

DEARBORN NATIONAL'S VOLUNTARY LONG-TERM DISABILITY (LTD) FOR THE UNIVERSITY OF TEXAS SYSTEM'S ACTIVE EMPLOYEES

2016 ANNUAL ENROLLMENT

Without a steady income, most people would not be able to make payments of their homes or keep their family financially stable. LTD reduces the burden during these unstable times. It is a convenient, economical way of securing an income while out of work from an unexpected injury or illness.

Eligibility: All benefits eligible active employees may enroll for coverage. For questions on eligibility, please refer to the Office of Employee Benefits Active Employee webpage or contact your institution Benefits Office.

BENEFITS AT A GLANCE

Monthly Benefit:

60% of your monthly earnings* up to a maximum of \$12,025 per month.

We will reduce the amount of your LTD payment by other income benefit payments you may receive.

(* Monthly earnings are defined on the reverse.)

Elimination Period:

Benefits will begin once you have satisfied the elimination period of 90 days of continuous injury or sickness.

Note: You must exhaust all of your sick leave before benefits are payable.

MAXIMUM PERIOD PAYABLE

Age at Disability	Maximum Period Payable
Less than 60	To age 65, but not less than 60 months
60 – 64	60 months
65 – 69	To age 70, but not less than 12 months
70 and over	12 months

WHO PAYS THE PREMIUM?

You pay 100% of the premium for Voluntary LTD coverage on a post-tax basis; therefore, your LTD benefits will not be subject to federal income taxes.

WHEN IS MEDICAL EVIDENCE OF INSURABILITY REQUIRED?

EOI is required for previously eligible employees who did not enroll within 31 days of initial eligibility or within 31 days of a qualified change in family status event.

BENEFIT LIMITATIONS

Benefits are not payable for disabilities occurring as a result of:

- a pre-existing condition;
- commission of, participation, in or an attempt to commit an assault or felony;
- intentionally self-inflicted injuries;
- attempted suicide, regardless of mental capacity;
- active participation in a riot; or
- participation in a war, declared or undeclared, or any act of war.

Mental Illness and Substance Abuse Limitation:

You can receive benefit payments for disabilities resulting from mental illness or substance abuse for a total of 24 months for all disability periods during your lifetime. Any period that you are confined to a hospital or other facility licensed to provide medical care for these conditions does not count toward the 24 month limit.

FOR ADDITIONAL INFORMATION REGARDING THESE BENEFITS,
VISIT: WWW.DEARBORNNATIONAL.COM/UT

VOLUNTARY LTD BENEFIT (continued)

PRE-EXISTING CONDITION

A pre-existing condition is one that:

1. was caused by, or results from, a sickness or injury for which you received medical treatment; or advice was rendered, prescribed, or recommended whether or not the sickness was diagnosed at all, or was misdiagnosed, within 3 months prior to your LTD effective date; and
2. results in a disability which begins in the first 12 months after your LTD effective date.

DEFINITION OF DISABILITY

Total Disability means that during the first 24 consecutive months of benefit payments due to sickness or injury you are continuously unable to perform the material and substantial duties of your regular occupation; and your disability earnings, if any, are less than 20% of your pre-disability indexed monthly earnings.

After the LTD monthly benefit has been paid for 24 consecutive months, total disability means that due to sickness or injury you are continuously unable to engage in any gainful occupation; and your disability earnings, if any, are less than 20% of your pre-disability indexed monthly earnings.

Partial Disability means that during the elimination and maximum period payable, due to sickness or injury, you are able to work in any gainful occupation and you are able to earn at least 20% of your pre-disability indexed monthly earnings.

What Happens if You Become Disabled When School is Not in Session?

Disability will be based on whether or not you *would* be able to perform the material and substantial duties of your regular occupation if school were in session.

DEFINITION OF MONTHLY EARNINGS

Your monthly earnings are equal to 1/12th of your last reported gross annual salary from UT System in effect on either the day immediately prior to your date of disability or the September 1 immediately prior to your date of disability, whichever is greater.

It includes:

- hazardous duty pay;
- longevity pay;
- employee contributions made through a salary reduction agreement with your employer to an IRC Section 401(k), 403(b), 501(c)(3), 457 deferred compensation plan, or any other qualified or non-qualified employee Retirement Plan or deferred compensation agreement; and
- amounts contributed to your fringe benefits according to a salary reduction arrangement under an IRC Section 125 plan.

It does not include:

- commissions;
- bonuses;
- overtime pay;
- UT System's contribution on your behalf to a retirement plan or deferred compensation arrangement; or
- any other extra compensation.

WHAT OTHER BENEFITS ARE INCLUDED?

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| • Survivor Income | • Catastrophic Disability |
| • Accidental Dismemberment | • Caregiver Training |
| • Worksite Modification | • Caregiver Respite |
| • Conversion Privilege | • Emergency Alert System |

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