



**GUARDIAN<sup>SM</sup>**

**YOUR GROUP INSURANCE  
PLAN BENEFITS**

**THARCO INCORPORATED  
CLASS 0002  
AD&D, LTD, LIFE, STD**

The enclosed certificate is intended to explain the benefits provided by the Plan. It does not constitute the Policy Contract. Your rights and benefits are determined in accordance with the provisions of the Policy, and your insurance is effective only if you are eligible for insurance and remain insured in accordance with its terms.

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**CERTIFICATE OF COVERAGE**

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**The Guardian**  
7 Hanover Square  
New York, New York 10004

We, The Guardian, certify that the employee named below is entitled to the insurance benefits provided by The Guardian described in this certificate, provided the eligibility and effective date requirements of the plan are satisfied.

Group Policy No.	Certificate No.	Effective Date
Issued To		

This CERTIFICATE OF COVERAGE replaces any CERTIFICATE OF COVERAGE previously issued under the above Plan or under any other Plan providing similar or identical benefits issued to the Planholder by The Guardian.

*Stuart J Shaw*  
Vice President, Risk Mgt. & Chief Actuary

CGP-3-R-STK-90-3

B110.0023



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## GENERAL PROVISIONS

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As used in this booklet:

"Accident and health" means any dental, dismemberment, hospital, long term disability, major medical, prescription drug, surgical, vision care or weekly loss-of-time insurance provided by this *plan*.

"Covered person" means an employee insured by this *plan*.

"Employer" means the *employer* who purchased this *plan*.

"Our," "The Guardian," "us" and "we" mean The Guardian Life Insurance Company of America.

"Plan" means the Guardian *plan* of group insurance purchased by your *employer*.

"You" and "your" mean an employee insured by this *plan*.

CGP-3-R-GENPRO-90

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### Limitation of Authority

No person, except by a writing signed by the President, a Vice President or a Secretary of The Guardian, has the authority to act for us to: (a) determine whether any contract, plan or certificate of insurance is to be issued; (b) waive or alter any provisions of any insurance contract or plan, or any requirements of The Guardian; (c) bind us by any statement or promise relating to any insurance contract issued or to be issued; or (d) accept any information or representation which is not in a signed application.

CGP-3-R-LOA-90

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### Incontestability

This *plan* is incontestable after two years from its date of issue, except for non-payment of premiums.

If this *plan* replaces a plan your *employer* had with another insurer, we may rescind the *employer's plan* based on misrepresentations made by the *employer* or an *employee* in a signed application for up to two years from the effective date of this *plan*.

No statement in any application made by a person insured under this *plan* shall be used in contesting the validity of his or her insurance or in denying a claim for a loss incurred, or for a disability which starts, after such insurance has been in force for two years during his or her lifetime. The application must be signed by the covered person and a copy furnished to the covered person or his or her beneficiary.

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## Statements

No statement will avoid the insurance under this *plan*, or be used in defense of a claim hereunder unless: (a) in the case of the policyholder, it is contained in the application signed by him or her; or (b) in the case of a covered person, it is contained in a written instrument signed by him or her, a copy of which has been furnished to the covered person or his or her beneficiary.

Absent fraud, all statements made by an applicant, group policyholder, or insured are considered to be representations and not warranties.

CGP-3-R-INCY-03-MD

B160.0119

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## Examination and Autopsy

We have the right to have a *doctor* of our choice examine the person for whom a claim is being made under this *plan* as often as we feel necessary. And we have the right to have an autopsy performed in the case of death, where allowed by law. We'll pay for all such examinations and autopsies.

CGP-3-R-EA-90

B160.0006

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## Accident and Health Claims Provision

Your right to make a claim for any *accident and health* benefits provided by this *plan*, is governed as follows:

**Notice** You must send us written notice of an injury or sickness for which a claim is being made within 20 days of the date the injury occurs or the sickness starts. This notice should include your name and *plan* number.

**Proof of Loss** We'll furnish you with forms for filing proof of loss within 15 days of receipt of notice. But if we don't furnish the forms on time, we'll accept a written description and adequate documentation of the injury or sickness that is the basis of the claim as proof of loss. You must detail the nature and extent of the loss for which the claim is being made. You must send us written proof within 90 days of the loss.

If this *plan* provides weekly loss-of-time insurance, you must send us written proof of loss within 90 days of the end of each period for which we're liable. If this *plan* provides long term disability income insurance, you must send us written proof of loss within 90 days of the date we request it. For any other loss, you must send us written proof within 90 days of the loss.

**Late Notice of Proof** We won't void or reduce your claim if you can't send us notice and proof of loss within the required time. But you must send us notice and proof as soon as reasonably possible.

**Payment of Benefits** We'll pay benefits for loss of income once every 30 days for as long as we're liable, provided you submit periodic written proof of loss as stated above. We'll pay all other *accident and health* benefits to which you're entitled as soon as we receive written proof of loss.



## Accident and Health Claims Provision (Cont.)

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We pay all *accident and health* benefits to you, if you're living. If you're not living, we have the right to pay all *accident and health* benefits, except dismemberment benefits, to one of the following: (a) your estate; (b) your spouse; (c) your parents; (d) your children; (e) your brothers and sisters; and (f) any unpaid provider of health care services. See "Your Accidental Death and Dismemberment Benefits" for how dismemberment benefits are paid.

When you file proof of loss, you may direct us, in writing, to pay health care benefits to the recognized provider of health care who provided the covered service for which benefits became payable. We may honor such direction at our option. But we can't tell you that a particular provider must provide such care. And you may not assign your right to take legal action under this *plan* to such provider.

**Limitations of Actions** You can't bring a legal action against this *plan* until 60 days from the date you file proof of loss. And you can't bring legal action against this *plan* after three years from the date you are required to file proof of loss, as shown in the "Proof of Loss" provision above.

**Workers' Compensation** The *accident and health* benefits provided by this *plan* are not in place of, and do not affect requirements for coverage by Workers' Compensation.

CGP-3-R-AHC-90-MD

B160.0034

# ELIGIBILITY FOR LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT COVERAGES

CGP-3-ECOV-09-MD

B264.1528

## Employee Coverage

**Eligible Employees** To be eligible for employee coverage, you must be an active *full-time employee*. And you must belong to a class of *employees* covered by this *plan*.

### Other Conditions

You must:

- (a) be legally working in the United States.
- (b) be regularly working at least the number of hours in the normal work week set by your *employer* (but not less than 40 hours per week), at:
  - (i) your *employer's* place of business;
  - (ii) some place where your *employer's* business requires you to travel; or
  - (iii) any other place you and your *employer* have agreed upon for performance of occupational duties.

Note: If you are working outside the United States on a temporary assignment and you meet all other conditions of eligibility, you will be covered by this *plan*; provided that: you are on an assignment, not exceeding one year, in a country or region that is not under a travel warning issued by the US Department of State. Coverage may be available when you are: (1) on a longer temporary assignment; or (2) assigned in a region that is under a travel warning; however, coverage must be approved by us in writing.

Part or all of your insurance amounts may be subject to *proof* that you are insurable. The Life Schedule explains if and when we require *proof*. You will not be covered for any amount that requires such *proof* until you give the *proof* to us and we approve it in writing.

If your active *full-time* service ends before you meet any *proof of insurability* requirements that apply to you, you will still have to meet those requirements if you are later re-employed.

CGP-3-ECOV-09-MD

B264.1577

### When Your Life and AD&D Coverage Starts

Employee benefits that do not require *proof* that you are insurable are scheduled to start on the effective date shown on the sticker attached to the inside front cover of this booklet.

Employee benefits that require such *proof* will not start until you send us the *proof* and we approve it in writing. Once we have approved it, the benefits are scheduled to start on the effective date shown in the endorsement section of your application. A copy of the approved application is furnished to you.

But you must be fully capable of performing the major duties of your regular occupation for your *employer* on a full-time basis at 12:01AM Standard Time for your place of residence on the scheduled effective date or dates. And you must have met all of the applicable conditions explained above, and any applicable waiting period. If you are not fully capable of performing the major duties of your regular occupation on any date part of your insurance is scheduled to start we will postpone that part of your coverage. We will postpone that part of your coverage until the date you are so capable and are working your regular number of hours for one full day, with the expectation that you could do so for one full week.

Sometimes, the effective date shown on the sticker or in the endorsement is not a regularly scheduled work day. If the scheduled effective date falls: on a holiday; on a vacation day; on a non-scheduled work day; or during an approved leave of absence, not due to sickness or injury, of 90 days or less; and if you were performing the major duties of your regular occupation and working your regular number of hours on your last regularly scheduled work day, your coverage will start on the scheduled effective date.

CGP-3-ECOV-09-MD

B264.1615

**When Your Life and  
AD&D Coverage  
Ends**

Your coverage ends on the date your active *full-time* service ends for any reason. Such reasons include disability, death, retirement, layoff, leave of absence and the end of employment.

It also ends on the date you stop being a member of a class of *employees* eligible for insurance under this *plan*, or when this *plan* ends for all *employees*. And it ends when this *plan* is changed so that benefits for the class of *employees* to which you belong ends.

It ends on the date you are no longer working in the United States unless you are on a temporary assignment: (1) not exceeding one year in a country or region that is not under a travel warning issued by the US Department of State; or (2) for which we have agreed, in writing, to provide coverage.

If you are required to pay all or part of the cost of this coverage and you fail to do so, your coverage ends. It ends on the last day of the period for which you made the required payments, unless coverage ends earlier for other reasons.

Read this booklet carefully if your coverage ends. You may have the right to continue certain group benefits for a limited time. And you may have the right to replace certain group benefits with converted policies.

CGP-3-ECOV-09-MD

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**An Employee's Right To Continue Group Life and Accidental  
Death and Dismemberment Coverages During a Family Leave Of Absence**

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**Continuation of  
Coverages** Life and Accidental Death and Dismemberment coverages may be continued, under a uniform, non-discriminatory policy applicable to all employees.

**If Your Group Coverage Would End** Group Life and Accidental Death and Dismemberment coverages may normally end for an *employee* because he or she ceases work due to an approved leave of absence. But, the *employee* may continue his or her group Life and Accidental Death and Dismemberment coverages if the leave of absence has been granted : (a) to allow the *employee* to care for a seriously injured or ill spouse, child or parent; (b) for the birth or placement for adoption or foster care of a child; (c) due to the *employee's* own serious health condition; or (d) because of any serious injury or illness arising out of the fact that a spouse, child, parent, or next of kin, who is a covered servicemember, of the *employee* is on active duty(or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation. The *employee* will be required to pay the same share of the premium as he or she paid before the leave of absence.

**When Continuation Ends** Coverage may continue until the earliest of the following:

- The date you return to active work.
- The end of a total leave period of 26 weeks in one 12 month period, in the case of an *employee* who cares for a covered servicemember. This 26 week total leave period applies to all leaves granted to the *employee* under this section for all reasons.
- The end of a total leave period of 12 weeks in: (a) any 12 month period, in the case of any other *employee*; or (b) any later 12 month period in the case of an *employee* who cares for a covered servicemember.
- The date on which your coverage would have ended had you not been on leave.
- The end of the period for which the premium has been paid.

**Definitions** As used in this section, the terms listed below have the meanings shown below:

- **Active Duty:** This term means duty under a call or order to active duty in the Armed Forces of the United States.
- **Contingency Operation:** This term means a military operation that: (a) is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or (b) results in the call or order to, or retention on, active duty of members of the uniformed services under any provision of law during a war or during a national emergency declared by the President or Congress.
- **Covered Servicemember:** This term means a member of the Armed Forces, including a member of the National Guard or Reserves, who for a serious injury or illness: (a), is undergoing medical treatment, recuperation, or therapy; (b) is otherwise in outpatient status; or (c) is otherwise on the temporary disability retired list.

- **Next Of Kin:** This term means the nearest blood relative of the *employee*.
- **Outpatient Status:** This term means, with respect to a covered servicemember, that he or she is assigned to: (a) a military medical treatment facility as an outpatient; or (b) a unit established for the purpose of providing command and control of members of the Armed Forces receiving medical care as outpatients.
- **Serious Injury Or Illness:** This term means, in the case of a covered servicemember, an injury or illness incurred by him or her in line of duty on active duty in the Armed Forces that may render him or her medically unfit to perform the duties of his or her office, grade, rank, or rating.

CGP-3-FML-09-MD

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## GROUP TERM LIFE INSURANCE SCHEDULE

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### Employee Basic Term Life Insurance

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**Your Basic Term Life Insurance Amount** An amount equal to 200% of your annual earnings, rounded to the next higher \$1,000.00, if not already a multiple thereof, to a maximum of \$100,000.00, but not less than \$10,000.00.

CGP-3-R-SCH-90

B265.0629

**Redetermination** Subject to any of the plan's proof of insurability requirements, your basic life insurance amount will be redetermined the 1st of the month immediately following the earnings adjustment. If you are not actively at work on a full-time basis on that date, your insurance amount will be redetermined on the date you return to active full-time service. However, if your benefits were previously reduced because of an age or retirement reduction, your benefit will not be redetermined due to your change in earnings.

**Earnings Definition** Annual earnings means your annual rate of earnings excluding bonuses, commissions, expense accounts, overtime pay and any other extra compensation. We do not include pay for hours worked or billed over 40 per week.

Any compensation based on your annual earnings which is deposited into a cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section 401(k), 403(b) or 457 is included. Earnings based on excluded income and employer contributions deposited into such 401(k), 403(b) or 457 plan are excluded.

Annual earnings is calculated using the earnings components described above applicable as of the most current redetermination date on which your employer has provided earnings data to us. Proof of earnings will be required. Proof may consist of: (1) copies of your U.S. Individual Income Tax Returns; (2) a statement from a certified public accountant; or (3) any other records we agree to accept.

CGP-3-R-SCH-90

B265.1217

**Reduction of Basic Life Insurance Amount Based on Age** If an employee is less than age 65 when his or her insurance under this plan starts, his or her insurance amount is reduced, on the date he or she reaches age 65, by 35% of the amount which otherwise applies to his or her classification and/or option. But in no case will such reduced amount be less than \$1,000.00.

The preceding reduction also applies to an employee's initial insurance amount if his or her insurance starts after he or she reaches age 65 but before he or she reaches age 70

If an employee is less than age 70 when his or her insurance under this plan starts, the employee's insurance amount is reduced, when he or she reaches age 70, by 50% of the amount which otherwise applies to his or her classification and/or option. But in no case will such reduced amount be less than \$1,000.00.

The preceding reduction also applies to an employee's initial insurance amount if his or her insurance starts after he or she reaches age 70 but before he or she reaches age 75.

## Employee Basic Term Life Insurance (Cont.)

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If an employee is less than age 75 when his or her insurance under this plan starts, the employee's insurance amount is reduced, when he or she reaches age 75, by 75% of the amount which otherwise applies to his or her classification and/or option. But in no case will such reduced amount be less than \$1,000.00.

The preceding reduction also applies to an employee's initial insurance amount if his or her insurance starts after he or she reaches age 75.

CGP-3-R-SCH-90

B265.0484

### **Limitations For Future Entrants**

However, regardless of any of the above reductions, we limit the amount of insurance for which you are eligible if your insurance under this plan starts both: (a) after this plan's effective date; and (b) after you reach age 70.

If you provide us with proof of insurability, and we approve it in writing, the amount of your insurance will be 50% of the amount which otherwise applies to your classification and/or option. But in no event will this reduced amount be less than \$1,000.00.

If we do not approve the proof, your insurance amount will be \$1,000.00.

CGP-3-R-SCH-90

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## Employee Basic Accidental Death and Dismemberment Insurance (AD&D)

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CGP-3-R-SCH-90

B265.0029

### **Your Basic AD&D Insurance Amount**

An amount equal to 200% of your annual earnings, rounded to the next higher \$1,000.00, if not already a multiple thereof, to a maximum of \$100,000.00, but not less than \$10,000.00.

CGP-3-R-SCH-90

B265.0635

### **Redetermination**

Subject to any of the plan's proof of insurability requirements, your basic AD&D insurance amount will be redetermined the 1st of the month immediately following the earnings adjustment. If you are not actively at work on a full-time basis on that date, your insurance amount will be redetermined on the date you return to active full-time service. However, if your benefits were previously reduced because of an age or retirement reduction, your benefit will not be redetermined due to your change in earnings.

## Employee Basic Accidental Death and Dismemberment Insurance (AD&D) (Cont.)

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**Earnings Definition** Annual earnings means your annual rate of earnings excluding bonuses, commissions, expense accounts, overtime pay and any other extra compensation. We do not include pay for hours worked or billed over 40 per week.

Any compensation based on your annual earnings which is deposited into a cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section 401(k), 403(b) or 457 is included. Earnings based on excluded income and employer contributions deposited into such 401(k), 403(b) or 457 plan are excluded.

Annual earnings is calculated using the earnings components described above applicable as of the most current redetermination date on which your employer has provided earnings data to us. Proof of earnings will be required. Proof may consist of: (1) copies of your U.S. Individual Income Tax Returns; (2) a statement from a certified public accountant; or (3) any other records we agree to accept.

CGP-3-R-SCH-90

B265.1217

**Reduction of Basic AD&D Amount Based on Age** If an employee is less than age 65 when his or her insurance under this plan starts, his or her insurance amount is reduced, on the date he or she reaches age 65, by 35% of the amount which otherwise applies to his or her classification and/or option. But in no case will such reduced amount be less than \$1,000.00.

The preceding reduction also applies to an employee's initial insurance amount if his or her insurance starts after he or she reaches age 65 but before he or she reaches age 70

If an employee is less than age 70 when his or her insurance under this plan starts, the employee's insurance amount is reduced, when he or she reaches age 70, by 50% of the amount which otherwise applies to his or her classification and/or option. But in no case will such reduced amount be less than \$1,000.00.

The preceding reduction also applies to an employee's initial insurance amount if his or her insurance starts after he or she reaches age 70 but before he or she reaches age 75.

If an employee is less than age 75 when his or her insurance under this plan starts, the employee's insurance amount is reduced, when he or she reaches age 75, by 75% of the amount which otherwise applies to his or her classification and/or option. But in no case will such reduced amount be less than \$1,000.00.

The preceding reduction also applies to an employee's initial insurance amount if his or her insurance starts after he or she reaches age 75.

CGP-3-R-SCH-90

B265.0495

**Limitations For Future Entrants** However, regardless of any of the above reductions, we limit the amount of insurance for which you are eligible if your insurance under this plan starts both: (a) after this plan's effective date; and (b) after you reach age 70.



## **Employee Basic Accidental Death and Dismemberment Insurance (AD&D) (Cont.)**

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If you provide us with proof of insurability, and we approve it in writing, the amount of your insurance will be 50% of the amount which otherwise applies to your classification and/or option. But in no event will this reduced amount be less than \$1,000.00.

If we do not approve the proof, your insurance amount will be \$1,000.00.

CGP-3-R-SCH-90

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**Your Group Term Life Insurance**

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- Basic Life Benefit** If you die while insured for this benefit, we'll pay your beneficiary the amount shown in the schedule.
- Proof of Death** We'll pay this insurance as soon as we receive written proof of death. This should be sent to us as soon as possible.
- Your Beneficiary** You decide who gets this insurance if you die. You should have named your beneficiary on your enrollment form. You can change your beneficiary at any time by giving us written notice, unless you've assigned this insurance. But, the change won't take effect until we tell you we've received the notice.
- If you named more than one person, but didn't tell us what their shares should be, they'll share equally. If someone you named dies before you do, his share will be divided equally by the beneficiaries still alive, unless you've told us otherwise.
- If there is no beneficiary when you die, we'll pay the insurance to one of the following: (a) your estate; (b) your spouse; (c) your parents; (d) your children; or (e) your brothers and sisters.
- Assigning Your Life Insurance** If you assign this insurance, you permanently transfer all your rights under this insurance to the assignee. Only one of the following can be an assignee: (a) your spouse; (b) one of your parents or grandparents; (c) one of your children or grandchildren; (d) one of your brothers or sisters; or (e) the trustee(s) of a trust set up for the benefit of one or more of these relatives.
- We suggest you speak to your lawyer before you make any assignment. If you decide you want to assign this insurance, ask your employer for details or write to us.
- Payment to a Minor or Incompetent** If your beneficiary is a minor or incompetent, we have the option of paying this insurance in monthly installments. We would pay them to the person who cares for and supports your beneficiary.
- Payment of Funeral or Last Illness Expenses** We have the option of paying up to \$2,500.00 of this insurance to any person who incurs expenses for your funeral or last illness.
- Settlement Option** If you or your beneficiary ask us, we'll pay all or part of this insurance in installments. Any request must be made to us in writing. The amounts of the installments and how they would be paid depends on what we offer at the time the request is made.
- Incontestability** After you've been insured for this insurance for two years, we can't dispute any medical statements you made in your signed application.

## Portability Privilege

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- Applicability** This provision applies only to this plan's employee Basic group term life insurance. It does not apply to supplemental life insurance, if any is included in this plan. And it does not apply to Accidental Death and Dismemberment Insurance.
- Important Restriction** You must provide proof of insurability satisfactory to us.
- Portability Of Basic Group Term Life Insurance** You may elect to continue all or part of your employee Basic group term life insurance, by choosing a portable certificate of coverage, subject to the following terms.
- You may port your coverage if coverage under this plan ends because you: (a) have terminated employment; or (b) stop being a member of an eligible class of employees.
- You may not port your coverage, if you: (a) have reached your 70th birthday on the day coverage under this plan ends; or (b) are eligible for this plan's Basic Group Term Life Insurance Extended Life Benefit.
- You may not port your coverage if coverage under this plan ends due to: (a) failure to pay any required premium; or (b) the end of this group plan.
- You may port: (a) the full amount(s) of your Basic term life insurance as of the day your coverage under this plan ends, or (b) 50% of such amount, if such amount under this plan is at least \$50,000.00.
- The Portable Certificate Of Coverage** You can port to a portable certificate of coverage. The certificate provides group term insurance. It does not provide any: (a) accidental death and dismemberment benefits; (b) income replacement benefits; or (c) extended life benefits or waiver of premium privileges. The benefits provided by the portable certificate of coverage may not be the same as the benefits of this group plan.
- The premium for the portable certificate of coverage will be based on: (a) your rate class under this plan; and (b) your age bracket as shown in the Basic Life Portability Coverage Premium Notice.
- How To Port** To get a portable certificate of coverage, you must: (a) apply to us in writing; and (b) pay the required premium. You have 31 days from the date your coverage under this plan ends to do this. We require proof of insurability satisfactory to us.
- Defined Term** As used in this provision, the term "port" means to choose a portable certificate of coverage which provides group term life insurance.

CGP-3-R-LP-00

B270.0390

## Information About Conversion and Portability

No covered person is allowed to convert his or her coverage, and elect a portable certificate of coverage at the same time. If a situation arises in which a covered person would be eligible to both convert and port, he or she may only exercise one of these privileges. A covered person may never be insured under both a converted policy and a portable certificate of coverage at the same time. The covered person should read his or her plan, as well as any related materials carefully before making an election.

CGP-3-R-LPN-95

B270.0326

### **THE FOLLOWING PROVISION APPLIES TO YOUR BASIC TERM LIFE INSURANCE:**

## Converting This Group Term Life Insurance

**If Employment Or Eligibility Ends** Your group life insurance ends if: (a) your employment ends; or (b) you stop being a member of an eligible class of employees. If either happens, you can convert your group life insurance to an individual life insurance policy. Conversion choices are based on your disability status.

If you are not disabled, as defined in the section labeled "Extended Life Benefit With Waiver of Premium", you can convert to a permanent life insurance policy. You can convert the amount for which you were covered under this plan, less any group life benefits you become eligible for in the 31 days after this insurance ends.

If you: (a) are disabled, as defined in the section labeled "Extended Life Benefit With Waiver of Premium"; and (b) have not yet been approved for the Extended Life Benefit, you can convert to: (a) a permanent life insurance policy; or (b) an interim term insurance policy, as explained in the section labeled "Interim Term Insurance". You can convert the full amount for which you were covered under this plan.

If you are later approved for the Extended Life Benefit, then the converted policy, if any, is cancelled as of our approval date.

**If The Group Plan Ends Or Group Life Insurance Is Dropped** Your group life insurance also ends if: (a) this group plan ends; or (b) life insurance is dropped from the group plan for all employees or for your class. If either happens, you may be eligible to convert as explained below. Conversion choices are based on your disability status.

If you: (a) are not disabled, as defined in the section labeled "Extended Life Benefit With Waiver of Premium", when this coverage ends; and (b) you have been insured by a Guardian group life plan for at least five years, you can convert to a permanent life insurance policy. But, the amount you can convert is limited to the lesser of: (a) \$10,000.00; or (b) the amount of your insurance under this plan, less any group life benefits you become eligible for in the 31 days after this insurance ends.

If you: (a) are disabled, as defined in the section labeled "Extended Life Benefit With Waiver of Premium"; and (b) have not yet been approved for the Extended Life Benefit, you can convert to: (a) a permanent life insurance policy; or (b) an interim term insurance policy. You can convert the full amount for which you were covered under this plan.

If you are later approved for the Extended Life Benefit, then the converted policy, if any, is cancelled as of our approval date.

## Converting This Group Term Life Insurance (Cont.)

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- The Converted Policy** The premium for the converted policy will be based on your age on the converted policy's effective date. The converted policy will start at the end of the period allowed for conversion. The converted policy does not include disability or dismemberment benefits.
- Interim Term Insurance** If you: (a) are disabled, as defined in the section labeled "Extended Life Benefit With Waiver of Premium" and (b) have not yet been approved for the Extended Life Benefit, you have the option to convert your coverage to an individual term life insurance policy. The individual term policy requires lower premiums than an individual permanent insurance policy.
- This Interim term policy is available for only one year from the date you become disabled. During this year, if you are approved for the Extended Life Benefit, the interim term insurance is cancelled, as of our approval date. If, after one year, you have not been approved for the Extended Life Benefit, you must convert to an individual permanent life insurance policy, or coverage will end. Premiums for the individual permanent life insurance policy will be based on your age as of the date you convert from the interim term insurance policy.
- How And When To Convert** To get a converted policy, you must apply to us in writing and pay the required premium. You have 31 days after your group life insurance ends to do this. We won't ask for proof that you are insurable.
- Death During The Conversion Period** If you die in the 31 days allowed for conversion, we'll pay your beneficiary the amount you could have converted. We'll pay whether or not you applied for conversion.

CGP-3-R-LCONV-99

B275.0072

## Your Accelerated Life Benefit

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**IMPORTANT NOTICE: USE OF THE BENEFIT PROVIDED BY THIS SECTION MAY HAVE TAX IMPLICATIONS AND MAY AFFECT GOVERNMENT BENEFITS OR CREDITORS. YOU SHOULD CONSULT WITH YOUR TAX OR FINANCIAL ADVISOR BEFORE APPLYING FOR THIS BENEFIT.**

**PLEASE NOTE: THE AMOUNT OF GROUP TERM LIFE INSURANCE IS PERMANENTLY REDUCED BY THE GROSS AMOUNT OF THE ACCELERATED LIFE BENEFIT PAID TO YOU.**

- Accelerated Life Benefit** If you have a medical condition that is expected to result in your death within 6 months, you may apply for an Accelerated Life Benefit. An Accelerated Life Benefit is a payment of part of your group term life insurance made to you before you die.

We subtract the gross amount paid to you as an Accelerated Life Benefit from the amount of your group term life insurance under this plan. The remaining amount of your group term life insurance is permanently reduced by the gross amount paid to you.

## Your Accelerated Life Benefit (Cont.)

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By "group term life insurance" we mean any Employee Basic Group Term Life Insurance for which you are insured under this plan. "Group term life insurance" does not mean Accidental Death and Dismemberment Benefits, any insurance provided under this plan for covered persons other than you or any scheduled increase in the amount of any Employee Group Term Life Insurance that is due within the six month period after the date you apply for the Accelerated Life Benefit.

By "gross amount" we mean the amount of an Accelerated Life Benefit elected by you, before the discount and the processing fee are subtracted.

For the purposes of this provision, "terminal condition" means a medical condition that is expected to result in your death within 6 months.

You may use the Accelerated Life Benefit in any way you choose. But you may receive only one Accelerated Life Benefit during your lifetime. If you live longer than 6 months, or if you recover from the condition, the benefit does not have to be repaid. But the amount of this benefit is not restored to your remaining group term life insurance. And you may not receive another Accelerated Life Benefit if you have a relapse or develop another terminal condition.

**Maximum Benefit Amount** The amount of the Accelerated Life Benefit for which you may apply is based on the amount of group term life insurance for which you are insured on the day before you apply for the benefit. The minimum benefit amount is the lesser of: (a) \$10,000.00; or (b) 50% of the inforce amount. The maximum benefit amount is the lesser of: (a) \$250,000.00; or (b) 50% of the inforce amount.

**Discount** The amount for which you apply is discounted to the present value in six months from the date the benefit is paid, based on the maximum adjustable policy loan interest rate permitted in the state in which your employer is located.

A detailed statement of the method of computing the amount of the Accelerated Life Benefit is filed with each state insurance department. This statement is available from The Guardian upon request.

**Processing Fee** A fee of up to \$150.00 may also be required for the administrative cost of evaluating and processing your Accelerated Life Benefit. This fee is deducted from the amount of the Accelerated Life Benefit paid to you.

**Payment of An Accelerated Life Benefit** If we approve your application for an Accelerated Life Benefit, we pay the amount you have elected, less the discount and the processing fee. We pay the benefit to you in one lump sum. And what we pay is subject to all of the other terms of this plan.

**How And When To Apply** To receive the Accelerated Life Benefit, you must send us written proof from a licensed doctor who is operating within the scope of his or her license that your medical condition is expected to result in your death within 6 months of the date of the written medical proof. We must approve such proof in writing before the Accelerated Life Benefit will be paid.

We can have you examined by a doctor of our choice to verify the terminal condition. We'll pay the cost of such examination. We will not pay the Accelerated Life Benefit if our doctor does not verify the terminal condition.

## Your Accelerated Life Benefit (Cont.)

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If we approve you to receive an Accelerated Life Benefit, we give you a statement which shows: (a) the amount of the maximum Accelerated Life Benefit for which you are eligible; and (b) the amount by which your group term life insurance will be reduced if you elect to receive the maximum Accelerated Life Benefit; and (c) the amount of the processing fee.

Even if you are receiving an Extended Life Benefit under this plan, you can still apply for an Accelerated Life Benefit. However, once you convert your group term life insurance, the terms of the converted life policy will apply. Any amount to which you could otherwise convert is permanently reduced by the gross amount of the Accelerated Life Benefit paid to you.

Please read "Your Remaining Group Term Life Insurance" provision for restrictions that may apply.

**If You Have  
Assigned Your  
Group Term Life  
Insurance**

If you have already assigned your group term life insurance under the terms shown in the "Assigning This Life Insurance" section of "Your Group Term Life Insurance", you can't apply for the Accelerated Life Benefit without the written, notarized consent of the person to whom your insurance was assigned. The person to whom you assigned your insurance may apply for the Accelerated Life Benefit for you. You or the assignee must send us the written, notarized consent. We must approve such consent in writing before any payment will be made.

CGP-3-R-EALB-MD-95

B275.0043

**If You Are  
Incompetent**

If you are determined to be legally incompetent, the person the court appoints to handle your legal affairs may apply for the Accelerated Life Benefit for you.

**Your Remaining  
Group Term Life  
Insurance**

The remaining amount of group term life insurance for which you are covered after receiving an Accelerated Life Benefit payment is subject to any increases or cutbacks that would otherwise apply to your insurance. Applicable cutbacks are applied to the amount of group term life insurance for which you are insured on the day before you apply for the Accelerated Life Benefit.

The premium cost of your remaining coverage is based on the amount of group term life insurance for which you are insured on the day before you apply for the Accelerated Life Benefit.

You may be required to provide proof of insurability for increased amounts. If you are, we must approve that proof in writing before you are covered for the new amount.

The total amount of group term life insurance your beneficiary would otherwise receive upon your death is reduced by the gross amount of the Accelerated Life Benefit paid to you.

## **Your Accelerated Life Benefit (Cont.)**

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If you die after electing the Accelerated Life Benefit, but before we send the benefit to you, your beneficiary will receive the amount of the group term life insurance for which you are insured on the day before you apply for the Accelerated Life Benefit.

**Restrictions** We will not pay an Accelerated Life Benefit to you if you:

- are required by law to use the payment to meet the claims of creditors, whether or not you are in bankruptcy; or
- are required by court order to pay all or part of the benefit to another person; or
- are required by a government agency to use the payment to apply for, to receive or to maintain a governmental benefit or entitlement; or
- lose your coverage under the group plan for any reason after you elect the Accelerated Life Benefit but before we pay such benefit to you.

CGP-3-R-EALB-95-1

B270.0322

## **Your Extended Life Benefit With Waiver Of Premium**

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**Important Notice** This section applies to your basic life benefit. But, it does not apply to your accidental death and dismemberment benefits; nor to any of your dependent's insurance under this group plan. In order to continue dependent basic life insurance, you must convert your dependent coverage. To convert dependent coverage you must choose an individual permanent policy.

**If You Are Disabled** You are disabled if you meet the definition of total disability, as stated below. If you meet the requirements in the "How and When to Apply" provision, we'll extend your basic life insurance under this section without payment of premiums from you or the employer.

Total Disability or Totally Disabled means, due to sickness or injury, you are:

- (a) not able to perform any work for wages or profit; and
- (b) you are receiving regular doctor's care appropriate to the cause of disability.

**How And When To Apply** To apply for this extension, you must submit satisfactory written medical proof of your total disability. You must provide this proof within one year of the onset of that disability. Any claim filed after one year from the onset of total disability will be denied. We will deny the claim unless we receive written proof that: (a) you lacked the legal capacity to file the claim; or (b) it was not reasonably possible for you to file the claim.

Also, in order to be eligible for this extension, you must:

- (a) become totally disabled before you reach age 60 and while insured by the group plan; and
- (b) remain totally disabled for nine continuous months.

You may apply for this benefit immediately upon the onset of disability.



## Your Extended Life Benefit With Waiver Of Premium (Cont.)

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**Continued Eligibility For Extended Life Benefit** We may require periodic written proof that you remain totally disabled to maintain this extension. This written proof of your: (a) continued disability; and (b) doctor's care must be provided to us within 30 days of the date we make each such request.

We can require that you take part in a medical assessment, with a medical specialist of our choice. During the first two years of this extension, we may require this as often as we feel is reasonably necessary. But after two years, we can't have you examined more than once a year.

**Until You've Been Approved For This Extended Life Benefit** Your life insurance under the group plan may end after you've become totally disabled, but before we've approved you for this extension. During this time period, you may either:

- (a) continue group premium payments, including any portion which would have been paid by the employer, until you are approved or declined for this extension; or
- (b) convert to an individual permanent or term policy. Please read the section labeled "Converting This Group Term Life Insurance" for details on how to convert.

However, you must convert if: (i) this group plan terminates; and (ii) you are totally disabled and eligible, but not yet approved, for this extended benefit. You must remain insured under such policy until you are approved by us for the extended benefit.

Converting does not stop you from claiming your rights under this section. But if you convert and we later approve you for this extended benefit, we'll cancel the converted policy as of our approval date. Once you are approved for this extended benefit, your group term life coverage will be reinstated. This will be done at no further cost to you or the employer.

**When This Extension Begins** Once approved by us, your extended benefit will be effective on the later of:

- (a) nine continuous months from the date active full-time service ends due to total disability; or
- (b) the date we approve you for this benefit.

CGP-3-R-LW-TD-99-1-MD

B275.0073

**When This Extension Ends** Your extension will end on the earliest of:

- (a) the date you are no longer disabled;
- (b) the date we ask you to be examined by our doctor, and you refuse;
- (c) the date you do not give us the proof of disability we require;
- (d) the date you are no longer receiving regular doctor's care appropriate to the cause of disability; or
- (e) The day before the date you reach age 65.

If the extension ends, and you are not insured by the group plan again as an active full-time employee, you can convert as if your employment just ended. Read the section labeled "Converting This Group Term Life Insurance".

## **Your Extended Life Benefit With Waiver Of Premium (Cont.)**

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**If You Die While Covered By This Extension** If you die while covered by this extension we'll pay your beneficiary the amount for which you were covered as of your last day of active full-time work. The amount we pay is subject to all reductions which would have applied had you stayed an active employee.

**Proof Of Death** We'll pay as soon as we receive

- (a) written proof of your death, that is acceptable to us; and
- (b) medical proof that you were continuously disabled until your death. This must be sent within one year of your death.

CGP-3-R-LW-TD-99-2-MD

B275.0148

## **Your Basic Accidental Death And Dismemberment Benefits**

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**The Benefit** We'll pay the benefits described below if you suffer an irreversible covered loss due to an accident that occurs while you are insured. The loss must be a direct result of the accident, independent of all other causes. And, it must occur within 365 days of the date of the accident.

**Covered Losses** Benefits will be paid only for losses identified in the following table. The Insurance Amount is shown in the Schedule.

### **ACCIDENTAL DEATH AND DISMEMBERMENT**

<b>Covered Loss</b>	<b>Benefit</b>
Loss of Life	100% of Insurance Amount
Loss of a hand	50% of Insurance Amount
Loss of a foot	50% of Insurance Amount
Loss of sight in one eye	50% of Insurance Amount
Loss of thumb and index finger of same hand	25% of Insurance Amount

For covered multiple losses due to the same accident, we will pay 100% of the Insurance Amount. We won't pay more than 100% of the Insurance Amount for all losses due to the same accident.

Loss of:

- (a) a hand or foot means it is completely cut off at or above the wrist or ankle.
- (b) sight means the total and permanent loss of sight.

**Payment Of Benefits** For covered loss of life, we pay the beneficiary of your basic group term life insurance.

For all other covered losses, we pay you, if you are living. If not, we pay the beneficiary of your basic group term life insurance.

## Your Basic Accidental Death And Dismemberment Benefits (Cont.)

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We pay all benefits in a lump sum, within 30 days of receipt of proof of loss which is acceptable to us. This should be sent to us as soon as possible.

CGP-3-R-ADCL1-00-MD

B310.0985

**Exclusions** We won't pay for any loss caused directly or indirectly:

- by willful self-injury, suicide, or attempted suicide;
- by sickness, disease, mental infirmity, medical or surgical treatment;
- by your taking part in a riot or other civil disorder; or in the commission of or attempt to commit a felony;
- by travel on any type of aircraft if you are an instructor or crew member; or have any duties at all on that aircraft;
- by declared or undeclared war or act of war or armed aggression;
- while you are a member of any armed force;
- while you are a driver in a motor vehicle accident, if you do not hold a current and valid driver's license;
- by your legal intoxication; this includes, but is not limited to, your operation of a motor vehicle; or
- by your voluntary use of a controlled substance, unless: (1) it was prescribed for you by a doctor; and (2) it was used as prescribed. A controlled substance is anything called a controlled substance in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended from time to time.

CGP-3-R-ADCL2-00

B310.0402

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## ELIGIBILITY FOR DISABILITY COVERAGE

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CGP-3-ECOV-09-MD

B329.0456

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### Employee Coverage

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**Eligible Employees** To be eligible for employee coverage, you must be an active *full-time employee*. And you must belong to a class of *employees* covered by this *plan*.

**Other Conditions** You must:

- (a) be legally working in the United States.
- (b) be regularly working at least the number of hours in the normal work week set by your *employer* (but not less than 40 hours per week), at:
  - (i) your *employer's* place of business;
  - (ii) some place where your *employer's* business requires you to travel; or
  - (iii) any other place you and your *employer* have agreed upon for performance of occupational duties.

Note: If you are working outside the United States on a temporary assignment and you meet all other conditions of eligibility, you will be covered by this *plan*, provided that: you are on an assignment, not exceeding one year, in a country or region that is not under a travel warning issued by the US Department of State. Coverage may be available when you are: (1) on a longer temporary assignment; or (2) assigned in a region that is under a travel warning; however, coverage must be approved by us in writing.

Part or all of your insurance amounts may be subject to *proof* that you are insurable. Other parts of this coverage explain if and when we require *proof*. You will not be covered for any amount that requires such *proof* until you give the *proof* to us and we approve it in writing.

If your active *full-time* service ends before you meet any *proof of insurability* requirements that apply to you, you will still have to meet those requirements if you are later re-employed.

CGP-3-ECOV-09-MD

B329.0470

### When Your Coverage Starts

Employee benefits that don't require proof that you are insurable are scheduled to start on the effective date shown on the sticker attached to the inside front cover of this booklet.

Employee benefits that require such proof won't start until you send us the proof and we approve it in writing. Once we have approved it, the benefits are scheduled to start on the effective date shown in the endorsement section of your application. A copy of the approved application is furnished to you.

But you must be fully capable of performing the major duties of your regular occupation for your *employer* on a full-time basis at 12:01AM Standard Time for your place of residence on the scheduled effective date or dates. And you must have met all of the applicable conditions explained above, and any applicable waiting period. If you are not fully capable of performing the major duties of your regular occupation on any date part of your insurance is scheduled to start we will postpone that part of your coverage. We will postpone that part of your coverage until the date you are so capable and are working your regular number of hours for one full day, with the expectation that you could do so for one full week.

Sometimes, the effective date shown on the sticker or in the endorsement is not a regularly scheduled work day. If the scheduled effective date falls: on a holiday; on a vacation day; on a non-scheduled work day; or during an approved leave of absence, not due to sickness or injury, of 90 days or less; and if you were performing the major duties of your regular occupation and working your regular number of hours on your last regularly scheduled work day, your coverage will start on the scheduled effective date. However, any coverage or part of coverage for which you must elect and pay all or part of the cost, will not start if you are on an approved leave and such coverage or part of coverage was not previously in force for you under a prior plan which this *plan* replaced.

CGP-3-ECOV-09-MD

B329.0482

**When Your Long  
Term Disability  
Income Coverage  
Ends**

Your long term disability coverage ends on the date your active *full-time* service ends for any reason.

It also ends on the date you stop being a member of a class of *employees* eligible for insurance under this *plan*, or when this *plan* ends for all *employees*. And it ends when this *plan* is changed so that benefits for the class of *employees* to which you belong ends.

It ends on the date you are no longer working in the United States unless you are on a temporary assignment: (1) not exceeding one year in a country or region that is not under a travel warning issued by the US Department of State; or (2) for which we have agreed, in writing, to provide coverage.

If you are required to pay all or part of the cost of this coverage and you fail to do so, your coverage ends. It ends on the last day of the period for which you made the required payments, unless coverage ends earlier for other reasons.

However, if you are disabled, as defined by this *plan* when your active *full-time* service ends, coverage remains in force during: (a) the elimination period, subject to premium payment, if: (i) the disability is not excluded under the *plan*; and (ii) benefits are not excluded due to application of this *plan's* pre-existing condition provision; and (b) the period for which benefits are payable under the *plan*.

CGP-3-ECOV-09-MD

B329.0499

**When Your Short  
Term Disability  
Income Coverage  
Ends**

Your short term disability coverage ends on the date your active *full-time* service ends for any reason, except as noted below under "Continuation of Coverage During Disability".

It also ends on the date you stop being a member of a class of *employees* eligible for insurance under this *plan*, or when this *plan* ends for all *employees*. And it ends when this *plan* is changed so that benefits for the class of *employees* to which you belong ends.

It ends on the date you are no longer working in the United States, unless you are on a temporary assignment: (1) not exceeding one year in a country or region that is not under a travel warning issued by the US Department of State; or (2) for which we have agreed, in writing, to provide coverage.

If you are required to pay all or part of the cost of this coverage and you fail to do so, your coverage ends. It ends on the last day of the period for which you made the required payments, unless coverage ends earlier for other reasons.

### **Continuation of Coverage During Disability**

If you are disabled, as defined by this *plan* when your active *full-time* service ends, coverage remains in force during: (a) the elimination period, subject to premium payment, if the disability is not excluded under the *plan*; and (b) the period for which benefits are payable under the *plan*. However, if no benefits are payable under this *plan* due to application of the *plan's* exclusion for a job related injury or sickness, coverage will remain in force until the earlier of the date: (a) you are terminated from employment with the employer; or (b) you have been disabled for six months.

CGP-3-ECOV-09-MD

B329.0518

## SHORT TERM DISABILITY HIGHLIGHTS

This page provides a quick guide to some of the plan features about which people most often want to know. But it's not a complete description of your short term disability *plan*. Read the following pages carefully for a complete explanation of what we pay, limit, and exclude.

### SCHEDULE OF BENEFITS

CGP-3-STD08-HL-MD		B340.0776
<b>Elimination Period</b>	For <i>disability</i> due to <i>injury</i> . . . . .	none
	For <i>disability</i> due to <i>sickness</i> . . . . .	7 days
	CGP-3-STD08-HL-MD	B340.0778
<b>Maximum Payment Period</b>	For <i>disability</i> due to <i>injury</i> . . . . .	26 weeks
	For <i>disability</i> due to <i>sickness</i> . . . . .	26 weeks
	CGP-3-STD08-HL-MD	B340.0782
<b>Gross Weekly Benefit</b>	60% of your <i>insured earnings</i> , rounded to the nearest \$1.00, if not already a multiple thereof, limited to a maximum of \$800.00.	
	<b>Note:</b> We integrate your <i>gross weekly benefit</i> with certain other income you may receive. Read all of the terms of this <i>plan</i> to see what income we integrate with, and how.	
	CGP-3-STD08-HL-MD	B340.0785

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## SHORT TERM DISABILITY INCOME INSURANCE

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This insurance replaces part of your income if you become *disabled* due to a covered *sickness* or *injury*. What we pay is governed by all the terms of this *plan*.

All terms in italics are defined terms with special meanings. See the definitions section of this *plan*. Other terms with special meanings are defined where they are used.

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### Benefit Provisions

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**How Payments Start** To start getting payments from this *plan*, you must meet all of the conditions listed below:

- (a) You must: (i) become *disabled* while insured by this *plan*; and (ii) remain *disabled* for this *plan's* *elimination period*.
- (b) You must provide proof of loss, as described in this *plan's* Claim Provisions section.

Benefits accrue as of the first day following the end of the *elimination period*, subject to all *plan* terms.

You can satisfy the *elimination period* while working, provided you are *disabled* as defined by this *plan*.

**When Payments End** Your benefits from this *plan* will end at 12:01 A.M. standard time at the place you reside, on the earliest of the dates shown below:

- (a) The date you are no longer *disabled*.
- (b) The date you fail to provide proof of loss as required by this *plan*.
- (c) The date you earn in your *own job* the maximum earnings allowed while *disabled* under this *plan*.
- (d) The date you are able to perform each and every duty of your *own job* on a full-time basis with *reasonable accommodation*.
- (e) The date you have been outside the United States and/or Canada for more than 2 months in a 12 month period.
- (f) The date you die.
- (g) The end of the *maximum payment period*.
- (h) The date no further benefits are payable under any provision in this *plan* that limits the *maximum payment period*.
- (i) The date you are no longer receiving *regular and appropriate care* from a *doctor*.
- (j) The date payments end in accord with a *rehabilitation agreement*.
- (k) The date you refuse to take part in a *rehabilitation program*.



**Maximum Payment Period** The *maximum payment period* is the longest time that benefits are paid by this *plan* for your *disability*.

For *disability* due to *injury*, the *maximum payment period* is 26 weeks.

For *disability* due to *sickness*, the *maximum payment period* is 26 weeks.

CGP-3-STD08-MD

B340.0714

**If This Plan Ends** This insurance ends when the group *plan* ends. It also ends when this insurance is dropped from the group plan for all insureds, or for your class. If you are disabled when this insurance ends, we will treat you as if your insurance did not end. But, your benefit will be based on all of the terms of this *plan*. See the section entitled "When Your Coverage Ends" under "Eligibility for Disability Coverage".

**Recurring Disability** Benefits from this *plan* end if you cease to be *disabled*. But, a later *disability* may be treated as a *recurring disability*, if all of the terms listed below are met:

- (a) You must return to *active work* right after your benefits end;
- (b) The *disability* must recur less than two weeks after you were last entitled to benefits;
- (c) The later *disability* must be due to the same or related cause of your earlier *disability*;
- (d) This *plan* must not end during your return to *active work*;
- (e) During the time you return to *active work*, you must: (i) stay insured by this *plan*; and (ii) premium payments must be made on your behalf; and
- (f) Your benefits for the earlier *disability* must not have ended because you have used up the *maximum payment period*.

If the later *disability* is a *recurring disability*, you will not need to complete a new *elimination period*. The *recurring disability* will be subject to all the terms of the *plan* in effect on the date the earlier *disability* began. Benefits for the *recurring disability* will be subject to the remainder of the *maximum payment period* that was not used up for the earlier *disability*.

If all of the terms listed above are not met, the later *disability* will be treated as a new period of *disability*. You will be required to complete a new *elimination period*. The new period of *disability* will be subject to all the terms of the *plan* in effect on the date the new period of *disability* occurs.

CGP-3-STD08-MD

B340.0715

**Calculation of Weekly Benefit** Your benefit is governed by the terms of the *plan* in effect on the date *disability* occurs. Any changes to this *plan* that take place: (a) while you are *disabled*; or (b) during a period of *active work* that occurs between an initial period of *disability* and a *recurring disability*; will not affect your benefit.

We calculate your *gross weekly benefit* according to the Schedule of Benefits.

From your *gross weekly benefit*, subtract the amount of any income listed in Other Income Benefits that you receive or are entitled to receive. The result is your *weekly benefit*.

CGP-3-STD08-MD

B340.0716

**Redetermination** This *plan* redetermines *insured earnings* for each covered person the 1st of the month immediately following the earnings adjustment. The *plan sponsor* must report updates to all covered persons' *insured earnings* as they occur. Changes to a covered person's *insured earnings* are subject to any proof of insurability requirements of this *plan*. As of this *plan's* redetermination date, we use a covered person's *insured earnings* on record with us to: (a) set rates; (b) project benefit amounts and limits; and (c) calculate premium payable under this *plan*. However, the covered person must be *actively-at-work* on a full-time basis on that date. If he or she is not, we do not do this until the date he or she returns to *active work* on a full-time basis. But, changes in earnings will not apply to a *recurring disability*.

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**Other Income Benefits** You may receive, or be entitled to receive, income shown in the list below. We will reduce your *gross weekly benefit* by such other income benefits to determine your *weekly benefit* from this *plan*.

- Commissions or monies: (1) received; (2) payable but deferred; or (3) paid after *disability* benefits start. This includes: (a) vested and nonvested renewal commissions; (b) bonuses; (c) royalties; (d) profit sharing; and (e) other distributions.
- Disability benefits from any mandated benefit act or law. This includes all temporary disability or state disability benefits required by law. However, this does not include disability benefits from any: (1) no-fault motor vehicle coverage; (2) motor vehicle financial responsibility act; or (3) like law.
- Disability benefits from all group plans of: (1) the *plan sponsor*; or (2) the *employer*. This includes payments made by a group life insurance plan due to your *disability*. This does not include payments made from a group life insurance plan's: (a) accelerated death benefit; or (b) like provision that allows payment of such plan's proceeds due to terminal illness. However, if the group plan was in force prior to this *plan*, and such group plan also deducts for disability benefits from a group plan of: (1) the *plan sponsor*; or (2) the *employer*; we will not deduct these group disability benefits.
- Disability benefits from any other group plan; but, if the other group plan was in force prior to this *plan*, and the other group plan also deducts for disability benefits from any other group plan, we will not deduct these other group disability benefits.
- Benefits as shown below from: (1) the United States Social Security Act; (2) the Railroad Retirement Act; or (3) any other like U.S. or Canadian plan or act.
  - (a) All disability benefits which: (i) you receive; and (ii) your spouse and children receive due to your *disability*;
  - (b) All unreduced retirement benefits which: (i) you receive; and (ii) your spouse and children receive due to your receipt of such benefits; and
  - (c) All reduced retirement benefits paid to: (i) you; and (ii) your spouse and children due to your receipt of such benefits.

We do not reduce your *gross weekly benefit* by the retirement benefits described in (b) and (c) above, to the extent that you and your dependents were entitled to receive such income prior to the start of *disability*.

We will reduce your *gross weekly benefit* by benefits referred to in (a), (b) and (c) above, net of attorney fees approved by the Social Security Administration.

We will reduce your *gross weekly benefit* by benefits referred to in (a), (b) and (c) above to which your spouse and children are entitled due to your receipt of disability benefits. We do this without regard to: (a) your marital status; (b) where you live; (c) where your spouse lives; (d) where your child lives; or (e) any custody arrangements made on behalf of your child.

- Income of the type that is included in your *insured earnings* for purposes of determining your *gross weekly benefit* under this *plan*.
- That portion of *retirement plan retirement benefits* which you receive which the *employer* funds.
- That portion of *retirement plan disability benefits* which you receive which the *employer* funds.
- Retirement benefits or retirement plan disability benefits, due to your disability, from any government plan other than those shown above.
- Payment or settlement, with or without admission of liability, from: (1) a Workers' Compensation law; (2) an occupational disease law; or (3) any other act or law of like intent. This includes: (a) the Jones' Act; (b) the Longshoreman's and Harbor Workers' Compensation Act; or (c) any Maritime doctrine of Maintenance, Wages or Cure. If you receive a payment net of attorney fees approved by the Workers' Compensation Board or similar authority, we reduce our benefit by the net payment.
- Disability benefits from any third party when your disability is the result of the negligence or intentional tort liability of that third party. Offset for tort recovery will be reduced by a pro rata share of the court costs and legal fees incurred by you in securing such recovery.
- Unemployment compensation benefits.
- Payment from your employer as part of a termination or severance agreement.

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**Other Income Not Subject to Deduction**

We will not reduce your *gross weekly benefit* by any income you receive or are entitled to receive from the list below.

- Deferred compensation arrangements such as 401(k), 403(b) or 457 plans;
- Profit sharing plans;
- Thrift plans;
- Tax sheltered annuities;
- Stock ownership plans;
- Individual Retirement Accounts (IRA);
- Individual disability income plans;
- Credit disability insurance;
- Non qualified plans of deferred compensation;

- Pension plans for partners;
- Retirement plans of another employer not affiliated with this *plan*;
- Military pension and disability plans;
- Income from a sick leave, salary continuance, or Paid Time Off plan.

**Lump Sum Payments of Other Income** Income with which we integrate may be paid in a lump sum. In this case, we take the equivalent weekly rate stated in the award into account when we determine your *weekly benefit*. If no weekly rate is given, we divide the lump sum payment by the number of calendar days in the period for which it was awarded. This will determine the daily rate. Then, multiply the daily rate by seven. The result is the prorated weekly rate.

**Cost of Living Freeze** You may receive an increase in other income with which we integrate. We do not further reduce your *weekly benefit* by the amount of: (a) any increases in social security benefits with which we integrate, or (b) cost of living increases in other income benefits with which we integrate. We do adjust payments if: (i) your *disability earnings* change, or (ii) your income benefits with which we integrate, other than social security benefits, change due to a recalculation of the benefit when updated information is received after the initial benefit is calculated.

**Application for Other Income** You must apply for other income benefits to which you may be entitled. If these benefits are denied, you must appeal until: (a) all possible appeals have been made; or (b) we notify you that no further appeals are required.

If we feel you are entitled to receive such income benefits, we will estimate the amount due to you and your spouse and children. We will take this estimated amount into account when we determine your *weekly benefit*. But, we will not take this estimated amount into account if you sign our reimbursement agreement. In this agreement you promise: (a) to apply for any benefits for which you may be eligible; (b) to appeal any denial of such benefits until all possible appeals have been made; and (c) to repay any amount we overpaid due to an award of such benefits. This paragraph does not apply to benefits from the United States Social Security Act, the Railroad Retirement Act or any other like US or Canadian plan or act.

If we do reduce your *gross weekly benefit* by an estimated amount, we will adjust your *weekly benefit* when we receive written proof: (a) of the amount awarded; or (b) that the other income benefits have been denied; and no further appeals are possible. If we underpaid you, we pay the full amount of the underpayment in a lump sum.

We will assist you in applying for other income benefits.

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**Adjustment of Weekly Benefit for Disability Earnings** We adjust the *weekly benefit* for *disability earnings* as follows.  
We pay the greater of the amount calculated under Method 1 or Method 2.

*Method 1:*

We reduce your *weekly benefit* by 50% of your *disability earnings*.

*Method 2:*

(a) Subtract your *disability earnings* from your *insured earnings*.

- (b) Divide the result in (a) above by your *insured earnings*.
- (c) Multiply the result in (b) above by your *weekly benefit*. This is the amount we pay.

If your *disability earnings* fluctuate widely from week to week, we may adjust your *weekly benefit* using an average *disability earnings* amount. The average *disability earnings* amount will be computed using your most current week's *disability earnings* and the prior two weeks *disability earnings*.

**Maximum Allowable Disability Earnings** This *plan* limits the amount of income you may earn and still be considered *disabled*.

If your *disability earnings* are more than 80% of your *insured earnings*, payments from this *plan* will end.

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B340.0727

**Exclusions** This plan does not pay benefits for disability caused by, or related to:

- (a) declared or undeclared war, or act of war;
- (b) service in the armed forces, National Guard, or military reserves of any state or country;
- (c) you being engaged in an illegal occupation;
- (d) your commission of, or attempt to commit a felony, for which you have been convicted;
- (e) you being under the influence of any narcotic; or
- (f) intentional self-inflicted injuries.

We do not pay any benefits for any period of disability:

- (1) during which you are confined to a facility as a result of your conviction of a felony; or
- (2) during which you are receiving medical treatment or care outside the United States or Canada unless expressly authorized by us.

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## Services

**Rehabilitation and Case Management** We will review your *disability* to see if certain services are likely to help you return to *gainful work*. If needed, we may ask for more medical or vocational information.

When our review is complete, we may offer you a *rehabilitation program*. We have the right to suspend or end your *weekly benefit* if you do not accept it.

The *rehabilitation program* will start when a written *rehabilitation agreement* is signed by: (1) you; (2) us; and (3) your *employer*, if needed. The program may include, but is not limited to:

- (a) vocational assessment of your work potential;
- (b) coordination and transition planning with an employer for your return to work;
- (c) consulting with your *doctor* on your return to work and need for accommodations;
- (d) training in job seeking skills and resume preparation;
- (e) retraining; and
- (f) assistance with child care expenses you incur in order to participate in a *rehabilitation program*. (See the Dependent Care Expenses section of this *plan*.)

We have the right to determine which services are appropriate.

If you accept the *rehabilitation agreement*, we will pay an enhanced benefit. The enhanced benefit will be 110% of the *weekly benefit* that would otherwise be paid. This enhanced benefit will be payable as of the first *weekly benefit* after the *rehabilitation program* starts.

We stop paying the enhanced benefit on the earliest of:

- (a) The date your benefits from this *plan* end;
- (b) The date you violate the terms of the *rehabilitation agreement*;
- (c) The date you end the *rehabilitation program*; and
- (d) The date the *rehabilitation agreement* ends.

**Dependent Care Expenses** While you are participating in a *rehabilitation program*, we will pay a dependent care expense benefit, when all of the following conditions are met:

- (a) you incur expense to provide care for a qualified dependent;
- (b) the care is provided by a licensed provider other than a family member.

A qualified dependent is: (a) dependent upon you for main support and maintenance; and (b) under the age of fourteen and your: (i) biological child; (ii) lawfully adopted child; (iii) stepchild; or (iv) any other child who is living with you in a regular parent-child relationship.

The dependent care expense benefit will be the lesser of: (a) \$100 per week per qualified dependent; not to exceed \$300 per week for all qualified dependents combined; and (b) the actual weekly day care expense incurred by you.

We will stop paying the dependent care expense benefit on the earlier of the date you are no longer: (a) incurring dependent care expenses for a qualified dependent; (b) participating in a *rehabilitation program*; or (c) entitled to receive a *weekly benefit* from this *plan*.

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**Worksite  
Modification Benefit**

In order to accommodate your *disability*, an employer may incur a cost to modify your worksite. We may reimburse the employer, up to \$2,500 for the cost of the worksite modification. We make this payment if we agree that the modification will enable you to: (a) return to work; or (b) remain at work.

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## Claim Provisions

**Authority** We have the sole discretionary authority to: (a) interpret the terms of this plan; and (b) determine your eligibility for: (i) coverage; and (ii) benefits under the plan. All such determinations are conclusive and binding, except that they may be modified or reversed by a court or regulatory agency with appropriate jurisdiction.

**Notice** You must send us written notice of your intent to file a claim under this plan as described in "Accident and Health Claims Provisions."

For details, you can call Guardian at 1-800-268-2525.

**Proof of Loss** When we receive your notice, we will provide you with a claim form for filing proof of loss. This form requires data from the *employer*, you, and the *doctor(s)* treating you for your *sickness* or *injury*. *Proof of loss must be given to us within the time stated in "Accident and Health Claims Provisions."* *If you do not receive a claim form within 15 days of the date you sent your notice, you should send us written proof of loss without waiting for the form.*

Proof of loss, provided at your expense, consists of the following. Failure to provide this information may delay, suspend, reduce or terminate your benefits.

- (a) The date disability began;
- (b) Your last day of *active work*;
- (c) The cause of *disability*;
- (d) The extent of *disability*, including limitations and restrictions preventing you from performing each and every duty of your *own job*.
- (e) If your occupation requires that you carry liability or malpractice insurance, any changes to such insurance that become effective on or after the date of *disability*;
- (f) Objective medical evidence in support of your limitations and restrictions, beginning with the date *disability* began;
- (g) The prognosis of disability;
- (h) The name and address of all doctors, hospitals and health care facilities where you have been treated for your disability since the date *disability* began;

- (i) Proof that you: (i) are currently; and (ii) have been receiving regular and appropriate care from a doctor, from the date *disability* began;
- (j) Proof of *insured earnings*, and, if applicable, *disability earnings*;
- (k) Payroll or absence data from the employer for the three months prior to the date *disability* began, or other period we specify;
- (l) Proof of application for all other sources of income to which you may be entitled, that may affect your payment from this *plan*; and
- (m) Proof of receipt of other income that may affect your payment from this *plan*.

You must provide objective medical evidence from a *doctor* who is not yourself, your spouse, child, parent, sibling or business associate.

Proof of *insured earnings* and *disability earnings* may consist of: (1) copies of your W-2 forms; (2) payroll records from your employer(s); (3) copies of your U.S. Individual Income Tax Returns; (4) copies of the U.S. income tax returns from any business in which you hold an ownership or shareholder interest; (5) a statement from a certified public accountant; (6) copies of any income records accepted or required by the I.R.S; or (7) any other records we deem necessary.

Proof of loss and other claim data should be submitted to:

The Guardian Life Insurance Company of America  
 Group Short Term Disability Claims Department  
 P.O. Box 26160  
 Lehigh Valley, PA 18002-6160.

**Authorization Required** You must provide us with written, unaltered authorizations to obtain medical, financial, vocational, occupational, and governmental information required to determine our liability under this plan. You must provide us with such authorizations as often as we may require, in order that they remain current. Failure to provide such authorizations may delay, suspend or terminate your benefits.

**Right to Request Medical, Financial or Vocational Assessment** We may ask you to take part in a medical, financial, vocational or other assessment that we feel is necessary to determine whether the terms of the *plan* are met. We may require this as often as we feel is reasonably necessary during the pendency of a claim. We will pay for all such assessments. But, if you postpone a scheduled assessment without our approval, you will be responsible for any rescheduling fees. If you do not take part in or cooperate with the assessment, we have the right to stop or suspend your payments under this *plan*.

**Ongoing Proof of Loss** To continue to receive payments from this *plan*, you must give us current proof of loss as often as we may reasonably require. Ongoing proof of loss must be provided to us within 90 days of the date we request it. Failure to give such notice within such time will not invalidate or reduce a claim if it was not reasonably possible for you to submit proof within the required time, if proof is furnished as soon as reasonably possible.

**Payment of Benefits** We pay benefits to you, if you are legally competent. If you are not, we pay benefits to the legal representative of your estate. Benefits are paid in US dollars.



We pay benefits biweekly at the end of the period for which they are payable and any balance remaining unpaid at the termination of the period will be paid as soon as reasonably possible after receipt of proof. The first payment period begins on the day after the *elimination period*.

No benefits are payable for this *plan's elimination period*.

Benefits to which you are entitled may remain unpaid at your death. If any benefit is payable to your estate, or to a minor who is not otherwise competent to give a valid release, we pay the benefit, up to an amount not exceeding \$5,000, to any relative by blood or connection by marriage who is considered by us to be entitled to the benefit.

**Partial Week Payment** You may be *disabled* for only part of a week. In this case, we compute your payment as 1/7th of the benefit to which you would be entitled for the full week times the number of days you are *disabled*.

**Overpayment Recovery** If we overpaid you, you must repay us in full. We have the right to reduce your payment or apply any benefits payable, including the minimum payment, toward recovery of the overpayment.

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## Definitions

**Active Work, Actively-At-Work or Actively Working** You are able to perform and are performing all of the regular duties of your work for your *employer*, on a full-time basis at: (a) one of your *employer's* usual places of business; (b) some place where your *employer's* business requires you to travel; or (c) any other place you and your *employer* have agreed on for your work.

You are deemed to be in active work on each day of absence while not disabled, provided you were in active work on the last preceding workday before the day of absence.

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B340.0743

**Disability or Disabled** These terms mean that, due to *sickness* or *injury*, you are: (a) not able to perform, on a full-time basis, each and every duty of your own job and (b) not able to earn more than this *plan's* maximum allowed *disability earnings*.

You may be required, on average, to work more than 40 hours per week. In this case, you are not *disabled* if you are able to work for 40 hours per week.

Neither: (a) loss of a professional or occupational license; or (b) receipt of or entitlement to Social Security disability benefits; in and of themselves constitute *disability* under this *plan*.

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B340.0750

- Disability Earnings** The weekly income you earn from working while *disabled*. It includes salaries, wages, commissions, bonuses and any other compensation earned or accrued while working including pension, profit sharing contributions, sick pay, paid time off, holiday and vacation pay. When you have an ownership interest in the business, *disability earnings* also includes business profits, attributable to you, whether received or not. It includes any income you earn while *disabled* and return to your *employer*, partnership, or any other similar business arrangement to cover any business or overhead expenses. If you have the ability to work on a *part-time* or full-time basis, following the earlier of the date you: (a) have been terminated from employment with the *employer*; (b) have been *disabled* for 3 months in a row; or (c) have been offered a job or workplace modification by the *employer* and you do not return to work; *disability earnings* also includes *maximum capacity earnings*.
- Doctor** Any medical practitioner we are required by law to recognize. He or she must: (a) be properly licensed or certified by the laws of the state where he or she practices; and (b) provide services that are within the lawful scope of his or her practice.
- Elimination Period** The period of time you must be *disabled*, due to a covered *disability*, before this *plan's* benefits are payable.
- Any days during which you return to work earning more than 80% of your *insured earnings* will not count toward the *elimination period*.
- We do not require you to complete an *elimination period* if: (a) you were covered under a similar income replacement plan the *plan sponsor* had with another insurer on the day before this *plan* starts; (b) your *disability* would have been a recurring disability under the prior plan had it remained in effect.
- Employer** The business entity that employs you and is: (a) the *plan sponsor*; or (b) associated with the *plan sponsor*.
- Gainful Occupation or Gainful Work** Work in which you are able to perform each and every duty of any business or occupation for which you are reasonably fitted by: (a) education; (b) training; and (c) experience. When you are able to perform such work on a full-time basis, you can be expected to earn at least 80% of your *insured earnings* within 12 months of returning to work.
- Government Plan** Any of the following: (1) the United States Social Security Act; (2) the Railroad Retirement Act; (3) the Canadian Pension Plan; or (4) any other plan provided under the laws of a state, province or any other political subdivision. It also includes: (a) any public employee retirement plan; or (b) any plan provided in place of the above named plan or acts. It does not include: (i) any Workers' Compensation Act or similar law; (ii) the Jones' Act; (iii) the Longshoreman's and Harbor Workers' Compensation Act; or (iv) the Maritime Doctrine of Maintenance, Wages, or Cure.
- Gross Weekly Benefit** This *plan's weekly benefit* before it is integrated with other income and earnings.

**Injury** A bodily *injury* due to an accident that occurs, independent of all other causes, while you are insured by this *plan*. We will cover a *disability* caused by an *injury* when the *disability* starts within 90 days of the date of such *injury*. If *disability* is due to an accident that occurred before you were insured by this *plan*; or *disability* begins more than 90 days after the date of *injury*, that *disability* will be treated as *disability* due to *sickness*.

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B340.0753

**Insured Earnings:** Only a covered person's earnings from the *employer* will be included as *insured earnings*.

We calculate benefit amounts and limits based on the amount of the covered person's *insured earnings* as of the Redetermination date immediately prior to the start of his or her *disability*. See the "Redetermination" section of this *plan*.

For Partners and S Corporation Shareholders:

*Insured earnings* means the sum of the amounts listed below, divided by 52.

- (a) His or her compensation as an employee or S Corporation shareholder, as reported on his or her Federal Income Tax Return, Form 1040, for the prior calendar year, less the gross total of unadjusted employee business expenses as included on the corresponding Schedule A-Itemized Deductions;
- (b) His or her non-passive income (loss) from trade or business as reported on Schedule E-Part II of his or her Federal Income Tax Return, Form 1040, for the prior calendar year, less any expenses incurred and reported elsewhere on his or her Return; and
- (c) His or her contributions during the prior calendar year, deposited into a:
  - (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and
  - (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account.

The covered person may not have been a partner or S Corporation shareholder for the entire previous calendar year. In this case, the covered person's earnings are based on the weekly average of the sum of the listed amounts, averaged for the full number of weeks that he or she was a partner or an S Corporation shareholder during such calendar year.

For Sole Proprietors:

*Insured earnings* means: (a) the average weekly net profit as determined from Schedule C - Part II of the covered person's Federal Income Tax Return, Form 1040, for the prior calendar year; plus (b) the covered person's average weekly contribution during the prior calendar year deposited into a:

- (i) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and
- (ii) a Section 125 plan or flexible spending account.

Weekly net profit is calculated as gross income less total expenses. The covered person may not have been a sole proprietor for the previous calendar year. In this case, we calculate average weekly net profit and average weekly contributions using the full number of weeks that he or she was a sole proprietor during such calendar year.

For Covered Persons Who Are Compensated on Less Than a 12 Month Basis:

*Insured earnings* means the covered person's average rate of weekly earnings determined from his or her annual contract salary. *Insured earnings* also includes the covered person's contributions deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account. *Insured earnings* does not include bonuses, commissions, overtime pay, expense accounts, stock options and any other extra compensation. We do not include pay for hours worked or billed over 40 per week. Earnings based on excluded income and *employer* contributions deposited into such 401(k); 403(b); 457; or similar plan are excluded.

For Covered Persons Whose Income Is Reported on a IRS Form 1099:

*Insured earnings* means the covered person's average rate of weekly earnings as figured from the 1099 form received from the *employer* for the prior calendar year, calculated as (a) minus (b), divided by 52 or the number of weeks the covered person worked for the *employer* during such calendar year, if less than 52.

- (a) his or her earned income as reported on the 1099 form.
- (b) business expenses, as reported on Schedule C - Part II of his or her Federal Income Tax Return, Form 1040.

*Insured earnings* also includes the covered person's contributions deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account.

Earnings based on excluded income and *employer* contributions deposited into such 401(k); 403(b); 457; or similar plan are excluded.

For All Other Covered Persons:

*Insured earnings* means a covered person's base weekly salary. *Insured earnings* also includes the covered person's contributions deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account. *Insured earnings* does not include bonuses, commissions, overtime pay, expense accounts, stock options and any other extra compensation. We do not include pay for hours worked or billed over 40 per week. Earnings based on excluded income and *employer* contributions deposited into such 401(k); 403(b); 457; or similar plan are excluded.

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B340.1206

**Maximum Capacity Earnings**

The income you could earn if working to the fullest extent you are able to in your *own job*. We decide the fullest extent of work you are able to do based on objective data provided by any or all of the following sources: (a) your treating *doctor*; (b) impartial medical or vocational exams; (c) peer review specialists; (d) functional capacities exams; and (e) other medical and vocational specialists whose area of expertise is appropriate to your *disability*.

**Maximum Payment Period**

The longest time that benefits are paid by this *plan*.

<b>Objective Medical Evidence</b>	May include but is not limited to: (a) diagnostic testing; (b) laboratory reports; and (c) medical records of a <i>doctor's</i> exam documenting: (i) clinical signs; (ii) presence of symptoms; and (iii) test results consistent with generally accepted medical standards supported by nationally recognized authorities in the health care field.
<b>Own Job</b>	Your job for the <i>employer</i> . We use the job description provided by the <i>plan sponsor</i> to determine the duties and requirements of your <i>own job</i> .  CGP-3-STD08-MD <span style="float: right;">B340.0772</span>
<b>Part-Time</b>	The ability to work and earn between 40% and 80% of <i>insured earnings</i> .
<b>Plan</b>	The Guardian group plan purchased by the <i>employer</i> .
<b>Plan Sponsor</b>	The <i>employer</i> , to whom this <i>plan</i> is issued.
<b>Reasonable Accommodation</b>	Any modification or adjustment to: (i) a job; (ii) an employment practice; (iii) a work process; or (iv) the work place; that an employer willingly provides. The modification or adjustment must make it possible for a <i>disabled</i> person to: (1) reach the same level of performance as a similarly situated non-disabled person; or (2) enjoy equal benefits and privileges of employment as are available to a similarly situated non-disabled person.
<b>Recurring Disability</b>	A later <i>disability</i> that: (a) is related to an earlier <i>disability</i> for which this <i>plan</i> paid benefits; and (b) meets the conditions described in "Recurring Disability."
<b>Regular and Appropriate Care</b>	Means, with respect to your: (a) disabling condition; and (b) any other condition which, if left untreated, would adversely affect your disabling condition; you (i) visit a <i>doctor</i> as frequently as medically required, according to generally accepted medical standards, to effectively manage these conditions; and (ii) are receiving the most appropriate treatment, according to generally accepted medical standards, designed to achieve maximum medical improvement in these conditions. Treatment must be provided by a <i>doctor(s)</i> whose specialty is most appropriate for your: (a) <i>disability</i> ; and (b) any other conditions which left untreated would adversely affect your disabling condition; according to generally accepted medical standards. Generally accepted medical standards are those supported by nationally recognized authorities in the health care field including: the American Medical Association (AMA); the AMA Board of Medical Specialties; the Food and Drug Administration; the Centers for Disease Control; the National Cancer Institute; the National Institutes of Health; the Department of Health and Human Services; and any other agency of similar repute.
<b>Rehabilitation Agreement</b>	A formal agreement between: (a) you; (b) us; and (c) your <i>employer</i> , if needed. It outlines the <i>rehabilitation program</i> in which you agree to take part.
<b>Rehabilitation Program</b>	A program of work or job-related training for you that we approve in writing. Its aim is to restore your wage earning abilities.
<b>Retirement Plan</b>	A defined benefit or defined contribution plan funded wholly or in part by the <i>employer's</i> deposits for your benefit. The term does not include: (a) profit sharing plans; (b) thrift plans; (c) non-qualified deferred compensation plans; (d) individual retirement accounts; (e) tax sheltered annuities; (f) 401(k), 403(b), 457 or similar plans; or (g) stock ownership plans.

*Retirement Plan "retirement benefits"* are lump sum or periodic payments at normal or early retirement. Some *retirement plans* make payments for disability (as defined by those plans) that start before normal retirement age. When such payments reduce the amount that would have been paid at normal retirement age, they are *retirement benefits*. When such payments do not reduce the normal retirement amount, they are "**disability benefits.**"

**Sickness** An illness or disease. Pregnancy is treated as a *sickness* under this *plan*.

**We, Us, and Guardian** The Guardian Life Insurance Company of America.

**Weekly Benefit** This *plan's gross weekly benefit* reduced by other income. If you are working while *disabled*, your *weekly benefit* will be further reduced based on the amount of your *disability earnings*.

CGP-3-STD08-MD

B340.0774

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## CERTIFICATE AMENDMENT

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(To be attached to certificates issued to employees)

Effective February 1, 2012 or your first renewal thereafter, this rider amends the Claim Provisions of your certificate by replacing the Authority provision with the following:

**Administration:** We as a part of our routine operations apply the terms of this plan for making decisions. This includes making a reasonable determination regarding eligibility; receipt of benefits and claims; or explaining our administrative policies; procedures; and processes.

This rider is part of this certificate. Except as stated in this rider, nothing contained in this rider changes or affects any other terms of this certificate.

**The Guardian** Life Insurance Company of America

*Stuart J Shaw*  
Vice President, Risk Mgt. & Chief Actuary

CGP-3-A-STD-MD-11

B531.0083

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## CERTIFICATE AMENDMENT

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(To be attached to certificates issued to employees)

The certificate is amended as follows:

1. The Short Term Disability Income Insurance eligibility provisions are modified to provide that:
  - a. You are eligible for disability income insurance coverage if you are legally working in the United States or working outside of the United States for a United States based employer in a country or region approved by us.
  - b. Any requirements that apply to your working outside of the United States on a temporary assignment are hereby deleted.
  - c. Your disability income insurance coverage will end on the date you are no longer working in the United States, or working outside of the United States for a United States based employer in a country or region approved by us.
2. The "When Payments End" section under the Short Term Disability Income Insurance provisions is modified to provide that your benefits will end on the date you have been outside of the United States; and/or Canada; or a country or region approved by us for more than 2 months in a 12 month period.

This rider is part of this certificate. Except as stated in this rider, nothing contained in this rider changes or affects any other terms of this certificate.

**The Guardian** Life Insurance Company of America

*Stuart J Shaw*  
Vice President, Risk Mgt. & Chief Actuary

CGP-3-A-STD-11

B341.0008



## LONG TERM DISABILITY HIGHLIGHTS

This page provides a quick guide to some of the plan features about which people most often want to know. But it's not a complete description of your long term disability plan. Read the following pages carefully for a complete explanation of what we pay, limit, and exclude.

CGP-3-LTD08-MD B380.2798

**Own Occupation Period** The first 24 months of benefit payments from this plan.

CGP-3-LTD08-MD B380.2799

**Elimination Period** For disability due to injury . . . . . 180 days

For disability due to sickness . . . . . 180 days

CGP-3-LTD08-MD B380.2801

**Maximum Payment Period** See the following table:

Age when disability starts	Maximum payment period
Under age 60 . . . . .	To age 65
Age 60 . . . . .	5.00 years
Age 61 . . . . .	4.00 years
Age 62 . . . . .	3.50 years
Age 63 . . . . .	3.00 years
Age 64 . . . . .	2.50 years
Age 65 . . . . .	2.00 years
Age 66 . . . . .	1.75 years
Age 67 . . . . .	1.50 years
Age 68 . . . . .	1.25 years
Age 69 or older . . . . .	1.00 year

CGP-3-LTD08-MD B380.2806

**Maximum Monthly Benefit** 60% of your *insured earnings*, rounded to the nearest \$1.00, if not already a multiple thereof, limited to a maximum of \$10,000.00.

**NOTE:** We integrate your *gross monthly benefit* with certain other income you may receive. Read all the terms of this *plan* to see what income we integrate with, and how.

CGP-3-LTD08-MD B380.2811

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## LONG TERM DISABILITY INCOME INSURANCE

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This insurance replaces part of your income if you become *disabled* due to a covered *sickness* or *injury*. What we pay is governed by all the terms of this *plan*.

All terms in italics are defined terms with special meanings. See the definitions section of this *plan*. Other terms with special meanings are defined where they are used.

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### Benefit Provisions

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**How Payments Start** To start getting payments from this *plan*, you must meet all of the conditions listed below:

- (a) You must: (i) become *disabled* while insured by this *plan*; and (ii) remain *disabled* and insured for this *plan's elimination period*.
- (b) You must provide proof of loss, as described in this *plan's* Claim Provisions section.

Benefits accrue as of the first day following the end of the *elimination period*, subject to all *plan* terms.

You can satisfy the *elimination period* while working, provided you are *disabled* as defined by this *plan*.

**Waiver of Premium** We waive your premiums for this insurance and for short term disability insurance, if included in the *plan sponsor's* plan of insurance while you are entitled to receive a *monthly benefit* payment from this *plan*.

**When Payments End** Your benefits from this *plan* will end at 12:01 A.M. standard time at the place you reside, on the earliest of the dates shown below:

- (a) The date you are no longer *disabled*.
- (b) The date you fail to provide proof of loss as required by this *plan*.
- (c) The date you earn in your *own occupation* the maximum earnings allowed while *disabled* under this *plan*.
- (d) The date you are able to perform each and every duty of your *own occupation* on a full-time basis with *reasonable accommodation*.
- (e) After the *own occupation* period, the date you are able to perform each and every duty of any *gainful work* on a full-time basis with *reasonable accommodation*.
- (f) The date you have been outside the United States and/or Canada for more than 2 months in a 12 month period.
- (g) The date he or she dies.
- (h) The end of the *maximum payment period*.
- (i) The date no further benefits are payable under any provision in this *plan* that limits the *maximum payment period*.
- (j) The date you are no longer receiving *regular and appropriate care* from a *doctor*.
- (k) The date payments end in accord with a *rehabilitation agreement*.
- (l) The date you refuse to take part in a *rehabilitation program*.

CGP-3-LTD08-MD

B383.1143

**Maximum Payment Period:** The *maximum payment period* is the longest time that benefits are paid by this *plan* for a covered person's *disability*. It is determined by the table shown below.

But, it may be less than that shown due to: (a) the nature of the covered person's *disability*; (b) the date the covered person was first treated for the cause of his or her *disability*; and (c) the length of time the covered person has been insured by this *plan*. See "Disabilities with a Limited Maximum Payment Period" and "Pre-Existing Conditions."

Age When Disability Starts	Maximum Payment Period
Under age 60 . . . . .	To age 65
Age 60 . . . . .	5.00 years
Age 61 . . . . .	4.00 years
Age 62 . . . . .	3.50 years
Age 63 . . . . .	3.00 years
Age 64 . . . . .	2.50 years
Age 65 . . . . .	2.00 years
Age 66 . . . . .	1.75 years
Age 67 . . . . .	1.50 years
Age 68 . . . . .	1.25 years
Age 69 or older . . . . .	1.00 year

CGP-3-LTD08-MD

B383.1149

**If This Plan Ends** This insurance ends when the group plan ends. It also ends when this insurance is dropped from the group plan for all insureds, or for your class. If you are *disabled* when this insurance ends, we will treat you as if your insurance did not end. But, your benefit will be based on all of the terms of this *plan*. See the section entitled "When Your Coverage Ends" under "Eligibility for Disability Coverage".

**Recurring Disability** Benefits from this *plan* end if you cease to be *disabled*. But, a later *disability* may be treated as a *recurring disability*, if all of the terms listed below are met:

- (a) You must return to *active work* right after your benefits end;
- (b) The *disability* must recur less than six months after you were last entitled to benefits;
- (c) The later *disability* must be due to the same or related cause of your earlier *disability*;
- (d) This *plan* must not end during your return to *active work*;
- (e) During the time you return to *active work*, you must: (i) stay insured by this *plan*; and (ii) premium payments must be made on your behalf; and
- (f) Your benefits for the earlier *disability* must not have ended because you have used up the *maximum payment period*.

If the later *disability* is a *recurring disability*, you will not need to complete a new *elimination period*. The *recurring disability* will be subject to all the terms of the *plan* in effect on the date the earlier *disability* began. Benefits for the *recurring disability* will be subject to the remainder of the *maximum payment period* that was not used up for the earlier *disability*.

If all of the terms listed above are not met, the later *disability* will be treated as a new period of *disability*. You will be required to complete a new *elimination period*. The new period of *disability* will be subject to all the terms of the *plan* in effect on the date the new period of *disability* occurs.

CGP-3-LTD08-MD

B383.1190

**Calculation of Monthly Benefit:** Your benefit is governed by the terms of the *plan* in effect on the date *disability* occurs. Any changes to this *plan* that take place: (a) while the you are *disabled*; or (b) during a period of *active work* that occurs between an initial period of *disability* and a *recurring disability*; will not affect your benefit.

We calculate your *gross monthly benefit* according to the Schedule of Benefits.

From your *gross monthly benefit*, subtract the amount of any income listed in Other Income Benefits that you receive or are entitled to receive. The result is your *monthly benefit*.

CGP-3-LTD08-MD

B383.1191

**Redetermination:** This *plan* redetermines *insured earnings* for each covered person the 1st of the month immediately following the earnings adjustment. Changes to a covered person's *insured earnings* are subject to any proof of insurability requirements of this *plan*. As of this *plan's* redetermination date, we use a covered person's *insured earnings* on record with us to: (a) set rates; (b) project benefit amounts and limits; and (c) calculate premium payable under this *plan*. However, the covered person must be *actively-at-work* on a full-time basis on that date. If you are not, we do not do this until the date you return to *active work* on a full-time basis. But, changes in earnings will not apply to a *recurring disability*.

CGP-3-LTD08-MD

B383.1193-R

**Other Income Benefits** You may receive, or be entitled to receive, income shown in the list below. We will reduce your *gross monthly benefit* by such other income benefits to determine your *monthly benefit* from this *plan*.

- Commissions or monies: (1) received; (2) payable but deferred; or (3) paid after *disability* benefits start. This includes: (a) vested and nonvested renewal commissions; (b) bonuses; (c) royalties; (d) profit sharing; and (e) other distributions.
- Disability benefits from any mandated benefit act or law. This includes all temporary disability or state disability benefits required by law. However, this does not include disability benefits from any: (1) no-fault motor vehicle coverage; (2) motor vehicle financial responsibility act; or (3) like law.
- Disability benefits from all group plans of: (1) the *plan sponsor*; or (2) the *employer*. This includes payments made by a group life insurance plan due to your *disability*. This does not include payments made from a group life insurance plan's: (a) accelerated death benefit; or (b) like provision that allows payment of such plan's proceeds due to terminal illness. However, if the group plan was in force prior to this *plan*, and such group plan also deducts for disability benefits from a group plan of: (1) the *plan sponsor*; or (2) the *employer*; we will not deduct these group disability benefits.
- Disability benefits from any other group plan; but, if the other group plan was in force prior to this *plan*, and the other group plan also deducts for disability benefits from any other group plan, we will not deduct these other group disability benefits.
- Income from a sick leave, salary continuance or Paid Time Off plan, but only to the extent that such income plus the amount of your *gross monthly benefit* is more than 100% of your *insured earnings*. This applies whether such plan is sponsored on a formal or informal basis. This includes donated, lump sum and recurrent payments of accrued sick leave benefits. But, if you are working while *disabled*, we will account for such income as described in this *plan's* "Adjustment of Monthly Benefit for Disability Earnings".

- Benefits as shown below from: (1) the United States Social Security Act; (2) the Railroad Retirement Act; or (3) any other like U.S. or Canadian plan or act.
  - (a) All disability benefits which: (i) you receive; and (ii) your spouse and children receive due to your *disability*;
  - (b) All unreduced retirement benefits which: (i) you receive; and (ii) your spouse and children receive due to your receipt of such benefits; and
  - (c) All reduced retirement benefits paid to: (i) you; and (ii) your spouse and children due to your receipt of such benefits.

We do not reduce your *gross monthly benefit* by the retirement benefits described in (b) and (c) above, to the extent that you and your dependents were entitled to receive such income prior to the start of *disability*.

We will reduce your *gross monthly benefit* by benefits referred to in (a), (b) and (c) above, net of attorney fees approved by the Social Security Administration.

We will reduce your *gross monthly benefit* by benefits referred to in (a), (b) and (c) above to which your spouse and children are entitled due to your receipt of disability benefits. We do this without regard to: (a) your marital status; (b) where you live; (c) where your spouse lives; (d) where your child lives; or (e) any custody arrangements made on behalf of your child.

- Income of the type that is included in your *insured earnings* for purposes of determining your *gross monthly benefit* under this *plan*.
- That portion of *retirement plan retirement benefits* which you receive which the *employer* funds.
- That portion of *retirement plan disability benefits* which you receive which the *employer* funds.
- Retirement benefits or retirement plan disability benefits, due to your disability, from any government plan other than those shown above.
- Payment or settlement, with or without admission of liability, from: (1) a Workers' Compensation law; (2) an occupational disease law; or (3) any other act or law of like intent. This includes: (a) the Jones' Act; (b) the Longshoreman's and Harbor Workers' Compensation Act; or (c) any Maritime doctrine of Maintenance, Wages or Cure. If you receive a payment net of attorney fees approved by the Workers' Compensation Board or similar authority, we reduce our benefit by the net payment.
- Disability benefits from any third party when your disability is the result of the negligence or intentional tort liability of that third party. Offset for tort recovery will be reduced by a pro rata share of the court costs and legal fees incurred by a covered person in securing such recovery.
- Unemployment compensation benefits.
- Payment from your employer as part of a termination or severance agreement.

**Other Income Not Subject to Deduction** We will not reduce your *gross monthly benefit* by any income you receive or are entitled to receive from the list below.

- Deferred compensation arrangements such as 401(k), 403(b) or 457 plans;
- Profit sharing plans;
- Thrift plans;
- Tax sheltered annuities;
- Stock ownership plans;
- Individual Retirement Accounts (IRA);
- Individual disability income plans;
- Credit disability insurance;
- Non qualified plans of deferred compensation;
- Pension plans for partners;
- Retirement plans of another employer not affiliated with this *plan*;
- Military pension and disability plans.

**Lump Sum Payments of Other Income** Income with which we integrate may be paid in a lump sum. In this case, we take the equivalent monthly rate stated in the award into account when we determine your *monthly benefit*. If no monthly rate is given, we pro-rate the lump sum over the lesser of: (a) 60 months; or (b) the expected remaining number of months for which you would be entitled to benefits from this *plan*, based on the proof of loss submitted to us.

**Cost of Living Freeze** You may receive an increase in other income with which we integrate. We do not further reduce your monthly benefit by the amount of: (a) any increases in social security benefits with which we integrate, or (b) cost of living increases in other income benefits with which we integrate. We do adjust payments if: (i) your disability earnings change, or (ii) your income benefits with which we integrate, other than social security benefits, change due to a recalculation of the benefit when updated information is received after the initial benefit is calculated.

**Application for Other Income** You must apply for other income benefits to which you may be entitled. If these benefits are denied, you must appeal until: (a) all possible appeals have been made; or (b) we notify you that no further appeals are required.

If we feel you are entitled to receive such income benefits, we will estimate the amount due to you and your spouse and children. We will take this estimated amount into account when we determine your monthly benefit. But, we will not take this estimated amount into account if you sign our reimbursement agreement. In this agreement you promise: (a) to apply for any benefits for which you may be eligible; (b) to appeal any denial of such benefits until all possible appeals have been made; and (c) to repay any amount we overpaid due to an award of such benefits. This paragraph does not apply to benefits from the United States Social Security Act, the Railroad Retirement Act or any other like US or Canadian plan or act.

If we do reduce your gross monthly benefit by an estimated amount, we will adjust your monthly benefit when we receive written proof: (a) of the amount awarded; or (b) that the other income benefits have been denied; and no further appeals are possible. If we underpaid you, we pay the full amount of the underpayment in a lump sum.

We will assist you in applying for other income benefits.

CGP-3-LTD08-MD

B383.1201

**Adjustment of  
Monthly Benefit for  
Disability Earnings:**

We adjust the *monthly benefit* for *disability earnings* as follows.

For each of the first 12 months of payments, following the date you first have *disability earnings*, add your *gross monthly benefit* and your *disability earnings*.

- (a) If the sum is not more than 100% of your indexed *insured earnings*, we do not reduce your *monthly benefit*.
- (b) If the sum is more than 100% of your indexed *insured earnings*, we reduce your *monthly benefit* by the amount over 100% of your indexed *insured earnings*.

For each month thereafter, we pay the greater of the amount calculated under Method 1 or Method 2.

*Method 1:*

- (a) If your *disability earnings* are less than 20% of your indexed *insured earnings*, we do not reduce your *monthly benefit*.
- (b) If your *disability earnings* are 20% or more of your indexed *insured earnings*, we reduce your *monthly benefit* by 50% of your *disability earnings*.

*Method 2:*

- (a) Subtract your *disability earnings* from your indexed *insured earnings*.
- (b) Divide the result in (a) above by your indexed *insured earnings*.
- (c) Multiply the result in (b) above by your *monthly benefit*. This is the amount we pay.

**Maximum Allowable  
Disability Earnings:**

This *plan* limits the amount of income you may earn and still be considered *disabled*.

- (a) During the *elimination period* and the *own occupation* period, the limit is 80% of your indexed *insured earnings*.
- (b) After this *plan* has paid benefits for 24 months in a row, the limit is 60% of your indexed *insured earnings*.

CGP-3-LTD07-5.0

B383.1207

**Indexing:**

We apply an indexing factor to your *insured earnings* on the date you have received 12 consecutive monthly payments and each anniversary thereafter. This factor increases the amount of income you may earn and still be considered *disabled*. This adjustment does not increase your *gross monthly benefit*, *monthly benefit*, or any other benefit under this *plan*.



To make the first adjustment, we multiply your *insured earnings* by the indexing factor for that year. To make adjustments in each later year, we multiply the amount of your last indexed *insured earnings* by the indexing factor for the current year.

The indexing factor is the lesser of: (a) 10%; or (b) one-half of the *CPI-W* from the prior December.

**Minimum Payment:** The minimum monthly payment for *disability* under this *plan* is \$50.00.

CGP-3-LTD08-MD

B383.1212

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## Limitations and Exclusions

**Disabilities with a Limited Maximum Payment Period** We limit the *maximum payment period*, if you are *disabled* due to: (a) a *mental illness*; (b) *drug addiction*; (c) *alcohol dependence*. However, if you have a coexistent condition, not subject to the limitations in this section, which is *disabling* in and of itself, we will not limit benefits as described below.

The *maximum payment period* for all periods of *disability* due to: (a) a *mental illness*; (b) *drug addiction*; or (c) *alcohol dependence*; is 24 months. This is a combined maximum for all such conditions and all periods of *disability*.

No benefits will be paid for *disability* due to: (a) a *mental illness*, (b) *drug addiction*; or (c) *alcohol dependence*; if you are not receiving treatment for the cause of the *disability* from a provider, or in a facility that is: (a) licensed by the state to provide treatment for such condition; and (b) accredited or approved by the Joint Commission on the Accreditation of Health Care Facilities or Medicare.

If payments under this *plan* would end due to the limits in this section, we may extend such payments, as shown below. But, you must meet all of the following conditions: (a) you must be *disabled* due to a condition named above; (b) you must be an inpatient in a qualified institution because of your *disability*; and (c) you must have been treated as an inpatient for at least 14 days in a row. In such case, we extend payments until the earliest of: (i) 90 days from the date of your discharge; (ii) the end of this *plan's maximum payment period*; or (iii) the date your *disability* ends.

The term "qualified institution" means a legally operated hospital or other public or private facility licensed to provide inpatient medical care and treatment for the cause of your *disability*.

CGP-3-LTD08-MD

B383.1225

**Pre-Existing Conditions** A pre-existing condition is an *injury* or *sickness*, whether diagnosed or misdiagnosed, and any symptoms thereof, for which, in the look back period, you:

- (a) receive advice or treatment from a *doctor*;
- (b) undergo diagnostic procedures other than routine screening in the absence of symptoms or suspicion of disease process by a *doctor*;
- (c) are prescribed or take prescription drugs; or

- (d) receive other medical care or treatment, including consultation with a *doctor*.

The "look back period" is the three months before the latest of: (a) the effective date of your insurance under this *plan*; (b) the effective date of a change that increases the benefits payable by this *plan*; and (c) the effective date of a change in your benefit election that increases the benefit payable by this *plan*.

A pre-existing condition does not include a condition admitted in the application which was not excluded by a signed waiver rider.

No benefits are payable for *disability*: (a) caused by; (b) contributed to by; or (c) resulting from; a pre-existing condition; unless the *disability* starts after the date you are insured under this *plan* for 12 months in a row.

*Disability* that is: (a) caused by; (b) contributed to by; or (c) resulting from; a pre-existing condition may begin after: (a) a change which provides for an increase in the benefits payable by this *plan*; or (b) a change in your benefit election which increases the benefit payable by this *plan*. In this case, your benefit will be limited to the amount that would have been payable had the change not taken place. But, this limit does not apply if your *disability* starts after the change has been in force for 12 months in a row.

We do not cover any *disability* that starts before your insurance under this *plan*.

CGP-3-LTD08-MD

B383.1231

**Prior Coverage Credit:** If this *plan* replaces a similar income replacement plan the *plan sponsor* had with another insurer, the pre-existing condition provision may not apply to you. This *plan* must start right after the old plan ends.

The pre-existing condition provision will be waived for any covered person who: (a) is *actively working* on the effective date of this *plan*; and (b) fulfilled the requirements of any pre-existing condition provision of the old plan.

If you: (a) were covered under the old plan when it ended; (b) enroll for insurance under this *plan* on or before this *plan's* effective date; and (c) are *actively working* on the effective date of this *plan*; but (d) have not fulfilled the requirements of any pre-existing condition provision of the old plan; we credit any time used to meet the old plan's pre-existing condition provision toward meeting this *plan's* pre-existing condition provision.

But, we limit your *maximum monthly benefit* under this *plan* if: (a) it is more than the maximum monthly benefit for which you were insured under the old plan; (b) you become *disabled* due to a pre-existing condition; and (c) this *plan* pays benefits for such *disability* because we credit time as explained above. In this case, we limit the *maximum monthly benefit* to the amount you would have been entitled to under the old plan.

We deduct all payments made by the old plan under an extension provision.

CGP-3-LTD08-MD

B383.1233

**Exclusions** This *plan* does not pay benefits for *disability* caused by, or related to:

- (a) declared or undeclared war, or act of war;

- (b) service in the armed forces, National Guard, or military reserves of any state or country;
- (c) you being engaged in an illegal occupation;
- (d) your commission of, or attempt to commit a felony, for which you have been convicted;
- (e) you being under the influence of any narcotic; or
- (f) intentional self-inflicted injuries.

We do not pay any benefits for any period of *disability*:

- (1) during which you are confined to a facility as a result of your conviction of a felony; or
- (2) during which you are receiving medical treatment or care outside the United States or Canada unless expressly authorized by us.

CGP-3-LTD08-MD

B383.1896

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## Services

**Social Security Assistance:** This *plan* requires all *disabled* covered persons to apply for Social Security benefits. (See the "Application for Other Income" section of this *plan*.) If we believe you to be eligible for such benefits, we may offer to assist you in applying for them. Receiving Social Security benefits will protect your earnings record for retirement and enable you to qualify for Medicare coverage after 24 months.

Services we can provide include:

- (a) Help in completing your application for such benefits, and any related forms;
- (b) Assistance finding suitable legal counsel; and
- (c) Copies of medical and vocational data needed to file your claim.

We may also provide these and other services if your benefits are under review for possible termination by the Social Security Administration.

You must apply for all income benefits for which you may be eligible, whether or not you use our help. Using our help does not cancel your duties shown in the "Application for Other Income" section of this *plan*.

**Rehabilitation and Case Management:** We will review your *disability* to see if certain services are likely to help you return to *gainful work*. If needed, we may ask for more medical or vocational information.

When our review is complete, we may offer you a *rehabilitation program*. We have the right to suspend or end your *monthly benefit* if you do not accept it.

The *rehabilitation program* will start when a written *rehabilitation agreement* is signed by: (1) you; (2) us; and (3) your *employer*, if needed. The program may include, but is not limited to:

- (a) vocational assessment of your work potential;
- (b) coordination and transition planning with an employer for your return to work;
- (c) consulting with your *doctor* on your return to work and need for accommodations;
- (d) training in job seeking skills and resume preparation;
- (e) retraining; and
- (f) assistance with child care expenses you incur in order to participate in a *rehabilitation program*. (See the "Dependent Care Expenses" section of this *plan*.)

We have the right to determine which services are appropriate.

If you accept the *rehabilitation agreement*, we will pay an enhanced benefit. The enhanced benefit will be 110% of the *monthly benefit* that would otherwise be paid. This enhanced benefit will be payable as of the first *monthly benefit* after the *rehabilitation program* starts.

We stop paying the enhanced benefit on the earliest of:

- (a) The date your benefit from this *plan* end;
- (b) The date you violate the terms of the *rehabilitation agreement*;
- (c) The date you end the *rehabilitation program*; and
- (d) The date the *rehabilitation agreement* ends.

**Dependent Care Expenses:** While you are participating in a *rehabilitation program*, we will pay a dependent care expense benefit, when all of the following conditions are met:

- (a) you incur expense to provide care for a qualified dependent;
- (b) the care is provided by a licensed provider other than a family member.

A qualified dependent is: (a) dependent upon you for main support and maintenance; and (b) under the age of fourteen and your: (i) biological child; (ii) lawfully adopted child; (iii) stepchild; or (iv) any other child who is living with you in a regular parent-child relationship.

The dependent care expense benefit will be the lesser of: (a) \$350 per month per qualified dependent; not to exceed \$1,000 per month for all qualified dependents combined; and (b) the actual monthly day care expense incurred by you.

We will stop paying the dependent care expense benefit on the earlier of the date you are no longer: (a) incurring dependent care expenses for a qualified dependent; (b) participating in a *rehabilitation program*; or (c) entitled to receive a *monthly benefit* from this *plan*.

**Worksite Modification Benefit:** In order to accommodate your *disability*, an employer may incur a cost to modify his or her worksite. We may reimburse the employer, up to \$2,500 for the cost of the worksite modification. We make this payment if we agree that the modification will enable the covered person to: (a) return to work; or (b) remain at work.

CGP-3-LTD08-MD

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**Early Intervention Services** This *plan* includes Early Intervention services as part of our disability management program. The intent of these services is to: (a) assist *disabled* persons in reaching better outcomes; and (b) support the *employer's* absence management goals by promoting: stay-at work agendas and return-to work agendas; where possible.

The key to success of an early intervention program is prompt notification of work absences which have the potential to exceed this *plan's elimination period*. With a prompt notification, we are able to more effectively manage the potential claim.

When you are *disabled* from one of the conditions listed below, a long term disability claim form should be completed as soon as possible following the date of *disability*. To facilitate an immediate intervention, the form should be submitted to us within one week of the date your *disability* begins.

- Chronic fatigue conditions, including Epstein-barr syndrome
- *Mental illness*
- Repetitive motion syndromes or injuries
- Fibromyalgia
- Back pain/strain
- Neck pain/strain
- Chronic pain
- Diabetes
- Cardiovascular conditions

Upon receipt of the completed claim form, we will determine whether the claim is appropriate for Early Intervention services. You will be notified of our decision. Examples of services, which we may provide, at our discretion, include, but are not limited to: (a) job accommodation; (b) ergonomic adjustments to workstations; (c) proactive case management consultations with your *doctor* or other providers of medical care.

CGP-3-LTD08-MD

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**Income Recovery Benefit** This *plan* may pay an Income Recovery Benefit, if *monthly benefits* cease because you are no longer *disabled*.

To be eligible for the Income Recovery Benefit, you must be:

- (a) able to perform each and every duty of your *own occupation*; or
- (b) if this *plan* has already paid benefits for the *own occupation* period, able to perform each and every duty of any *gainful occupation*; and
- (c) working in your *own occupation* the same number of hours as you did prior to *disability*; and
- (d) unable to earn this *plan's* maximum allowable *disability earnings*, due to the *sickness* or *injury* which caused the prior *disability*.

We pay this benefit monthly, in arrears. We determine the amount we pay in two steps. In step one, we compute the following: (a) your gross monthly benefit as of the last month you were disabled under the terms of this *plan*; less (b) any other income this *plan* integrates with that you are entitled to receive. In step two we make a current earnings adjustment. We add: (a) your *gross monthly benefit* as of the last month you were disabled under the terms of this *plan*; and (b) your current *disability earnings*. If such sum exceeds 100% of your insured earnings, we pay the amount in step one less the excess over 100%. If such sum does not exceed 100%, we pay the amount in step one.

We stop paying this benefit on the earliest of:

- (a) the date you are able to earn this *plan's* maximum allowable *disability earnings*;
- (b) the date you become disabled;
- (c) the date you stop working;
- (d) the date 12 consecutive months after the first Income Recovery Benefit is paid; or
- (e) the end of the *maximum payment period*.

We will not pay more than 12 monthly Income Recovery Benefit payments following any one period of *disability*, including any *recurrent disability*.

CGP-3-LTD08-MD

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## Claim Provisions

**Authority** We have the sole discretionary authority to: (a) interpret the terms of this *plan*; and (b) determine your eligibility for: (i) coverage; and (ii) benefits under the *plan*. All such determinations are conclusive and binding, except that they may be modified or reversed by a court or regulatory agency with appropriate jurisdiction.

**Notice** You must send us written notice of your intent to file a claim under this *plan* as described in "Accident and Health Claims Provisions."

For details, you can call Guardian at 1-800-538-4583.

**Proof of Loss** When we receive your notice, we will provide you with a claim form for filing proof of loss. This form requires data from the *employer*, you, and the *doctor(s)* treating you for your *sickness* or *injury*. Proof of loss must be given to us within the time stated in "Accident and Health Claims Provisions." If you do not receive a claim form within 15 days of the date you sent your notice, you should send us written proof of loss without waiting for the form.

Proof of loss, provided at your expense, consists of the following. Failure to provide this information may delay, suspend, reduce or terminate your benefits.

- (a) The date *disability* began;
- (b) Your last day of *active work*;
- (c) The cause of *disability*;
- (d) The extent of *disability*, including limitations and restrictions preventing you from performing each and every duty of your *own occupation* and any *gainful occupation*;
- (e) If your occupation requires that you carry liability or malpractice insurance, any changes to such insurance that become effective on or after the date of *disability*;
- (f) *Objective medical evidence* in support of your limitations and restrictions, beginning with the date *disability* began;
- (g) The prognosis of *disability*;
- (h) The name and address of all *doctors*, hospitals and health care facilities where you have been treated for your *disability* since the date *disability* began;
- (i) Proof that you: (i) are currently; and (ii) have been receiving *regular and appropriate care* from a *doctor*, from the date *disability* began;
- (j) Proof of *insured earnings*, and, if applicable, *disability earnings*;
- (k) Payroll or absence data from the *employer* for the three months prior to the date *disability* began, or other period we specify;
- (l) Proof of application for all other sources of income to which you may be entitled, that may affect your payment from this *plan*; and
- (m) Proof of receipt of other income that may affect your payment from this *plan*.

You must provide *objective medical evidence* from a *doctor* who is not yourself, your spouse, child, parent, sibling or business associate.

Proof of *insured earnings* and *disability earnings* may consist of: (1) copies of your W-2 forms; (2) payroll records from your employer(s); (3) copies of your U.S. Individual Income Tax Returns; (4) copies of the U.S. income tax returns from any business in which you hold an ownership or shareholder interest; (5) a statement from a certified public accountant; (6) copies of any income records accepted or required by the I.R.S; or (7) any other records we deem necessary.

Proof of loss and other claim data should be submitted to:

The Guardian Life Insurance Company of America  
Group Long Term Disability Claims Department  
P.O. Box 26025  
Lehigh Valley, PA 18002-6025.

**Authorization Required** You must provide us with written, unaltered authorizations to obtain medical, financial, vocational, occupational, and governmental information required to determine our liability under this *plan*. You must provide us with such authorizations as often as we may require, in order that they remain current. Failure to provide such authorizations may delay, suspend or terminate your benefits.

**Right to Request Medical, Financial or Vocational Assessment** We may ask you to take part in a medical, financial, vocational or other assessment that we feel is necessary to determine whether the terms of the *plan* are met. We may require this as often as we feel is reasonably necessary, during the pendency of a claim. We will pay for all such assessments. But, if you postpone a scheduled assessment without our approval, you will be responsible for any rescheduling fees. If you do not take part in or cooperate with the assessment, we have the right to stop or suspend your payments under this *plan*.

**Ongoing Proof of Loss** To continue to receive payments from this *plan*, you must give us current proof of loss as often as we may reasonably require. Ongoing proof of loss must be provided to us within 90 days of the date we request it. Failure to give such notice within such time will not invalidate or reduce a claim if it was not reasonably possible for you to submit proof within the required time, if proof is furnished as soon as reasonably possible.

**Payment of Benefits** We pay benefits to you, if you are legally competent. If you are not, we pay benefits to the legal representative of your estate. Benefits are paid in US dollars.

We pay benefits once each month at the end of the period for which they are payable, and any balance remaining unpaid at the termination of the period will be paid as soon as reasonably possible after receipt of proof. The first payment period begins on the day after the *elimination period* is completed.

No benefits are payable for this *plan's elimination period*.

Benefits to which you are entitled may remain unpaid at your death. If any benefit is payable to your estate, or to a minor who is not otherwise competent to give a valid release, we pay the benefit, up to an amount not exceeding \$5,000, to any relative by blood or connection by marriage who is considered by us to be entitled to the benefit.

**Partial Month Payment** You may be *disabled* for only part of a month. In this case, we compute your payment as 1/30th of the benefit to which you would be entitled for the full month times the number of days you are *disabled*. Payment will not be made for more than 30 days in any month.

**Overpayment Recovery** If we overpaid you, you must repay us in full. We have the right to reduce your payment or apply any benefits payable, including the minimum payment, toward recovery of the overpayment.

CGP-3-LTD08-MD

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## Definitions

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**Active Work, Actively-At-Work or Actively Working** You are able to perform and are performing all of the regular duties of your work for your *employer*, on a full-time basis at: (a) one of your *employer's* usual places of business; (b) some place where your *employer's* business requires you to travel; or (c) any other place you and your *employer* have agreed on for your work.

**CPI-W** That part of the United States Department of Labor Consumer Price Index that measures the relative value of the cost of a typical urban wage earner's purchase of certain goods and services. If the Department of Labor stops publishing the *CPI-W*, we have the right to use some other similar standard.

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**Disability or Disabled** These terms mean that, due to *sickness* or *injury*, you are:

- (1) During the *elimination period* and the *own occupation* period, not able to perform, on a full-time basis, each and every duty of your *own occupation*.
- (2) After the end of the *own occupation* period, not able to perform, on a full-time basis, each and every duty of any *gainful work*. You are not *disabled* if you earn more than this *plan's* maximum allowed *disability earnings*.

You may be required, on average, to work more than 40 hours per week. In this case, you are not *disabled* if you are able to work for 40 hours per week.

Neither: (a) loss of a professional or occupational license; or (b) receipt of or entitlement to Social Security disability benefits; in and of themselves constitute *disability* under this *plan*.

CGP-3-LTD08-MD

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**Disability Earnings** The monthly income you earn from working while *disabled*. It includes salaries, wages, commissions, bonuses and any other compensation earned or accrued while working including pension, profit sharing contributions, sick pay, paid time off, holiday and vacation pay. When you have an ownership interest in the business, *disability earnings* also includes business profits, attributable to you, whether received or not. It includes any income you earn while *disabled* and return to your *employer*, partnership, or any other similar business arrangement to cover any business or overhead expenses. If you have the ability to work on a *part-time* or full-time basis, following the earlier of the date you: (a) have been terminated from employment with the *employer*; (b) have been *disabled* for 12 months in a row; or (c) have been offered a job or workplace modification by the *employer* and you do not return to work; *disability earnings* also includes *maximum capacity earnings*.

**Doctor** Any medical practitioner we are required by law to recognize. He or she must: (a) be properly licensed or certified by the laws of the state where he or she practices; and (b) provide services that are within the lawful scope of his or her practice.

**Drug Addiction** A style of living characterized by compulsive use and overwhelming involvement with a drug. It may occur in the absence of physical dependence.

**Elimination Period** The period of time you must be *disabled*, due to a covered *disability*, before this *plan's* benefits are payable.

Any days during which you return to work earning more than 80% of your *insured earnings* will not count toward the *elimination period*.

We do not require you to complete an elimination period if: (a) you were covered under a similar income replacement plan the plan sponsor had with another insurer on the day before this plan starts; (b) your disability would have been a recurring disability under the prior plan had it remained in effect.

**Employer** The business entity that employs you and is: (a) the plan sponsor; or (b) associated with the plan sponsor.

**Gainful Occupation or Gainful Work** Work in which you are able to perform each and every duty of any business or occupation for which you reasonably fitted by: (a) education; (b) training; and (c) experience. When you are able to perform such work on a full-time basis, you can be expected to earn at least 60% of your indexed insured earnings, within 12 months of returning to work.

**Government Plan** Any of the following: (1) the United States Social Security Act; (2) the Railroad Retirement Act; (3) the Canadian Pension Plan; or (4) any other plan provided under the laws of a state, province or any other political subdivision. It also includes: (a) any public employee retirement plan; or (b) any plan provided in place of the above named plan or acts. It does not include: (i) any Workers' Compensation Act or similar law; (ii) the Jones' Act; (iii) the Longshoreman's and Harbor Workers' Compensation Act; or (iv) the Maritime Doctrine of Maintenance, Wages, or Cure.

**Gross Monthly Benefit** This plan's monthly benefit before it is integrated with other income and earnings.

**Injury** A bodily injury due to an accident that occurs, independent of all other causes, while you are insured by this plan. We will cover a disability caused by an injury when the disability starts within 90 days of the date of such injury. If disability is due to an accident that occurred before you were insured by this plan; or disability begins more than 90 days after the date of the injury, that disability will be treated as disability due to sickness.

CGP-3-LTD08-MD

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**Insured Earnings** Only your earnings from the *employer* will be included as *insured earnings*.

We calculate benefit amounts and limits based on the amount of your *insured earnings* as of the Redetermination date immediately prior to the start of your *disability*. See the "Redetermination" section of this *plan*.

For Partners and S Corporation Shareholders:

*Insured earnings* means the sum of the amounts listed below, divided by 12.

- (a) Your compensation as an employee or S Corporation shareholder, as reported on your Federal Income Tax Return, Form 1040, for the prior calendar year, less the gross total of unadjusted employee business expenses as included on the corresponding Schedule A-Itemized Deductions;
- (b) Your non-passive income (loss) from trade or business as reported on Schedule E-Part II of your Federal Income Tax Return, Form 1040, for the prior calendar year, less any expenses incurred and reported elsewhere on your Return; and
- (c) Your contributions during the prior calendar year, deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account.

You may not have been a partner or S Corporation shareholder for the entire previous calendar year. In this case, your earnings are based on the monthly average of the sum of the listed amounts, averaged for the full number of months that you were a partner or an S Corporation shareholder during such calendar year.

For Sole Proprietors:

Insured earnings means: (a) the average monthly net profit as determined from Schedule C - Part II of your Federal Income Tax Returns, Form 1040, for the prior calendar year; plus (b) your average monthly contribution during the prior calendar year deposited into a: (i) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (ii) a Section 125 plan or flexible spending account. Monthly net profit is calculated as gross income less total expenses. You may not have been a sole proprietor for the previous calendar year. In this case, we calculate average monthly net profit and average monthly contributions using the full number of months that you were a sole proprietor during such calendar year.

For Covered Persons Who Are Compensated on Less Than a 12 Month Basis:

Insured earnings means your average rate of monthly earnings determined from your annual contract salary. Insured earnings also includes your contributions deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account. Insured earnings does not include bonuses, commissions, overtime pay, expense accounts, stock options and any other extra compensation. We do not include pay for hours worked or billed over 40 per week. Earnings based on excluded income and employer contributions deposited into such 401(k); 403(b); 457; or similar plan are excluded.

For Covered Persons Whose Income Is Reported on a IRS Form 1099:

Insured earnings means your average rate of monthly earnings as figured from the 1099 form received from the employer for the prior calendar year, calculated as (a) minus (b), divided by 12 or the number of months you worked for the employer during such calendar year, if less than 12.

- (a) your earned income as reported on the 1099 form.
- (b) business expenses, as reported on Schedule C - Part II of your Federal Income Tax Return, Form 1040. Insured earnings also includes your contributions deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account.

Earnings based on excluded income and employer contributions deposited into such 401(k); 403(b); 457; or similar plan are excluded.

For All Other Covered Persons:

Insured earnings means your base monthly salary. Insured earnings also includes your contributions deposited into a: (a) cash or deferred compensation plan, or salary reduction plan, qualified under IRC Section: 401(k); 403(b); 457; or similar plan; and (b) elective employee pre-tax deferrals to a Section 125 plan or flexible spending account. Insured earnings does not include bonuses, commissions, overtime pay, expense accounts, stock options and any other extra compensation. We do not include pay for hours worked or billed over 40 per week. Earnings based on excluded income and employer contributions deposited into such 401(k); 403(b); 457; or similar plan are excluded.

CGP-3-LTD08-MD

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**Maximum Capacity Earnings** During the *own occupation* period, the income you could earn if working to the fullest extent you are able to in your *own occupation*. After the *own occupation* period, the income you could earn if working to the fullest extent you are able to in any *gainful occupation*. We decide the fullest extent of work you are able to do based on objective data provided by any or all of the following sources: (a) your treating *doctor*; (b) impartial medical or vocational exams; (c) peer review specialists; (d) functional capacities exams; and (e) other medical and vocational specialists whose area of expertise is appropriate to your *disability*.

**Maximum Payment Period** The longest time that benefits are paid by this *plan*.

**Mental Illness** Means any mental disorder, regardless of cause, listed in the Diagnostic and Statistical Manual of Mental Disorders (DSM) currently in use by the American Psychiatric Association (APA). If the APA stops publishing the DSM, we have the right to use some other similar standard. A mental illness may be: (a) caused by; (b) contributed to by; or (c) result in; physical, biological or chemical factors or symptoms. For purposes of this plan, mental illness does not include: (a) irreversible dementia caused by Alzheimer's disease, stroke, trauma or viral infection; or (b) any other condition not typically treated by a psychiatrist, clinical psychologist or other qualified mental health practitioner with psychotherapy or psychotropic drugs.

**Monthly Benefit** This plan's *gross monthly benefit* reduced by other income. If you are working while *disabled*, your *monthly benefit* will be further reduced based on the amount of your *disability earnings*.

**Objective Medical Evidence** May include but is not limited to: (a) diagnostic testing; (b) laboratory reports; and (c) medical records of a *doctor's* exam documenting: (i) clinical signs; (ii) presence of symptoms; and (iii) test results consistent with generally accepted medical standards supported by nationally recognized authorities in the health care field.

**Own Job** Your job for the *employer*. We use the job description provided by the *plan sponsor* to determine the duties and requirements of your *own job*.

**Own Occupation** Employment that involves material duties of the same general character as your regular and ordinary employment with your *employer*. Your *own occupation* is not limited to your own job with the *employer*.

CGP-3-LTD08-MD

B383.1322

<b>Part-Time</b>	The ability to work and earn between 40% and 80%% of <i>insured earnings</i> during the <i>own occupation</i> period and between 40% and 60%% of <i>insured earnings</i> after the <i>own occupation</i> period.
<b>Plan</b>	The Guardian group plan purchased by the <i>employer</i> .
<b>Plan Sponsor</b>	The <i>employer</i> to whom this <i>plan</i> is issued.
<b>Reasonable Accommodation</b>	Any modification or adjustment to: (i) a job; (ii) an employment practice; (iii) a work process; or (iv) the work place; that an employer willingly provides. The modification or adjustment must make it possible for a <i>disabled</i> person to: (1) reach the same level of performance as a similarly situated non-disabled person; or (2) enjoy equal benefits and privileges of employment as are available to a similarly situated non-disabled person.
<b>Recurring Disability</b>	A later <i>disability</i> that: (a) is related to an earlier <i>disability</i> for which this <i>plan</i> paid benefits; and (b) meets the conditions described in "Recurring Disability."
<b>Regular and Appropriate Care</b>	Means, with respect to your: (a) disabling condition; and (b) any other condition which, if left untreated, would adversely affect your disabling condition; you(i) visit a <i>doctor</i> as frequently as medically required, according to generally accepted medical standards, to effectively manage these conditions; and (ii) are receiving the most appropriate treatment, according to generally accepted medical standards, designed to achieve maximum medical improvement in these conditions. Treatment must be provided by a <i>doctor</i> (s) whose specialty is most appropriate for your: (a) <i>disability</i> ; and (b) any other conditions which left untreated would adversely affect your disabling condition; according to generally accepted medical standards. Generally accepted medical standards are those supported by nationally recognized authorities in the health care field including: the American Medical Association (AMA); the AMA Board of Medical Specialties; the Food and Drug Administration; the Centers for Disease Control; the National Cancer Institute; the National Institutes of Health; the Department of Health and Human Services; and any other agency of similar repute.
<b>Rehabilitation Agreement</b>	A formal agreement between: (a) you; (b) us; and (c) your <i>employer</i> , if needed. It outlines the <i>rehabilitation program</i> in which you agree to take part.
<b>Rehabilitation Program</b>	A program of work or job-related training for you that we approve in writing. Its aim is to restore your wage earning abilities.
<b>Retirement Plan</b>	A defined benefit or defined contribution plan funded wholly or in part by the <i>employer's</i> deposits for your benefit. The term does not include: (a) profit sharing plans; (b) thrift plans; (c) non-qualified deferred compensation plans; (d) individual retirement accounts; (e) tax sheltered annuities; (f) 401(k), 403(b), 457 or similar plans; or (g) stock ownership plans. <i>Retirement Plan "retirement benefits"</i> are lump sum or periodic payments at normal or early retirement. Some <i>retirement plans</i> make payments for disability(as defined by those plans) that start before normal retirement age. When such payments reduce the amount that would have been paid at normal retirement age, they are <i>retirement benefits</i> . When such payments do not reduce the normal retirement amount, they are " <b>disability benefits.</b> "

**Sickness** An illness or disease. Pregnancy is treated as a *sickness* under this *plan*.

**We, Us, and  
Guardian** The Guardian Life Insurance Company of America.  
CGP-3-LTD08-MD

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## CERTIFICATE AMENDMENT

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(To be attached to certificates issued to employees)

Effective February 1, 2012 or your first renewal thereafter, this rider amends the Claim Provisions of your certificate by replacing the Authority provision with the following:

**Administration:** We as a part of our routine operations apply the terms of this plan for making decisions. This includes making a reasonable determination regarding eligibility; receipt of benefits and claims; or explaining our administrative policies; procedures; and processes.

This rider is part of this certificate. Except as stated in this rider, nothing contained in this rider changes or affects any other terms of this certificate.

**The Guardian** Life Insurance Company of America

*Stuart J Shaw*  
Vice President, Risk Mgt. & Chief Actuary

CGP-3-A-LTD-DC-11

B531.0084



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## CERTIFICATE AMENDMENT

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(To be attached to certificates issued to employees)

The certificate is amended as follows:

1. The Long Term Disability Income Insurance eligibility provisions are modified to provide that:
  - a. You are eligible for disability income insurance coverage if you are legally working in the United States or working outside of the United States for a United States based employer in a country or region approved by us.
  - b. Any requirements that apply to your working outside of the United States on a temporary assignment are hereby deleted.
  - c. Your disability income insurance coverage will end on the date you are no longer working in the United States, or working outside of the United States for a United States based employer in a country or region approved by us.
2. The "When Payments End" section under the Long Term Disability Income Insurance provisions is modified to provide that your benefits will end on the date you have been outside of the United States; and/or Canada; or a country or region approved by us for more than 2 months in a 12 month period.

This rider is part of this certificate. Except as stated in this rider, nothing contained in this rider changes or affects any other terms of this certificate.

**The Guardian** Life Insurance Company of America

*Stuart J Shaw*  
Vice President, Risk Mgt. & Chief Actuary

CGP-3-A-LTD-11

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## CERTIFICATE AMENDMENT

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(To be attached to certificates issued to employees)

The certificate is amended as follows: The Life and Accidental Death and Dismemberment Insurance eligibility provisions applicable to employee coverage are modified to provide that:

- a. You are eligible for life and accidental death and dismemberment insurance coverage if you are legally working in the United States or working outside of the United States for a United States based employer in a country or region approved by us.
- b. Any requirements that apply to your working outside of the United States on a temporary assignment are hereby deleted.
- c. Your life and accidental death and dismemberment insurance coverage will end on the date you are no longer working in the United States, or working outside of the United States for a United States based employer in a country or region approved by us.

This rider is part of this certificate. Except as stated in this rider, nothing contained in this rider changes or affects any other terms of this certificate.

**The Guardian** Life Insurance Company of America

*Stuart J Shaw*  
Vice President, Risk Mgt. & Chief Actuary

CGP-3-A-EIC-11-MD

B531.0090

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## GLOSSARY

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This Glossary defines the italicized terms appearing in your booklet.

CGP-3-GLOSS-90 B900.0118

**Employee** means a person who works for the *employer* at the *employer's* place of business, and whose income is reported for tax purposes using a W-2 form.

CGP-3-GLOSS-90 B750.0006

**Employer** means THARCO INCORPORATED .

CGP-3-GLOSS-90 B900.0051

**Full-time** means the *employee* regularly works at least the number of hours in the normal work week set by the *employer* (but not less than 40 hours per week), at his *employer's* place of business.

CGP-3-GLOSS.1 B750.0230

**Plan** means the *Guardian* group *plan* purchased by your *employer*, except in the provision entitled "Coordination of Benefits" where "plan" has a special meaning. See that provision for details.

CGP-3-GLOSS-90 B900.0039

**Proof or Proof of Insurability** means an application for insurance showing that a person is insurable.

CGP-3-GLOSS-90 B900.0010

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## STATEMENT OF ERISA RIGHTS

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As a participant, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

### **Receive Information About Your Plan and Benefits**

- (a) Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U. S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- (b) Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts, collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- (c) Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

### **Prudent Actions By Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of plan participants and beneficiaries. No one, including your employer, your union, or any other person may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

## Statement of Erisa Rights (Cont.)

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**Enforcement Of Your Rights** If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a state or Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110.00 a day until you receive the material, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a federal court. If it should happen that plan fiduciaries misuse the plan's money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds that your claim is frivolous.

**Assistance with Questions** If you have questions about the plan, you should contact the plan administrator. If you have questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor listed in your telephone directory or the Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

CGP-3-ERISA

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## **Disability Benefits Claims Procedure**

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If you seek benefits under the plan you should complete, execute and submit a claim form. Claim forms and instructions for filing claims may be obtained from the Plan Administrator.

Guardian is the Claims Fiduciary with discretionary authority to determine eligibility for benefits and to construe the terms of the *plan* with respect to claims. Guardian has the right to secure independent professional healthcare advice and to require such other evidence as needed to decide your claim.

In addition to the basic claim procedure explained in your certificate, Guardian will also observe the procedures listed below. These procedures are the minimum requirements for benefit claims procedures of employee benefit plans covered by Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA")

**Definitions** "Adverse determination" means any denial, reduction or termination of a benefit or failure to provide or make payment (in whole or in part) for a benefit.

**Timing For Initial Benefit Determination** The benefit determination period begins when a claim is received. Guardian will make a benefit determination and notify a claimant within a reasonable period of time, but not later than the maximum time period shown below. A written or electronic notification of any adverse benefit determination must be provided.

Guardian will provide a benefit determination not later than 45 days from the date of receipt of a claim. This period may be extended by up to 30 days if Guardian determines that an extension is necessary due to matters beyond the control of the plan, and so notifies the claimant before the end of the initial 45-day period. Such notification will include the reason for the extension and a date by which the determination will be made. If prior to the end of the 30-day period Guardian determines that an additional extension is necessary due to matters beyond the control of the plan, and so notifies the claimant, the time period for making a benefit determination may be extended for up to an additional period of up to 30 days. Such notification will include the special circumstances requiring the extension and a date by which the final determination will be made.

A notification of an extension to the time period in which a benefit determination will be made will include an explanation of the standards upon which entitlement to a benefit is based, any unresolved issues that prevent a decision of the claim, and the additional information needed to resolve those issues.

If a claimant fails to provide all information needed to make a benefit determination, Guardian will notify the claimant of the specific information that is needed as soon as possible but no later than 45 days after receipt of the claim.

If Guardian extends the time period for making a benefit determination due to a claimant's failure to submit information necessary to decide the claim, the claimant will be given at least 45 days to provide the requested information. The extension period will begin on the date on which the claimant responds to the request for additional information.

## Disability Benefits Claims Procedure (Cont.)

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- Adverse Benefit Determination** If a claim is denied, Guardian will provide a notice that will set forth:
- the specific reason(s) for the adverse determination;
  - references to the specific *plan* provision on which the determination is based;
  - a description of any additional material or information necessary to make the claim valid and an explanation of why such material or information is needed;
  - a description of the plan's claim review procedures which a claimant may follow to have a claim for benefits reviewed and the time limits applicable to such procedures, including a statement indicating that the claimant has the right to bring a civil action under ERISA Section 502(a) following an adverse benefit;
  - identification and description of any specific internal rule, guideline or protocol that was relied upon in making an adverse benefit determination, or a statement that a copy of such information will be provided to the claimant free of charge upon request; and
  - in the case of an adverse benefit determination based on medical necessity or experimental treatment, notice will either include an explanation of the scientific or clinical basis for the determination, or a statement that such explanation will be provided free of charge upon request.

- Appeal of Adverse Benefit Determinations** If a claim is wholly or partially denied, the claimant will have up to 180 days to make an appeal.

Guardian will conduct a full and fair review of an appeal which includes providing to claimants the following:

- the opportunity to submit written comments, documents, records and other information relating to the claim;
- the opportunity, upon request and free of charge, for reasonable access to, and copies of, all documents, records and other information relating to the claim; and
- a review that takes into account all comments, documents, records and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In reviewing an appeal, Guardian will

- provide for a review conducted by a named fiduciary who is neither the person who made the initial adverse determination nor that person's subordinate;
- in deciding an appeal based upon a medical judgment, consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;
- identify medical or vocational experts whose advice was obtained in connection with an adverse benefit determination; and

## Disability Benefits Claims Procedure (Cont.)

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- ensure that a health care professional engaged for consultation regarding an appeal based upon a medical judgment shall be neither the person who was consulted in connection with the adverse benefit determination, nor that person's subordinate.

Guardian will notify the claimant of its decision not later than 45 days after receipt of the request for review of the adverse determination. This period may be extended by an additional period of up to 45 days if Guardian determines that special circumstances require an extension of the time period for processing and so notifies the claimant before the end of the initial 45-day period.

A notification with respect to an extension will indicate the special circumstances requiring an extension of the time period for review, and the date by which the final determination will be made.

**Alternative Dispute Options** The claimant and the plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact the local U.S Department of Labor Office and the State insurance regulatory agency.

CGP-3-ERISA

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## Termination of This Group Plan

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Your *employer* may terminate this group *plan* at any time by giving us 31 days advance written notice. This *plan* will also end if your *employer* fails to pay a premium due by the end of this grace period.

We may have the option to terminate this *plan* if the number of people insured falls below a certain level.

When this *plan* ends, you may be eligible to continue your insurance coverage. Your rights upon termination of the *plan* are explained in this booklet.

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## **Life And Accidental Death And Dismemberment Insurance Claims Procedure**

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Claim forms and instructions for filing claims may be obtained from the Plan Administrator.

Guardian is the Claims Fiduciary with discretionary authority to determine eligibility for benefits and to construe the terms of the plan with respect to claims.

In addition to the basic claim procedure explained in your certificate, Guardian will also observe the procedures listed below. These procedures are the minimum requirements for benefit claims procedures of employee benefit plans covered by Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA")

- (a) If a claim is wholly or partially denied, the claimant will be notified of the decision within 90 days after Guardian received the claim.
- (b) If special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the claimant prior to the termination of the initial 90-day period. In no event shall such extension exceed a period of 90 days from the end of such initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which The Guardian expects to render the final decision.
- (c) If a claim is denied, Guardian will provide a notice that will set forth:
  - (1) the specific reason(s) the claim was denied;
  - (2) specific references to the pertinent plan provision on which the denial is based;
  - (3) a description of any additional material or information needed to make the claim valid, and an explanation of why the material or information is needed;
  - (4) an explanation of the plan's claim review procedure. A claimant must file a request for review of a denied claim within 60 days after receipt of written notification of denial of a claim.
- (d) Guardian will notify the claimant of its decision within 60 days of receipt of the request for review. If special circumstances require an extension of time for processing, The Guardian will render a decision as soon as possible, but no later than 120 days after receiving the request. The Guardian will notify the claimant about the extension.

CGP-3-ERISA

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## Termination of This Group Plan

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Your *employer* may terminate this group *plan* at any time by giving us 31 days advance written notice. This *plan* will also end if your *employer* fails to pay a premium due by the end of this grace period.

We may have the option to terminate this *plan* if the number of people insured falls below a certain level.

When this *plan* ends, you may be eligible to continue or convert your insurance coverage. Your rights upon termination of the *plan* are explained in this booklet.

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**GUARDIAN<sup>SM</sup>**

**The Guardian Life Insurance  
Company of America**

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