

# Decide Today To Protect Tomorrow<sup>®</sup>

---

Proposal Prepared for:  
Association of the Wall and Ceiling Industries

Presented by:  
Jim Smallwood

&

 **American Public Life  
Insurance Company**  
A member of the American Fidelity Group,

December 12, 2013

Policy provisions apply only to Colorado

Proposal is based on information provided to American Public Life and is valid for 60 days from the date proposed. Final rates and benefits are subject to verification of data on which this is based.

# G-108 Short Term Disability Income Insurance Proposal – Association of the Wall and Ceiling Industries

Proposal Assumptions:	Standard Industry
Employer State:	Colorado
Dated Prepared:	December 12, 2013
<b>Disability Income</b>	Pays a monthly income when the Insured is totally disabled and unable to work due to a covered Accident or Sickness, following satisfaction of the elimination period.
<b>Monthly Disability Income Benefit</b>	Elected by the employee in an amount between \$300 and \$7,500 monthly, not to exceed 60% of the employee's covered monthly salary. The monthly premium and the monthly benefit will be based on the plan selected at the time of application and the requested monthly indemnity or amount approved by the Company, if different. The employee's monthly benefit will be reflected on their application which accompanies the Certificate.
<b>Eligible Employee</b>	All active full-time employees working 20 hours or more per week who have satisfied the employer's Waiting Period for eligibility, which shall be no less than 90 days from date of hire.
<b>Age at Entry</b>	Premiums are based on age at entry and do not increase solely with attained age.
<b>Issue Requirements</b>	<p><b>Eligibles: 5-99</b> Requires a minimum of 5 acceptable applications to issue.</p> <p><b>Eligibles: 100+</b> Requires a minimum of 10 acceptable applications to issue.</p>
<b>Rate Guarantee</b>	2 Years
<b>Increases at Re-enrollment</b>	At the annual re-enrollment, existing Insured may increase their monthly indemnity up to \$200 without evidence of insurability. Increases in excess of \$200 will be Subject to Insurability. The amount of the increase will be subject to a new pre-existing limitation, and the total indemnity amount may not exceed 60% of income.
<b>Guaranteed Issue (GI) Requirements</b>	<p><b>Eligibles: 5-9</b> Groups with 5-9 eligible Insured's will be issued Subject to Insurability based upon all health questions on the application. New employees may enroll upon satisfaction of the Waiting Period within 13 months of the application date, or until the first available enrollment opportunity following the Waiting Period, whichever first occurs.</p> <p><b>Eligibles: 10-99</b> Requires the greater of 25% participation or 10 acceptable applications for indemnity amounts up to \$3,000. Indemnity amounts over \$3,000 will be Subject to Insurability based on all health questions on the application. New employees may enroll upon satisfaction of the Waiting Period within 13 months of the application date, or until the first available enrollment opportunity following the Waiting Period, whichever first occurs.</p> <p><b>Eligibles: 100+</b> Requires 25% participation for indemnity amounts up to \$3,000. Indemnity amounts over \$3,000 will be Subject to Insurability based on all health questions on the application. New employees may enroll upon satisfaction of the Waiting Period within 13 months of the application date, or until the first available enrollment opportunity following the Waiting Period, whichever first occurs.</p>

## Benefit Design Options

		<u>Option 1</u>
<b>Elimination Period</b>	Accidental Injury	14 Days
	Sickness	14 Days
<b>Benefit Duration</b>	Accidental Injury	6 Months
	Sickness	6 Months

	<u>Issue Age</u>	
<b>Monthly Rates (per \$100 of Covered Monthly Benefit)</b>	18-39	\$1.86
	40-49	\$2.02
	50-59	\$2.32
	60+	\$3.08

# G-108 Short Term Disability Income Insurance Proposal – Association of the Wall and Ceiling Industries

<b>Total Disability</b>	The Insured is considered totally disabled if unable to perform the material and substantial duties of his or her employment as the result of a covered Accident or Sickness.
<b>Successive Disabilities</b>	Disabilities which result from the same or related causes will be considered one period of disability unless the disabilities are separated by the Insured's return to Active Service for at least three consecutive months.
<b>Minimum Benefit</b>	In no event will the disability income benefit be reduced to less than \$100 per month.
<b>Waiver of Premium</b>	If an Insured is totally disabled due to a covered Accident or Sickness, premiums are not required beginning the first of the calendar month following the later of satisfaction of the Elimination Period; or 90 days of continuous Total Disability; or the first date Total Disability benefits are payable.
<b>Return to Work-Partial Disability Benefit</b>	A partial disability benefit allows an Insured to return to work part-time or full-time (if unable to do one or more duties) from a covered disability and remain eligible for benefits up to 3 months. The partial disability benefit is equal to 50% of the disability benefit reduced by a portion of his or her salary earned and other income, not to exceed 60% of the pre-disability salary.
<b>Limitations to the Disability Benefit</b>	Disability benefits paid to the Insured plus the lump sum or periodic payments the Insured and his or her dependents are entitled to receive from: group insurance coverage or like coverage for persons in a group; Federal Social Security Act; state or federal government disability or retirement plans or increases which begin on or after the date of Total Disability; employer-sponsored pension plans; employer-sponsored salary or wage continuance plans which extend beyond the 30 calendar days of Total Disability; and Federal Old Age Benefits under the Federal Social Security Act on his or her own behalf, may not exceed 60% of monthly compensation, excluding bonus and overtime. Federal Social Security increases which take effect after the monthly disability benefits become payable will not further reduce benefits under this plan.
<b>Alcohol or Drug Benefit</b>	If an Insured becomes totally disabled due to alcoholism or drug addiction, we will pay a disability benefit up to 15 days in any 12 month period.
<b>Mental Illness Benefit</b>	If an Insured becomes totally disabled due to mental illness, regardless of the cause, disability benefits will be paid up to 3 months provided the Insured is under the regular care and attendance of a Physician.
<b>Exclusions</b>	No benefit will be paid for any loss for Accident or Sickness, fatal or non-fatal, which results from: an intentionally self-inflicted injury while sane or insane; an act of war, declared or undeclared; Accident sustained or Sickness contracted while in the service of the armed forces; committing a felony; acting as a pilot or crew member or performing any duty of the Insured's occupation connected with such flight; any occupation for wage or profit; or any period in which the Insured is incarcerated.
<b>Pre-Existing Conditions</b>	<p>A pre-existing condition is a disease, Accident or Sickness for which the Insured: had treatment; incurred expense; took medication; or received a diagnosis or advice from a physician, during the 12-month period immediately before the effective date of his or her coverage. The term Pre-Existing Condition will also include conditions that are related to such disease, Accident or Sickness. There will be no disability benefit payable for Total Disability due to a pre-existing condition commencing before the Insured has been continuously covered under the policy for one year.</p> <p>No consideration will be given to prior group disability income coverage in determining the effect of pre-existing conditions on benefits payable.</p>

Marketed and Administered by:



Underwritten by:

