



Voluntary Long Term Disability Program

Why do I need disability insurance?

If a disability left you unable to earn your current salary, would you be able to make payments on your home or keep your family financially secure? Most Americans would not. Voluntary Long Term Disability (VLTD) protection is a high priority for anyone needing their paycheck.

USABLE Life's VLTD plan is one of the finest available. It offers affordable protection against lost earnings on a voluntary basis, which can help to secure the future for you and your family. Through the ease of payroll deduction, you can protect your ability to earn an income in the event you suffer a disabling illness or accidental injury.

Who is eligible?

This insurance is available to employees who:

- Are currently employed; and
- Work full time (at least 20 hours/week); and
- Satisfy the waiting period set by your employer, to be not less than 30 days.

No director or officer of the employer will be considered an employee unless the above conditions are met.

Retirees, non-employee directors, part-time or seasonal employees are not eligible for coverage.

How does VLTD pay?

The plan pays *directly to you* the benefit you select up to 60% of your monthly earnings with a maximum of \$5,000 per month. You select your benefit in \$100 increments. Disability benefits begin on the day following your completion of the elimination period specified in the master policy and are paid monthly as long as you are disabled according to the terms and provisions of the master policy.

Will I still receive the benefits if I receive income from another source?

Your monthly VLTD benefits may be substantially reduced by disability or retirement benefits received from Primary and Family Social Security, Workers' Compensation, any compulsory law, sick leave payments, any mandatory "no fault" automobile insurance policy, any amount earned from any form of employment, and other group disability or retirement income plans as defined in the master policy. **Regardless of these offsets, if you are eligible for benefits you will never receive

less than \$50 per month or 10% of your gross monthly benefit (whichever is less) under the plan. ** A Social Security cost of living adjustment received after your monthly benefit becomes payable will not reduce your monthly benefit.

**Benefit offsets and minimum benefit may vary to meet requirements of the state of issue. Read your certificate carefully.

Successive periods of disability separated by less than three months will be considered a continuation of the prior disability unless the subsequent disability is due to causes unrelated to the previous disability.

If I am disabled, do I still have to pay premiums?

If you suffer total or partial disability your premium payments are waived during the period you are receiving benefits.

What is meant by "total disability"??

You are considered totally disabled and eligible to receive benefits if, during your elimination period and the next 24 months of disability, you cannot perform your regular occupation. After 24 months of benefits have been paid, as long as you are unable to perform the material duties of any occupation for which you are or become reasonably fitted by training, experience, age, education, and physical and mental capacity, you are considered totally disabled.

What is meant by "partial disability"??

Partial disability is designed to allow individuals who are able to work, but only in a part-time capacity, to qualify for a partial disability benefit. Your part-time earnings may not exceed 80% of your pre-disability income.

Your partial disability benefit is the monthly benefit you select reduced by other income sources. However, your partial disability benefit will not be reduced by earnings from partial disability employment unless the sum of your VLTD benefit, income from your work, and other disability income benefits exceed 100% of your pre-disability income.

Progressive partial disability is a feature of VLTD that allows you to satisfy the elimination period with a combination of total disability and partial disability.

*The definitions and policy provisions governing "total, partial, and progressive partial disability" may vary to meet the requirements of the state of issue.

Voluntary Long Term Disability insurance is being offered to you by USABLE Life and your employer as a convenient and flexible way for you to protect you and your family with solid, affordable insurance coverage.

Are there any disabilities which are not covered?

Disabilities which arise from intentionally self-inflicted injuries, war or participation in a riot, or occur while committing a felony are excluded from coverage.

Does VLTD cover “pre-existing conditions”?

VLTD does not cover pre-existing conditions. A pre-existing condition is a diagnosed sickness or injury for which you received treatment within 12 months prior to your effective date. If a disability occurs as the result of a pre-existing condition during the first 24 months (may vary by state of issue) following the original effective date of your insurance coverage, you will not be eligible for benefits for that disability, unless you have not received treatment for the disabling condition for at least six consecutive months (12 months for human organ transplant benefit) after your insurance effective date. In some states, regulations may shorten or alter the pre-existing period.

What other benefits are provided?

- The human organ transplant benefit pays you a lump sum of \$50,000 in the event of a qualifying organ transplant.
- The survivor benefit pays your eligible survivor a lump sum benefit equal to three times your last monthly benefit if you die after having been disabled for a minimum of 180 days and while receiving benefits.
- If a disability is due to mental illness, alcohol abuse or drug abuse, monthly benefits are payable for a maximum of 24 months unless you are hospitalized or institutionalized at the time 24 months of benefits have been paid.

Are the disability benefits taxable?

When VLTD benefits are paid to you, your benefits are *not* taxable if you paid all your premiums with after-tax dollars.

How do I apply ?

Applying is quick and easy. Simply complete the application, answering **all** questions and indicate the amount of coverage you want.

How do I pay for VLTD?

The plan is contributory — which means you pay all or part of the cost of this protection. Your monthly premiums are processed by your employer through convenient payroll deduction. Premiums are based on age and will increase on the group anniversary following the date you advance to the next age bracket.

Limitations may vary to meet the requirements of the state of issue. Read your certificate carefully.

This brochure briefly describes the main provisions of the plan that you may select, payable through payroll deduction. This is not the contract and is for informational purposes only. All statements are limited by the terms of the Master Policy.

USABLE Life is rated “A” (Excellent) by the A.M. Best Company.

A rating and analysis from A.M. Best Company represents an independent opinion from the leading provider of insurer ratings of a company’s financial strength and ability to meet its obligations to policyholders. Upon completion of evaluations, A.M. Best assigns the following Best’s Ratings according to the following scale: Secure Best’s Ratings: A++ and A+ (Superior); A and A- (Excellent); B++ and B+ (Very Good); Vulnerable Best’s Ratings: B and B- (Fair); C++ and C+ (Marginal); C and C- (Weak); D (Poor); E (Under Regulatory Supervision); F (In Liquidation); S (Rating Suspended).

USABLE Life is rated “A” (Strong) by Standard & Poor’s.

Standard & Poor’s Insurer Financial Strength Ratings provide powerful decision-making tools for anyone interested in buying insurance. Standard & Poor’s ratings are prospective evaluations of an insurer’s financial security to its policyholders. Standard & Poor’s Insurer Financial Strength Ratings range from “AAA” to “CC”. An insurer rated “BBB” and higher (“A”, “AA”, “AAA”) is regarded as having financial security characteristics that outweigh any vulnerabilities and is highly likely to have the ability to meet financial commitments. An insurer rated “BB” or lower is in the “vulnerable” range and is regarded as having vulnerable characteristics that may outweigh its strengths. “BB” indicates the least degree of vulnerability within the range. “CC” the highest degree of vulnerability.

USABLE Life
You’ll Choose Us For Life



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