

Choosing to protect your income

Short-Term Disability Insurance

What happens if I can't work for a month or two ... or more?

A broken arm, surgery or having a baby could keep you out of commission and off the job for six to eight weeks or longer. Your medical insurance will help cover the cost of treatment. But what about other expenses — your mortgage or rent, car payment, groceries and utilities? Once you've used up your sick leave and vacation time, the paychecks stop. But the bills do not.

Think of Short-Term Disability insurance as income protection insurance

The chances of suddenly not being able to work are greater than you may realize, and the financial consequences can be serious:

- Within one year, one in 13 working people will suffer a short-term disability for more than one week.¹
- Over 90% of disabling illnesses or injuries are not work-related,² so most disabled workers are not eligible for workers' compensation.
- Even a short disruption of income can be bad news because two-thirds of American families live from paycheck to paycheck.³

Short-Term Disability insurance provides income assistance and a way to help you pay your bills and keep your life as normal as possible if you become sick or injured and cannot work. And through your employer, you can get this protection at an affordable group rate.

How do I know if I'm eligible to participate in this plan?

You are eligible to participate if you are an active full-time employee as defined by your employer and meet any other policyholder defined eligibility requirements.



Key Advantages of This Plan

- Your premiums are paid through a convenient payroll deduction.
- You can purchase coverage without providing proof of good health.
- This plan provides a benefit for a disabling illness or injury that is not work-related, including pregnancy.
- Your plan also includes Rehabilitation benefits that provide services and support targeted at helping you return to active work.

Sources: ¹ 1987 Commission Group Disability Table, Society of Actuaries
² National Safety Council, Injury Facts 2004 Ed.
³ Parade Magazine *Is the American Dream Still Possible?* April 23, 2006

Short-Term Disability Q&A

Q. I'm not signed up for Short-Term Disability. Can I enroll now?

A. Yes! Whether you've just become eligible for this coverage or didn't sign up in the past, now is the time to enroll. You won't need to answer any health questions to join the plan, but a pre-existing conditions limitation will apply.

Your benefit election will be effective on the entry date specified in your group policy, provided you're at active work on that date. Otherwise, your coverage becomes effective on the day you return to full-time duties.

Q. How do I qualify for benefits?

A. You'll start receiving disability payments if you satisfy the qualifying period and meet the definition of disability. You're considered disabled if either of the following apply:

- You're under the regular care and attendance of a doctor, and an injury, sickness or pregnancy prevents you from performing at least one of the material duties of your job; OR
- An injury, sickness or pregnancy prevents you from earning more than 80% of your covered pre-disability pay.

Q. When would I start receiving benefits and how long could I receive them?

A. Your benefits begin on the 1st day of disability for accidents or injuries, and on the 8th day of disability for sickness or pregnancy. Your benefits can continue for up to 13 weeks.

Q. What's a pre-existing conditions limitation?

A. A pre-existing condition is one for which you've seen a medical practitioner or taken medication in the 6 months before your coverage effective date. If your disability begins in the first 12 months of your coverage and is due to a pre-existing condition, full benefits are not payable. This limitation no longer applies after the earlier of 12 consecutive months ending on or after the effective date of coverage during which you have not consulted with or seen a medical practitioner or received treatment or medication for that condition or 12 consecutive months of coverage under this plan.

If you become disabled, but there is a question about whether the disability is caused by a pre-existing condition, we will pay 25% of your gross benefit for up to 4 weeks. This provides you with a financial bridge while we conduct our claims investigation. If we conclude your claim is due to a pre-existing condition, no further payment will be made. If your disability is not due to a pre-existing condition and your claim is approved, you will receive the balance of any benefit due.

Q. Will benefits or payments I receive from other sources affect the amount of benefit I receive under this plan?

A. Yes. Your benefit may be reduced by disability benefits from retirement or government plans, other group disability plans, no-fault benefits, salary continuance or sick leave, and return-to-work earnings.

Q. What happens if I can work, but only on a limited basis? Can I still receive a benefit?

A. Yes, provided you meet the definition of disability. If you're performing limited work, you'll receive your full benefit unless the combination of your benefit and your new earnings is more than your covered pre-disability weekly pay.

How much of my income can I protect?

You are eligible for a weekly benefit up to 60.00% of your covered basic pay, to a \$1,500 maximum.

How much does Short-Term Disability Cost?

Monthly Rate per \$10 of Weekly Benefit											
Age	<25	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Rate	1.248	1.248	1.248	0.888	0.744	0.744	0.768	1.104	1.344	1.344	1.344

Here's how to calculate your maximum weekly benefit and premium.

1. Your weekly pay (*do not include overtime or bonuses*) _____
 2. Multiply by 0.6 to get your maximum weekly benefit
(*round to next highest dollar; cannot exceed \$1,500*) _____
 3. Divide your maximum weekly benefit by 10 _____
 4. Find the rate for your age in the table above _____
 5. Multiply the number in Step 3 by the rate in Step 4 _____
- This is your approximate monthly premium. _____ ↑

Important: This worksheet provides you with an approximate monthly premium. Should you enroll for coverage, your actual premium will be calculated based on information provided to Sun Life Financial at the point of enrollment.

Example:

Based on a 26 year-old employee with a weekly pay of \$524.

1. Weekly pay _____ \$524
 2. Multiply by X 0.6 for maximum weekly benefit _____ \$315
(*rounded up to next highest dollar*)
 3. Divide maximum weekly benefit by 10 _____ 31.5
 4. Find the rate for age 26 in the table _____ 1.248
 5. Multiply the number in Step 3 by the rate in Step 4 _____ \$39.31
- This is the approximate monthly premium. _____ ↑

Limitations, exclusions, restrictions and reductions

Please carefully review the Other Important Plan Provisions section for additional important plan limitations, exclusions, restrictions and reductions that may apply.

Other Important Plan Provisions

Short-Term Disability

We will not pay benefits for any time you are confined to any facility because you were convicted of a crime or public offense.

We will not pay benefits for any part of a period of disability during which you are receiving benefits under any Workers' Compensation Act or a similar law.

We will not pay benefits for any disability caused by:

- war or any act of war, whether declared or not;
- intentionally self-inflicted injury, while sane or insane;
- taking part in or the result of taking part in committing an assault or felony;
- an injury or sickness that arises out of or occurs in the course of any occupation for pay or profit;
- or an injury or sickness that entitles you to benefits under any Workers' Compensation Act or a similar law.

We will also not pay benefits if:

- your employer, the policyholder, or an associated company has offered you the opportunity to return to limited work while you are disabled;
- you are functionally capable of performing the limited work which is offered;
- and you do not return to work when and as scheduled.

State variations can exist; please contact Sun Life Financial for additional information.