Principal®

Policyholder: Olivet Community Schools

Long Term Disability (LTD) Benefit Summary

Effective Date: 09/01/2018

This chart provides you a brief summary of the key benefits of the long-term disability coverage available from Principal Life Insurance Company. Following the chart, you will find additional information to answer questions you may have. For a complete list of all your long-term disability coverage benefits and restrictions, please refer to your booklet or contact your employer.

Eligibility	
Job Class	**Teachers and Support Staff**
Eligible Members	All active, full time employees (except seasonal, temporary, or contract workers) who work at least 30 hours per week
Benefits Payable	
Primary Monthly Benefit	70% of your predisability earnings up to $3,500.
Benefit Amount	Primary monthly benefit less other income sources
Definition of Earnings	Base wage
Benefit Qualification	
Elimination Period	60 days
Own Occupation Period	2 years
Maximum Benefit Payment Period	To age 65
Additional Benefits	
Rehabilitation Incentive Benefit	5% increase in the monthly benefit percentage
Survivor Benefit	Three times your primary monthly benefit to your survivor.
Limitations & Exclusions	
Pre-Existing Conditions	3 months prior/12 months insured
Other Limitations	There are additional limitations to your coverage. A complete list is included in your booklet.

Understanding Your Long-Term Disability (LTD) Benefits

Am I Eligible For Coverage?

To be eligible for coverage, you must qualify as an eligible member and be considered actively at work.

You will be considered actively at work if you are able and available for active performance of all of your regular duties. Short term absence because of a regularly scheduled day off, holiday, vacation day, jury duty, funeral leave, or personal time off is considered active work provided you are able and available for active performance of all of your regular duties and were working the day immediately prior to the date of your absence.

How Do I Qualify For Benefits?

1) **Meet the Definition of Disability**. Disabilities must be solely and directly caused by injury or sickness (including pregnancy).

During the elimination period and the own occupation period, one of these situations must apply:	• You cannot perform the majority of the substantial and material duties of your own occupation. • You are performing the duties of your own occupation on a modified basis or any occupation and are unable to earn more than 80% of your indexed predisability earnings.
After completing the own occupation period, one of these situations apply:	• You cannot perform the majority of the substantial and material duties of any occupation for which you are or may reasonably become qualified based on education, training, or experience. • You are performing the substantial and material duties of your own occupation or any occupation on a modified basis and are unable to earn more than 80% of your indexed predisability earnings.

2) **Satisfy the Elimination Period.** The amount of time you must be disabled before receiving benefits is called the elimination period. Long-Term Disability benefits begin after you have been disabled for 60 days. The elimination period can be satisfied with days of total or partial disability.

If you recover and return to work during the elimination period and become disabled again, you may not have to satisfy a new elimination period. If you become disabled again, your elimination period will pick up at the point where it was left off when you recovered. You have a period twice as long as the elimination period to satisfy the required number of days of disability.

How Much Monthly Benefit Will I Receive?

Your benefits will be determined based on your Base wage.

When you are unable to work in any capacity during the benefit payment period, your **monthly benefit** equals your primary monthly benefit, less income from other sources.

Your primary monthly benefit is equal to 70% of your predisability earnings, but will not exceed $3,500.

Your monthly benefit will not be less than the minimum monthly benefit of $50.

Benefits if Working

If you are able to work while disabled, you may still be eligible to receive a disability benefit.

If you are working during the benefit payment period, your monthly benefit for the 12 month work incentive period is the lesser of:

- 100% of the indexed earnings you received before becoming disabled, less income from other sources, less current earnings; or
- Your primary monthly benefit, less income from other sources.

After the work incentive period, your monthly benefit equals your primary monthly benefit, less income from other sources and multiplied by your income loss percentage.

Income you receive from other sources can be deducted from your primary monthly benefit. Other sources include: All retirement or disability benefits that you and your dependents receive, or could have received, from Social Security, or other government agencies /Salary continuance, personal time off or sick pay / Workers' Compensation benefits / Income from state disability plans / Payments from policies that provide coverage for time away from work, if paid in part by or deducted from payroll by the policyholder / Income from other group disability coverage policies / Disability or retirement benefits paid by pension plans sponsored by the policyholder / Income received from no-fault auto laws / Renewal commissions received from the policyholder / Severance pay / All payments for the month that the member receives under state unemployment laws / Any income you receive for services rendered prior to your Date of Disability will not be considered Other Income Sources.

How Long Will I Receive My Benefits?

The benefit payment period is the length of time you'll receive benefits for a qualifying disability after the elimination period is satisfied. Your age at the time disability occurs determines the length of time you are eligible to receive disability benefits.

Age Disability Occurs	Benefits are Payable:
Under Age 62	*Until the later of the date you reach age 65 or 42 months*
Age 62	*42 months*
Age 63	*36 months*
Age 64	*30 months*
Age 65	*24 months*
Age 66	*21 months*
Age 67	*18 months*
Age 68	*15 months*
Age 69 and over	*12 months*

Your disability benefits will end when you: Recover / Cease to be under the regular and appropriate care of a physician / Fail to provide any required proof of disability / Fail to submit to a required medical

examination / Fail to report income from other sources, or any other required earnings information / Fail to pursue Social Security disability benefits or Workers' Compensation benefits / Die.

If you recover and return to work for six months or less during the benefit payment period and then again become disabled from the same or related cause, you are not required to complete a new elimination period.

What Additional Benefits Are Included?

Work Incentive Benefit	The Work Incentive Benefit is paid to you if you are disabled and you return to work on a limited or part-time basis. To receive benefits, you must be working. The Work Incentive Benefit equals the primary monthly benefit with no offset for work earnings unless the combination of work earnings, disability benefits and other income sources exceeds 100% of your predisability earnings. If this occurs, the Work Incentive Benefit will be reduced by the amount in excess of 100% of your predisability earnings.
Survivor Benefit	The Survivor Benefit is a lump sum payment issued to your survivors, should you die while receiving disability benefits. The benefit payment is equal to three times your primary monthly benefit.
Medical Premium Supplement	The Medical Premium Supplement Benefit will reimburse COBRA participants for monthly medical premium expenses, up to a maximum of $1,000 until end of COBRA.
Rehabilitation Plan	While disabled, you may qualify to participate in a Rehabilitation Plan. Our rehabilitation staff works with you, your physician(s) and your employer to create an individual rehabilitation plan to assist you in returning to work. If you are not disabled, but have a condition that could prevent you from performing the substantial and material duties of your own occupation, preventive rehabilitation services may be offered.
Rehabilitation Incentive Benefit	The Rehabilitation Incentive Benefit can increase the benefit percentage by 5% if you become totally disabled and participate in and satisfy the requirements of an individual rehabilitation plan.

What Are The Restrictions Of My Coverage?

This Benefit Summary is a summary only. For a complete list of benefit restrictions, please refer to your booklet.

Preexisting Conditions	A preexisting condition is an injury or sickness (including pregnancy) and all related conditions and complications, in the three months prior to your effective date under this policy, for which you: • Received medical treatment, consultation, care or service; or • Were prescribed or took prescription medications Benefits will not be paid for disabilities resulting from preexisting conditions unless, when you become disabled, you have been actively at work for one full day after being covered under the policy for 12 consecutive months. Preexisting condition exclusions also apply to benefit increases due to policy amendments and changes in earnings of 25% or greater.
Treatment of Mental Health Conditions, Drug and Alcohol Abuse Conditions and Special Conditions	A disability is considered due to alcohol, drug or chemical abuse, dependency or addiction or a mental health condition or a special condition if the disability is caused by one of these condition(s) and not by other disabling conditions. Maximum benefit payment periods for: Mental health conditions – 24 months Alcohol, drug or chemical abuse conditions – 24 months Special conditions – 24 months

Treatment of Mental Health Conditions, Drug and Alcohol Abuse Conditions and Special Conditions	The benefit payment period listed above is a lifetime maximum for all periods of disability. All disabilities from conditions with the same maximum benefit payment period contribute towards one lifetime maximum. However, if at the end of the benefit payment period, you are confined in a hospital or any other type of facility providing treatment for any of these conditions, the benefit payment period may be extended to include the time period you are confined for treatment. Special conditions are considered to be Thoracic outlet syndrome / Headaches, such as functional, migraine, organic, sinus and tension / Chronic fatigue syndrome / Fibromyalgia/ Temporomandibular joint (TMJ) / Cumulative trauma disorder, overuse syndrome, or repetitive stress disorder including carpal tunnel and ulnar tunnel syndrome / Environmental allergies and multiple chemical sensitivity / Musculoskeletal and connective tissue disorders of the neck and back, including any disease or disorder of the cervical, thoracic and lumbosacral back and surrounding soft tissue, including sprains and strains of joints and adjacent muscles.



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