

Protect the most important people in your life.



ILLINOIS COMMUNITY COLLEGE
Voluntary Long Term Disability

10 Reasons You Should Consider Voluntary Disability Income Protection



1. Disability is more common than you think. A worker who is 20 today has a 3 in 10 chance of becoming disabled before he or she ever reaches retirement age.¹
2. Accidental injuries are a large cause of disabilities: 2,650 accidental disabling injuries occur every hour and in 2004 there were 23.3 million accidental disabling injuries⁵. But disabilities aren't just the result of accidental injury. Common chronic health conditions can cause disabilities that limit your ability to work. In fact, the top three chronic health conditions that can cause work limitation are back disorders, heart disease and arthritis.²
3. As you get older, your chances of having a work disability increase. If you are 45, your chances of having a work disability are three times as high as someone in the early 20's. By the time you are in the 55-64 age group, you have a 23% chance of having a disability that affects your ability to work.³ Forty-three percent of 40 year-olds will have a long term disability before age 65.
4. Disability insurance covers you when workers' compensation doesn't. It provides income when you are disabled due to a covered sickness or injury. Every five seconds someone suffers a disabling injury off the job.⁴ Partial disabilities can be covered also.
5. Your employer makes it possible for you to purchase this coverage at group rates.
6. You pay for your coverage through easy payroll deduction.
7. You cannot be turned down for this insurance, as long as you are eligible.
8. Total disability is not required for you to receive benefits.
9. You are buying disability income insurance from Reliance Standard Life Insurance Company, a national insurer in business for over 100 years.

And the best reason of all:

10. You'll know you and your family are protected for a covered sickness or injury.

This information does not describe the whole plan. For more detailed information, you must ask your employer or Human Resources benefits manager: There is a detailed description of the plan's provisions, limitations and exclusions in the Certificate of Insurance, which is issued to you after your application is processed.

Reliance Standard Life Insurance Company provides insurance products in all states (except New York), the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

Benefits are provided under group policy form series LRS-9099-0701, et al.

1. Health Insurance Association of America, Source Book of Health Insurance Data, 1999 - 2000.

2. Chartbook on Work and Disability in the United States, 1998, U.S. Department of Education

3. Ibid.

4. JHA Disability Fact Book 2004V

5. National Safety Council's "Injury Facts" 2005 - 2006 edition

What You Should Know About Voluntary Disability Income Protection Insurance

What would happen if you couldn't work?

How would your life change if you became ill or injured and couldn't bring home a paycheck?

If you're married, could your spouse pay all the bills with just one paycheck? What would happen to your family's future plans?

If you are a single parent, how would you provide for your children?

Even if you're single and have no children, how would you support yourself?

Should I be concerned about becoming disabled?

In the United States, a fatal injury occurs every six minutes. Disabling injuries happen much more often — every two seconds. And two out of three disabling injuries happen off the job, when you're not covered by workers' compensation.¹ Almost 3 in 10 of today's 20 year-olds will become disabled before reaching age 67.²

Approximately 30% of all people 35 to 65 will suffer a disability for at least 90 days, and about one in seven can expect to become disabled for five years or more.³ At age 35, you have a 50-50 chance of being unable to work for more than three months before you turn age 65.⁴

Most people have savings to cover less than six months of expenses. This savings could be depleted before Social Security Disability Income even begins, as the illness or injury must last at least 12 months or be expected to result in death.⁵ Forty-eight percent of all home foreclosures are the result of disability, while only 3% of all foreclosures result from death.⁶

How can I protect my earnings if I become disabled?

The answer is disability income insurance. Your employer is offering you the opportunity to participate in a Voluntary Disability Income Protection insurance program.

What is Voluntary Disability Income Protection insurance?

It's disability insurance that pays benefits if you cannot work because of illness or injury. Your employer has made it possible for you to obtain this insurance with:

- Lower cost group rates
- No physical examination
- The convenience of payroll deduction

If you become disabled and can't work because of a covered sickness or injury, your Voluntary Disability Income Protection insurance will pay you a benefit. You'll start receiving payments if you meet the definition of disabled and satisfy the elimination period.

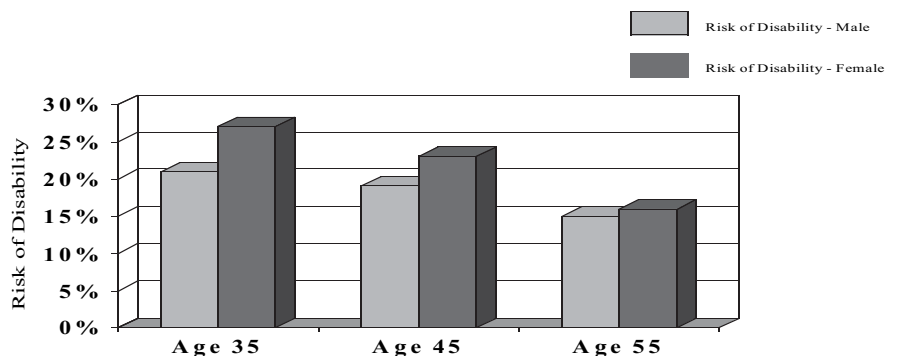
Reliance Standard Life Insurance Company provides this insurance. Reliance Standard has been in business for over 100 years, and it specializes in employee group benefits.

Who is eligible?

You are eligible to participate in this plan if you:

- Are actively at work
- Are a full-time employee working the determined hours as required by your employer
- Earn at least \$15,000 annually in base pay.

The Risk of Becoming Disabled* During Your Working Years



* Disability lasting 90 days or longer

1 National Safety Council, 2005 - 2006

2 Social Security Basic Facts, July, 2004

3 Health Insurance Association of America, The New York Times, February 2000

4 Society of Actuaries, Money Magazine, April 2000

5 2004 Social Security Handbook

6 JHA Disability Facts Book 2004

“Actively at work” includes approved time off for vacation, jury duty and funeral leave but does not include time off as a result of injury or sickness.

Your employer also may require that you work for the company for a minimum period of time before you can buy insurance.

How soon do benefits begin after I become disabled?

No benefits are payable during the elimination period. The elimination period starts on the first day you become disabled and continues for the period specified in the policy. You must pay your premiums during the elimination period. Once the elimination period is satisfied, you begin collecting benefits while disabled.

If I am disabled, how long can I receive benefits?

Voluntary Disability Income Protection insurance pays benefits for a disability due to a covered injury or sickness. The benefit duration period (amount of time benefits can be paid) extends to a person’s normal retirement age as defined by the 1983 amendments to the United States Social Security Act. All duration schedules comply with the Age Discrimination and Employment Act (ADEA).

Of course, if you recover from your disability, you can no longer receive benefits.

What is a disability? How is it defined?

- Regular (“own”) occupation
- Any occupation

During the initial 60 months means that you cannot perform the material duties you routinely performed for your employer:

“Regular (“own”) occupation” means that you cannot perform the occupation you are routinely performing. We will look at your occupation as it is normally performed in the national economy, and not how the work tasks are performed for a specific employer or at a specific location.

“Any occupation” means that you cannot perform any occupation normally performed in the national economy for which you are reasonably suited based upon your education, training or experience.

The “any occupation” definition applies for the remainder of the disability. That means from the end of the “own job” and/or “own occupation” period up to the maximum benefit duration period.

Reliance Standard considers you to be disabled during and after the elimination period if, because of injury or sickness, you cannot perform the material duties of your “own occupation” or “any occupation” (as applicable) on a part-time basis, or some of the material duties full-time. “Total” disability is not required.

Will my Voluntary Disability Income Protection benefits be reduced if I receive income from other sources while I am disabled?

Yes, some other sources of income that you receive or are eligible to receive will reduce the disability benefit paid by Reliance Standard. Income that reduces your Voluntary Disability Income Protection benefits are as follows:

- Disability income benefits you are eligible to receive under any group insurance plan(s)

- Disability income benefits you are eligible to receive under any government retirement system, except benefits payable under a federal government employee pension benefit
- Disability income benefits you are eligible to receive under workers’ compensation laws, occupational disease law, and any compulsory benefit law
- Wages or other compensation (including a formal salary continuance plan) you are eligible to receive from your employer, excluding the amount that is allowable while you are performing rehabilitative employment
- Commissions or monies you are eligible to receive, including vested renewal commissions, but excluding commissions or monies that you earned before becoming disabled that are paid after the disability has begun
- Disability or retirement benefits under the United States Social Security Act, the Canadian pension plans, federal or provincial plans or any similar law that you [and your dependents] are eligible to receive
- That part of a disability or retirement benefit paid for by you that you are eligible to receive under a group retirement plan

Retirement benefits that do not reduce your disability benefits are:

- A federal government employee pension
- A thrift plan
- A deferred compensation plan
- An individual retirement account
- A tax sheltered annuity
- A stock ownership plan
- A profit sharing plan
- Section 401(k), 403(b) or 457 plans

Your state may have different laws about the sources of income that can reduce your Voluntary Disability Income Protection benefits.

What does the State Universities Retirement System (SURS) Disability Plan pay if I’m disabled?

You may claim SURS disability benefits if, after you have at least two years of service credit, you become unable to perform your job due to illness. There is no minimum service credit required to claim SURS disability benefits if you are disabled due to an accident. SURS benefits begin on the later of 1) the day following 60 continuous calendar days of disability, or 2) the day following your last day of employer provided salary or sick leave payments.

The amount of SURS disability benefit will be the greater of 1) 50% of your basic compensation on the day you became disabled or; 2) 50% of your average earnings for the 24 months prior to the date you became disabled.

The SURS disability benefit is taxable. It is paid until you have received 50% of your earnings while a participant of SURS. You must requalify for the 35% Disability Retirement Allowance (DRA) which is also taxable. To qualify, you must be unable to perform any gainful occupation (for additional information, see your SURS Member Guide).

The Reliance Standard disability benefit is tax-free and supplements SURS or DRA if they pay and pays a benefit when SURS does not pay, providing you qualify for disability. It may pay in the case of partial disability.



Sample SURS Employee

Name: Male age 45, disabled due to an illness

Annual Salary: \$60,444

Monthly Salary: \$5,037

Months of Employment: 48 months

State Universities Retirement System: 50% (before tax) of monthly salary up to 50% of total SURS earnings.

(SURS) Monthly Disability Benefit: Two years of SURS service credit is required to be eligible, and benefits commence the later of exhaustion of sick days or 60-day elimination period (\$2,518.50 payable until you've received 50% of your earnings under SURS).

Disability Retirement Allowance (DRA) Monthly Disability Benefit: 35% (before tax) of monthly salary to age 65 (\$1,762.95 payable to age 65 assuming continuation of total disability).

Reliance Standard Disability Benefit: 65% (tax-free) of salary to age 65 after your elimination period, the greater of 90 days or your accumulated sick leave (\$3,274 payable monthly to age 65 offset by SURS or DRA, if payable).

Employee becomes totally disabled but then partially recovers and does not qualify for DRA benefits. SURS pays 50% (before tax) of salary for approximately 2½ years then benefits end because the employee doesn't qualify for DRA continuation.

Reliance Standard supplements the SURS payment up to 65% (tax-free) of pre-disability salary then continues up to age 65 with a partial disability benefit.

What happens to my benefits if I am able to go back to work part-time?

This insurance program is designed to encourage you to go back to work

You don't have to be totally disabled during the elimination period. You can work part-time and still be eligible for disability benefits at the end of the elimination period.

You can also return to active, full-time work up to 30 days. If you have to go back on disability for the same injury or illness, you will not have to satisfy a new elimination period.

Once the disability benefit is payable, for the first twelve months of rehabilitation employment we will not reduce the disability benefit by earnings from rehabilitative employment until the sum of the benefit prior to offsets with other income benefits and earnings exceed 100% of your covered earnings for plans.

After that, we will continue to pay the disability benefit but will subtract an amount equal to 50% of earnings you receive from rehabilitative employment for plans with a benefit duration greater than 104 weeks.

Is coverage limited for any illnesses?

In the Voluntary Long Term Disability Income plan, limited benefits are available for disabilities related to substance abuse, mental or nervous disorders.

What is not covered?

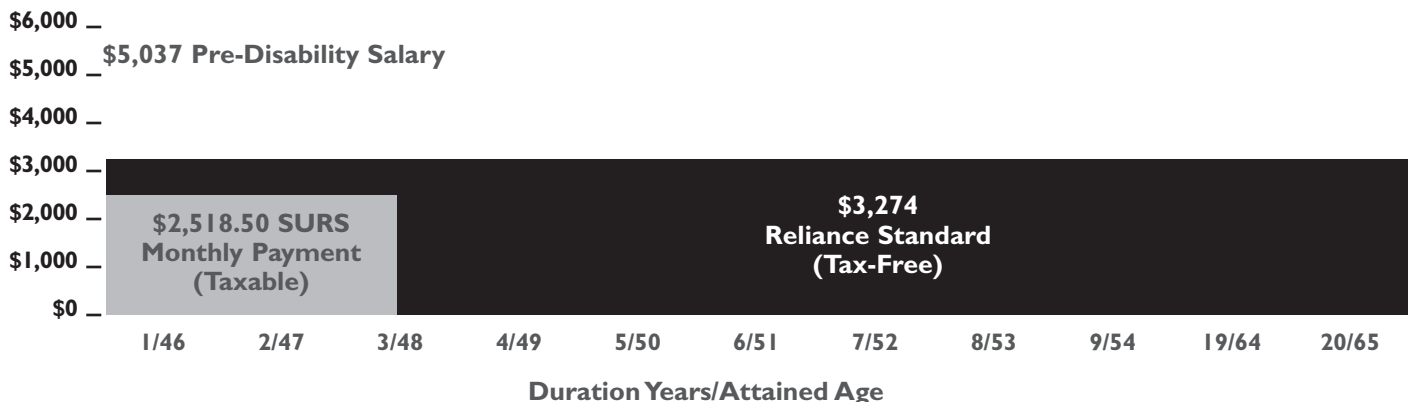
Reliance Standard will not pay a benefit for any disability caused by:

- An act of war, declared or undeclared
- Intentionally self-inflicted injury, while sane or insane
- Your committing or attempting to commit a felony
- An injury or sickness that occurs while you are confined in any penal or correctional institution

Why should I buy this coverage now?

If you enroll within 30 days of becoming eligible for the insurance, coverage is available on a "guaranteed issue" basis. You do not have to answer any health questions.

If you apply at any other time, you will be required to provide proof of good health.



How much does Voluntary Disability Income Protection insurance cost?

Voluntary Disability Income Protection is offered at group rates* through convenient payroll deduction. The cost is based on your age and the benefit amount you select. The cost may change annually on the anniversary of the group policy. (See your enrollment materials.) Your employer will tell you the date your first payroll deduction will be taken. You must be actively at work on the effective date of your coverage. If you are not, your coverage becomes effective the day you return to work full-time.

*Rates are subject to change.

How do I enroll for Voluntary Disability Income Protection insurance?

Fill out the enrollment request form. Be sure to answer all the questions about your benefit choices.

Your coverage begins on the individual effective date that is specified in your certificate of insurance, as long as you are actively at work on that date. If you are not, your coverage will begin on the date you return to full-time work.

Do I have to have a physical or answer medical questions?

Proof of good health is not required to enroll for this coverage if you apply within 30 days from the date you are eligible to enroll in the plan. However, benefits at the time of enrollment are subject to a pre-existing condition limitation. (A pre-existing condition is any illness, injury or pregnancy for which you were treated during the 6 months before your coverage went into effect.) No benefits will be paid for a pre-existing condition. However, this limitation will no longer apply if you:

1. Do not receive any treatment or services for that condition for 6 consecutive months.
2. Are insured under the plan for a full 24 months without interruption.

If I am disabled, will I get help so I can return to work?

Reliance Standard has many ways to help you return to work as quickly and easily as possible.

- Vocational Rehabilitation Assessment - This service is performed and managed by our in-house staff. We work with a field vocational rehabilitation counselor who helps you.
- Job Search Assistance - If you can't return to your original job, our vocational counselors will help you find work that does not require relocation or a change in lifestyle.
- Educational Expenses - If you will need to go back to school to learn new skills before you can go back to work, our rehabilitation program may help with educational expenses for training in a new occupation.

Reliance Standard offers other benefits to help you return to work:

Worksite Modification

Sometimes a change in your worksite would make it possible for you to return to work. Reliance Standard will pay your employer up to \$2,000 (actual and reasonable costs) to modify your worksite, if you then return to work part-time or full-time.

Return to Work Incentive and Child Care Expense Benefit

During the first 12 months of rehabilitative employment, Reliance Standard will keep paying your disability benefit. We will not deduct the amount you earn until, when you add it to your disability benefit, the amount is more than 100% of your pre-disability earnings.

If you have dependent child(ren) under age 14, then we will add an amount equal to actual expenses incurred for child care, up to \$250 per month, to your covered earnings when we calculate your benefit. That means we will not subtract anything until your earnings plus your disability benefit are more than 100% of covered earnings plus child care expenses.

After 12 months, we will continue to pay the disability benefit but will subtract an amount equal to 50% of earnings you receive from rehabilitative employment while you are still disabled.

Temporary Recovery During the Elimination Period (Interruption Period)

If you have a temporary recovery from your disability, you don't have to start all over again with a new elimination period. If you return to full-time work for up to 30 days (if the elimination period is 90 days or more) during the elimination period, the disability will be considered continuous.

Rehabilitative Employment

Reliance Standard encourages you to return to work either on a part-time or full-time basis. Vocational rehabilitation services help you gain the skills to go back to work.

The managed rehabilitation benefit encourages you to return to work on a part-time basis in any gainful occupation, including your occupation, for which your training, education or experience will reasonably allow.

We will continue to pay the disability benefit less an amount equal to 50% of the earnings received through rehabilitative employment. If you refuse rehabilitation, we may reduce or stop the disability benefit depending on the circumstances. (Reduction or termination of benefits may be prohibited in some states.)

Family and Medical Leave Act (FMLA) and Military Service Leave of Absence

The Family and Medical Leave Act of 1993 mandates that employers with more than 50 workers maintain your group health coverage (medical expense and health flexible spending account) during an allowed period of family or medical leave, just as if you were on the job during that time.

The FMLA does not require your employer to maintain your group disability coverage, but Reliance Standard makes it available as an option to your employer's master policy.

Your Voluntary Disability Income Protection insurance can continue for up to 12 weeks in a 12 month period:

- If you are on a leave of absence approved by your employer under FMLA
- If you are on an approved leave of absence due to entering military service of the United States

You must continue to pay your premiums while on either of these leaves. All coverage provisions apply during the leave period, except that for military services leave. There is no coverage for any loss which occurs while you are on active duty if such loss is caused by or arises out of such military service, including but not limited to war or act of war (declared or undeclared).

Are there other benefits I should know about?

Yes. These extra benefits are included:

Conversion Privilege

If your employment is terminated, you can convert to a disability policy made available by RSL. You must meet the eligibility requirements. You can maintain the same benefit level as the group policy, up to a maximum of \$3,500. You are not required to provide evidence of insurability.

Specific Indemnity Benefit

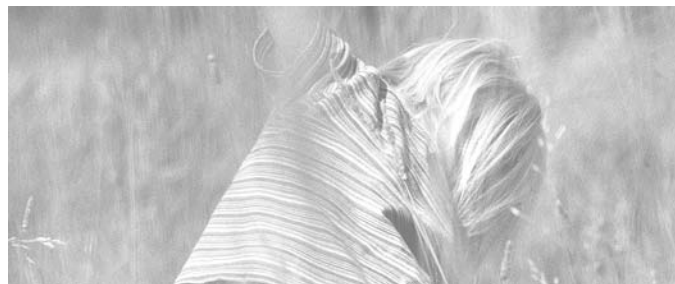
If you are disabled by an accidental injury, this provision guarantees you will receive a minimum number of benefit payments if you suffer one of a number of specific losses from the accident (listed in the policy). This provision is available for plans with a maximum benefit period that is five years or longer.

Survivor Benefit

This is a benefit that is paid to your spouse or unmarried children under 25 if you die after becoming disabled. It is a lump sum equal to six times your net monthly benefit before your death. It is paid if you had been receiving a disability benefit and were disabled for at least 180 consecutive days.

ADL Benefit

An Activities of Daily Living Benefit may be paid in addition to the Monthly Benefit if you are Totally Disabled, receiving a Monthly Benefit from us, and we determine that you are unable to safely and completely perform 2 or more Activities of Daily Living (ADLs) without another person's assistance or verbal direction or you are cognitively impaired. The ADL benefit is 20% of your Covered Monthly Earnings, subject to a maximum amount of \$2,500 and the maximum duration of benefits. Please see your certificate for a complete description of the benefit, including any limitations.



WorldNet Travel Assistance

WorldNet Assist is a non-insurance service which provides a comprehensive range of information, referral, coordination and arrangement services designed to respond to most medical care situations and many other emergencies employers may need to offer employees while they travel. This service is available to employees and their family members: spouse, unmarried child(ren) under the age of 20 or full-time students under the age of 26 who are dependents.

Complete details of these benefits (other than WorldNet Travel Assistance) are contained in the Certificate of Insurance.

Please read this important information

This brochure does not describe the whole plan. It is not an insurance policy. This brochure provides an overview and answers some of the most common questions. There is a detailed description of the plan's provisions, limitations, and exclusions in the Certificate of Insurance, which is issued to you after your application is processed.

Applications may be subject to medical underwriting. There is also a detailed description of all provisions of the Group plan in the master Group policy, which is the legal contract. If there are discrepancies between this brochure and the master Group policy, the Group policy takes precedence.

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Plan arranged and managed by Gallagher Benefit Services, the employee benefits division of Arthur J. Gallagher & Co. Gallagher receives a 15% commission compensation for the marketing and administrative services they provide.

Benefits are provided by policy form series LRS-6564 et al.



Gallagher Benefit Services, Inc.

RELIANCE STANDARD

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