

*A benefit
of your
membership!*

INSURANCE SPECIALISTS, INC.

LONG TERM DISABILITY INSURANCE PLAN



Long Term Disability coverage endorsed by your association as a benefit of your membership. Help protect your most valuable asset—your income.



INSURANCE SPECIALISTS, INC.®

LONG TERM DISABILITY INSURANCE PLAN

Protection When You Need It Most

Long term disability (LTD) insurance is often overlooked as a key component in a financial plan, but it could end up being the most valuable. Think about this: How would you handle your financial responsibilities if you were unable to earn an income? If you became disabled and couldn't work, your income would stop, but your bills would continue to mount.

In addition to the loss of income, disabilities often mean medical bills and other expenses. A disability may mean the end of an income, but it doesn't mean the end of financial obligations like housing and car payments, and other expenses of daily living. And while life insurance primarily protects those left behind, LTD insurance helps protect you and your income—whether or not you have a family.

The threat of being unable to meet even the most basic living expenses is very real for someone without LTD insurance. According to the American Payroll Association, 68% of Americans live from paycheck to paycheck and lack the savings to help them prepare financially for a disability.¹ Remember, life insurance doesn't cover disabilities, and living expenses can add up.

Even if you already have employer LTD coverage at work, you may not be as well protected as you think. Often only a part of your income is insured—maybe even as little as 30-40%. Other sources of income, like bonuses, may not be covered at all.

Are you still sure you have the coverage you need?

What about Social Security?

Social Security covers disabilities expected to last 12 months or longer — or those that end in death.

To qualify, you must be unable to work according to Social Security's² definition of disability, which means even if you can't perform your own job, you could be forced into another line of work.

Your Member LTD Plan

A long term disability can be more devastating to a family's financial outlook than death. That's why your Association chose to offer the LTD Plan to members like you.

Special Features

The LTD Plan includes an "own occupation" definition of disability, meaning The Prudential Insurance Company of America (Prudential) will review your job as it is normally performed—rather than how the work is performed for specific employers.

In addition, benefits under the LTD Plan are not offset by any Social Security benefits you may receive.

A disability benefit that can help sustain your lifestyle

You can request a monthly benefit amount based on your age and earned income. See the chart below for your maximum monthly benefit amount.

Choosing the right amount of coverage can help you continue to meet your financial obligations, even if a disability prevents you from earning an income. Please note, your monthly benefit

amount when added to any other disability insurance benefits can't be more than 70% of your monthly earnings (see definition on the next page). Apply now for the amount that best fits your needs.

If you die after 180 or more consecutive days of receiving benefits, Prudential will pay your beneficiary an amount equal to six months worth of benefits.

Coverage that goes with you

In addition, association-sponsored LTD coverage can continue even if you change employers—an important feature if your new employer does not provide LTD insurance.

Flexible options that let you control your benefit

An “elimination period” is the length of time between the day you are determined to be disabled and the day your benefits begin. You may have short-term disability or “sick days” that cover you during this time.

Under the LTD Plan, you have a choice of elimination periods. Benefits begin when your chosen elimination period ends.

Coverage while you're disabled

If you're unable to work

If you are disabled and not working, your monthly benefit is equal to the maximum monthly benefit you were approved for.

If you are working

If you are disabled and working, and incur a loss in monthly earnings of 20% or more as a result of your disability, you will receive a monthly benefit based on your percentage of lost earnings.

For the first year you receive disability benefits, your monthly benefit will not be reduced as long as your earnings plus your monthly benefit does not exceed 100% of the amount you earned prior to your disability.

After the first 12 months, you will receive benefits based on the percentage of income you are losing due to disability. If your monthly earnings exceed 80% of your pre-disability monthly earnings, Prudential will stop sending payments and your claim will end.



Benefit duration

You can receive benefits to age 65 for disabilities that begin prior to age 63; for 24 months for disabilities that begin on or after age 63. There are other durations available—contact Insurance Specialists for details.

ADL 5-Year Extended Benefit Period

Under this feature, benefits will continue for five years beyond the maximum benefit period if the claimant is disabled and unable to perform (without substantial assistance) two or more Activities of Daily Living (ADLs). ADLs are: bathing, continence, dressing, eating, toileting, or transferring with sufficient mobility. This feature is available for catastrophic disabilities, is included at no additional cost, and available to participants under the To Age 65 Benefit Period only.

Definition of Monthly Earnings:

“Monthly earnings” means your average gross monthly income as reported on your IRS federal income tax returns for the two years prior to your date of disability. It includes salary, profits, fees, commissions, bonuses, and other compensation for professional services.

It does not include investment returns, rent, royalties or other like income not directly produced by your occupation. Earnings are determined after deduction of normal business expenses and losses but before deduction of any income taxes.

Catastrophic Disability Benefit

This benefit is only available to members with the To Age 65 Benefit Period. Under this benefit, the claimant receives an additional 50% of the base disability benefit if they are unable to perform two of the six Activities of Daily Living (ADLs) as defined in the contract.

Optional Benefits

The LTD Plan also offers optional benefits, including:

- **Cost of Living Adjustment (COLA) option.**
Prudential will make an annual cost of living adjustment (COLA) to your monthly benefit. Your benefits will increase by 3%. Up to 10 annual COLA adjustments will be made while you receive disability benefits. The cost of the COLA benefit is 14% of the base disability premium.
- **Critical Illness Benefit option.** A lump Sum benefit of \$10,000 for defined specified conditions that caused disability. Covered critical illness means a pathological diagnosis when clinically appropriate, otherwise, a clinical diagnosis of heart attack, life threatening cancer, major organ or tissue transplant, renal failure or stroke. The cost of the CI benefit is 10% of the base disability premium.

Details can be found in your booklet-certificate.

LTD coverage can help you meet your financial responsibilities over the long term—don't miss this opportunity to help provide more financial security to your family!

Apply today for this important coverage!

Go to www.isi1959.com and download a Request for Coverage Form from our website.

Questions:

Please call the Plan Agent, Insurance Specialists, Inc., at **1-888-ISI-1959** or **e-mail: sales@isi1959.com**



Bar Association Long Term Disability

Your semi-annual rates are based on your age as of your effective date of coverage. Rates will change as the insured enters a higher age category, or may change if Plan experience requires a change for insured's class. Upon your attainment of age 65, any monthly benefit amount in excess of \$2,200 will reduce to \$2,200 per month.

Maximum Benefit Amounts

Age:	Maximum Monthly Benefit Amount:
Under age 55	\$10,000
55-59	\$7,500

Semi-Annual Rates Per \$1000 Monthly Benefit To Age 65 Benefit Period

Ages	Elimination Period	
	60 Days	90 Days
Under 30	\$ 54.60	\$ 42.00
30-34	65.52	50.40
35-39	70.40	54.15
40-44	112.39	86.45
45-49	127.21	97.85
50-54	201.31	154.85
55-59	213.66	164.35
60-64	247.00	190.00
65-69	209.95	161.50

The maximum benefit amount you are eligible to apply for is determined at the time you enroll in the Plan. Upon your attainment of age 65, any monthly benefit amount in excess of \$2,200 will reduce to \$2,200 per month. The maximum monthly benefit amount, which when added to any other disability benefits you may have, can't be more than 70% of your monthly earnings.

Who is eligible to request coverage?

Any member of a sponsoring association who is actively working full-time (at least 20 hours per week), is less than age 60 and resides in the United States is eligible to apply for LTD insurance. All coverage is subject to Prudential's approval of satisfactory evidence of insurability. Depending on the amount of coverage applied for, and the medical history disclosed in the application, it may be necessary for Prudential to order a physical exam, a blood test, an ECG, or medical records from your physician.

When does coverage start?

Insurance will become effective on the first of the month following Prudential's approval of your Request for Coverage subject to receipt of your premium payment. The member must be actively working on a full-time basis on the day coverage is to begin. If the member is not actively working, the coverage is deferred until the member returns to active work.

When will my coverage terminate?

Coverage terminates when you reach age 70. Earlier termination will occur if you are no longer a member of a sponsoring association, you retire or otherwise fail to meet the "Active at Work" requirement, the group policy terminates, or you fail to make timely payments of the required premium contributions.

What is the definition of Disability?

To be considered disabled, you must be disabled by sickness or accidental injury and unable to perform the substantial and material duties of your occupation. In addition, you must also be under the regular care of a physician, and have a loss of 20% or more in your monthly earnings. The loss of a professional occupational license or certification does not, in itself, constitute disability.

Will I be covered for successive disabilities?

If you receive benefits for a disability and recover, and again become disabled while covered under the Plan, the later disability may be considered as a continuation of the prior disability. If that were the case, this would remove the need for satisfying another elimination period. However, the second disability will be considered a new one if prior to the second disability you had been working full-time for at least three consecutive months.

Still have questions?

Please call the Plan Agent, Insurance Specialists, Inc., at **1-888-ISI-1959** or send an e-mail to sales@isi1959.com



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INSURANCE SPECIALISTS, INC.®



Group Life and Disability Income Medical Underwriting NOTICE

Thank you for choosing The Prudential Insurance Company of America (Prudential) for your insurance needs. Before we can issue coverage we must review your application/enrollment form. To do this, we need to collect and evaluate personal information about you. This notice is being provided to inform you of certain practices Prudential engages in, and your rights, with regard to your personal information. We would like you to know that: personal information may be collected from persons other than yourself or other individuals, if applicable, proposed for coverage; this personal information as well as other personal or privileged information subsequently collected by us may in certain circumstances be disclosed to third parties without authorization; you have a right of access and correction with respect to personal information we collect about you; and upon request from you, we will provide you with a more detailed notice of our information practices and your rights with respect to such information. Should you wish to receive this notice, please contact: The Prudential Insurance Company of America, Group Medical Underwriting, P.O. Box 8796, Philadelphia, PA 19176

Information regarding your insurability will be treated as confidential. We may, however, make a brief report thereon to the MIB, Inc., a not-for-profit membership organization of insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life, disability, or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information about you in its file. In addition, upon receipt of a request from you, MIB will arrange disclosure of any information in your file. Please contact MIB at 866-692-6901. If you question the accuracy of the information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the Federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill Park, Suite 400, Braintree, Massachusetts 02184-8734. Information for consumers about MIB may be obtained on its website at www.mib.com.

The cost of insurance is met from premium contributions by Plan participants. The current premium rates are set forth in the enclosed material.

This brochure is intended to be a summary of your benefits and does not include all plan provisions, exclusions and limitations. A Booklet-Certificate, with complete plan information, including limitations and exclusions, will be provided to participants. If there is a discrepancy between this document and the Booklet-Certificate issued by the issuing company, the terms of the Booklet-Certificate will govern.

Exclusions

The insurance does not cover a disability caused by or contributed by: any war or act of war (including undeclared war), intentionally self-inflicted bodily injury or attempted suicide; active participation in a riot; commission or attempt to commit a felony, or pregnancy, except complications of pregnancy will be treated as any other sickness.

Limitations

Disabilities due to mental illness, nervous diseases, alcoholism, or drug addiction have a limited pay period of 24 months during your lifetime.

Coverage under the Long Term Disability Insurance Plan is issued by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102-3777, (973) 802-6000. The Plan Agent is Insurance Specialists, Inc. P.O. Box 2327, Beaufort, SC 29901. Please refer to your certificate for Plan details, including any exclusions, limitations and restrictions which may apply. NAIC 68241; California COA #1179. Contract series 83500.

¹American Payroll Association, "Getting Paid in America," 2012.

²<http://www.ssa.gov>, 4/2015

This product is available in the following states AL, CA, CT, GA, IL, KS, MA, and NH.

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