

Sample - Mutual of Omaha

DISABILITY INCOME INSURANCE POLICY

IMPORTANT NOTICE

The premium you paid, the application you completed and our reliance on your answers to the application questions have put this policy in force as of the Policy Date. That date is shown on the policy schedule. A copy of your application is attached.

10-DAY RIGHT TO EXAMINE POLICY

Please read your policy. If, for any reason, you are not satisfied with it, you may return your policy to us or your agent within 10 days of its delivery. We will then promptly refund all premiums paid, and the policy will be considered never to have been issued.

PLEASE READ YOUR APPLICATION

Please read the attached copy of your application. If anything is not correct or if any past medical history has been left out, you should tell us. Your policy was issued on the basis that all information in the application is correct and complete. If not, your policy may not be valid.

**GUARANTEED RENEWABLE TO AGE 75 OR RETIREMENT --
PREMIUMS SUBJECT TO CHANGE**

This policy is guaranteed renewable to Age 75 or Retirement. This means you have the right to continue your coverage until you reach Age 75 or retire, whichever comes first. During that time, we cannot cancel the policy unless you do not make the required premium payment before the end of each grace period. To continue the policy, you must make sure that you pay the premiums when they are due.

The premium for this policy will change at Age 65. The premium may also change prior to or after Age 65, but only if the same change is made on all policies of this form issued to persons of the same classification in your state. We must give you at least 31 days (45 days in Florida and North Carolina; 60 days in Wisconsin) advance written notice before we change premiums. In no event will the premium increase during the first 12 months following the Policy Date.

**This Is a Legal Contract Between You and Us
READ YOUR POLICY CAREFULLY**

THIS POLICY IS GUARANTEED RENEWABLE TO AGE 75 OR RETIREMENT

To Inquire About Your Coverage, or to Make a Complaint,

You May Call Us Toll-Free At:

For Customer Service [1-800-775-6000]

For Claims Service [1-800-775-1000]

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9 DEFINITIONS

Age 64, Age 65 and Age 75 mean the first Policy Renewal Date that coincides with or next follows your 64th, 65th and 75th birthdays, respectively.

Beneficiary means the person(s) or legal entity you name in the application to receive this policy's survivor benefit or the loss of life benefit under an attached rider, if any.

Benefit Period means the maximum length of time Total Disability benefits, Proportional Disability benefits or any combination of these benefits are payable. The benefit period begins on the first day benefits become payable after expiration of the Elimination Period. The benefit period ends after benefits have been payable for the duration of time shown on the policy schedule.

Complication of Pregnancy means:

(a) conditions, when the pregnancy is not terminated, whose diagnoses are distinct from pregnancy, which are adversely affected by pregnancy or caused by pregnancy, such as acute nephritis, nephrosis, cardiac decompensation, missed abortion and similar medical and surgical conditions of comparable severity; and

(b) cesarean section delivery, ectopic pregnancy which is terminated, spontaneous termination of pregnancy which occurs during a period of gestation in which a viable birth is not possible, puerperal infection, eclampsia and toxemia.

Complication of pregnancy does not include false labor, occasional spotting, Physician prescribed rest cure during the period of pregnancy, morning sickness, hyperemesis gravidarum, preeclampsia and similar conditions associated with the management of a difficult pregnancy not constituting a distinct medically-classified complication of pregnancy.

Current Monthly Income means your Monthly Income for each month of Proportional Disability being claimed. Proof of your current monthly income may be required when a claim is filed.

Elimination Period means the initial number of days of Total Disability, Proportional Disability or any combination thereof that must pass before benefits become payable. The elimination period is shown on the policy schedule. The elimination period begins on the date of first Medical Treatment during Total Disability or Proportional Disability.

Injury means bodily harm which:

(a) is the direct result of an accident or trauma that occurs while your policy is in force; and

(b) is not related to Sickness or any other cause.

Loss of Monthly Income means the difference between Prior Monthly Income and Current Monthly Income. Loss of Monthly Income must be caused by the Injuries or Sickness for which claim is made. The amount of the loss must be at least 25% of your Prior Monthly Income to be considered a loss of Monthly Income. If the loss is more than 75% of your Prior Monthly Income and Total Disability is not incurred, we will still consider the loss of Monthly Income to be 100%, and benefits, if any, will be paid as Total Disability benefits.

Medical Treatment means medical attendance by a Physician.

Mental or Nervous Disorder means neurosis, psychoneurosis, psychosis, or mental or emotional disease or disorder of any kind. Mental or nervous disorder does not include Alzheimer's disease or similar forms of dementia resulting from degenerative diseases, stroke, head trauma or viral infection.

Monthly Income means your monthly income from salary, wages, bonuses, commissions, fees or other payments received for personal services rendered or work performed in Your Occupation. Normal and usual business expenses (as used in accepted accounting practices and procedures for tax purposes) are to be deducted, income taxes are not. Monthly income does not include dividends, rents, royalties, annuities or other forms of unearned income. Proof of monthly income may be required when a claim is filed.

Normal Childbirth or Normal Pregnancy means childbirth or pregnancy free of Complications of Pregnancy.

Physician means a person, other than you or a member of your family, duly licensed and legally qualified to diagnose and treat a Sickness or Injury. He or she must be providing services within the scope of his or her license.

Policy Date means the date coverage is effective under this policy as shown on the policy schedule.

Policy Renewal Date means the month and day your policy's premium payment is due. The frequency of the policy renewal date can vary depending on whether the premiums are paid on a monthly, quarterly, semiannual or annual basis.

Prior Monthly Income means the greater of:

- (a) your average Monthly Income for the 12-month period immediately prior to the onset of a covered disability for which claim is made; or
- (b) your average Monthly Income for the calendar year with the highest earnings of the last two calendar years prior to the onset of such covered disability.

Proportional Disability during the Elimination Period and during the first 24 months following the Elimination Period means that due to Sickness or Injury:

- (a) you are unable to perform one or more of the material and substantial duties of Your Occupation or you are not able to perform such duties for as much time as it would normally take you to do them; and
- (b) your Loss of Monthly Income is at least 25%, but not more than 75%, of your Prior Monthly Income; and
- (c) you receive Regular Medical Care by a Physician.

Proportional Disability after the first 24 months following the Elimination Period means that due to Sickness or Injury:

- (a) you are unable to perform one or more of the material and substantial duties of any occupation for which you are reasonably suited because of education, training or experience, or you are not able to perform such duties for as much time as it would normally take you to do them; and
- (b) your Loss of Monthly Income is at least 25%, but not more than 75%, of your Prior Monthly Income; and
- (c) you receive Regular Medical Care by a Physician.

Regular Medical Care means:

- (a) treatment, consultations, evaluations and diagnostic services provided by a Physician whose specialty is appropriate for the Sickness or Injury causing your Total Disability or Proportional Disability;
- (b) Physician treatment and services received in-person at a frequency that is appropriate according to standard medical practice; and
- (c) the most appropriate treatment necessary in order to achieve the maximum of medical improvement possible.

We may waive one or more of the above requirements at some point during your disability. Notification of such waiver will be provided in writing to you by us.

We may require you to have your Physician provide us with a written document addressing your evaluation and the treatment plan(s) which would be in accordance with medical standards appropriate for your Sickness or Injury.

Retirement means the first Policy Renewal Date that coincides with or next follows the date you stop regular, active, gainful full-time employment for any reason other than Sickness or Injury.

Sickness means an illness, disease or physical condition which:

- (a) causes loss beginning while this policy is in force; and
- (b) is not excluded from coverage.

Substance Abuse means drug abuse, alcoholism or chemical dependency.

Total Disability during the Elimination Period and during the first 24 months following the Elimination Period means that due to Sickness or Injury:

- (a) you are unable to perform the material and substantial duties of Your Occupation; and
- (b) you receive Regular Medical Care by a Physician.

Total Disability after the first 24 months following the Elimination Period means that due to Sickness or Injury:

- (a) you are unable to perform the material and substantial duties of any occupation for which you are reasonably suited because of education, training or experience; and
- (b) you receive Regular Medical Care by a Physician.

Total Disability Monthly Benefit means the amount we will pay each month for Total Disability, after the Elimination Period is satisfied. The Total Disability monthly benefit is shown on the policy schedule.

We, Us or Our means Mutual of Omaha Insurance Company.

You or Your means the person named as the Insured on the policy schedule.

Your Occupation means the occupation (or occupations, if more than one) in which you are regularly engaged at the time you become disabled.

TOTAL DISABILITY BENEFITS

If you are unable to work because of Sickness or Injury, we will pay the Total Disability Monthly Benefit for each month of Total Disability, after the Elimination Period has been satisfied, for as long as:

- (a) the Benefit Period or to Age 65, whichever is less, when loss begins before Age 64; or
- (b) the Benefit Period or 12 months, whichever is less, when loss begins at or after Age 64 but before Age 75.

Loss will be considered to begin on the first date of Medical Treatment during Total Disability. When less than one month of Total Disability benefits is due, a pro rata benefit will be paid. Benefits for Total Disability are not payable during Proportional Disability. To be eligible for Total Disability benefits, your loss must begin before Age 75 or Retirement, whichever occurs first.

PROPORTIONAL DISABILITY BENEFITS

If you are unable to work as much time or perform as many employment duties as usual because of Sickness or Injury, we will pay the Proportional Disability Monthly Benefit for each month of Proportional Disability, provided you sustain a Loss of Monthly Income.

Proportional Disability benefits begin after expiration of the Elimination Period, and are payable for as long as:

- (a) the Benefit Period or to Age 65, whichever is less, when loss begins before Age 64; or
- (b) the Benefit Period or 12 months, whichever is less, when loss begins at or after Age 64 but before Age 75.

The Proportional Disability Monthly Benefit will be an amount determined each month by using this formula:

(Loss of Monthly Income **divided** by Prior Monthly Income)

multiplied by the Total Disability Monthly Benefit

equals the Proportional Disability Monthly Benefit.

Loss will be considered to begin on the first date of Medical Treatment during Proportional Disability. When less than one month of Proportional Disability benefits is due, a pro rata benefit will be paid. Benefits for Proportional Disability are not payable during Total Disability. To be eligible for Proportional Disability benefits, your loss must begin before Age 75 or Retirement, whichever comes first.

Indexing of Prior Monthly Income

If Proportional Disability continues for 12 months in a row or longer, your Prior Monthly Income amount will be adjusted to compensate for increases in the cost of living for purposes of calculating the above formula. On each one-year anniversary of the start of Proportional Disability, your Prior Monthly Income amount will be increased by 5% compounded annually. Such increases will continue for the duration of the Benefit Period, as long as Proportional Disability benefits are payable.

PRESUMPTIVE TOTAL DISABILITY BENEFITS

You will be presumed to be Totally Disabled if, prior to Age 75 or Retirement, Sickness or Injury results in the entire, irrecoverable and uncorrectable loss of:

- (a) speech;
- (b) hearing in both ears;
- (c) sight in both eyes; or
- (d) the use of both hands, both feet or one hand and one foot.

You must present satisfactory proof of your loss. Your ability to engage in any occupation will not matter. Further Medical Treatment will not be required. Benefits will be paid, provided you are alive, according to the Total Disability provisions of this policy, except as follows:

- (a) Benefits will begin to accrue on the date of loss or the day following the Elimination Period, whichever is first; and
- (b) Regardless of the Benefit Period shown on the policy schedule, Total Disability benefits will be paid until Age 65 or for 12 months, whichever is longer.

No other benefits will be paid for Total Disability or Proportional Disability while benefits are paid under this provision.

TRANSPLANT DONOR BENEFITS

If you become disabled as the result of a transplant of part of your body to the body of another person, we will consider such disability to be the result of a Sickness, and we will pay benefits for Total Disability or Proportional Disability on the same basis as any other Sickness. Total or Proportional Disability, due to a transplant donation, must start while your policy is in force and at least six months after the Policy Date.

SURVIVOR BENEFIT

Upon your death, we will pay a survivor benefit to your designated Beneficiary, if:

- (a) Total or Proportional Disability benefits were payable; and
- (b) the Benefit Period was not exhausted;

at the time you died. The survivor benefit will be a lump-sum amount equal to three times the Total or Proportional Disability Monthly Benefit payable under your policy and any Social Insurance Supplement Benefits Rider at the time of your death. In the event no Beneficiary is named or living, the survivor benefit will be paid:

- (a) to your surviving spouse; if none, then
- (b) equally to your surviving natural and adopted children; if none, then
- (c) equally to your surviving parent(s); if none, then
- (d) to your estate.

REHABILITATION BENEFITS

While you take part in a vocational on-the-job program, we will continue to pay Total Disability or Proportional Disability benefits to which you are otherwise entitled. We must approve the program before it begins and how long it is to continue.

We may also pay the cost for evaluation, other vocational assistance and medical management needed to see if you can be reemployed. We must give prior written approval. Also, a benefit both you and we agree upon may be paid to an employer to pay such employer's reasonable expense during a trial work agreement with you. The trial work agreement must be approved by us.

If both you and we agree, you may elect to manage your own rehabilitation program. The only benefit then payable is a single benefit both you and we agree upon. This benefit is in lieu of any and all benefits payable under this policy for the Total Disability and/or Proportional Disability involved.

RECURRENT LOSS

If a later loss results from a Sickness or Injury entirely unrelated to the cause(s) of a prior loss, such later loss will be considered a new loss if, between such losses, you have returned to full-time work and have not been eligible to receive Proportional Disability benefits for the 30 or more continuous days immediately preceding the new loss. Otherwise, such loss will be considered a continuation of the prior loss.

If a later loss results from a Sickness or Injury related to the cause(s) of a prior loss, that later loss will be considered to be a new loss, if, between such losses, you have been released from Medical Treatment by your Physician for the condition(s) causing the prior loss, you have returned to full-time work and you have not been eligible to receive Proportional Disability benefits for at least six months in a row.

The full Benefit Period will be restored, and a new Elimination Period will apply, to a new loss.

This recurrent loss section applies whether or not the Elimination Period has been satisfied. If disability ends before the Elimination Period has been satisfied, and a successive disability resumes as a continuation of the prior loss, any Elimination Period days already satisfied will be applied towards the continued loss.

This recurrent loss section will not extend the limitation for benefits payable due to Substance Abuse or Mental or Nervous Disorders beyond the stated lifetime maximum of 24 months or the length of the Benefit Period, whichever is less.

WAIVER OF PREMIUM

If Sickness or Injury results in a period of more than 90 continuous days of Total Disability, we will:

- (a) refund any premiums which became due and were paid during this 90-day period; and
- (b) waive the payment of each premium which thereafter becomes due as long as Total Disability continues. In no event will premiums be waived beyond the end of the Benefit Period.

After waiver of premium ceases, you must again pay any premiums which become due in order to keep your policy in force. You must present satisfactory proof of Total Disability in order for premiums to be waived.

TERMINATION

This policy will terminate on the earliest of:

- (a) the date we receive your request to cancel the policy (in which case the grace period will not apply);
- (b) the date of your death;
- (c) the Policy Renewal Date, if sufficient premium has not been paid before the end of the grace period;
- (d) your reaching Age 75; or
- (e) your Retirement.

In the event of cancellation or death, we will promptly return the unearned

portion of any premium paid. If we accept a premium without notice of your Retirement, such premium will be refunded. If we accept a premium after you reach Age 75 or after we receive notice of your Retirement, disability coverage will continue until the end of the period for which premium was accepted.

Termination of coverage will not affect any disability claim which began while the policy was in force.

EXCLUSIONS AND LIMITATIONS

Benefits are not payable for:

- (a) loss that begins while this policy is not in force;
- (b) loss resulting from an act of declared or undeclared war;
- (c) loss sustained while serving in the armed forces (upon notice to us of entry into the armed forces, the unearned portion of the premium will be refunded);
- (d) loss caused by intentionally self-inflicted injury;
- (e) loss resulting from commission or attempted commission of a felony;
- (f) loss caused by suicide or attempted suicide, while sane or insane (sane only in Missouri); or
- (g) loss resulting from your air travel as a non-commercial airline pilot.

Benefits payable are limited for the following conditions:
Pregnancy

Benefits are not payable for loss due to Normal Childbirth, Normal Pregnancy or voluntarily induced abortion. Benefits for Complications of Pregnancy are payable on the same basis as any other Sickness.

Substance Abuse Limitations

Benefits payable for Substance Abuse are limited to a lifetime maximum of 24 months or the length of the Benefit Period shown in the policy schedule, whichever is less. The RECURRENT LOSS section will not extend this lifetime maximum limitation for Substance Abuse.

Mental or Nervous Disorder Limitations

Benefits payable for Mental or Nervous Disorders are limited to a lifetime maximum of 24 months or the length of the Benefit Period shown in the policy schedule, whichever is less. The RECURRENT LOSS section will not extend this lifetime maximum limitation for Mental or Nervous Disorders.

HOW TO FILE A CLAIM
Notice of Claim

You must give us written notice of a claim within 20 days (30 days in Mississippi; 60 days in Kentucky and Wyoming; 6 months in Montana) after a loss occurs or starts, or as soon as is reasonably possible. For loss for which benefits may be payable for at least two years, you must also give us notice of the continuance of your loss, except in the event of legal incapacity. Such notice must be given at least once each six months after you gave us notice of claim. The period of six months after any filing of proof will be excluded in applying this provision. This will also be the case with the period of six months after any claim payment or denial. Delay in giving us notice of the continuance of loss will not affect your right to benefits otherwise accruing during the period of six months (12 months in Wisconsin) before the date on which notice is actually given. You may give any required notice or you may have someone do it for you. The notice should give your name and policy number as shown on the policy schedule. Notice should be mailed to us at Omaha, Nebraska, or to any of our agents.
Claim Forms

When we receive your notice, we will send you forms for filing proof of loss.

If we do not send them within 15 days, you can meet the proof of loss requirement by giving us a written statement of what happened. We must receive this statement within the time given for filing proof of loss.

Proof of Loss

For periodic payment of a continuing loss, you must give us written proof of loss within 90 days after the end of each period for which we are liable. For any other loss, you must give us written proof within 90 days after the date of such loss. If it was not reasonably possible for you to give us written proof within the required time, we will not reduce or deny the claim for this reason if the proof is supplied as soon as reasonably possible. In any case, proof must be furnished no later than 12 months (15 months in Hawaii) from the time otherwise specified, except in the absence of legal capacity.

PAYMENT OF CLAIMS

We will make periodic payment for loss for which benefits accrue during a period of more than one month. Subject to written proof of loss, all accrued benefits for such loss will be paid at the end of each month. Any balance unpaid when our liability for such loss ends will be paid as soon as we receive proof of loss. All other benefits will be paid as soon as we receive proof of loss.

Benefits, other than the survivor benefit, will be paid to you, if living. Other benefits unpaid at your death will be paid to your estate.

If any benefits are payable to your estate, to a minor or to any person not legally able to give a valid release, we may pay up to \$1,000.00 to any relative of yours whom we find entitled to the payment. Payment made in good faith shall fully discharge us to the extent of the payment.

TERM OF COVERAGE

Your coverage starts on the Policy Date at 12:01 A.M. where you live. It ends at 12:01 A.M. where you live on the first Policy Renewal Date. Each time you renew your policy by paying the premium within the 31-day grace period, the new term begins when the old term ends.

POLICY PROVISIONS

Entire Contract and Changes

This policy and any attachments are the entire contract of insurance. No agent may change it in any way. Only an officer of ours can approve a change. Any such change must be shown in your policy.

Time Limit on Certain Defenses

After two years from the date a person becomes covered under this policy, we cannot use misstatements to void coverage or deny a claim for loss incurred or disability that starts after the two-year period.

No claim for loss incurred or disability that starts after two years from the date a person becomes covered under this policy will be reduced or denied on the ground that a Sickness or Injury, not excluded from coverage by name or specific description, existed prior to the effective date of such person's coverage.

The above provisions also apply to riders attached to this policy. In applying them, the word "rider" will be used for the word "policy."

Grace Period

Your premium must be paid on or before the date it is due or during the 31-day grace period that follows. This policy stays in force during your grace period.

Reinstatement

Your policy will lapse if you do not pay your premium before the end of the grace period. If we later accept a premium and do not require an application for reinstatement, that payment will put this policy back in force. If we

require an application for reinstatement, this policy will be put back in force when we approve it. If we do not approve it, this policy will be put back in force on the 45th day (30th day in New Mexico) after the date of the application, unless we give you prior written notice of its disapproval. The reinstated policy only covers loss due to an Injury that is received after the date of reinstatement or a Sickness that begins more than 10 days after the date of reinstatement. In all other respects, you and we have the same rights under this policy as were in effect before it lapsed, unless special conditions are added in connection with the reinstatement. Premium accepted in connection with this provision will be used for a period for which premium has not been paid, but not for any period more than 60 days before the date of reinstatement.

Physical Examinations

We, at our expense, may have you examined when and as often as is reasonable while a claim is pending.

Change of Beneficiary and Assignment

Only you have the right to change the Beneficiary. Consent of the Beneficiary is not required for any change of Beneficiary. Also, no such consent is required for surrender or assignment of this policy or to make any other change in this policy.

To change a Beneficiary, send us a written request. When recorded and acknowledged by us, the change will be effective as of the date you signed the request. The change will not apply to any payments made or other action taken by us before recording.

Misstatement of Age

If your age has been misstated, all benefits payable will be in the amount the premium paid would have bought at the correct age.

Legal Actions

You cannot bring a legal action to recover under your policy for at least 60 days after you have given us written proof of loss. You cannot start such an action more than three years after the date proof of loss is required (except in Florida, where legal action cannot be brought after the applicable statute of limitations has expired from the time written proof of loss is required).

Relation of Earnings to Insurance

The monthly benefits payable under this policy will be reduced if the disability benefits you receive from all Valid Disability Coverages exceeds your Prior Monthly Income.

In the event that monthly benefits are reduced, we will pay each month a portion of the Total Disability Monthly Benefit shown on the policy schedule pursuant to the following calculation:

(Prior Monthly Income **divided** by Valid Disability Coverages benefits)

multiplied by this policy's Total Disability Monthly Benefit

If an optional Social Insurance Supplement (SIS) Benefits Rider is part of your coverage, the SIS Total Disability Monthly Benefit otherwise payable will be added to the base policy's Total Disability Monthly Benefit for the purposes of figuring the above calculation.

We will return the part of the premium paid during the two-year period prior to your disability that exceeds the amount needed to pay for the actual benefits payable under this provision.

In no event will this provision be used to reduce the total monthly benefits payable under all disability coverages with us to less than \$300.00.

Valid Disability Coverages means individual and group loss of time and disability coverages with us (including this policy) as well as with other

companies. It also includes total disability benefits under life insurance policies and coverages under all compulsory benefit laws. The term will not include coverages under workers' compensation or employer's liability laws. Controlled Substances

No benefits will be paid for loss caused by the voluntary use of any controlled substance defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by your Physician. Conformity with State Statutes

If any provision of this policy conflicts with the laws of the state where you reside on that provision's effective date, it is amended to conform to the minimum requirements of those laws.

