

UNUM Life Insurance Company of America
2211 Congress Street
Portland, Maine 04122
(207) 575-2211

LONG TERM CARE INSURANCE - OUTLINE OF COVERAGE

FOR THE EMPLOYEES OF

BENEMAX INC.

(the Policyholder)

Group Master Policy/Certificate Form Number **553188**

FEDERAL INCOME TAX EXEMPTIONS: The Policy **IS** intended to be a federally qualified long-term care contract under section 7702B(b) of the Internal Revenue Code of 1986, as amended.

STATE MASSHEALTH (MEDICAID) EXEMPTIONS: The Policy **IS** intended to satisfy Massachusetts' minimum long-term care insurance coverage requirements as of the policy's effective date for certain asset and liability exemptions under the Massachusetts MassHealth (Medicaid) Program. Please note that there may be other MassHealth (Medicaid) requirements to qualify for these exemptions.

Please read *Your Options for Financing Long-Term Care: A Massachusetts Guide* for important information about the federal and state exemptions. PLEASE NOTE THAT STATE AND FEDERAL LAWS ARE SUBJECT TO CHANGE AND THAT FEDERAL AND STATE EXEMPTIONS MAY NOT APPLY TO THIS POLICY AT A FUTURE DATE.

Pre-existing Conditions Limitations

If you do not have to complete an Application for Long Term Care Insurance, which includes evidence of insurability, a pre-existing conditions limitation may apply to you.

1. The Policy is a group policy of insurance which was issued in **Massachusetts**. The policy may not cover all the expenses associated with your long-term care needs. You are advised to review carefully all coverage limitations.

Caution: If you must complete an Application for Long Term Care Insurance, which includes evidence of insurability, the issuance of a long-term care insurance certificate will be based on your responses to the questions in your application. You retained a copy of your Application for Long Term Care Insurance when you applied. If your answers are incorrect or untrue, UNUM may have the right to deny benefits or rescind your coverage subject to the Incontestable provision. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact UNUM at this address: UNUM Life Insurance Company of America, 2211 Congress Street, Portland, Maine 04122.

2. SUMMARY OF POLICY FEATURES

The Policy:

- a. Is not a Medicare Supplement policy.
- b. Is guaranteed renewable as long as your premiums are paid on time.
- c. Is not subject to automatic premium increases as you get older.
- d. May be subject to across the board premium increases for all individuals in your class covered by the Policy.
- e. Does not offer an option to purchase inflation protection after the Policy is issued without medical underwriting.
- f. Does not offer an option to purchase non-forfeiture protection after the policy is issued without medical underwriting.
- g. Does contain special age limitations for purchase.
- h. Does have a waiting period before pre-existing conditions (existing health problems) are covered if the Policy has a Pre-existing Conditions Limitations provision.
- i. Has an elimination period of 90 days.
- j. Offers a waiver of premium during any period for which benefits are payable.

3. PURPOSE OF OUTLINE OF COVERAGE

This outline of coverage provides a brief description of the important features of the available plan of coverage. You should compare this outline of coverage to outlines of coverage for other plans available to you.

This is not an insurance contract, but only a summary of coverage. Only the Policy contains governing contractual provisions. This means that the Policy sets forth in detail the rights and obligations of both you and UNUM. Therefore, if you purchase this coverage, or any other coverage, it is important that you **READ YOUR CERTIFICATE CAREFULLY!**

4. TERMS UNDER WHICH GROUP COVERAGE THROUGH THE PLAN MAY BE CONTINUED IN FORCE OR DISCONTINUED

- a. **RENEWABILITY: THE POLICY IS GUARANTEED RENEWABLE.** This means you have the right, subject to the terms of the Policy, to continue your coverage as long as you pay your premiums on time. UNUM cannot change any of the terms of the Policy on its own except that, in the future, **IT MAY INCREASE THE PREMIUM YOU PAY.**
- b. We will waive your premium payment during any period for which benefits are payable. You will not have to pay premiums when you are receiving benefits.
- c. Premiums will not increase because you grow older or because of your use of the benefits. However, the premium rate schedule may change in the future depending on the overall use of the benefits of all covered persons or changes in the benefit levels, plan design or other risk factors. Any such change will be made on a class basis according to UNUM's underwriting risk studies under this type of insurance.
- d. If your coverage terminates because a premium is not paid by the end of the Grace Period, you may apply to reinstate your coverage within six months after the first unpaid premium is overdue.
- e. If your coverage includes a Non-forfeiture Benefit and your coverage lapses due to non-payment of premium, you may be eligible for a Nonforfeiture Benefit. This means that your coverage will continue in force with a reduced Lifetime Maximum Benefit Amount.
- f. If your group long term care coverage ends for reasons other than your choice to stop premium payments for your coverage, you may elect converted coverage. This means that the same coverage you had under the group Policy can continue on a direct-billed basis. If you are already direct-billed, your coverage will automatically transfer to converted coverage. Election for converted coverage must be made within 31 days from the date the group coverage would otherwise end. Any premium for converted coverage must be paid directly to UNUM by you in order for converted coverage to continue.
- g. Your coverage will end on the earliest of these dates:
 - The date the Policy ends,
 - The date you are no longer an Active Employee of the Policyholder,
 - The date you no longer work for the Policyholder,
 - The end of the period for which premiums were last paid to UNUM for your coverage,
 - The date your total benefit payments equal your Lifetime Maximum Benefit Amount, or
 - The date you die.

If you are absent from work for any reason, you will continue to be covered for group coverage if the Policyholder continues to pay premiums to UNUM for your coverage.

5. TERMS UNDER WHICH YOUR CERTIFICATE MAY BE RETURNED AND PREMIUM REFUNDED

- a. You may cancel your coverage for any reason within 30 days after your certificate is delivered to you or your representative. Simply return your certificate, within 30 days of its receipt, to us at our home office. If this is done, your coverage will be cancelled from its effective date and any premium contributions paid will be returned.
- b. Premiums for additional, increased or terminated insurance may cause a pro-rata adjustment on the next premium due date.

6. THIS IS NOT MEDICARE SUPPLEMENT COVERAGE

If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from UNUM. Neither UNUM nor our agents represent Medicare, the federal government or any state government.

7. LONG TERM CARE COVERAGE

Plans of this category are designed to provide coverage for one or more necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, including, but not limited to care in a nursing home, other long-term care facility or program in the home.

This plan provides coverage in the form of a fixed dollar indemnity benefit if you are Disabled and you are receiving care while confined in a Long Term Care Facility or Assisted Living Facility. If you purchase Total Home Health Care or Professional Home and Community Care coverage, we will pay you a benefit if you elect to receive care anywhere other than in a Long Term Care Facility or Assisted Living Facility.

Coverage is subject to policy limitations, benefit maximums and elimination periods.

8. BENEFITS PROVIDED BY THE POLICY

THE ATTACHED SUMMARY OF BENEFITS OUTLINES THE BENEFITS AVAILABLE UNDER THE POLICYHOLDER'S PLAN

You will be eligible for a Monthly Benefit after:

- You become Disabled;
- You are receiving services in a Long Term Care Facility or Assisted Living Facility; or you are receiving Professional Home and Community Care Services if your plan includes a Professional Home and Community Care Services benefit; or you are receiving Total Home Health Care if your plan includes a Total Home Health Care benefit;
- You have satisfied the Elimination Period; and
- A Physician has certified that you are unable to perform, without Substantial Assistance from another individual, two or more Activities of Daily Living (ADLs) for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you and others from threats to health or safety due to severe Cognitive Impairment. You will be required to submit a Physician certification every 12 months.

A Monthly Benefit will become payable once all of these requirements are met.

The treatment and services you receive for your Disability must be provided pursuant to a written plan of care developed by a Licensed Health Care Practitioner.

If you have an existing loss of ADLs or Severe Cognitive Impairment on your effective date of coverage, that loss or impairment will only be eligible for coverage if you recover from that loss or impairment. We must receive acceptable proof that your ADL or cognitive recovery, such as a Physician's statement or an assessment.

The benefit amount you will receive is:

- a. The Long Term Care Facility Benefit Amount if you receive care while confined in a Long Term Care Facility. Your confinement must be because you need either: (1) Substantial Assistance from another person to perform 2 or more ADLs; or (2) Substantial Supervision because you suffer from Severe Cognitive Impairment; or
- b. The Assisted Living Facility Benefit Amount if you are Disabled and are receiving services in an Assisted Living Facility. The Assisted Living Facility Benefit will be the greater of:
 - 60% of the Long Term Care Facility Benefit Amount; or
 - the Professional Home and Community Care Services Benefit Amount or Total Home Health Care Benefit Amount shown on the SUMMARY OF BENEFITS if home care is purchased.

Total Home Health Care Benefit: (Includes Professional Home & Community Care Services)

We will pay you the Monthly Total Home Health Care Benefit Amount if:

- You become Disabled;
- You are receiving services anywhere other than a Long Term Care Facility or Assisted Living Facility;
- You have satisfied the Elimination Period; and
- A Physician has certified that you are unable to perform, without Substantial Assistance from another individual, two or more Activities of Daily Living (ADLs) for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you and others from threats to health or safety due to severe Cognitive Impairment. You will be required to submit a Physician certification every 12 months.

This care can be provided at any type of facility, such as an Adult Day Care Facility, or your home. Care can be provided to you by:

- a. A formal caregiver such as a licensed Home Health Care Provider, a registered nurse, a licensed practical nurse, or
- b. An informal caregiver, such as a friend or relative.

Professional Home and Community Care Services Benefit:

We will pay you 1/30th of the Monthly Professional Home and Community Care Services Benefit Amount for each day you receive Professional Home and Community Care Services if:

- You become Disabled;
- You choose to receive care anywhere other than in a Long Term Care Facility or Assisted Living Facility;
- You have satisfied the Elimination Period; and
- A Physician has certified that you are unable to perform, without Substantial Assistance from another individual, two or more Activities of Daily Living (ADLs) for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you and others from threats to health or safety due to severe Cognitive Impairment. You will be required to submit a Physician certification every 12 months.

This care can be provided at any type of facility, such as an Adult Day Care Facility, or your home by/through a licensed Home Health Care Provider.

Activities of Daily Living (ADLs) are: bathing, dressing, toileting, transferring, continence and eating.

Disability and Disabled mean you are unable to perform, without Substantial Assistance from another individual, at least two ADLs; or you require Substantial Supervision by another individual to protect you from threats to health and safety due to Severe Cognitive Impairment.

Elimination Period means the number of days during which you must be Disabled and under the regular care of a Physician before benefits become payable.

Lifetime Maximum Benefit Amount means the total dollar amount of benefits that will be paid based on the level of coverage and benefit duration you selected.

Severe Cognitive Impairment means a severe deterioration or loss in intellectual capacity, as reliably measured by clinical evidence and standardized tests, in your short or long term memory; your orientation as to person, place and time; or your deductive or abstract reasoning.

Such deterioration or loss requires Substantial Supervision by another individual for the purpose of protecting you from harming yourself or others. The loss can result from a Disability, Alzheimer's disease, or similar forms of dementia.

Substantial Assistance means stand-by assistance by another person without which you would not be able to safely and completely perform the ADL.

Substantial Supervision means the presence of another individual for the purpose of protecting you from harming yourself or others.

Inflation Protection Provision - 5% Simple Inflation With No Cap

Your Monthly Benefit Amount will increase each year on January 1st by 5% of the original Monthly Benefit. Your remaining Lifetime Maximum Benefit Amount will also increase. Increases will be automatic and will occur regardless of your health and whether or not you are Disabled. Your premium will not increase due to automatic increases in your Monthly Benefit Amount.

The benefit paid is subject to the Lifetime Maximum Benefit Amount. Benefits are not paid during the Elimination Period.

9. LIMITATIONS AND EXCLUSIONS

UNUM will not make long term care payments to you for:

- a. A Disability caused by war or any act of war, whether declared or not, while your insurance is in force;
- b. A Disability caused by intentionally self-inflicted injuries or attempted suicide;
- c. A Disability caused by the commission of a crime for which you have been convicted under state or federal law, or attempting to commit a crime under state or federal law;
- d. Services provided for alcohol or drug detoxification or alcohol or drug rehabilitation;
- e. A Disability caused by voluntary use of any controlled substance unless the controlled substance is prescribed for you by a Physician. ("Controlled substance" is defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and all amendments);
- f. Disabilities or confinements during which you are outside the United States, its territories or possessions for longer than 30 days; or
- g. A period in which you are confined in a hospital other than if you are confined in a Long Term Care Facility that is a distinctly separate part of a hospital (this exclusion does not apply to those periods covered under the Bed Reservation benefit).

Pre-existing Conditions Limitations

If you do not have to complete an Application for Long Term Care Insurance, which includes evidence of insurability, a Pre-Existing conditions limitation may apply to you.

"Pre-Existing Condition" means any condition that exists for which you received medical treatment, consultation, care or services, including diagnostic measures for the condition, or took drugs or medicines that were prescribed for the condition during the six-month period right before your coverage began.

UNUM will not make any payments to you during the first six months after your coverage begins for a Disability that is caused by, contributed to by, or results from a Pre-Existing Condition, and begins during the first six months after your coverage begins.

THIS PLAN MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

10. RELATIONSHIP OF COST OF CARE AND BENEFITS

Because the costs of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted.

You can apply, at any time, to increase your coverage by filling out a new Benefit Election form and a Long Term Care Application, which includes evidence of insurability.

If your coverage includes one of the optional Inflation Protection Provisions, your Monthly Benefit will increase each year on January 1st by 5%. Increases will be automatic and will occur regardless of your health and whether or not you are Disabled. Your premium will not increase due to the automatic increases in your Monthly Benefit.

11. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS

The Policy provides coverage for Severe Cognitive Impairment. Severe Cognitive Impairment is not related to the inability to perform ADLs. Rather, Severe Cognitive Impairment means that you have lost the ability to reason and suffer a decrease in awareness, intuition and memory. Examples of conditions which may cause Severe Cognitive Impairment are: Alzheimer's disease, multi-infarct dementia, brain injury, brain tumors, or other such structural alterations of the brain.

12. PREMIUM

The initial premium charges will be figured at the premium rates shown on the attached pages. UNUM may change the premium rates when the terms of the policy change.

13. ADDITIONAL FEATURES

- Medical underwriting may be required
- Eligibility and participation

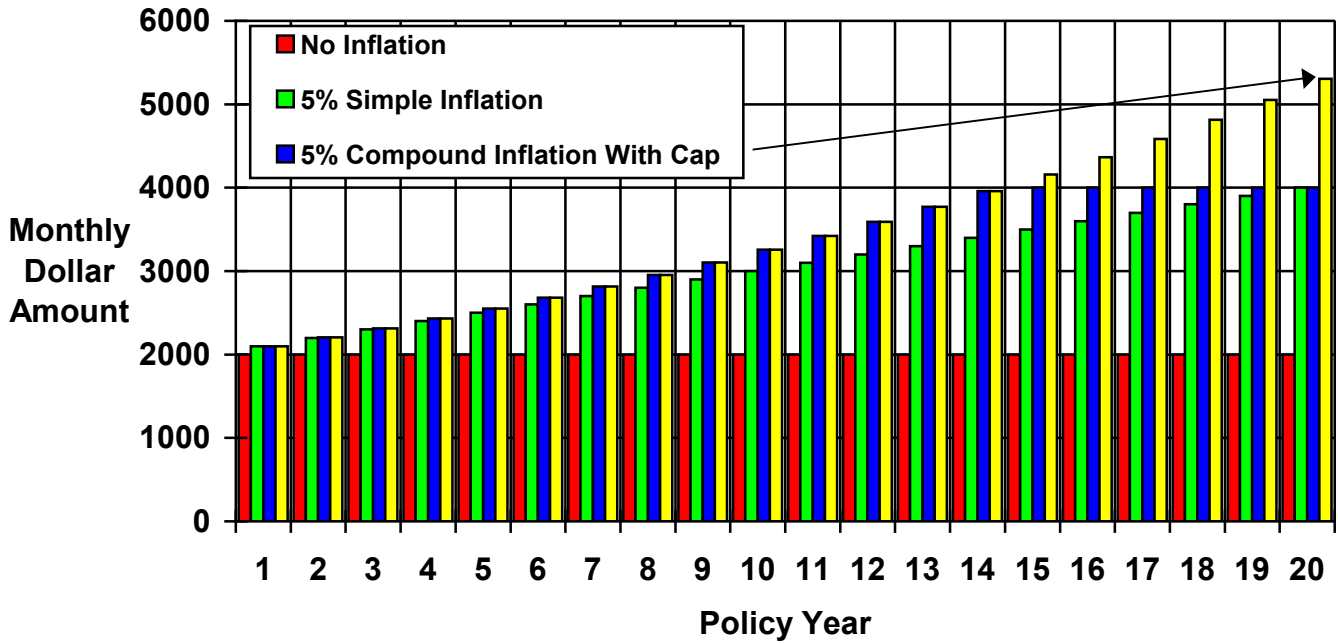
You are eligible for the plan if you are:

- An Active Employee of the Policyholder and your Family Members.

COMPLAINTS. If you have a complaint, call us at (207) 575-2211 or contact your Plan Administrator. If you are not satisfied, you may call or write the Massachusetts Division of Insurance.

THE FOLLOWING INFORMATION IS FOR ILLUSTRATIVE PURPOSE ONLY

**Long Term Care
Comparison of Benefits for Simple and Compound Inflation Protection**



Monthly Premium Based On the Following:

- 90 Day Elimination Period
- Lifetime Maximum Benefit Period

Monthly Premium Without Inflation Protection:	\$165.29
Monthly Premium With 5% Simple 2X Cap Inflation Protection:	\$224.66
Monthly Premium With 5% Simple No Cap Inflation Protection:	\$226.31
Monthly Premium With 5% Compound 2X Cap Inflation Protection:	\$237.88
Monthly Premium With 5% Compound No Cap Inflation Protection:	\$246.14