



UCLA Department of _____
Policy # 369444

**UCLA Department of _____ : Full-time faculty members under the Negotiated Salary
Plan for the Department of _____ earning in excess of \$1,455 monthly**

Please read carefully the following description of your Unum Long Term Disability Income Protection insurance plan.

In late 2005, the California Department of Insurance outlined new expectations for disability income insurers in the State of California. In response Unum made a number of changes to its group disability income insurance policies issued in California and sold before November 1, 2005. The attached administrative letter was sent to all affected policyholders and communicates the enhancements we have put in place as required by the Department. These enhancements apply to your policy and accordingly modify the provisions of your policy as summarized below, in accordance with the terms of the letter and related policy endorsement which is being processed as part of these changes. Please see your plan administrator for further details, including information on the effective dates of these changes.

Your Plan

Eligibility

You are eligible for LTD coverage if you are an active employee in the United States working a minimum of 30 hours per week.

Guarantee Issue

You may apply for coverage without answering any medical questions or providing evidence of insurability if you apply for coverage within 31 days after your eligibility date. If you apply more than 31 days after your eligibility date, your coverage will be medically underwritten, and you will be required to qualify based on information you provide on your overall medical health including routine, planned, unplanned or ongoing medical care or consultation. This review may result in a declination of coverage.

Please see your Plan Administrator for your eligibility date.

Benefit Amount

Monthly LTD Benefit: • 60% of your monthly earnings to a maximum of \$10,000

*Example below illustrates how at least two common reductions would reduce the maximum benefit the insured would receive (benefit percent and amounts are for illustration purposes only and may not be representative of your plan):

Insured's monthly pre-disability earnings:	\$3,000
Long term disability benefit percentage:	x 60%
Unreduced maximum benefit:	\$1,800
Less Social Security disability benefit per month:	-900
Less state disability income benefit per month:	-300
Monthly long term disability benefit:	\$600

The total benefit payable to you on a monthly basis (including all benefits provided under this plan) will not exceed 100% of your monthly earnings,

unless the excess amount is payable as a Cost of Living Adjustment.

Your LTD benefit will not be reduced by the amount of other income replacement benefits you receive for the same disability.

Definition of Disability

“Disability” and “disabled” mean that because of injury or sickness:

1. You cannot perform each of the material duties of your regular occupation; or
2. You, while unable to perform all of the material duties of your regular occupation on a full-time basis, are:
 - a. Performing at least one of the material duties of your regular occupation or another occupation on a part-time or full-time basis; and
 - b. Earning at least 20% less per month than your indexed pre-disability earnings due to that same injury or sickness.

Elimination Period

The Elimination Period is the length of time of continuous disability which must be satisfied before you are eligible to receive benefits.

LTD benefits would begin after 180 days of disability, as described in the definition above.

Benefit Duration

Your duration of benefits is based on your age when the disability occurs. Your LTD benefits are payable for the period during which you continue to meet the definition of disability. If your disability occurs before age 60, benefits will be payable until age 65. If your disability occurs at or after age 60, benefits would be paid according to a benefit duration schedule.

Federal Income Taxation

You may wonder if your disability benefit amount will be taxed. It depends on how your premium — the price of your coverage — is paid.

If your premium is paid with:

- **Pre-Tax Dollars,*** your benefit amount **will** be taxed
- **Post-Tax Dollars,**** your benefit amount **will not** be taxed
- **Both Pre-Tax and Post-Tax Dollars,** a portion of your benefit amount will be taxed

The disability benefit amounts you receive will be reported annually on a W-2. It will show any taxable and non-taxable portions separately.

**Pre-Tax Dollars are dollars paid by your employer toward premium that are not reported as earnings on your annual W-2. They are also dollars you pay toward premium through a cafeteria plan.*

***Post-Tax Dollars are dollars paid through payroll deductions after taxes and withholdings have been subtracted from your earnings. They are also dollars paid by your employer toward premium that are reported as earnings on your annual W-2 and taxed accordingly.*

Additional Benefits

Waiver of Premium

You will not be required to pay LTD premiums as long as you are receiving LTD benefits.

Conversion

If you are covered under this group LTD plan for 12 consecutive months and your employment ends, you may be eligible to purchase LTD coverage under Unum's group conversion policy.

**Worldwide
Emergency Travel
Assistance Services**

Whether your travel is for business or pleasure, our worldwide emergency travel assistance program is there to help you when an unexpected emergency occurs. With one phone call anytime of the day or night, you, your spouse and dependent children can get immediate assistance anywhere in the world. Emergency travel assistance is available to you when you travel to any foreign country, including neighboring Canada or Mexico. It is also available anywhere in the United States for those traveling more than 100 miles from home. Your spouse and dependent children do not have to be traveling with you to be eligible. However, spouses traveling on business for their employer are not covered by this program.

Survivor Benefit

Unum will pay your eligible survivor a lump sum benefit equal to 3 months of your gross disability payment.

This benefit will be paid if, on the date of your death, your disability had continued for 180 or more consecutive days, and you were receiving or were entitled to receive payments under the plan. If you have no eligible survivors, payment will be made to your estate, unless there is none. In this case, no payment will be made. However, we will first apply the survivor benefit to any overpayment which may exist on your claim.

**Limitations/Exclusions/
Termination of Coverage****Pre-existing Condition
Exclusion**

A pre-existing condition is a sickness or injury for which you receive medical treatment, consultation, care or services including diagnostic measures, or took prescribed drugs or medicines in the 3 months prior to your effective date of coverage.

If you suffer a disability caused by, contributed to, or resulting from a pre-existing condition and it begins in the first 12 months after your effective date, that disability would not be covered by this policy.

**Instances When Benefits
Would Not Be Paid**

Benefits would not be paid for disabilities caused by, contributed to by, or resulting from:

- intentionally self-inflicted injuries;
- active participation in a riot;
- war, declared or undeclared, or any act of war;

Unum will not pay a benefit for any period of disability during which you are incarcerated.

Mental and Nervous

LTD benefits would be paid for 24 months per lifetime for disabilities caused by mental illness that meet the definition of disability. Mental and nervous benefits would continue beyond 24 months only if you are institutionalized or hospitalized as a result of the disability.

Termination of Coverage

Your coverage under the policy ends on the earliest of the following:

- The date the policy or plan is cancelled;
- The date you no longer are in an eligible group;
- The date your eligible group is no longer covered;
- The last day of the period for which you made any required contributions;
- The last day you are in active employment except as provided under the covered layoff or leave of absence provision.

Unum will provide coverage for a payable claim which occurs while you are covered under the policy or plan.

Next Steps**How to Apply**

To apply for coverage, complete your enrollment form within 31 days of your eligibility date. After that date you will be required to provide evidence of insurability in order to qualify for coverage. This will include a review of your overall medical health including routine, planned, unplanned or ongoing medical care or consultation, and may result in a declination of coverage.

Effective Date of Coverage

Please see your Plan Administrator for your effective date.

Delayed Effective Date of Coverage

Insurance will be delayed if you are not in active employment because of an injury, sickness, temporary layoff, or leave of absence on the date that insurance would otherwise become effective.

Questions

If you should have any questions about your coverage or how to enroll, please contact your Plan Administrator.

This plan highlight is a summary provided to help you understand your insurance coverage from Unum. Some provisions may vary or not be available in all states. Please refer to your certificate booklet for your complete plan description. If the terms of this plan highlight summary or your certificate differ from your policy, the policy will govern. For complete details of coverage, please refer to policy form number L.1, et al.

All worldwide emergency travel assistance must be arranged by Assist America, which pays for all services it provides. Medical expenses such as prescriptions or physician, lab or medical facility fees are paid by the employee or the employee's health insurance.

Underwritten by:

Unum Life Insurance Company of America 2211 Congress Street, Portland, Maine 04122, www.unum.com

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Unum Life Insurance Company of America

Re: Administrative Changes to California issued Group Short Term Disability Insurance and Group Long Term Disability Insurance Policies

Dear Policyholder:

The following administrative changes will be applied to your group short term disability and group long term disability insurance policies issued in California by Unum Life Insurance Company of America to the extent the described provisions are applicable to your insurance policies.

Effective for claims filed on or after June 24, 2004, unless they were closed prior to October 3, 2005:

1. We are administratively adding the following definition of total disability, and if your policy includes a definition of disability, the term "disability" is revised to include total disability. If your policy already contains a definition of "total disability," we are revising that definition as follows. All time periods and other definitions of disability remain and apply with reference to the occupational criteria described in this letter..

You are "totally disabled":

During any period covering a disability for your occupation, own occupation, normal occupation, regular occupation or usual occupation when a disability renders you unable to perform with reasonable continuity the substantial and material acts necessary to pursue your usual occupation in the usual and customary way.

During any period covering a disability from any occupation, any other occupation, any gainful occupation, any other gainful occupation, reasonable occupation, or another occupation when a disability renders you unable to perform with reasonable continuity the substantial and material acts necessary to pursue your usual occupation in the usual and customary way and unable to engage with reasonable continuity in another occupation in which you could reasonably be expected to perform satisfactorily in light of your age, education, training, experience, station in life, physical and mental capacity. "Substantial and material acts" as used in the above definition of disability, means acts that:

- are normally required for the performance of your usual occupation or another occupation; and
- cannot be reasonably omitted or modified.

"Usual occupation" means the substantial and material acts you are routinely performing for your employer when your disability begins.

Effective for claims filed after October 3, 2005:2. For any provision limiting or excluding coverage for disabilities "contributed to by" a pre-existing condition, the "contributed to by" language will not be applied.

Effective for open claims as of October 3, 2005 and new claims filed after October 3, 2005

3. Any policy language regarding reductions to benefit payments for Social Security Disability Income (SSDI) benefits will be administered so that benefit payments will only be reduced by SSDI benefits actually received by the claimant, dependent spouse or children.
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4. Any policy language requiring participation in a mandatory rehabilitation program in order to receive a benefit will not be applied and participation will be voluntary.
 5. If your policy contains a benefit payable to a claimant's survivors, any age limitation for surviving children in the definition of eligible survivor will not be applied. If there are no eligible survivors and no estate is formed, the benefit will be paid to the state of California.

Effective for claims filed after your next policy renewal date:

6. Any policy language limiting the duration of payment for a disability caused by mental and nervous conditions will be administered so that the limitation does not begin if benefits are also being paid for physiologically based conditions, until the physiologically based conditions have ended.
7. Any policy language setting limits on benefits for disabilities based on self-reported conditions will not be applied.

All other terms and provisions of your policy continue to apply and will be administered consistently with this letter. Policy provisions reflecting items 1-3 have been filed with the California Department of Insurance. As requested by the Department, you will receive a policy endorsement covering these three items upon approval of our filing. This administrative letter can be canceled or modified by Unum Life Insurance Company of America at any time to the extent permitted by state law or future regulatory interpretation.

Sincerely,

Susan Roth
Secretary