

Disability Income

Definitions

Please note that certain words used in this Certificate have specific meanings. Other than references to he, him, his, you, your, yours, we, us or our, the words defined below and capitalized within the text of this Certificate have the meanings set forth below. The definitions listed here are standard for HM Life Insurance Company's Worksite products. State-specific and employer-specific variations may apply.

Active Service means that the Employee is either:

- at work on one of the Employee's scheduled workdays and is performing his regular duties on a scheduled basis, either at one of the Employer's usual places of business or at some other location to which the Employer's business requires him to travel;
- on a scheduled holiday, vacation day or period of Employer-approved paid leave of absence, only if the Employee was in Active Service on the preceding scheduled workday.

A Covered Person is considered in Active Service if he is not one of the following:

- an Inpatient in a Hospital, skilled nursing facility, rehabilitation hospital or convalescent/personal care facility or receiving outpatient care and/or therapy that affects a Covered Person's ability to perform his regular duties on a scheduled basis;
- confined at home under the care of a Physician or Doctor for the treatment of an injury or sickness; or
- Disabled.

If an Employee was insured under another group disability income plan administered by the Policyholder on the last day before the effective date of his coverage under the Policy, he can become insured under the Policy on the Effective Date of the Employee's insurance without meeting the Active Service requirement.

However, the benefits we pay for a new period of Disability beginning after he becomes insured under the Policy, but before he meets the Active Service requirement, will be the benefits payable under the Policy or the benefits which would have been payable under the Prior Plan if the Prior Plan had remained in force, whichever are less, reduced by any benefits payable under the Prior Plan.

Affiliate or Affiliated means a company or organization that is subsidiary to, affiliated with or controlled by the Policyholder.

Provide **Applicant Information** means an Employee must sign our enrollment form and complete the Applicant Information section of that form.

Benefit Amount means the Disability Income payable to a Covered Person according to the terms of the Policy.

Certificate means the document issued for delivery to the Covered Person that lists the benefits, conditions and limits of the Policy.

Company or we, us, our means HM Life Insurance Company, domiciled in Pennsylvania.

Confined means a Covered Person is registered as an Inpatient in the Hospital upon recommendation of a Physician or Doctor or as an outpatient in a Hospital because of surgery.

Covered Person means an Employee for whom an enrollment form has been accepted by us, the required premium has been paid when due and for whom coverage under this Policy remains in force.

Disabled means a Covered Person is either Totally Disabled or Partially Disabled. A Covered Person will be considered Disabled during the Elimination Period and throughout the Benefit Period if he is either Totally Disabled or Partially Disabled, as defined in this document. A Covered Person will not be considered Disabled during a period of Temporary Recovery.

Employee means an Employee of the Policyholder who works an average of 15 hours per week.

Enrollment Period means a period of time agreed upon by the Policyholder and the Company, during which an Employee may apply for insurance.

He, him or his means an individual, male or female.

Hospital means an institution that meets all of the following:

- it is licensed pursuant to applicable law; it is primarily and continuously engaged in providing medical care and treatment to sick and injured persons;
- it is managed under the supervision of a staff of legally licensed physicians;
- it provides 24-hour nursing services by or under the supervision of a graduate registered nurse (R.N.);
- it has medical, diagnostic and treatment facilities, with major surgical facilities on its premises or available on a prearranged basis;
- it charges for its services.

The term Hospital does not include a clinic, facility or unit of a Hospital for:

- rehabilitation, convalescent or custodial care; or
- the aged.

Injury means accidental bodily injury, which:

- occurs while the Covered Person is insured under the Policy and after any applicable Eligibility Waiting Period;
- is not subject to the Pre-Existing Condition Limitation; and
- is not otherwise excluded under the terms of the Policy.

Inpatient means a Covered Person who is confined overnight in a Hospital and incurs room and board charges. The requirement that a person be charged for room and board does not apply to confinement in a Veteran's Administration Hospital or Federal Government Hospital and in such case the term "Inpatient" shall mean a Covered Person is required to be confined for a period determined by applicable law governing such facility.

Job means a group of similar positions within an establishment, which are identical with respect to their major or significant tasks. There may be one or many persons employed in the same Job. As used above, an "establishment" is a public or private employing unit that produces, provides and/or sells goods or services at a single physical location. An establishment may range in size from a single self-employed worker to thousands of workers.

Occupation means a group of Jobs, found at more than one establishment, in which a common set of tasks are performed and related in terms of similar objectives, methodologies, materials, products, worker actions or worker characteristics.

Organic Mental Disorder means a psychological, cognitive or behavioral abnormality associated with transient or permanent dysfunction of the brain, usually characterized by the presence of an Organic Brain Syndrome. Organic Brain Syndrome means any acute or chronic mental dysfunction (as delirium or senile dementia) resulting chiefly from physical changes in brain structure and characterized especially by impaired cognition.

Own Occupation means an occupation that involves Substantial and Material Duties of the same general character as the Covered Person's Job with his employer when he becomes Disabled. A Covered Person's Own Occupation is not limited to the specific Job duties he was performing for his employer or to a job at the same location. A Covered Person will not be considered Disabled from his Own Occupation if he is able to perform the Substantial and Material Duties of a Job within the same general occupation for his employer or another employer.

Partial Disability or Partially Disabled means that, due to an accidental Injury or Sickness, a Covered Person is unable to perform at least one of the Substantial and Material Duties of his Own Occupation; can earn no more than half of his Weekly Earnings; and is under the regular care of a Physician or Doctor for the condition causing the Disability.

Physician or Doctor means a licensed health care provider practicing within the scope of his license and rendering care and treatment to a Covered Person that is appropriate for the condition and locality and who is not:

- employed or retained by the Policyholder;
- living in the Covered Person's household; or
- a parent, sibling, spouse, domestic partner or child of the Covered Person.

Plan Year means a period of twelve consecutive months beginning on the policy effective date and subsequent anniversary dates.

Policyholder means the entity shown on the cover page of this Policy.

Prior Plan means another group disability income plan on an insured or self-funded basis administered by the Policyholder in effect on the day before the effective date of an Employee's insurance under the Policy.

Sickness means an illness, infection, disease or any other abnormal condition that is not caused solely by or the result of an injury that:

- is first manifested while the Covered Person is insured under the Policy and after any applicable Eligibility Waiting Period;
- is not subject to the Pre-Existing Condition Limitation; and
- is not otherwise excluded under the terms of this Policy.

Pregnancy and complications of pregnancy are considered a Sickness.

Substantial and Material Duties or Substantial and Material Duty means the duties which an employer normally requires for the performance of an occupation and which cannot be reasonably omitted or modified. Substantial and Material Duties include Working the number of hours required in a Covered Person's regularly scheduled work week, up to 40 hours per week. Any requirement that a person works in excess of 40 hours per week will not be considered a Substantial and Material Duty.

Temporary Recovery or Temporarily Recovered means any period that we do not consider a Covered Person to be Disabled. No Disability Income Benefits are payable during a period of Temporary Recovery. A period of Temporary Recovery will not count toward satisfaction of the Elimination Period or reduce the Benefit Period for the same or a related condition.

Total Disability or Totally Disabled means a Covered Person is currently unable, as a result of an accidental Injury or Sickness, to perform the Substantial and Material Duties of his Own Occupation, with or without reasonable accommodation by an employer, and he is not Working at all. Nothing in this definition extends the Benefit Period shown in the Schedule of Benefits.

Weekly Earnings means a Covered Person's weekly rate of earnings from his employer including commissions and tax-deferred contributions he makes to a qualified plan sponsored by his employer, but excluding bonuses, overtime pay and any other extra compensation. The following rules apply to the computation of your weekly rate of earnings:

- **Commissions:** A Covered Person's weekly rate of earnings on any date includes his average weekly commissions during the prior calendar year (or during his period of employment if less than one calendar year).
- **Monthly pay:** Monthly earnings are divided by 4.333 to find a Covered Person's weekly rate of earnings.
- **Hourly pay:** A Covered Person's hourly pay rate is multiplied by the number of hours he is regularly scheduled to work per week (but not more than 40) to find his weekly rate of earnings. If a Covered Person does not have regular work hours, his weekly rate of earnings on any date will be based on the average number of hours he worked per week during the prior calendar year (or during his period of employment if less than one calendar year), but not more than 40 hours.

Working means a Covered Person is performing a Job or Occupation for an employer or through self-employment, for which he receives income.