

Disability Coverage



Your Disability benefits are designed to provide continuing income if you become ill, injured or pregnant, and are unable to work.

For more information on...	See Page...
Short-Term Disability Plan	3
Long-Term Disability Plan	4

Highlights



Your Disability Benefits...

...Provide Coverage at No Cost

Coverage under the short-term disability plan and long-term disability plan is provided automatically, at no cost to you.

...Continue 100% of Pay for Up to Six Months

The short-term disability plan continues all your pay for up to six months of disability, based on your length of service.

...Replace Part of Your Pay for Disabilities that Continue Past Six Months

The long-term disability plan continues part of your pay after you have been disabled for six months with benefits payable until you reach age 65 or until your disability ends, if earlier. If you become disabled on or after reaching age 60, benefits may continue for five years, or until you reach age 70, whichever comes first. If you become disabled on or after reaching age 70, benefits may continue for 12 months.

...Are Coordinated with Other Disability Income

Your short-term disability and long-term disability benefits may be reduced by other income benefits, such as workers' compensation and Social Security, that you receive while disabled.



What happens to your benefits when...

For more information about what happens to your disability benefits when you have a qualifying life event, see the "About Your Benefits" section.





Short-Term Disability Plan

The short-term disability plan is designed to protect your income if you are unable to work due to illness, injury or pregnancy.

Benefit Amount

If you are unable to work due to illness, injury or pregnancy, the short-term disability plan continues 100% of your pay for up to six months of your disability.

“Pay” is defined in the Glossary.

The benefit amount and period of benefits you receive depends on your length of service, as follows:

- if you have worked six months or more, you will receive 100% of pay for six months
- if you have worked between one and six months, you will receive 100% of pay for each completed month of service.

Plan benefits will be reduced by income benefits you are eligible to receive from other sources because of your disability, such as workers' compensation, the Occupational Disease Act, or the disability laws of any state.

If your absence extends beyond six months, benefits may become payable from the Company's long-term disability plan.

Successive Disabilities

Periods of disability are treated as separate periods if they are:

- due to unrelated causes and are separated by your return to active work for at least eight consecutive hours
or
- due to related causes and are separated by a return to active work of at least 520 hours or three calendar months, whichever is longer.

“Hour of Work” is defined in the Glossary.

Claiming Short-Term Disability Benefits

If you are unable to come to work because of a qualifying absence, in order to receive benefits, you must furnish periodic medical evidence of your illness or injury if requested by the Company.

The Company reserves the right to confirm your disability with a physician and/or require a written statement from your attending physician at any time during your absence. Upon return to work, the Company may require a physician's statement indicating your fitness to resume normal work duties.

In addition, during your disability, you may be required to undergo periodic evaluations by your site's Health Services Department in order for the Company to determine if you are able to return to light duty. If the Health Services Department and your physician determine that you are able to return to light duty, and you do not return to work for light duty, benefits for short-term disability will end.

When Short-Term Disability Benefits End

Benefits for any absence will end on the first of the following days:

- when you return to work
- when you do not provide requested satisfactory evidence of your continuing illness or injury
- when you do not return to work for light duty if you are able
- when you have received the maximum number of benefit payments.



Long-Term Disability Plan

Your long-term disability benefits are designed to provide continuing income if you become ill or injured, and are unable to work. You become eligible for benefits after you have been totally disabled, as defined in the Glossary, for six months. Long-term disability benefits pick up where short-term disability benefits leave off, provided you have at least six months prior service to the beginning date of your disability.

Benefit Amount

Your monthly long-term disability plan benefit equals 60% of your monthly pay, up to a maximum monthly benefit of \$5,000, reduced by income benefits you are eligible to receive from other sources, as described under "Reduction of Benefits." The insurance company which pays the long-term disability benefits will instruct you on how to apply for Social Security benefits.

"Pay" is defined in the Glossary.

Duration of Benefits

Benefits under the long-term disability plan are payable to you once you have been totally disabled, as defined in the Glossary, for six months.

Under the long-term disability plan, you are considered totally disabled during your first 24 months of long-term disability if you are unable to perform the duties of your regular job with the Company due to illness or injury, and are under the regular care of a licensed practicing physician.

During this 24-month period, you may be required to undergo periodic evaluations at your site's Health Service Department in order for the Company to determine whether you are able to return to work. The results of any evaluation will be discussed with you and your physician.

Should you recover from your illness/injury during the first 24 months of long-term disability leave, you may contact the Benefit Plans Office to request a return to work medical evaluation. The decision on whether you return to work will be based on the results of this medical evaluation and the availability of a position for which you qualify. The Benefit Plans Office will verify that your division has a position available for you. If a position is available, a return to work medical evaluation will be completed by your site's Health Services Department.

After you have received long-term disability benefits for 24 months, you are considered totally disabled if you remain under the regular care of a licensed practicing physician, and you are unable to work at any job for which you might be qualified, based on your education, training and experience. In order to continue receiving benefits, you must furnish periodic medical evidence of your illness or injury if requested by the Company.

You are eligible for severance pay after receiving long-term disability benefits for 24 months. Severance pay benefits are calculated based on your last day worked. See the "Severance Plan" section for details.

Normally, if you qualify for benefits under the provisions of the plan as stated above, long-term disability benefits are payable until you recover or until you reach age 65, if earlier. However, special provisions apply if you are age 60 or older when you become totally disabled. If you become totally disabled:

- between ages 60 and 69, benefits are payable for up to five years or until age 70, whichever comes first
- at or after age 69, benefits are payable for up to 12 months.



Long-Term Disability Plan (cont'd.)

Reduction of Benefits

Your long-term disability benefits are reduced by other sources of income that are payable to you because of your disability. Income that will reduce your long-term disability benefits includes:

- workers' compensation benefits or benefits provided under a similar law, state disability benefits and other statutory benefits for disability, retirement, or unemployment
- benefits provided through Company benefit plans, including the pension and business travel accident insurance plans
and
- any Social Security benefits for which you are eligible (refer to the Social Security and long-term disability benefits chart that follows).

If any of these benefits are payable as a lump sum, your long-term disability benefit will be calculated as if these benefits are paid monthly. *The insurance company has the right to recover advanced Social Security benefits by direct payment or by offset against future long-term disability payments.*

Your long-term disability benefits will not be reduced by any private disability coverage that you have purchased.

Determining Your Long-Term Disability Benefit

To calculate the amount you are eligible to receive under the long-term disability plan, follow these steps:

- Step 1:** Multiply your monthly pay by 60% to determine your maximum monthly benefit from the plan up to \$5,000.
- Step 2:** Subtract other income you are eligible to receive, except for family Social Security, to find your adjusted monthly benefit from the plan. Continue on to Step 3 only if you are eligible to receive family Social Security.
- Step 3:** Add your adjusted monthly benefit (from Step 2) to all other income you are eligible to receive, including family Social Security. If the resulting total of all income benefits you are eligible to receive is more than 75% of your monthly pay, your monthly long-term disability benefit will be reduced to bring your total disability income to 75% of your monthly pay.





Long-Term Disability Plan (cont'd.)

Disability Example

Assume you earn \$3,000 a month.

Monthly pay.....	\$3,000
x long-term disability benefit percentage.....	x 60%

Maximum monthly long-term disability benefit..... \$1,800

Assume you are eligible for primary Social Security of \$800 a month.

Maximum monthly long-term disability benefit.....	\$1,800
- Primary Social Security.....	- 800

Adjusted monthly long-term disability benefit..... \$1,000

Assume you are eligible for family Social Security of \$500 a month.

Adjusted monthly long-term disability benefit.....	\$ 1,000
+ Primary Social Security.....	+ 800
+ Family Social Security.....	+ 500
= Total disability income.....	\$ 2,300
- 75% of monthly pay.....	- 2,250
= Benefit reduction.....	50

Final monthly long-term disability benefit..... \$950

Social Security and Long-Term Disability Benefits

You should apply for Social Security disability benefits as soon as possible.

If you have not received a benefit determination from Social Security after you have been receiving long-term disability benefits for 12 months, or if your original claim is denied and you do not file a timely appeal, then your long-term disability benefits will be reduced by your estimated Social Security benefits.

If...

Then...

You later complete the Social Security appeals process and are denied benefits

Your long-term benefits will be retroactively reinstated, and you will receive a "catch-up" payment.

You receive a cost of living increase to your Social Security disability income after your long-term disability benefit has been calculated

Your long-term benefits will not change.

Your disability makes you eligible to receive family Social Security benefits

Your total disability income from all sources may not exceed 75% of your monthly pay.



Long-Term Disability Plan (cont'd.)

Taking a Job While Disabled

If you return to work at the Company on a reduced-hour basis, you may be eligible to continue receiving up to 30% of your long-term disability benefit.

If you participate in a rehabilitative employment program outside the Company that is approved by both the Company and the insurance company, you may continue to receive part of your long-term disability income for up to 12 months. Your monthly long-term disability benefits will be reduced by 70% of any money received from your rehabilitative earnings.

For a definition of "Approved Rehabilitative Employment Program," see the Glossary.

Successive Disabilities

If you receive long-term disability benefits, return to work for less than 520 hours or three calendar months (whichever is longer) and again become disabled due to the same illness or injury, long-term disability income will resume without a six-month waiting period. However, if you have been working for at least 520 hours, or more than three months (if longer), you will need to satisfy the waiting period before benefits begin.

An "Hour of Work" is defined in the Glossary.

Disabilities due to unrelated causes will be treated as separate disabilities requiring satisfaction of separate waiting periods if the disabilities are separated by your return to work for eight consecutive hours.

Exclusions

Long-term disability benefits are not payable for disabilities:

- occurring during the first 12 months that your plan coverage is in effect if caused by any condition for which you received treatment during the three-month period before your plan coverage became effective
- if you are not under the care of a licensed practicing physician
- due to an intentional self-inflicted injury
- resulting from your commission of a felony
or
- due to war, declared or undeclared.

Claiming Long-Term Disability Benefits

Within 90 days after your disability begins, contact your site's Benefit Plans Office to obtain the forms you must file in order to receive any benefit payable from the plan.

Long-term disability benefits cannot begin until the claim forms have been satisfactorily completed by you and your physician and accepted by the Company and the insurance company. The insurance company and the Benefit Plans Office will assist you in filing your claim.

You are required to apply for Social Security and any other income you may be eligible to receive as a result of your disability. If your initial application for Social Security is denied, you are required to pursue the entire Social Security benefits appeals process through the Social Security Office.

If you fail to complete the appeals process, your long-term disability benefit will be reduced by the estimated Social Security benefit that might have been available.



