the Schedule of Benefits.

### Initial Enrollment Period

During the Initial Enrollment Period an Employee can enroll in any one coverage or coverage option shown in the Schedule of Benefits. If he does not choose any coverage or coverage option, he will not be enrolled for any coverage. If an Employee's Initial Enrollment Period takes place during or after the Annual Enrollment Period, but before the policy anniversary his coverage option will apply for (a) the rest of the policy year in which he first becomes eligible; and (b) the next policy year.

### Annual Enrollment Period

During each Annual Enrollment Period, a Covered Person may keep his coverage at the same level or make one of the following changes in coverage for the next policy year:

1. a decrease in coverage;
2. an increase in coverage subject to Evidence of Insurability.

If a Covered Person fails to enroll for a change in his coverage option during any Annual Enrollment Period he will continue to be insured for the same coverage option during the next policy year and no change in that coverage can be made during the next policy year, unless the Covered Person experiences a Family Status Change.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Family Status Change

When an Employee experiences a Family Status Change, he may keep his coverage at the same level or make one of the following changes in coverage:

1. a decrease in coverage;
2. an increase in coverage subject to Evidence of Insurability.

The Covered Person must apply for the change in coverage within 31 Days of the date of the Family Status Change. Such changes in coverage must be due to or consistent with the reason that the change in coverage was permitted. A change in coverage is consistent with a Family Status Change only if it is necessary or appropriate as the result of the Family Status Change.

### Effective Date of Insurance

Insurance will be effective at 12:01 A.M. Standard Time in the governing jurisdiction on the day determined as follows, but only if the Employee's application or enrollment for insurance is made with Lincoln through the Sponsor in a form or format satisfactory to Lincoln.

1. For Coverage Applied for During Initial Enrollment Periods:
  - a. an Employee will be insured on the date the Employee makes application for insurance if he enrolls on or before the 31st day after his Eligibility Date; or
  - b. an Employee who does not enroll on or before the 31st day after his Eligibility Date, or terminated his insurance while continuing to be eligible may not enroll until the next Annual Enrollment Period or following a Family Status Change.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES (Continued)

### Effective Date of Insurance (Continued)

#### 2. For Contributory Coverage Applied for During Annual Enrollment Periods

An Employee will be insured for the selected contributory coverage on the later of these dates:

- a. the first day of the next policy anniversary; or
- b. the date Lincoln gives its approval, if the Employee:
  - i. increases his coverage option; or
  - ii. terminated his insurance while continuing to be eligible.

In the case of i. and ii. above, the Employee must submit an application and Evidence of Insurability to Lincoln for approval. This will be at the Employee's expense.

#### 3. For Coverage Applied for Due to a Family Status Change

An Employee will be insured for the selected coverage on the later of the following dates, provided he applies or enrolls for the change in coverage before the end of the 31st Day following the Family Status Change:

- a. the date of the Family Status Change;
- b. the date the Employee applies or enrolls for the change in coverage; or
- c. the date Lincoln gives its approval, if the Employee:
  - i. increases his coverage option; or
  - ii. terminated his insurance while continuing to be eligible.

In the case of i. and ii. above, the Employee must submit an application and Evidence of Insurability to Lincoln for approval. This will be at the Employee's expense.

### Delayed Effective Date for Insurance

The effective date of any initial, increased or additional insurance will be delayed for an individual if he is not in Active Employment because of Injury or Sickness. The initial, increased or additional insurance will begin on the date the individual returns to Active Employment.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Family and Medical Leave

An Employee's coverage may be continued under this policy for an approved family or medical leave of absence for up to 12 weeks following the date coverage would have terminated, subject to the following:

1. the authorized leave is in writing;
2. the required premium is paid;
3. the Covered Person's benefit level, or the amount of earnings upon which the Covered Person's benefit may be based, will be that in effect on the date before said leave begins; and
4. continuation of coverage will cease immediately if any one of the following events should occur:
  - a. the Covered Person returns to work;
  - b. this group insurance policy terminates;
  - c. the Covered Person is no longer in an eligible class;
  - d. nonpayment of premium when due by the Sponsor or the Covered Person;
  - e. the Covered Person's employment terminates.

### Rehire Terms

If a former Employee is re-hired by the Sponsor within 12 months of his termination date, all past periods of Active Employment with the Sponsor will be used in determining the re-hired Employee's Eligibility Date. If a former Employee is re-hired by the Sponsor more than 12 months after his termination date, he is considered to be a new Employee when determining his Eligibility Date.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Leave of Absence

The Sponsor may continue the Covered Person's coverage(s) by paying the required premiums, if the Covered Person is given a leave of absence.

The Covered Person's coverage will not continue beyond a period of 4 months for a maternity/paternity leave and a period of 3 months for all other approved leaves.. In continuing such coverage under this provision, the Sponsor agrees to treat all Covered Persons equally.

### Lay-off

The Sponsor may continue the Covered Person's coverage(s) by paying the required premiums, if the Covered Person is temporarily laid off.

The Covered Person's coverage will not continue beyond the end of the policy month in which the lay-off begins. In continuing such coverage under this provision, the Sponsor agrees to treat all Covered Persons equally.

### Associated Companies

Companies, corporations, firms or individuals that are subsidiary to, or affiliated with, the Sponsor will be called Associated Companies. The Associated Companies, if any, are listed in the Schedule of Benefits. Employees of Associated Companies will be considered Employees of the Sponsor for purposes of this policy.

As they relate to this policy, all actions, agreements and notices between Lincoln and the Sponsor will be binding on the Associated Companies.

If any Associated Companies cease to be Associated Companies for any reason, its Employees will be deemed to have transferred to a class of Employees not eligible for coverage under this policy.

### Active Duty

If an Employee resumes Active Employment with the Sponsor upon the Employee's return from active duty as a member of a reserve component of the United States Armed Forces, including the National Guard, within four years following the date active duty began, all past periods of Active Employment with the Sponsor will be used in determining the Employee's Eligibility Date.

To reinstate coverage, the Employee must enroll for insurance or be re-enrolled within:

1. 31 days after resuming Active Employment; or
2. 31 days after the Employee is discharged from a hospital as a result of active duty as a member of a reserve component of the United States Armed Forces, including the National Guard, when the hospitalization continues for a period of not more than one year.

The Employee will be insured for the same coverage that was in effect on the date active duty began and no change in that coverage may be made during the rest of the plan year, unless the Covered Person experiences a Family Status Change. The Employee may make changes to coverage options at the next Annual Enrollment Period.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Transfer Provision

In order to prevent loss of coverage for an individual because of transfer of insurance carriers, this policy will provide coverage for certain individuals as follows:

#### Failure to be In Active Employment Due to Injury or Sickness:

Subject to premium payments, this policy will cover individuals who:

1. at the time of transfer are covered under the prior carrier's policy; and
2. are not in Active Employment due to Injury or Sickness on the effective date of this policy.

Benefits will be determined based on the lesser of:

1. the amount of the Disability benefit that would have been payable under the prior policy and subject to any applicable policy limitations; or
2. the amount of Disability benefits payable under this policy. If benefits are payable under the prior policy for the Disability, no benefits are payable under this policy.

#### Disability Due to a Pre-Existing Condition

If an individual was insured under the prior carrier's policy at the time of transfer and was in Active Employment and insured under this policy on its effective date, benefits may be payable for a Disability due to a Pre-Existing Condition.

If the individual can satisfy this policy's Pre-Existing Condition Exclusion, the benefit will be determined according to this policy.

If the individual cannot satisfy this policy's Pre-Existing Condition Exclusion, then:

1. Lincoln will apply the Pre-Existing Condition Exclusion of the prior carrier's policy and;
2. if the individual would have satisfied the prior carrier's pre-existing condition exclusion, giving consideration towards continuous time coverage under this policy; and the prior carrier's policy, the benefit will be determined according to this policy. However, the Maximum Monthly Benefit amount payable under this policy shall not exceed the maximum monthly benefit payable under the prior carrier's policy.

No benefit will be paid if the individual cannot satisfy the Pre-Existing Condition Exclusions of either policy.

## SECTION 4 - DISABILITY INCOME BENEFITS

### LONG TERM DISABILITY COVERAGE

#### Disability Benefit

When Lincoln receives Proof that a Covered Person is Disabled due to Injury or Sickness and requires the Regular Attendance of a Physician, Lincoln will pay the Covered Person a Monthly Benefit after the end of the Elimination Period, subject to any other provisions of this policy. The benefit will be paid for the period of Disability if the Covered Person gives to Lincoln Proof of continued:

1. Disability;
2. Regular Attendance of a Physician; and
3. Appropriate Available Treatment.

The Proof must be given upon Lincoln's request and at the Covered Person's expense. In determining whether the Covered Person is Disabled, Lincoln will not consider employment factors including, but not limited to, interpersonal conflict in the workplace, recession, job obsolescence, paycuts, job sharing and loss of a professional or occupational license or certification.

For purposes of determining Disability, the Disability must begin while the Employee is insured for this coverage.

The Monthly Benefit will not:

1. exceed the Covered Person's Amount of Insurance; or
2. be paid for longer than the Maximum Benefit Period.

The Amount of Insurance and the Maximum Benefit Period are shown in the Schedule of Benefits.

#### Amount of Disability Monthly Benefit

To figure the amount of Monthly Benefit:

1. Take the lesser of:
  - a. the Covered Person's Basic Monthly Earnings multiplied by the benefit percentage shown in the Schedule of Benefits; or
  - b. the Maximum Monthly Benefit shown in the Schedule of Benefits; and then
2. Deduct Other Income Benefits and Other Income Earnings, (shown in the Other Income Benefits and Other Income Earnings provision of this policy), from this amount.

The Monthly Benefit payable will not be less than the Minimum Monthly Benefit shown in the Schedule of Benefits. However, if an overpayment is due to Lincoln, the Minimum Monthly Benefit otherwise payable under this provision will be applied toward satisfying the overpayment.



## SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

### LONG TERM DISABILITY COVERAGE (Continued)

#### Partial Disability

When Lincoln receives Proof that a Covered Person is Partially Disabled and has experienced a loss of earnings due to Injury or Sickness and requires the Regular Attendance of a Physician, he may be eligible to receive a Monthly Benefit, subject to any other provisions of this policy. To be eligible to receive Partial Disability benefits, the Covered Person may be employed in his Own Occupation or another occupation, must satisfy the Elimination Period and must be earning between 20.00% and 80.00% of his Basic Monthly Earnings.

A Monthly Benefit will be paid for the period of Partial Disability if the Covered Person gives to Lincoln Proof of continued:

1. Partial Disability;
2. Regular Attendance of a Physician; and
3. Appropriate Available Treatment.

The Proof must be given upon Lincoln's request and at the Covered Person's expense. In determining whether the Covered Person is Partially Disabled, Lincoln will not consider employment factors including, but not limited to, interpersonal conflict in the workplace, recession, job obsolescence, paycuts, job sharing and loss of a professional or occupational license or certification.

For purposes of determining Partial Disability, the Partial Disability must begin while the Employee is insured for this coverage.

#### Proportionate Loss Monthly Calculation with Work Incentive Benefit

For the first 12 Months, the work incentive benefit will be an amount equal to the Covered Person's Basic Monthly Earnings multiplied by the benefit percentage shown in the Schedule of Benefits, without any reductions from earnings. The work incentive benefit will only be reduced, if the Monthly Benefit payable plus any earnings exceed 100% of the Covered Person's Basic Monthly Earnings. If the combined total is more, the Monthly Benefit will be reduced by the excess amount so that the Monthly Benefit plus the Covered Person's earnings does not exceed 100% of his Basic Monthly Earnings.

Thereafter, to figure the Amount of Monthly Benefit the formula (A divided by B) x C will be used.

- A = The Covered Person's Basic Monthly Earnings minus the Covered Person's earnings received while he is Partially Disabled. This figure represents the amount of lost earnings.
- B = The Covered Person's Basic Monthly Earnings.
- C = The Monthly Benefit as figured in the Disability provision of this policy plus the Covered Person's earnings received while he is Partially Disabled, (but, not including adjustments under the Cost of Living Adjustment Benefit, if included).

**SECTION 4 - DISABILITY INCOME BENEFITS**  
(Continued)

**LONG TERM DISABILITY COVERAGE (Continued)**

**Partial Disability (Continued)**

**Proportionate Loss Monthly Calculation with Work Incentive Benefit (Continued)**

On the first anniversary of benefit payments and each anniversary thereafter, for the purpose of calculating the benefit, the term "Basic Monthly Earnings" is:

1. replaced by "Indexed Basic Monthly Earnings"; and
2. increased annually by 7.00%, or the current annual percentage increase in the Consumer Price Index, whichever is less.

The Monthly Benefit payable will not be less than the Minimum Monthly Benefit shown in the Schedule of Benefits. However, if an overpayment is due to Lincoln, the Minimum Monthly Benefit otherwise payable under this provision will be applied toward satisfying the overpayment.

## SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

### LONG TERM DISABILITY COVERAGE (Continued)

#### **Mental Illness Limitation**

The benefit for Disability due to Mental Illness will not exceed a combined period of 24 months of Monthly Benefit payments while the Covered Person is insured under this policy.

If the Covered Person is in a Hospital or Institution for Mental Illness at the end of the combined period of 24 months, the Monthly Benefit will be paid during the confinement.

If the Covered Person is not confined in a Hospital or Institution for Mental Illness, but is fully participating in an Extended Treatment Plan for the condition that caused Disability, the Monthly Benefit will be payable to a Covered Person for up to a combined period of 36 months.

In no event will the Monthly Benefit be payable beyond the Maximum Benefit Period shown in the Schedule of Benefits.

## **SECTION 4 - DISABILITY INCOME BENEFITS**

(Continued)

### **LONG TERM DISABILITY COVERAGE (Continued)**

#### **Mandatory Rehabilitation Incentive Benefit**

Lincoln will pay an increased Monthly Benefit while a Covered Person is fully participating in a Rehabilitation Program. Lincoln must first approve the Rehabilitation Program in writing before a Covered Person can be considered for this benefit. If Lincoln does not approve a Rehabilitation Program, the regular Disability benefit will be payable provided the Covered Person is Disabled under the terms of this policy. To be eligible for a Rehabilitation Incentive Benefit, the Covered Person must:

1. be Disabled and receiving benefits under this policy; and
2. be fully participating in a Rehabilitation Program approved by Lincoln.

#### **Increased Monthly Benefit**

If the Covered Person is eligible for a Rehabilitation Incentive Benefit, the benefit percentage shown in the Schedule of Benefits, will be increased by 10.00%. The increased benefit will begin on the first day of the month after Lincoln receives written Proof of the Covered Person's full participation in the Rehabilitation Program.

#### **Decreased Monthly Benefit**

If the Covered Person, at any time, declines to fully participate in an approved Rehabilitation Program recommended by Lincoln, the benefit percentage shown in the Schedule of Benefits will be reduced by 20.00% beginning on the first day of the month following the Covered Person's declination to fully participate in the approved Rehabilitation Program. If Lincoln recommends rehabilitation, benefits will be paid at the reduced amount from the date recommendation is made until Lincoln receives the Covered Person's written agreement to fully participate in the Rehabilitation Program.

#### **Discontinuation of the Rehabilitation Incentive Benefit**

The Rehabilitation Incentive Benefit will cease:

1. when the Covered Person is no longer fully participating in a Rehabilitation Program approved by Lincoln;
2. in accordance with the provision[s] entitled "Discontinuation of the Long Term Disability Benefit"; or
3. when the Rehabilitation Program ends.

## SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

### LONG TERM DISABILITY COVERAGE (Continued)

#### Rehabilitation Incentive Benefit (Continued)

For the purpose of this provision, "**Rehabilitation Program**" means a comprehensive individually tailored, goal oriented program to return a Disabled Covered Person to gainful employment. The services offered may include, but are not limited to, the following:

1. physical therapy;
2. occupational therapy;
3. work hardening programs;
4. functional capacity evaluations;
5. psychological and vocational counseling;
6. rehabilitative employment; and
7. vocational rehabilitation services.

## SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

### LONG TERM DISABILITY COVERAGE (Continued)

#### Three Month Survivor Benefit

Lincoln will pay a lump sum benefit to the Eligible Survivor when Proof is received that a Covered Person died:

1. after Disability had continued for 180 or more consecutive days; and
2. while receiving a Monthly Benefit.

The lump sum benefit will be an amount equal to three times the Covered Person's Last Monthly Benefit.

If the survivor benefit is payable to the Covered Person's children, payment will be made in equal shares to the children, including step children and legally adopted children. However, if any of said children are minors or incapacitated, payment will be made on their behalf to the court appointed guardian of the children's property. This payment will be valid and effective against all claims by others representing or claiming to represent the children.

If there is no Eligible Survivor, the benefit is payable to the estate.

If an overpayment is due to Lincoln at the time of a Covered Person's death, the benefit payable under this provision will be applied toward satisfying the overpayment.

This benefit will be payable to the Covered Person's surviving beneficiary, if any. If no beneficiary was named under the policy, or none survives the Covered Person, then this benefit will be payable:

1. to the Covered Person's surviving legal spouse; or, if none,
2. in equal shares to the Covered Person's surviving child or children.

In deciding how to make a payment, Lincoln may rely upon an affidavit by the spouse, children, or a representative of the children to receive payment. Lincoln will make a payment based upon the affidavit it has, unless it receives notice of a valid claim by some other person before paying the benefit. Such payment will release Lincoln from any further obligation for this benefit.

**SECTION 4 - DISABILITY INCOME BENEFITS**  
(Continued)

**LONG TERM DISABILITY COVERAGE (Continued)**

**Other Income Benefits and Other Income Earnings**

**Other Income Benefits** means:

1. The amount for which the Covered Person is paid under:
  - a. Workers' or Workmen's Compensation Laws;
  - b. Occupational Disease Law;
  - c. Title 46, United States Code Section 688 (The Jones Act);
  - d. Railroad Retirement Act;
  - e. any governmental compulsory benefit act or law (not including benefits received under the New York State Volunteer Firefighter Enhanced Cancer Disability Program); or
  - f. any other act or law of like intent.
2. The amount of any Disability benefits which the Covered Person is paid under:
  - a. any other group insurance plan of the Sponsor;
  - b. any governmental retirement system as a result of his employment with the Sponsor.
3. The amount of benefits the Covered Person receives under the Sponsor's Retirement Plan as follows:
  - a. the amount of any Disability Benefits under a Retirement Plan, or Retirement Benefits under a Retirement Plan the Covered Person voluntarily elects to receive as retirement payment under the Sponsor's Retirement Plan;
  - b. the amount the Covered Person receives as retirement payments when he reaches the later of age 62, or normal retirement age as defined in the Sponsor's plan; and
  - c. early retirement benefits only if such early retirement:
    - i. is elected by the Covered Person; or
    - ii. does not reduce the amount of accrued annuity or pension benefits then funded.
4. The amount of Disability and/or Retirement Benefits under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or any similar plan or act, which:
  - a. the Covered Person receives or is eligible to receive; and
  - b. his spouse, child or children receives or are eligible to receive because of his Disability; or
  - c. his spouse, child or children receives or are eligible to receive because of his eligibility for retirement benefits.
5. Any amount the Covered Person receives from any unemployment benefits.

**SECTION 4 - DISABILITY INCOME BENEFITS**  
(Continued)

**LONG TERM DISABILITY COVERAGE** (Continued)

**Other Income Benefits and Other Income Earnings** (Continued)

**Other Income Earnings** means:

1. the amount of earnings the Covered Person earns or receives from any form of employment including severance; and
2. any amount the Covered Person receives from any formal or informal sick leave or salary continuation plan(s).

Other Income Benefits, except retirement benefits, must be payable as a result of the same Disability for which Lincoln pays a benefit. The sum of Other Income Benefits and Other Income Earnings will be deducted in accordance with the provisions of this policy.



## **SECTION 4 - DISABILITY INCOME BENEFITS**

(Continued)

### **LONG TERM DISABILITY COVERAGE (Continued)**

#### **Estimated Benefits**

At the Covered Person's request, Lincoln will reduce the Covered Person's Disability benefits by the amount that Lincoln estimates the Covered Person and his dependents is/are eligible to receive under a claim for:

1. Workers' Compensation benefits as described in item 1 under Other Income Benefits, or
2. Social Security benefits as described in item 4 under Other Income Benefits.

With respect to benefits payable under the Social Security Act, the Covered Person may apply with the Social Security Administration for benefit payments under that plan if we determine that the Covered Person is eligible for such benefits.

If application is made but denied by the Social Security Administration, and Lincoln disagrees with their decision, Lincoln will provide the Covered Person with the necessary assistance to re-file his claim with the Social Security Administration following the first appeal.

In the event that Lincoln overestimates an amount the Covered Person would have received, Lincoln will reimburse the Covered Person for such amount plus any interest otherwise payable under the federal plan.

The Covered Person may opt out of his request to allow Lincoln to estimate these amounts at any time. If the Covered Person chooses to opt out, then Lincoln will repay any monies withheld to which he is entitled.

#### **Social Security Assistance**

Lincoln may help a Covered Person in applying for Social Security Disability Income Benefits. In order to be eligible for assistance the Covered Person must be receiving a Monthly Benefit from Lincoln. Such assistance will be provided only if Lincoln determines that assistance would be beneficial.

## **SECTION 4 - DISABILITY INCOME BENEFITS**

(Continued)

### **LONG TERM DISABILITY COVERAGE (Continued)**

#### **Cost of Living Freeze**

After the first deduction for each of the Other Income Benefits, the Monthly Benefit will not be further reduced due to any cost of living increases payable under the Other Income Benefits and Other Income Earnings provision of this policy. This provision does not apply to increases received from any form of employment.

#### **Prorated Benefits**

For any period for which a Long Term Disability benefit is payable that does not extend through a full month, the benefit will be paid on a prorated basis. The rate will be 1/30th for each day for such period of Disability.

#### **Discontinuation of the Long Term Disability Benefit**

The Monthly Benefit will cease on the earliest of:

1. the date the Covered Person fails to provide Proof of continued Disability or Partial Disability and Regular Attendance of a Physician;
2. the date the Covered Person fails to cooperate in the administration of the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

**SECTION 4 - DISABILITY INCOME BENEFITS**  
(Continued)

**LONG TERM DISABILITY COVERAGE (Continued)**

**Discontinuation of the Long Term Disability Benefit (Continued)**

The Monthly Benefit will cease on the earliest of: (Continued)

3. the date the Covered Person refuses to be examined or evaluated at reasonable intervals;
4. the date the Covered Person refuses to receive Appropriate Available Treatment;
5. the date the Covered Person is able to work in his Own Occupation on a part-time basis, but chooses not to;
6. the date the Covered Person's current Partial Disability earnings exceed 80.00% of his Indexed Basic Monthly Earnings;

Because the Covered Person's current earnings may fluctuate, Lincoln will average earnings over three consecutive months rather than immediately terminating his benefit once 80.00% of Indexed Basic Monthly Earnings has been exceeded.

7. the date the Covered Person is no longer Disabled according to this policy;
8. the end of the Maximum Benefit Period; or
9. the date the Covered Person dies.

If benefits are delayed or suspended, payments will resume (subject to all other policy provisions) when the required medical exam is completed or proof is furnished within a reasonable time.

**SECTION 4 - DISABILITY INCOME BENEFITS**  
(Continued)

**LONG TERM DISABILITY COVERAGE** (Continued)

**Successive Periods of Disability**

With respect to this policy, "**Successive Periods of Disability**" means a Disability which is related or due to the same cause(s) as a prior Disability for which a Monthly Benefit was payable.

A Successive Period of Disability will be treated as part of the prior Disability if, after receiving Disability benefits under this policy, a Covered Person:

1. returns to his Own Occupation on an Active Employment basis for less than six continuous months; and
2. performs all the Material and Substantial Duties of his Own Occupation.

To qualify for a Successive Periods of Disability benefit, the Covered Person must experience more than a 20% loss of Basic Monthly Earnings.

Benefit payments will be subject to the terms of this policy for the prior Disability.

If a Covered Person returns to his Own Occupation on an Active Employment basis for six continuous months or more, the Successive Period of Disability will be treated as a new period of Disability. The Covered Person must complete another Elimination Period.

If a Covered Person becomes eligible for coverage under any other group long term disability coverage, this Successive Period of Disability provision will cease to apply to that Covered Person.

## SECTION 5 - EXCLUSIONS

### GENERAL EXCLUSIONS

This policy will not cover any Disability due to:

1. war, declared or undeclared, or any act of war;
2. intentionally self-inflicted injuries, while sane or insane;
3. active Participation in a Riot;
4. active participation in a felony; or
5. cosmetic surgery, unless such surgery is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part and is in connection with an Injury or Sickness sustained while the individual is a Covered Person.

## SECTION 5 - EXCLUSIONS (Continued)

### LONG TERM DISABILITY COVERAGE

#### **Pre-Existing Condition Exclusion**

This policy will not cover any Disability or Partial Disability during the Pre-Existing Condition Tolling Period:

1. which is caused or contributed to by, or results from, a Pre-Existing Condition; and
2. which begins in the first 6 months if the Covered Person is aged 65 or older or 12 months if the Covered Person is younger than age 65, immediately after the Covered Person's effective date of coverage.

Please note: The exclusion period is considered a benefit waiting period and not a complete bar for coverage of a Disability arising within the first 6 months if the Covered Person is aged 65 or older or 12 months if the Covered Person is younger than age 65, following the Covered Person's effective date under the policy.

**"Pre-Existing Condition"** means a condition resulting from an Injury or Sickness for which the Covered Person is diagnosed or received Treatment within three months prior to the Covered Person's effective date of coverage.

In determining whether a Pre-Existing Condition Exclusion will apply to a Covered Person, Lincoln shall credit the time the employee was previously insured under a previous group or blanket disability insurance plan or policy or employer-provided group disability benefit plan, if such previous coverage was continuous to a date not more than sixty (60) days prior to the effective date of coverage under this policy.

## SECTION 6 - TERMINATION PROVISIONS

### Termination of a Covered Person's Insurance

A Covered Person will cease to be insured on the earliest of the following dates:

1. the date this policy terminates, but without prejudice to any claim originating prior to the time of termination;
2. the date the Covered Person is no longer in an eligible class;
3. the date the Covered Person's class is no longer included for insurance;
4. the last day for which any required Employee contribution has been made;
5. the date employment terminates. Cessation of Active Employment will be deemed termination of employment, except the insurance will be continued for an Employee absent due to Disability during:
  - a. the Elimination Period; and
  - b. any period during which premium is being waived.
6. the date the Covered Person ceases active work due to a labor dispute, including any strike, work slowdown, or lockout.

Lincoln reserves the right to review and terminate all classes insured under this policy if any class(es) cease(s) to be covered.

## SECTION 6 - TERMINATION PROVISIONS

(Continued)

### Policy Termination

1. Termination of this policy under any conditions will not prejudice any claim which occurs while this policy is in force.
2. If the Sponsor fails to pay any premium within the grace period, this policy will terminate at 12:00 midnight Standard Time on the last day of the grace period. The Sponsor may terminate this policy by advance written notice delivered to Lincoln at least 31 days prior to the termination date. This policy will not terminate during any period for which premium has been paid. The Sponsor will be liable to Lincoln for all premiums due and unpaid for the full period for which this policy is in force.
3. Lincoln may terminate this policy on any premium due date by giving written notice to the Sponsor at least 31 days in advance if:
  - a. the number of Employees insured is fewer than 10; or
  - b. less than 25.00% of all the Employees eligible for any contributory insurance are insured for it; or
  - c. the Sponsor fails:
    - i. to furnish promptly any information which Lincoln may reasonably require; or
    - ii. to perform any other obligations pertaining to this policy.
4. Lincoln may terminate this policy or any coverage(s) afforded hereunder and for any class of covered Employees on any premium due date after it has been in force for 12 months. Lincoln will provide written notice of such termination to the Sponsor at least 31 days before the termination is effective.
5. Termination may take effect on an earlier date if agreed to by the Sponsor and Lincoln.



## SECTION 7 - GENERAL PROVISIONS

### Assignment

No assignment of any present or future right or benefit under this policy will be allowed.

### Complete Contract - Policy Changes

1. This policy is the entire contract. It consists of:
  - a. all of the pages; and
  - b. the attached signed Application of the Sponsor; and
  - c. if contributory each Employee's signed application for insurance.
2. This policy may be changed in whole or in part. Only an officer of Lincoln can approve a change. The approval must be in writing and endorsed on or attached to this policy.
3. No other person, including an agent, may change this policy or waive any part of it.
4. Unilateral modifications Lincoln makes to the policy will be in accordance with applicable laws, upon at least 30 days' prior written notice to the Sponsor.

### Conformity with State Statutes

Any provision of this policy which, on its effective date, is in conflict with the statutes of the governing jurisdiction of this policy is hereby amended to conform to the minimum requirements of such statute.

### Employee's Certificate

Lincoln will provide a Certificate to the Sponsor for delivery to Covered Persons. It will state:

1. the name of the insurance company and the policy number;
2. a description of the insurance provided;
3. the method used to determine the amount of benefits;
4. to whom benefits are payable;
5. limitations or reductions that may apply;
6. the circumstances under which insurance terminates; and
7. the rights of the Covered Person upon termination of this policy.

If the terms of a Certificate and this policy differ, this policy will govern.

### Examination

Lincoln, at its own expense, may have the right and opportunity to have a Covered Person, whose Injury or Sickness is the basis of a claim, examined or evaluated at reasonable intervals deemed necessary by Lincoln. This right may be used as often as reasonably required.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### Furnishing of Information - Access to Records

1. The Sponsor will furnish at regular intervals to Lincoln:
  - a. information relative to Employees:
    - i. who qualify to become insured;
    - ii. whose amounts of insurance change; and/or
    - iii. whose insurance terminates.
  - b. any other information about this policy that may be reasonably required.

The Sponsor's records which, in the opinion of Lincoln, have a bearing on the insurance will be opened for inspection at any reasonable time.

2. Clerical error or omission will not:
  - a. deprive an Employee of insurance;
  - b. affect an Employee's Amount of Insurance; or
  - c. effect or continue an Employee's insurance which otherwise would not be in force.

### Incontestability

The validity of this policy shall not be contested, except for non-payment of premiums, after it has been in force for two years from the date of issue. The validity of this policy shall not be contested on the basis of a statement made relating to insurability by any person covered under this policy after such insurance has been in force for two years during such person's lifetime, and shall not be contested unless the statement is contained in a written instrument signed by the person making such statement.

No misrepresentation shall avoid any contract of insurance or defeat recovery thereunder unless such misrepresentation was material. No misrepresentation shall be deemed material unless knowledge by the insurer of the facts misrepresented would have led to a refusal by Lincoln to make such contract.

### Legal Proceedings

A claimant or the claimant's authorized representative cannot start any legal action:

1. until 60 days after Proof of claim has been given; or
2. more than two years after the time Proof of claim is required.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### **Misstatement of Age**

If a Covered Person's age has been misstated, an equitable adjustment will be made in the premium. If the amount of the benefit is dependent upon an Employee's age, the amount of the benefit will be the amount an Employee would have been entitled to if his correct age were known.

A refund of premium will not be made for a period more than 12 months before the date Lincoln is advised of the error.

### **Notice and Proof of Claim**

#### **1. Notice**

- a. Notice of claim must be given to Lincoln within 20 days of the date of the loss on which the claim is based. If that is not possible, Lincoln must be notified as soon as it is reasonably possible to do so. Such notice of claim must be received in a form or format satisfactory to Lincoln.
- b. When written notice of claim is applicable and has been received by Lincoln, the Covered Person will be sent claim forms. If the forms are not received within 15 days after written notice of claim is sent, the Covered Person can send to Lincoln written Proof of claim without waiting for the forms.

#### **2. Proof**

- a. Satisfactory Proof of loss must be given to Lincoln no later than 30 days after the end of the Elimination Period.
- b. Failure to furnish such Proof within such time shall not invalidate or reduce any claim if it was not reasonably possible to furnish such Proof within such time. Such Proof must be furnished as soon as reasonably possible.
- c. Proof of continued loss, continued Disability or Partial Disability, when applicable, and Regular Attendance of a Physician must be given to Lincoln within 30 days of the request for such Proof.

Lincoln reserves the right to determine if the Covered Person's Proof of loss is satisfactory.

### **Payment of Claims**

The benefit is payable to the Covered Person. But, if a benefit is payable to a Covered Person's estate, a Covered Person who is a minor, or who is not competent, Lincoln has the right to pay up to \$2,000 to any of the Covered Person's relatives or any other person whom Lincoln considers entitled thereto by reason of having incurred expense for medical attendance of the Covered Person. If Lincoln in good faith pays the benefit in such a manner, any such payment shall fulfill Lincoln's responsibility for the amount paid.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### Right of Recovery

Lincoln has the right to recover any overpayment of benefits caused by, but not limited to, the following:

1. fraud;
2. any error made by Lincoln in processing a claim; or
3. the Covered Person's receipt of any Other Income Benefits.

Lincoln may recover an overpayment by, but not limited to, the following:

1. requesting a lump sum payment of the overpaid amount;
2. reducing any benefits payable under this policy;
3. taking any appropriate collection activity available including any legal action needed; and
4. placing a lien, if not prohibited by law, in the amount of the overpayment on the proceeds of any Other Income Benefits, whether on a periodic or lump sum basis.

It is required that full reimbursement be made to Lincoln.

### Statements

All statements made in any application are considered representations and not warranties (absolute guarantees). No misrepresentation shall be used to reduce or avoid a claim unless the misrepresentation was material. No representation by:

1. the Sponsor in applying for this policy will make it void unless the representation is contained in the signed Application; or
2. any Employee in enrolling for insurance under this policy will be used to reduce or deny a claim unless a copy of the Enrollment Form, signed by the Employee if required, is or has been given to the Employee.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### Subrogation and Rights to Reimbursement

This provision applies when:

1. the Covered Person sustains a Disability for which a third party may be responsible, as when someone injures him in an accident; and
2. Lincoln pays benefits as a result of that Disability.

In that event, Lincoln will be subrogated and succeed to the right of recovery against the party responsible for the Covered Person's Disability, to the extent of the benefits paid under this Policy. The third party may be another person or an organization.

This means that Lincoln:

1. has the right to proceed directly against the party responsible for the Disability, to recover the benefits paid under this Policy; and
2. has the right to do so independently of the Covered Person.

Lincoln is also entitled to reimbursement of Policy benefits from any settlement or judgment the Covered Person receives from the party responsible but only when:

1. the settlement or judgment specifically identifies and allocates loss of earnings sums directly attributable to the Disability for which Lincoln has paid benefits.
2. it is presumed that the Covered Person did not take any action against Lincoln's rights or violate any contract between the Covered Person and Lincoln.

If a settlement or judgment does not specifically identify and allocate loss of earnings sums directly attributable to Disability, then Lincoln is not entitled to any subrogation.

Under Section 5-335 of the New York General Obligations Law, Lincoln's right of recovery does not apply when a settlement is reached between a plaintiff and defendant, unless a statutory right of reimbursement exists.

Lincoln requests that the Covered Person notifies Lincoln within 30 days of the date when any notice is given to any party, including an insurance company or attorney, of the Covered Person's intention to pursue or investigate a claim to recover damages or obtain compensation due to injury, illness or condition sustained by the Covered Person for which Lincoln has provided benefits. The Covered Person must provide all information requested by Lincoln or Lincoln's representatives including, but not limited to, completing and submitting any applications or other forms or statements as Lincoln may reasonably request.

This provision will not apply where prohibited by law.

## **SECTION 7 - GENERAL PROVISIONS**

(Continued)

### **Applying for Benefits Under the Social Security Act**

With respect to benefits payable under the Social Security Act, the Covered Person may apply with the Social Security Administration for benefit payments under that plan if Lincoln determines that the Covered Person is eligible for such benefits.

If application is made but denied by the Social Security Administration, and Lincoln disagrees with their decision, Lincoln will provide the Covered Person with the necessary assistance to re-file their claim with the Social Security Administration following the first appeal.

### **Workers' Compensation**

This policy and the coverages provided are not in lieu of, nor will they affect any requirements for coverage under any Workers' Compensation Law or other similar law.

## SECTION 8 - PREMIUMS

### Premium Rates

Lincoln has set the premiums that apply to the coverage(s) provided under this policy. Those premiums are shown in a notice given to the Sponsor with or prior to delivery of this policy.

A change in the initial premium rate(s) will not take effect within the first 36 months except that Lincoln may change premium rates at any time for reasons which affect the risk assumed, including those reasons shown below:

1. a change occurs in the policy design;
2. a division, subsidiary or Associated Company is added to or deleted from this policy;
3. when the number of Covered Persons changes by 15.00% or more from the number insured on this policy's effective date; or
4. a change in existing law which affects this policy.

No premium may be changed unless Lincoln notifies the Sponsor at least 31 days in advance. Premium changes may take effect on an earlier date when both Lincoln and the Sponsor agree.

### Payment of Premiums

1. All premiums due under this policy, including adjustments, if any, are payable by the Sponsor on or before their due dates at Lincoln's Administrative Office, or to Lincoln's agent. The due dates are specified on the first page of this policy.
2. All payments made to or by Lincoln shall be in United States dollars.
3. If premiums are payable on a monthly basis, premiums for additional or increased insurance becoming effective during a policy month will be charged from the next premium due date.
4. The premium charge for insurance terminated during a policy month will cease at the end of the policy month in which such insurance terminates. This manner of charging premium is for accounting purposes only. It will not extend insurance coverage beyond a date it would have otherwise terminated as shown in the "Termination of a Covered Person's Insurance" provision of this policy.
5. If premiums are payable on other than a monthly basis, premiums for additional, increased, reduced or terminated insurance will cause a prorated adjustment on the next premium due date.
6. Except for fraud and premium adjustments, refunds of premiums or charges will be made only for:
  1. the current policy year; and
  2. the immediately preceding policy year.

## **SECTION 8 - PREMIUMS**

(Continued)

### **Grace Period**

This is the 31 days following a premium due date, other than the first, during which premium payment may be made. During the grace period this policy shall continue in force, unless the Sponsor has given Lincoln written notice 31 days in advance of discontinuance of this policy.

### **Waiver of Premium**

Premium payments for a Covered Person are waived during any period for which benefits are payable. If coverage is to be continued, premium payments must be resumed following a period during which they were waived.