



LIBERTY LIFE ASSURANCE COMPANY OF BOSTON

Virginia Notice

IMPORTANT INFORMATION REGARDING YOUR INSURANCE

In the event you need to contact someone about this insurance for any reason, please contact your sales representative. If no sales representative was involved in the sale of this insurance, or if you have additional questions, you may contact the insurance company issuing this insurance at the following address and telephone number:

General Inquiries:

Liberty Life Assurance Company of Boston
Main Administrative Office
175 Berkeley Street
Boston, Massachusetts 02116
GroupBenefits@LibertyMutual.com

Group Disability Claims

Toll Free Number: 888-408-7300

Group Life Claims:

Toll Free Number: 888-787-2129
Fax Number: 603-742-3873
grouplifeclaims@libertymutual.com

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia State Corporation Commission's Bureau of Insurance at:

Virginia State Corporation Commission's Bureau of Insurance
P.O. Box 1157
Richmond, Virginia 23218 -1157
Telephone: (804) 371-9741 or 1-800-552-7945 (VA Only)

Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your sales representative, company or the Bureau of Insurance, have your policy number available.



LIBERTY LIFE ASSURANCE COMPANY OF BOSTON

Virginia Notice

BENEFICIARY DESIGNATION MAY NOT APPLY IN THE EVENT OF ANNULMENT OR DIVORCE

Under Virginia law (Virginia Code §20-111.1), a revocable beneficiary designation in a policy owned by one spouse that names the other spouse as beneficiary becomes void upon the entry of a decree of annulment or divorce, and the death benefit prevented from passing to a former spouse will be paid as if the former spouse had predeceased the decedent. In the event of annulment or divorce proceedings, and if it is the intent of the parties that the beneficiary designation of the former spouse is to continue, you are advised to make certain that one of the following courses of action is taken prior to the entry of a decree of annulment or divorce: (i) change the beneficiary designation to make it irrevocable; (ii) change the ownership of the policy or contract; (iii) execute a separate written agreement stating the intention of both parties that the beneficiary designation is to remain in effect beyond the date of entry of the decree of annulment or divorce; or (iv) make certain that the decree of annulment or divorce contains a provision stating that the beneficiary designation is not to be revoked pursuant to §20-111.1.

**NOTICE OF PROTECTION PROVIDED BY
VIRGINIA LIFE, ACCIDENT AND SICKNESS INSURANCE GUARANTY ASSOCIATION**

This notice provides a brief summary of the Virginia Life, Accident and Sickness Insurance Guaranty Association ("the Association") and the protection it provides for policyholders. This safety net was created under Virginia law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that a life, annuity or health insurance company licensed in the Commonwealth of Virginia becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Virginia law, with funding from assessments paid by other life and health insurance companies licensed in the Commonwealth of Virginia.

The basic protections provided by the Association are:

Life Insurance

- \$300,000 in death benefits
- \$100,000 in cash surrender or withdrawal values

Health Insurance

- \$500,000 in hospital, medical and surgical insurance benefits
- \$300,000 in disability [income] insurance benefits
- \$300,000 in long-term care insurance benefits
- \$100,000 in other types of health insurance benefits

Annuities

- \$250,000 in withdrawal and cash values

The maximum amount of protection for each individual, regardless of the number of policies or contracts, is \$350,000, except for hospital, medical and surgical insurance benefits, for which the limit is increased to \$500,000.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also various residency requirements and other limitations under Virginia law.

To learn more about the above protections, please visit the Association's website at <http://www.valifega.org> or contact:

Virginia Life, Accident and Sickness
Insurance Guaranty Association
c/o APM Management Services, Inc.
8001 Franklin Farms Drive, Suite 235
Henrico, VA 23229
804-282-2240

State Corporation Commission
Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218
804-371-9741
Toll Free Virginia-only: 1-800-552-7945

<http://www.scc.virginia.gov/division/boi/index.htm>

Insurance companies and agents are not allowed by Virginia law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and Virginia law, then Virginia law will control.



Liberty Mutual.

INSURANCE

Liberty Life Assurance Company of Boston

GROUP DISABILITY INCOME POLICY

Sponsor: VBA Benefits Corporation

Policy Number: GD/GF3-850-291859-01

Effective Date: January 1, 2017

Governing Jurisdiction is Virginia 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 2018.

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

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 Liberty.

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.

Signed at Liberty's Home Office, 175 Berkeley Street, Boston, Massachusetts, 02116


SECRETARY


PRESIDENT

NON-PARTICIPATING

FORM ADOP

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SECTION 1 - SCHEDULE OF BENEFITS

ELIGIBILITY REQUIREMENTS FOR INSURANCE BENEFITS

Minimum Hourly Requirement:

Employees working a minimum of 30 regularly scheduled hours per week

Short Term Disability Benefits:

- Class 1A: All eligible full-time or part-time Employees who elect the 9 week Sponsor paid plan with no Eligibility Waiting Period
- Class 1B: All eligible full-time or part-time Employees who elect the 9 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month coincident with or next following the date of hire
- Class 1C: All eligible full-time or part-time Employees who elect the 9 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month following 30 days of continuous, Active Employment
- Class 1D: All eligible full-time or part-time Employees who elect the 9 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month following 90 days of continuous, Active Employment
- Class 2A: All eligible full-time or part-time Employees who elect the 13 week Sponsor paid plan with no Eligibility Waiting Period
- Class 2B: All eligible full-time or part-time Employees who elect the 13 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month coincident with or next following the date of hire
- Class 2C: All eligible full-time or part-time Employees who elect the 13 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month following 30 days of continuous, Active Employment
- Class 2D: All eligible full-time or part-time Employees who elect the 13 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month following 90 days of continuous, Active Employment
- Class 3A: All eligible full-time or part-time Employees who elect the 26 week Sponsor paid plan with no Eligibility Waiting Period
- Class 3B: All eligible full-time or part-time Employees who elect the 26 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month coincident with or next following the date of hire
- Class 3C: All eligible full-time or part-time Employees who elect the 26 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month following 30 days of continuous, Active Employment

- Class 3D: All eligible full-time or part-time Employees who elect the 26 week Sponsor paid plan with an Eligibility Waiting Period of the first of the month following 90 days of continuous, Active Employment
- Class 4A: All eligible full-time or part-time Employees who elect the 9 week Employee paid plan with no Eligibility Waiting Period
- Class 4B: All eligible full-time or part-time Employees who elect the 9 week Employee paid plan with an Eligibility Waiting Period of the first of the month coincident with or next following the date of hire
- Class 4C: All eligible full-time or part-time Employees who elect the 9 week Employee paid plan with an Eligibility Waiting Period of the first of the month following 30 days of continuous, Active Employment
- Class 4D: All eligible full-time or part-time Employees who elect the 9 week Employee paid plan with an Eligibility Waiting Period of the first of the month following 90 days of continuous, Active Employment
- Class 5A: All eligible full-time or part-time Employees who elect the 13 week Employee paid plan with no Eligibility Waiting Period
- Class 5B: All eligible full-time or part-time Employees who elect the 13 week Employee paid plan with an Eligibility Waiting Period of the first of the month coincident with or next following the date of hire
- Class 5C: All eligible full-time or part-time Employees who elect the 13 week Employee paid plan with an Eligibility Waiting Period of the first of the month following 30 days of continuous, Active Employment
- Class 5D: All eligible full-time or part-time Employees who elect the 13 week Employee paid plan with an Eligibility Waiting Period of the first of the month following 90 days of continuous, Active Employment
- Class 6A: All eligible full-time or part-time Employees who elect the 26 week Employee paid plan with no Eligibility Waiting Period
- Class 6B: All eligible full-time or part-time Employees who elect the 26 week Employee paid plan with an Eligibility Waiting Period of the first of the month coincident with or next following the date of hire
- Class 6C: All eligible full-time or part-time Employees who elect the 26 week Employee paid plan with an Eligibility Waiting Period of the first of the month following 30 days of continuous, Active Employment
- Class 6D: All eligible full-time or part-time Employees who elect the 26 week Employee paid plan with an Eligibility Waiting Period of the first of the month following 90 days of continuous, Active Employment

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.

Long Term Disability Benefits:

- Class 1A: All full-time and part-time active executive officers who elect the Employer paid 60 day Elimination Period, 60.00% benefit plan

- Class 1B: All full-time and part-time active Employees, excluding executive officers, who elect the Employer paid 60 day Elimination Period, 60.00% benefit plan
- Class 2A: All full-time and part-time active executive officers who elect the Employer paid 60 day Elimination Period, 70.00% benefit plan
- Class 2B: All full-time and part-time active Employees, excluding executive officers, who elect the Employer paid 60 day Elimination Period, 70.00% benefit plan
- Class 3A: All full-time and part-time active executive officers who elect the Employer paid 90 day Elimination Period, 60.00% benefit plan
- Class 3B: All full-time and part-time active Employees, excluding executive officers, who elect the Employer paid 90 day Elimination Period, 60.00% benefit plan
- Class 4A: All full-time and part-time active executive officers who elect the Employer paid 90 day Elimination Period, 70.00% benefit plan
- Class 4B: All full-time and part-time active Employees, excluding executive officers, who elect the Employer paid 90 day Elimination Period, 70.00% benefit plan
- Class 5A: All full-time and part-time active executive officers who elect the Employer paid 180 day Elimination Period, 60.00% benefit plan
- Class 5B: All full-time and part-time active Employees, excluding executive officers, who elect the Employer paid 180 day Elimination Period, 60.00% benefit plan
- Class 6A: All full-time and part-time active executive officers who elect the Employer paid 180 day Elimination Period, 70.00% benefit plan
- Class 6B: All full-time and part-time active Employees, excluding executive officers, who elect the Employer paid 180 day Elimination Period, 70.00% benefit plan
- Class 1C: All full-time and part-time active executive officers who elect the Employee paid 60 day Elimination Period, 60.00% benefit plan
- Class 1D: All full-time and part-time active Employees, excluding executive officers, who elect the Employee paid 60 day Elimination Period, 60.00% benefit plan
- Class 2C: All full-time and part-time active executive officers who elect the Employee paid 60 day Elimination Period, 70.00% benefit plan
- Class 2D: All full-time and part-time active Employees, excluding executive officers, who elect the Employee paid 60 day Elimination Period, 70.00% benefit plan
- Class 3C: All full-time and part-time active executive officers who elect the Employee paid 90 day Elimination Period, 60.00% benefit plan
- Class 3D: All full-time and part-time active Employees, excluding executive officers, who elect the Employee paid 90 day Elimination Period, 60.00% benefit plan
- Class 4C: All full-time and part-time active executive officers who elect the Employee paid 90 day Elimination Period, 70.00% benefit plan
- Class 4D: All full-time and part-time active Employees, excluding executive officers, who elect the Employee paid 90 day Elimination Period, 70.00% benefit plan

- Class 5C: All full-time and part-time active executive officers who elect the Employee paid 180 day Elimination Period, 60.00% benefit plan
- Class 5D: All full-time and part-time active Employees, excluding executive officers, who elect the Employee paid 180 day Elimination Period, 60.00% benefit plan
- Class 6C: All full-time and part-time active executive officers who elect the Employee paid 180 day Elimination Period, 70.00% benefit plan
- Class 6D: All full-time and part-time active Employees, excluding executive officers, who elect the Employee paid 180 day Elimination Period, 70.00% benefit plan

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:

Applicable to Short Term Disability

Applicable to Class 1A, 2A, 3A, 4A, 5A, 6A

1. If the Covered Person is employed by the Sponsor on the policy effective date - None
2. If the Covered Person begins employment for the Sponsor after the policy effective date - None

Applicable to Class 1B, 2B, 3B, 4B, 5B, 6B

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

Applicable to Class 1C, 2C, 3C, 4C, 5C, 6C

1. If the Covered Person is employed by the Sponsor on the policy effective date - First of the month following 30 days of continuous, Active Employment
2. If the Covered Person begins employment for the Sponsor after the policy effective date - First of the month following 30 days of continuous, Active Employment

Applicable to Class 1D, 2D, 3D, 4D, 5D, 6D

1. If the Covered Person is employed by the Sponsor on the policy effective date - First of the month following 90 days of continuous, Active Employment
2. If the Covered Person begins employment for the Sponsor after the policy effective date - First of the month following 90 days of continuous, Active Employment

Applicable to Long Term Disability

1. If the Covered Person is employed by the Sponsor on the policy effective date - 90 days of continuous, Active Employment
2. If the Covered Person begins employment for the Sponsor after the policy effective date - 90 days of continuous, Active Employment

Employee Contributions Required:

Short Term Disability Benefits:

Applicable to Class 1A, 1B, 1C, 1D, 2A, 2B, 2C, 2D, 3A, 3B, 3C, 3D

No

Applicable to Class 4A, 4B, 4C, 4D, 5A, 5B, 5C, 5D, 6A, 6B, 6C, 6D

Yes

Long Term Disability Benefits:

Applicable to Class 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B

No

Applicable to Class 1C, 1D, 2C, 2D, 3C, 3D, 4C, 4D, 5C, 5D, 6C, 6D

Yes

SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

SHORT TERM DISABILITY COVERAGE

Elimination Period:

The period for which a benefit is payable will commence following any accumulated sick leave and the Elimination Period shown below:

- 14 calendar days for Injury
- 14 calendar days for Sickness

Note: Benefits will begin on the first day following the completion of the Elimination Period.

Amount of Insurance:

60.00% of Basic Weekly Earnings not to exceed a Maximum Weekly Benefit of \$2,500.00 less Other Income Benefits and Other Income Earnings as outlined in Section 4.

Maximum Benefit Period:

Applicable to Class 1A, 1B, 1C, 1D, 4A, 4B, 4C, 4D

Applicable to Injury:

The period for which a benefit is payable, following completion of the Elimination Period, for any one Disability will end on the earliest of:

- a. the end of the Disability; or
- b. the end of the 7th week of Disability for which a benefit is payable.

Applicable to Class 2A, 2B, 2C, 2D, 5A, 5B, 5C, 5D

Applicable to Injury:

The period for which a benefit is payable, following completion of the Elimination Period, for any one Disability will end on the earliest of:

- a. the end of the Disability; or
- b. the end of the 11th week of Disability for which a benefit is payable.

Applicable to Class 3A, 3B, 3C, 3D, 6A, 6B, 6C, 6D

Applicable to Injury:

The period for which a benefit is payable, following completion of the Elimination Period, for any one Disability will end on the earliest of:

- a. the end of the Disability; or
- b. the end of the 24th week of Disability for which a benefit is payable.

Applicable to Class 1A, 1B, 1C, 1D, 4A, 4B, 4C, 4D

Applicable to Sickness:

The period for which a benefit is payable, following completion of the Elimination Period, for any one Disability will end on the earliest of:

- a. the end of the Disability; or
- b. the end of the 7th week of Disability for which a benefit is payable.

Applicable to Class 2A, 2B, 2C, 2D, 5A, 5B, 5C, 5D

Applicable to Sickness:

The period for which a benefit is payable, following completion of the Elimination Period, for any one Disability will end on the earliest of:

- a. the end of the Disability; or
- b. the end of the 11th week of Disability for which a benefit is payable.

Applicable to Class 3A, 3B, 3C, 3D, 6A, 6B, 6C, 6D

Applicable to Sickness:

The period for which a benefit is payable, following completion of the Elimination Period, for any one Disability will end on the earliest of:

- a. the end of the Disability; or
- b. the end of the 24th week of Disability for which a benefit is payable.

SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

LONG TERM DISABILITY COVERAGE

Elimination Period:

Applicable to Class 1A, 1B, 2A, 2B, 1C, 1D, 2C, 2D:

The greater of:

- a. the end of the Covered Person's Short Term Disability Benefits; or
- b. 60 days

Applicable to Class 3A, 3B, 4A, 4B, 3C, 3D, 4C, 4D:

The greater of:

- a. the end of the Covered Person's Short Term Disability Benefits; or
- b. 90 days

Applicable to Class 5A, 5B, 6A, 6B, 5C, 5D, 6C, 6D:

The greater of:

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

Amount of Insurance:

Applicable to Class 1A:

60.00% of Basic Monthly Earnings not to exceed a Maximum Monthly Benefit of \$15,000.00 less Other Income Benefits and Other Income Earnings as outlined in Section 4.

Applicable to Class 1B, 3A, 3B, 5A, 5B, 1C, 1D, 3C, 3D, 5C, 5D:

60.00% of Basic Monthly Earnings not to exceed a Maximum Monthly Benefit of \$15,000.00 less Other Income Benefits and Other Income Earnings as outlined in Section 4.

Applicable to Class 2A, 2B, 4A, 4B, 6A, 6B, 2C, 2D, 4C, 4D, 6C, 6D:

70.00% of Basic Monthly Earnings not to exceed a Maximum Monthly Benefit of \$15,000.00 less Other Income Benefits and Other Income Earnings as outlined in Section 4.

Maximum Basic Monthly Earnings on which the Benefit is Based:

Applicable to Class 1A, 1B, 3A, 3B, 5A, 5B, 1C, 1D, 3C, 3D, 5C, 5D: \$25,000.00

Applicable to Class 2A, 2B, 4A, 4B, 6A, 6B, 2C, 2D, 4C, 4D, 6C, 6D: \$21,428.57

Own Occupation Duration:

Applicable to Class 1A, 2A, 3A, 4A, 5A, 6A, 1C, 2C, 3C, 4C, 5C, 6C:

Maximum Own Occupation

Applicable to Class 1B, 2B, 3B, 4B, 5B, 6B, 1D, 2D, 3D, 4D, 5D, 6D:

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:

Age at Disability	Maximum Benefit Period
Less than age 63	Greater of SSNRA* or 48 months
63	Greater of SSNRA* or 42 months
64	36 Months
65	30 Months
66	27 Months
67	24 Months
68	21 Months
69 and over	18 months
Year of Birth	Normal Retirement Age
Before 1938	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and after	67

* SSNRA means the Social Security Normal Retirement Age as figured by the 1983 amendment to the Social Security Act and any subsequent amendments and provides as detailed above.

SECTION 2 - DEFINITIONS

In this section Liberty 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 Liberty Life Assurance Company of Boston, 9 Riverside Road, Weston, MA 02493.

"Annual Enrollment Period" or **"Enrollment Period"** means the period before each policy anniversary so designated by the Sponsor and Liberty 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 gross monthly rate of earnings from the Sponsor as of the December 31st immediately prior to the date Disability or Partial Disability begins, with respect to Employees enrolled in the flexible benefits plan. With respect to all other Employees, Basic Monthly Earnings means the Covered Person's gross monthly rate of earnings from the Sponsor as of the October 31st immediately prior to the date Disability or Partial Disability begins. However, such earnings will not include bonuses, commissions, overtime pay and any other extra compensation.

"**Basic Weekly Earnings**" means the Covered Person's weekly 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, overtime pay and extra compensation other than commissions. Commissions will be averaged over the lesser of (a) the 12 month period prior to the date Disability begins; or (b) the period of employment.

"**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 Liberty.

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

"**Disability**" or "**Disabled**", with respect to Short Term Disability, means the Covered Person, as a result of Injury or Sickness, is unable to perform the Material and Substantial Duties of his Own Job.

SECTION 2 - DEFINITIONS

(Continued)

"**Disability**" or "**Disabled**", with respect to Long Term Disability, means:

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

Applicable to Class 1A, 2A, 3A, 4A, 5A, 6A, 1C, 2C, 3C, 4C, 5C, 6C:

- a. if the Covered Person is eligible for the Maximum Own Occupation benefit, "**Disability**" or "**Disabled**" means during the Elimination Period and until the Covered Person reaches the end of the Maximum Benefit Period, as a result of an Injury or Sickness, he is unable to perform the Material and Substantial Duties of his Own Occupation.

Applicable to Class 1B, 2B, 3B, 4B, 5B, 6B, 1D, 2D, 3D, 4D, 5D, 6D:

- b. i. if the Covered Person is eligible for the 24 Month Own Occupation benefit, "**Disability**" or "**Disabled**" means 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 payable 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)

"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, if living, otherwise the Covered Person's children under age 25.

"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", with respect to Short Term Disability, means a period of consecutive days of 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.

Applicable to Class 1A, 1B, 2A, 2B, 1C, 1D, 2C, 2D:

"Elimination Period", with respect to Long Term Disability, 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 30 or fewer days during the Elimination Period and cannot continue, Liberty will count only those days the Covered Person is Disabled or Partially Disabled to satisfy the Elimination Period.

Applicable to Class 3A, 3B, 4A, 4B, 3C, 3D, 4C, 4D:

"Elimination Period", with respect to Long Term Disability, 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 45 or fewer days during the Elimination Period and cannot continue, Liberty will count only those days the Covered Person is Disabled or Partially Disabled to satisfy the Elimination Period.

Applicable to Class 5A, 5B, 6A, 6B, 5C, 5D, 6C, 6D:

"Elimination Period", with respect to Long Term Disability, 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 90 or fewer days during the Elimination Period and cannot continue, Liberty 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 Liberty.

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

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.

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

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

"Hospital" or **"Institution"** means a facility licensed to provide Treatment for the condition causing the Covered Person's Disability.

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 Liberty.
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 bodily impairment resulting directly from an accident and independently of all other causes. 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", with respect to Short Term Disability, means responsibilities that are normally required to perform the Covered Person's Own Job and cannot be reasonably eliminated or modified.

"Material and Substantial Duties", with respect to Long Term Disability, 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, Liberty will use the replacement chosen or published by the American Psychiatric Association.

"Monthly Benefit", with respect to Long Term Disability, means the monthly amount payable by Liberty to the Disabled or Partially Disabled Covered Person.

"Own Job", with respect to Short Term Disability, means the Covered Person's job that he was performing when his Disability or Partial Disability began.

"Own Occupation", with respect to Long Term Disability, 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, Liberty 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", with respect to Short Term Disability, 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 Job or another job on an Active Employment or a part-time basis; or
2. perform all of the Material and Substantial Duties of his Own Job or another job on a part-time basis; and
3. earn between 20.00% and 80.00% of his Basic Weekly Earnings.

"Partial Disability" or "Partially Disabled", with respect to Long Term Disability, 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 or any family member.

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 Liberty.

"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.

"Substance Abuse" means alcohol and/or drug abuse, addiction or dependency.

"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.

"Weekly Benefit", with respect to Short Term Disability, means the weekly amount payable by Liberty to the Disabled or Partially Disabled Covered Person.

SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

Applicable to Short Term Disability Class 1A, 1B, 1C, 1D, 2A, 2B, 2C, 2D, 3A, 3B, 3C, 3D:

Applicable to Long Term Disability Class 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 1C, 1D, 2C, 2D, 3C, 3D, 4C, 4D, 5C, 5D, 6C, 6D:

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.

SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

Applicable to Short Term Disability Class 1A, 1B, 1C, 1D, 2A, 2B, 2C, 2D, 3A, 3B, 3C, 3D:

Applicable to Long Term Disability Class 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 1C, 1D, 2C, 2D, 3C, 3D, 4C, 4D, 5C, 5D, 6C, 6D:

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 Liberty through the Sponsor in a form or format satisfactory to Liberty.

1. An Employee will be insured for non-contributory coverage on his Eligibility Date.
2. An Employee will be insured for contributory coverage on the latest of these dates:
 - a. the date the Employee makes application for insurance if he does it on or before the 31st day after his Eligibility Date; or
 - b. the date Liberty gives its approval, if the Employee:
 - i. makes written application for insurance more than 31 days after his Eligibility Date; 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 Liberty 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

Applicable to Short Term Disability Class 4A, 4B, 4C, 4D, 5A, 5B, 5C, 5D, 6A, 6B, 6C, 6D:

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.

SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

Applicable to Short Term Disability Class 4A, 4B, 4C, 4D, 5A, 5B, 5C, 5D, 6A, 6B, 6C, 6D: 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 Liberty through the Sponsor in a form or format satisfactory to Liberty.

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.

SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

Applicable to Short Term Disability Class 4A, 4B, 4C, 4D, 5A, 5B, 5C, 5D, 6A, 6B, 6C, 6D:

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 Liberty 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 Liberty 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 90 days 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 90 days 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 1 month. 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 a period of 1 month. In continuing such coverage under this provision, the Sponsor agrees to treat all Covered Persons equally.

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

Applicable to Long Term Disability Class 1A, 1B, 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 1C, 1D, 2C, 2D, 3C, 3D, 4C, 4D, 5C, 5D, 6C, 6D:

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. Liberty 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

SHORT TERM DISABILITY COVERAGE

Disability Benefit

When Liberty receives Proof that a Covered Person is Disabled due to Injury or Sickness and requires the Regular Attendance of a Physician, Liberty will pay the Covered Person a Weekly 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 Liberty Proof of continued:

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

The Proof must be given upon Liberty's request and at the Covered Person's expense. In determining whether the Covered Person is Disabled, Liberty 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 Injury must occur and Disability must begin while the Employee is insured for this coverage.

The Weekly 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 Weekly Benefit

To figure the amount of Weekly Benefit:

1. Take the lesser of:
 - a. the Covered Person's Basic Weekly Earnings multiplied by the benefit percentage shown in the Schedule of Benefits; or
 - b. the Maximum Weekly 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.

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

SHORT TERM DISABILITY COVERAGE (Continued)

Partial Disability

When Liberty 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 Weekly 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 Job or another job, must satisfy the Elimination Period, and must be earning between 20.00% and 80.00% of his Basic Weekly Earnings.

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

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

The Proof must be given upon Liberty's request and at the Covered Person's expense. In determining whether the Covered Person is Partially Disabled, Liberty 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 Injury must occur and Partial Disability must begin while the Employee is insured for this coverage.

Proportionate Loss Weekly Calculation

To figure the Amount of Weekly Benefit the formula $(A \text{ divided by } B) \times C$ will be used.

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

The Weekly Benefit payable will not be more than the Disability benefit otherwise payable under this policy.

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

SHORT TERM DISABILITY COVERAGE (Continued)

Rehabilitation Incentive Benefit

Liberty will pay an increased Weekly Benefit while a Covered Person is fully participating in a Rehabilitation Program. Liberty must first approve the Rehabilitation Program in writing before a Covered Person can be considered for this benefit. If Liberty 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 Liberty.

Increased Weekly 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 Liberty receives written Proof of the Covered Person's full participation in the Rehabilitation Program.

Disability Benefits Termination

If the Covered Person, at any time, declines to fully participate in an approved Rehabilitation Program recommended by Liberty, his Disability benefits will terminate on the first day of the month following the Covered Person's declination to fully participate in the approved Rehabilitation Program. If Liberty recommends rehabilitation, no benefit will be paid from the date recommendation is made until Liberty 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 Liberty;
2. in accordance with the provision[s] entitled "Discontinuation of the Short Term Disability Benefit"; or
3. when the Rehabilitation Program ends.

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

SHORT 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)

SHORT TERM DISABILITY COVERAGE (Continued)

Other Income Benefits and Other Income Earnings

Other Income Benefits means:

1. The amount for which the Covered Person is eligible under:
 - a. any governmental program or coverage required or provided by statute (including any amount attributable to the Covered Person's family).
2. any amount the Covered Person receives from any unemployment benefits; or
3. any amount of Disability and/or Retirement Benefits under the United States Social Security Act, the Canada Pension Policy, 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.

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 Liberty 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)

SHORT TERM DISABILITY COVERAGE (Continued)

Estimation of Benefits

Liberty will reduce the Covered Person's Disability or Partial Disability benefits by the amount of Other Income Benefits that we estimate are payable to the Covered Person and his dependents.

The Covered Person's Disability benefit will not be reduced by the estimated amount of Other Income Benefits if the Covered Person:

1. provides satisfactory proof of application for Other Income Benefits;
2. signs a reimbursement agreement under which, in part, the Covered Person agrees to repay Liberty for any overpayment resulting from the award or receipt of Other Income Benefits;
3. if applicable, provides satisfactory proof that all appeals for Other Income Benefits have been made on a timely basis to the highest administrative level unless Liberty determines that further appeals are not likely to succeed; and
4. if applicable, submits satisfactory proof that Other Income Benefits have been denied at the highest administrative level unless Liberty determines that further appeals are not likely to succeed.

In the event that Liberty overestimates the amount payable to the Covered Person from any plans referred to in the Other Income Benefits and Other Income Earnings provision of this policy, Liberty will reimburse the Covered Person for such amount upon receipt of written proof of the amount of Other Income Benefits awarded (whether by compromise, settlement, award or judgement) or denied (after appeal through the highest administrative level).

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

SHORT TERM DISABILITY COVERAGE (Continued)

Lump Sum Payments

Other Income Benefits from a compromise, settlement, award or judgement which are paid to the Covered Person in a lump sum and meant to compensate the Covered Person for any one or more of the following:

1. loss of past or future wages;
2. impaired earnings capacity;
3. lessened ability to compete in the open labor market;
4. any degree of permanent impairment; and
5. any degree of loss of bodily function or capacity;

will be prorated on a weekly basis as follows:

1. over the period of time such benefits would have been paid if not in a lump sum; or
2. if such period of time cannot be determined, over a period of 260 weeks.

Cost of Living Freeze

After the first deduction for each of the Other Income Benefits, the Weekly Benefit will not be further reduced due to any cost of living increases payable under the Other Income Benefits provision of this policy.

Prorated Benefits

For any period for which a Short Term Disability benefit is payable that does not extend through a full week, the benefit will be paid on a prorated basis. The rate will be 1/7th for each day for such period of Disability.

Discontinuation of the Short Term Disability Benefit

The Weekly 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)

SHORT TERM DISABILITY COVERAGE (Continued)

Discontinuation of the Short Term Disability Benefit (Continued)

The Weekly 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 refuses a job with the Sponsor where workplace modifications or accommodations were made to allow the Covered Person to perform the Material and Substantial Duties of the job;
6. the date the Covered Person is able to work in his Own Job on a part-time basis, but chooses not to;
7. on the first day of the month following the date the Covered Person refuses to fully participate in a Rehabilitation Program recommended by Liberty according to the individually written Rehabilitation Program;
8. the date the Covered Person's current Partial Disability earnings exceed 80.00% of his Basic Weekly Earnings;

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

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

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

SHORT 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 Weekly 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 Job on an Active Employment basis for less than fifteen continuous days;
and
2. performs all the Material and Substantial duties of his Own Job.

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

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

If a Covered Person returns to his Own Job on an Active Employment basis for fifteen continuous days 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 short term disability coverage, this Successive Periods of Disability provision will cease to apply to that Covered Person.

SECTION 4 - DISABILITY INCOME BENEFITS

LONG TERM DISABILITY COVERAGE

Disability Benefit

When Liberty receives Proof that a Covered Person is Disabled due to Injury or Sickness and requires the Regular Attendance of a Physician, Liberty 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 Liberty Proof of continued:

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

The Proof must be given upon Liberty's request and at the Covered Person's expense. In determining whether the Covered Person is Disabled, Liberty 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 Injury must occur and 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 Liberty, 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 Liberty 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 Liberty Proof of continued:

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

The Proof must be given upon Liberty's request and at the Covered Person's expense. In determining whether the Covered Person is Partially Disabled, Liberty 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 Injury must occur and Partial Disability must begin while the Employee is insured for this coverage.

Proportionate Loss Monthly Calculation with Work Incentive Benefit

For the first 24 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 Liberty, 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 and/or Substance Abuse Limitation

The benefit for Disability due to Mental Illness and/or Substance Abuse 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 and/or Substance Abuse 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 and/or Substance Abuse, 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)

Rehabilitation Incentive Benefit

Liberty will pay an increased Monthly Benefit while a Covered Person is fully participating in a Rehabilitation Program. Liberty must first approve the Rehabilitation Program in writing before a Covered Person can be considered for this benefit. If Liberty 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 Liberty.

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 Liberty receives written Proof of the Covered Person's full participation in the Rehabilitation Program.

Disability Benefits Termination

If the Covered Person, at any time, declines to fully participate in an approved Rehabilitation Program recommended by Liberty, his Disability benefits will terminate on the first day of the month following the Covered Person's declination to fully participate in the approved Rehabilitation Program. If Liberty recommends rehabilitation, no benefit will be paid from the date recommendation is made until Liberty 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 Liberty;
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)

Applicable to Class 1A, 1B, 2A, 2B, 1C, 1D, 2C, 2D:

Three Month Survivor Benefit

Liberty 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 60 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.

Applicable to Class 3A, 3B, 4A, 4B, 3C, 3D, 4C, 4D:

Three Month Survivor Benefit

Liberty 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 90 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.

Applicable to Class 5A, 5B, 6A, 6B, 5C, 5D, 6C, 6D:

Three Month Survivor Benefit

Liberty 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 Liberty at the time of a Covered Person's death, the benefit payable under this provision will be applied toward satisfying the overpayment.

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

LONG TERM DISABILITY COVERAGE (Continued)

Workplace Modification Benefit

If a Covered Person is Disabled or Partially Disabled and receiving a benefit from Liberty, a benefit may be payable to the Sponsor as part of the Covered Person's benefit for modifications to the workplace to accommodate the Covered Person's return to work or to assist the Covered Person in remaining at work.

Liberty will reimburse the Sponsor for up to 100% of reasonable costs the Sponsor incurs for the modification, up to the greater of:

1. \$1,000.00; or
2. the equivalent of 2 months of the Covered Person's Monthly Benefit.

To qualify for this benefit:

1. the Disability or Partial Disability must prevent the Covered Person from performing some or all of the Material and Substantial Duties of his occupation; and
2. any proposed modifications must be approved in writing and signed by the Covered Person, the Sponsor and Liberty; and
3. the Sponsor must agree to make the modifications to the workplace to reasonably accommodate the Covered Person's return to work or to assist the Covered Person in remaining at work.

The Sponsor's costs for the approved modifications will be reimbursed after:

1. the proposed modifications have been made; and
2. written proof of the expenses incurred by the Sponsor has been provided to Liberty; and
3. Liberty has received proof that the Covered Person has returned to and/or remains at work.

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 eligible 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; or
 - f. any other act or law of like intent.
2. The amount of any Disability benefits which the Covered Person is eligible to receive 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; and
 - 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.
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 Liberty 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)

Estimation of Benefits

Liberty will reduce the Covered Person's Disability or Partial Disability benefits by the amount of Other Income Benefits that we estimate are payable to the Covered Person and his dependents.

The Covered Person's Disability benefit will not be reduced by the estimated amount of Other Income Benefits if the Covered Person:

1. provides satisfactory proof of application for Other Income Benefits;
2. signs a reimbursement agreement under which, in part, the Covered Person agrees to repay Liberty for any overpayment resulting from the award or receipt of Other Income Benefits;
3. if applicable, provides satisfactory proof that all appeals for Other Income Benefits have been made on a timely basis to the highest administrative level unless Liberty determines that further appeals are not likely to succeed; and
4. if applicable, submits satisfactory proof that Other Income Benefits have been denied at the highest administrative level unless Liberty determines that further appeals are not likely to succeed.

Liberty will not estimate or reduce for any benefits under the Sponsor's pension or retirement benefit plan according to applicable law, until the Covered Person actually receives them.

In the event that Liberty overestimates the amount payable to the Covered Person from any plans referred to in the Other Income Benefits and Other Income Earnings provision of this policy, Liberty will reimburse the Covered Person for such amount upon receipt of written proof of the amount of Other Income Benefits awarded (whether by compromise, settlement, award or judgement) or denied (after appeal through the highest administrative level).

Social Security Assistance

Liberty 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 Liberty. Such assistance will be provided only if Liberty determines that assistance would be beneficial.

SECTION 4 - DISABILITY INCOME BENEFITS

(Continued)

LONG TERM DISABILITY COVERAGE (Continued)

Lump Sum Payments

Other Income Benefits from a compromise, settlement, award or judgement which are paid to the Covered Person in a lump sum and are meant to compensate the Covered Person for any one or more of the following:

1. loss of past or future wages;
2. impaired earnings capacity;
3. lessened ability to compete in the open labor market;
4. any degree of permanent impairment; and
5. any degree of loss of bodily function or capacity;

will be prorated on a monthly basis as follows:

1. over the period of time such benefits would have been paid if not in a lump sum; or
2. if such period of time cannot be determined, the lesser of:
 - a. the remainder of the Maximum Benefit Period; or
 - b. 5 years.

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 refuses a job with the Sponsor where workplace modifications or accommodations were made to allow the Covered Person to perform the Material and Substantial Duties of the job;
6. the date the Covered Person is able to work in his Own Occupation on a part-time basis, but chooses not to;
7. on the first day of the month following the date the Covered Person refuses to fully participate in a Rehabilitation Program recommended by Liberty according to the individually written Rehabilitation Program;
8. 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, Liberty will average earnings over three consecutive months rather than immediately terminating his benefit once 80.00% of Indexed Basic Monthly Earnings has been exceeded.

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

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 one hundred eighty continuous days; 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 one hundred eighty continuous days 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. the committing of or attempting to commit a felony or misdemeanor;
5. cosmetic surgery unless such surgery is in connection with an Injury or Sickness sustained while the individual is a Covered Person; or
6. a gender change, including, but not limited to, any operation, drug therapy or any other procedure related to a gender change.

No benefit will be payable during any period of incarceration.

With respect to this provision, **Participation** shall include promoting, inciting, conspiring to promote or incite, aiding, abetting, and all forms of taking part in, but shall not include actions taken in defense of public or private property, or actions taken in defense of the Covered Person, if such actions of defense are not taken against persons seeking to maintain or restore law and order including, but not limited to police officers and fire fighters.

With respect to this provision, **Riot** shall include all forms of public violence, disorder or disturbance of the public peace, by three or more persons assembled together, whether or not acting with a common intent and whether or not damage to persons or property or unlawful act or acts is the intent or the consequence of such disorder.

SECTION 5 - EXCLUSIONS

SHORT TERM DISABILITY COVERAGE

Disability Benefit Exclusions

A Weekly Benefit will not be payable if a Covered Person becomes Disabled due to:

1. Injury that arises out of or in the course of employment; or
2. Sickness when a benefit is payable under a Workers' Compensation Law, or any other act or law of like intent.

These exceptions will not apply to partners or proprietors who elect not to be covered under such laws.

SECTION 5 - EXCLUSIONS

(Continued)

LONG TERM DISABILITY COVERAGE

Pre-Existing Condition Exclusion

This policy will not cover any Disability or Partial Disability:

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

"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.

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.

Liberty 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 Liberty 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 Liberty for all premiums due and unpaid for the full period for which this policy is in force.
3. Liberty 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 100.00% of all the Employees eligible for any non-contributory insurance are insured for it; or
 - c. less than 25.00% of all the Employees eligible for any contributory insurance are insured for it; or
 - d. the Sponsor fails:
 - i. to furnish promptly any information which Liberty may reasonably require; or
 - ii. to perform any other obligations pertaining to this policy.
4. Liberty 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. Liberty 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 Liberty.

SECTION 7 - GENERAL PROVISIONS

Assignment

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

Claims Exposure Disclosure

Liberty, upon request, shall provide the Sponsor with a complete record of claims experience incurred under this policy. This record shall include all claims incurred for the lesser of (i) the period of time since this policy was issued or issued for delivery or (ii) the period of time since this policy was last renewed, reissued or extended, if already issued. This record shall be made available promptly to the Sponsor upon request made not less than 30 days prior to the date upon which the premiums or contractual terms of this policy may be amended.

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 Liberty 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.

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

Liberty 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

Liberty, 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 Liberty. 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 Liberty:
 - 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 Liberty, 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.

Interpretation of the Policy

Liberty shall possess the authority, in its sole discretion, to construe the terms of this policy and to determine benefit eligibility hereunder. Liberty's decisions regarding construction of the terms of this policy and benefit eligibility shall be conclusive and binding.

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.

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 three 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 Liberty is advised of the error.

Notice and Proof of Claim

1. Notice

- a. Notice of claim must be given to Liberty within 20 days of the date of the loss on which the claim is based. If that is not possible, Liberty 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 Liberty.
- b. When written notice of claim is applicable and has been received by Liberty, 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 Liberty written Proof of claim without waiting for the forms.

2. Proof

- a. Satisfactory Proof of loss must be given to Liberty no later than 90 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, and in no event, except in the absence of legal capacity of the claimant, later than one year from the time Proof is otherwise required.
- c. Proof of continued loss, continued Disability or Partial Disability, when applicable, and Regular Attendance of a Physician must be given to Liberty within 30 days of the request for such Proof.

Liberty 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, Liberty has the right to pay up to \$5,000 to any of the Covered Person's relatives or any other person whom Liberty considers entitled thereto by reason of having incurred expense for the maintenance, medical attendance or burial of the Covered Person. If Liberty in good faith pays the benefit in such a manner, any such payment shall fulfill Liberty's responsibility for the amount paid.

SECTION 7 - GENERAL PROVISIONS

(Continued)

Right of Recovery

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

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

Liberty 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 Liberty.

Time of Payment of Claims

When Liberty receives satisfactory proof of claim, the benefit payable under this policy will be paid within 60 days of receipt of such proof. The benefit payable will be paid at least monthly, depending on the coverage for which claim is made, during any period for which Liberty is liable. Any balance remaining unpaid upon the termination of the period of liability will be paid immediately upon receipt of due written proof.

Statements

In the absence of fraud, all statements made in any application are considered representations and not warranties (absolute guarantees). 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, his beneficiary or personal representative.

SECTION 7 - GENERAL PROVISIONS

(Continued)

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

Liberty 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.

Applicable to Long Term Disability

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

Applicable to Short Term Disability

A change in the initial premium rate(s) will not take effect within the first 36 months except that Liberty 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 Liberty notifies the Sponsor at least 31 days in advance. Premium changes may take effect on an earlier date when both Liberty 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 Liberty's Administrative Office, or to Liberty's agent. The due dates are specified on the first page of this policy.
2. All payments made to or by Liberty 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 45 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 Liberty written notice 31 days in advance of discontinuance of this policy.

Waiver of Premium

With respect to Long Term Disability benefits, 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.

AMENDMENT NO. 1

It is agreed the following changes are hereby made to this policy: GD/GF3-850-291859-01

Changes	Additions	Deletions
Updated the Maximum Benefit Period	Form ADOP-SCH-4 R (1)	Form ADOP-SCH-4

The effective date of this change is January 1, 2017.

The changes will only apply to Disabilities or Partial Disabilities which start on or after the effective date of this change.

This policy's terms and provisions will apply other than as stated in this amendment.

Dated this 27th day of July, 2017.

Issued to and Accepted by:

VBA Benefits Corporation
Sponsor

By _____
Signature and Title of Officer

Liberty Life Assurance Company of Boston

