



*A Plan Designed Specifically*  
**For: CALIFORNIA ADMINISTRATORS**



# **DISABILITY INCOME** *Protection Plan*

*From American Fidelity Assurance Company*

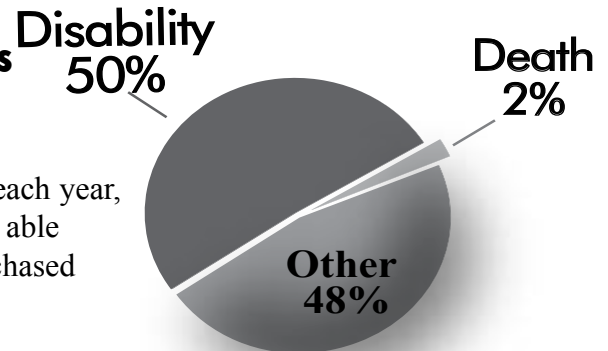
# Why Do You Need Disability Income Protection?

*Think of it as insurance on your income.*

## Did You Know?

**Disability causes nearly 50% of all mortgage foreclosures each year.\***

Out of the tens of thousands of mortgage foreclosures that occur each year, HALF are due to a disability. That HALF would have likely been able to keep their home and have a roof over their heads had they purchased adequate income protection.



## Do You Depend On Your Paycheck?

- Mortgage / Rent
- Car Payment(s)
- Groceries
- Tuition
- Gasoline
- Utility Bills
- Daily Living Expenses
- Credit Card Payments

## How Does A Disability Income Plan Work?

*It's Simple!* Disability Income Insurance helps provide an income when you are disabled due to a covered accidental injury or sickness that keeps you away from work for an extended period of time.

*Don't Wait... Protect Your Paycheck Today with American Fidelity's Disability Income Insurance.*

## Three Great Benefits:

- ACCIDENTAL DEATH & DISMEMBERMENT
- SHORT TERM DISABILITY
- LONG TERM DISABILITY

### PLAN HIGHLIGHTS

- Benefits Paid Directly to You
- Waiver of Premium Benefit
- Return to Work Benefit
- \$10,000 Accidental Death & Dismemberment Benefit
- Directly Deposited Into Your Banking Account
- Donor Benefit
- Social Security Filing Assistance
- Lifeline Screening Discount

# ***DISABILITY INCOME PROTECTION FOR CALIFORNIA ADMINISTRATORS***

offered by: **AMERICAN FIDELITY ASSURANCE COMPANY**

## **BENEFIT SCHEDULE**

			<b>MONTHLY PREMIUMS</b>								
<b>Plan Amount Code</b>	<b>Annual Salary (Maximum Covered Salary)</b>	<b>Accidental Death and Dismemberment Benefit</b>	<b>Plan I</b>			<b>Plan II</b>			<b>Plan III</b>		
			<b>10-mo</b>	<b>11-mo</b>	<b>12-mo</b>	<b>10-mo</b>	<b>11-mo</b>	<b>12-mo</b>	<b>10-mo</b>	<b>11-mo</b>	<b>12-mo</b>
1	\$1.00 - \$39,999.99	\$10,000.00	\$33.80	\$30.72	\$28.16	\$30.90	\$28.08	\$25.74	\$27.30	\$24.82	\$22.74
2	\$40,000.00 - \$44,999.99	\$10,000.00	\$35.64	\$32.40	\$29.70	\$32.58	\$29.62	\$27.14	\$28.52	\$25.92	\$23.76
3	\$45,000.00 - \$49,999.99	\$10,000.00	\$37.44	\$34.04	\$31.20	\$34.16	\$31.06	\$28.46	\$29.70	\$27.00	\$24.74
4	\$50,000.00 - \$54,999.99	\$10,000.00	\$39.26	\$35.70	\$32.72	\$35.86	\$32.60	\$29.88	\$30.96	\$28.16	\$25.80
5	\$55,000.00 - \$59,999.99	\$10,000.00	\$41.14	\$37.40	\$34.28	\$37.54	\$34.12	\$31.28	\$32.18	\$29.26	\$26.82
6	\$60,000.00 - \$64,999.99	\$10,000.00	\$42.86	\$38.98	\$35.72	\$39.18	\$35.62	\$32.64	\$33.36	\$30.34	\$27.80
7	\$65,000.00 - \$69,999.99	\$10,000.00	\$44.82	\$40.74	\$37.34	\$40.92	\$37.20	\$34.10	\$34.66	\$31.52	\$28.88
8	\$70,000.00 - \$74,999.99	\$10,000.00	\$46.68	\$42.44	\$38.90	\$42.62	\$38.76	\$35.52	\$35.94	\$32.66	\$29.94
9	\$75,000.00 - \$79,999.99	\$10,000.00	\$48.26	\$43.88	\$40.22	\$44.24	\$40.22	\$36.86	\$37.10	\$33.74	\$30.92
10	\$80,000.00 - \$84,999.99	\$10,000.00	\$50.34	\$45.76	\$41.94	\$45.94	\$41.76	\$38.28	\$38.36	\$34.88	\$31.96
11	\$85,000.00 - \$89,999.99	\$10,000.00	\$52.18	\$47.44	\$43.48	\$47.62	\$43.30	\$39.68	\$39.60	\$36.00	\$33.00
12	\$90,000.00 - \$94,999.99	\$10,000.00	\$54.58	\$49.62	\$45.48	\$50.02	\$45.48	\$41.68	\$42.00	\$38.18	\$35.00
13	\$95,000.00 - \$99,999.99	\$10,000.00	\$56.98	\$51.80	\$47.48	\$52.42	\$47.66	\$43.68	\$44.40	\$40.36	\$37.00
14	\$100,000.00 - \$104,999.99	\$10,000.00	\$59.38	\$53.98	\$49.48	\$54.82	\$49.84	\$45.68	\$46.80	\$42.56	\$39.00
15	\$105,000.00 - \$109,999.99	\$10,000.00	\$62.98	\$57.26	\$52.48	\$58.42	\$53.12	\$48.68	\$50.40	\$45.82	\$42.00
16	\$110,000.00 - \$114,999.99	\$10,000.00	\$66.58	\$60.52	\$55.48	\$62.02	\$56.38	\$51.68	\$54.00	\$49.10	\$45.00
17	\$115,000.00 - \$119,999.99	\$10,000.00	\$70.18	\$63.80	\$58.48	\$65.62	\$59.66	\$54.68	\$57.60	\$52.36	\$48.00
18	\$120,000.00 - \$124,999.99	\$10,000.00	\$73.78	\$67.08	\$61.48	\$69.22	\$62.92	\$57.68	\$61.20	\$55.64	\$51.00
19	\$125,000.00 - \$129,999.99	\$10,000.00	\$77.38	\$70.34	\$64.48	\$72.82	\$66.20	\$60.68	\$64.80	\$58.92	\$54.00
20	\$130,000.00 - \$134,999.99	\$10,000.00	\$80.98	\$73.62	\$67.48	\$76.42	\$69.48	\$63.68	\$68.40	\$62.18	\$57.00
21	\$135,000.00 - \$139,999.99	\$10,000.00	\$84.58	\$76.90	\$70.48	\$80.02	\$72.74	\$66.68	\$72.00	\$65.46	\$60.00
22	\$140,000.00 - \$144,999.99	\$10,000.00	\$88.18	\$80.16	\$73.48	\$83.62	\$76.02	\$69.68	\$75.60	\$68.74	\$63.00
23	\$145,000.00 - \$149,999.99	\$10,000.00	\$91.78	\$83.44	\$76.48	\$87.22	\$79.30	\$72.68	\$79.20	\$72.00	\$66.00

*Under no circumstances will your benefit be calculated on an amount greater than the income bracket for which you have paid premium.*

## ***\$10,000 Accidental Death and Dismemberment Benefit***

### **ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT**

If you suffer loss of life, sight or limbs due to an Accidental Injury, an Accidental Death and Dismemberment Benefit as stated in the Benefit Schedule will be paid for such loss if the following conditions are met:

- (a) The loss must result directly from an Accidental Injury;
- (b) The loss must occur within 90 days after the date of the Accidental Injury; and
- (c) The loss must not be excluded under the Exclusions Section.

If you die and the Accidental Death and Dismemberment Benefit applies, such benefit will be increased 1% for each full month that your Certificate was continuously in force just prior to death. The increase shall not be more than 60%. The amount payable on the Benefit Schedule of this brochure applies to loss of life or loss of more than one member. Members include your hands, feet and eyes. Loss of one member is paid at 50% of the AD&D Benefit amount. Loss of thumb or index finger on one hand is paid at 25% of the AD&D Benefit amount.

# *Plan Features and Highlights:*

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## **SURVIVOR BENEFIT**

When we receive proof that you have died, We will pay your Eligible Survivor a lump sum benefit equal to the dollar amount of the daily Disability Benefit being paid to you at the time of your death. This Benefit will be paid to the end of your Maximum Disability Period, or 66 Regular Days of Required Attendance, whichever is less, if on the date of your death: (a) your Disability has continued for 90 or more consecutive days; and (b) you were receiving or were entitled to receive Short Term Disability Income Benefits under the Policy. If you have no Eligible Survivor(s), no payment will be made.

## **RETURN TO WORK INCENTIVE BENEFIT (APPLIES TO LONG TERM DISABILITY BENEFITS ONLY)**

**Disabled While Working:** We will provide a Disability Benefit if you are Disabled and your monthly Disability Earnings, if any, are less than 20% of your Regular Monthly Contract Salary due to the same Sickness or Accidental Injury. If you are Disabled and your Disability Earnings are greater than 20% of your Regular Monthly Contract Salary due to the same Sickness or Accidental Injury, we will figure your benefits as follows:

You will receive benefits based on the percentage of Regular Monthly Contract Salary you are losing due to your Disability computed as follows:

- (a) subtract your Disability Earnings from your Regular Monthly Contract Salary;
- (b) divide the answer in item (a) by your Regular Monthly Contract Salary. This is your percentage of lost earnings; and
- (c) multiply your Disability Benefit by the answer in item (b).

We will stop payments and your claim will end, if at any time you are no longer Disabled or if your Disability Earnings exceed 80% of your Regular Monthly Contract Salary or at the end of one year, whichever comes first. The Elimination Period cannot be satisfied with days you are Disabled and Working.

## **DONOR BENEFIT**

If you are disabled as a result of being an organ or tissue donor, we will pay your benefit as any other illness under the terms of your plan.

## **WORKSITE ACCOMMODATION**

If worksite modifications may assist your return to work, we will evaluate your claim for appropriate action.

## **DIRECT DEPOSIT DISABILITY BENEFITS**

In the event you choose the direct deposit option on an approved claim, we will deposit your benefits directly into your bank account at no additional cost. This can accelerate access to your benefits by several days. We also have a toll-free fax that allows you instant transmission of your claim forms to our benefits department.

## **SOCIAL SECURITY FILING ASSISTANCE**

If we determine a Disabled Insured is a likely candidate for Social Security Disability benefits, we can assist you with the application and appeal process.

## **WAIVER OF PREMIUM**

If you become Disabled due to a covered Accidental Injury or Sickness and are eligible to receive a Disability Payment, your insurance will be continued without payment of premium. Waiver of Premium will begin the first of the month following your satisfaction of the Elimination Period or 3 months of continuous Disability, whichever is later, provided premium has been paid from the beginning of Disability to the date Waiver of Premium begins. Waiver of Premium will continue until: (a) the end of your Disability; (b) the end of the Maximum Benefit Period; (c) the date you are no longer eligible to receive Disability payments; (d) the date the Policy terminates; or (e) the date your employment with the Policyholder or subscribing Employer Unit ends, whichever first occurs. We will require proof on an annual basis that you remain Disabled during said period.

## **SPECIAL CONDITIONS LIMITED BENEFIT**

The Special Conditions Limited Benefit provides a benefit up to 2 years, due to Special Conditions if you are disabled and under the regular and appropriate care of your physician. Benefits will be paid for only one disability when more than one disability exists at the same time or a disability results from two or more causes. Special Conditions means: Chronic Fatigue Syndrome; Fibromyalgia; Any disease, disorder, accident or injury of the neck or back not resulting in hemiplegia, paraplegia or quadriplegia; Environmental allergic illness including, but not limited to sick building syndrome and multiple chemical sensitivity; and Self-reported symptoms. Self-reported symptoms are symptoms that the insured tells their physician that are not verifiable using tests, procedures or clinical examinations. Examples include: headaches, pain, fatigue, stiffness, soreness, ringing in ears, dizziness, numbness, or loss of energy.

## *Short Term Disability Income Benefit:*

The following benefit amount for each period of Disability is payable during the first 2 benefit years for <b>Class 1 and Class 2 Insureds</b> beginning on the 21st (Plan I), 61st (Plan II) and 101st (Plan III) consecutive Regular Day of Required Attendance missed during Disability. Regular Days of Required Attendance means any day of teacher attendance required by regulations of the employing unit.	
A. While eligible to receive Fully Paid Sick Leave:	\$25.00 for each Regular Day of Required Attendance missed during Disability or  \$35.00 while confined to a Hospital for at least 18 continuous hours in duration.
B. While eligible to receive Substitute Differential Pay or similar Pay:	25% of the Regular Daily Contract Salary for each Regular Day of Required Attendance missed during Disability. We will assume you are eligible to receive Substitute Differential or similar pay. <b>If you are not eligible for or entitled to Substitute Differential or similar pay, benefits paid immediately following receipt of full sick pay will be paid at 25% of Regular Daily Contract Salary for 100 Scheduled work days of Disability.</b>
C. While not eligible to receive Fully Paid Sick Leave, Substitute Differential or similar Pay:	75% of the Regular Daily Contract Salary less any Deductible Sources of Income, for each Regular Day of Required Attendance missed during Disability. The Minimum Disability Benefit will be \$30.00 per Regular Day of Required Attendance.

## *Long Term Disability Income Benefit:*

The following benefit amount for each period of Disability is payable after the expiration of the period for which Short Term Disability Income benefits are provided (after the second benefit year):	
<b>Class 1 Insureds:</b>	10% of the Regular Monthly Contract Salary up to a Maximum Covered Salary (see Benefit Schedule). The Disability Benefit, together with all Deductible Sources of Income, shall not exceed 80% of your Regular Monthly Contract Salary.
<b>Class 2 Insureds:</b>	60% of the Regular Monthly Contract Salary up to a Maximum Covered Salary (see Benefit Schedule), less any Deductible Sources of Income.

### **BENEFITS ARE PAYABLE**

Up to the period of time shown in the table below, based on your age as of the date Disability begins.

<b>Age</b>	<b>Maximum Benefit Period</b>
59 or younger	to age 65
60 through 64	3 years
65 or older	to age 70, but not less than 1 year

In no event will your Minimum Disability Benefit amount be less than \$100.00 per month. Long Term Disability Income Benefits are not payable for Disability caused by mental illness, alcoholism or drug addiction, unless you are Hospital confined. Long Term Disability Income Benefits are not payable for Disability caused by Special Conditions.

# *Important Policy Provisions:*

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## **ELIGIBILITY**

All active full-time administrative management (excluding classified and confidential support personnel) with annual contract salary, who work 15 hours or more per week at a 50% contract or greater. We may require proof of good health in order for you to be eligible for disability coverage. We will rely on answers given on your application to determine if coverage can be issued. Regardless of your health at the time of application, if coverage is approved and issued, claims incurred while coverage is in force will be subject to all terms of the Policy including any pre-existing limitation.

**Class 1 Insureds:** On the date you become Disabled, you have 5 or more years of credited service under the California State Teachers Retirement System (STRS) or Public Employees Retirement System (PERS).

**Class 2 Insureds:** On the date you become Disabled, you participate in but have less than 5 years of credited service under the California State Teachers Retirement System (STRS) or Public Employees Retirement System (PERS).

## **DISABILITY EARNINGS**

Means the gross monthly earnings you receive while Disabled and working. The Elimination Period cannot be satisfied with days you are Disabled and working.

## **EFFECTIVE DATE OF COVERAGE**

Certificates will become effective the first of the month following the date we approve the application, providing you are on Active Employment and first premium has been paid. If you are not on Active Employment when your coverage would otherwise take effect, it will take effect after the date you go back to Active Employment for at least 5 consecutive Regular Days of Required Attendance.

## **ACTIVE EMPLOYMENT**

Means you are doing in the usual manner all of the regular duties of your employment on a full-time basis on a scheduled work day and these duties are being done at one of the places of business where you normally do such duties or at some location to which your employment sends you. You will be said to be on Active Employment on a day which is not a scheduled work day only if you are not Disabled and would be able to perform in the usual manner all the regular duties of your employment if it were a scheduled work day.

## **DISABILITY**

For the first 2 Benefit Years that disability benefits are paid means that you are unable to perform with reasonable continuity the material and substantial duties of your Regular Occupation in the usual and customary way. After that, Disability means you are unable to perform with reasonable continuity the material and substantial duties of any Gainful Occupation that you reasonably could be expected to perform satisfactorily in light of your age, education, training, experience, station in life; and physical and mental capacity.

## **HOSPITAL**

The term "Hospital" shall not include an institution used by you as a place for rehabilitation; a place for rest or for the aged; a nursing or convalescent home; a long-term nursing unit or geriatrics ward; or as an extended care facility for the care of convalescent, rehabilitative, or ambulatory patients.

## **REGULAR DAILY CONTRACT SALARY**

Means the gross salary payable to you for the regular school year, divided by the number of Regular Days of Required Attendance specified by the District for the contract year during which disability begins up to the amount for which premium is paid. It may also include other equivalent compensation arrangements for the regular school year as mutually agreed upon by the Policyholder and us. It excludes any additional compensation, including but not limited to, overtime pay, weekend or summer school work compensation, bonuses or district-funded fringe benefits.

## **PRE-EXISTING CONDITION**

Means a disease, Accidental Injury, Sickness, physical condition or mental illness for which you have experienced any of the following: (a) treatment; (b) incurred expense; (c) took medication; (d) received care or services including diagnostic testing or related measures; or (e) received a diagnosis or advice from a Physician; during the 12-month period immediately before your Effective Date of coverage. The term Pre-Existing Condition will also include conditions which are related to such disease, Accidental Injury, Sickness, physical condition or mental illness.

## **PRE-EXISTING CONDITION LIMITATION**

If Disability is due to a Pre-Existing Condition and begins before you have been continuously covered under the Policy for 24 months, no Disability Benefit will be payable. This provision will not apply if you have:

- (a) gone treatment-free;
- (b) incurred no expense;
- (c) taken no medication; and
- (d) received no diagnosis or advice from a Physician

for 12 consecutive months for such condition(s). Benefits will not be excluded for Disability due to a Pre-Existing Condition, which begins after you have been continuously covered under the Policy for 24 months. Any increase in benefits will be subject to this Pre-Existing Condition Limitation. A new Pre-Existing Condition period must be satisfied with respect to any increase applied for and approved by us.

## **DEDUCTIBLE SOURCES OF INCOME WILL INCLUDE**

- (a) income which you are eligible to receive from your employer;
- (b) disability benefits you receive or which you are eligible to receive under any other group disability insurance plan including those required under any employer's liability law; or
- (c) disability, pension or retirement benefits, including the Public Employees Retirement System; any governmental plan, including Social Security benefits or negotiated alternative Social Security benefit plans payable to you and your dependents, which you are eligible to receive, regardless of whether application has been made for such benefits, except that:
  - (1) military disability allowances and/or military service retirement benefits received due to prior service connected disabilities, are excluded, unless you apply for these after you become Disabled;
  - (2) disability allowances and service retirement benefits received under the California State Teachers Retirement System, or the Public Employees Retirement System are excluded during the first 6 months of Disability.

## **INCREASE OF INCOME DUE TO COST OF LIVING ADJUSTMENTS**

The Disability Benefit will not be reduced due to a cost of living increase if the increase from a Deductible Source of Income takes effect after the onset of Disability and while benefits are payable under the Policy.

## **MENTAL ILLNESS LIMITED BENEFIT**

If you are Disabled due to a Mental Illness, regardless of the cause, Disability benefits will be provided for up to 6 months provided: (a) you are under the Regular and Appropriate Care of a Physician; and (b) you receive medical treatment (mental or medical examination alone will not be considered treatment) from either: (1) a registered specialist in psychiatry; (2) a Physician administering treatment on the advice of a registered specialist in psychiatry who certifies that such treatment is medically necessary; or (3) a Physician, if in our opinion, a specialist in psychiatry is not required to certify that such treatment is medically necessary. After 6 months, benefits will be paid only if you are confined to a Hospital.

## **ALCOHOLISM AND DRUG ADDICTION LIMITED BENEFIT**

If you are Disabled due to alcoholism or drug addiction, a limited benefit of up to 14 days for each Disability will be paid. In no event will benefits be paid for more than 14 days of Disability in any 12-month period. If drug addiction is sustained at the hands of, or while under the Regular and Appropriate Care of a Physician in the course of treatment for Accidental Injury or Sickness, it will be covered the same as any other illness.

## **EXCLUSIONS**

The Policy does not cover any loss, fatal or non-fatal, which results from:

- (a) a disability which starts while you are not working on a regularly scheduled basis due to lay-off, labor disputes or any Leave of Absence;
- (b) intentionally self-inflicted injury while sane or insane;
- (c) War: War or acts of war when serving as a member of any military, air force, naval organization, or an auxiliary unit thereto. This exclusion includes Accidental Injury sustained or Sickness contracted while in the service of any military, naval or air force of any country engaged in war or act of war. We will refund the pro rata unearned premium for any such period you or Your dependent(s) are not covered.
- (d) Accidental Injury sustained or Sickness contracted while in the service of the armed forces of any country;
- (e) committing a felony;
- (f) penal incarceration. We will not pay benefits for Disability or any other loss for any period for which you are incarcerated in a penal or correctional institution for a period of 30 consecutive days or longer; or
- (g) Accidental Injury or Sickness arising out of and in the course of any occupation for wage or profit or for which you are entitled to Workers' Compensation\*.

\*The term "entitled to Workers' Compensation" shall also include Workers' Compensation claim settlements which occur via compromise and release. Further, no benefits will be paid under this Policy for any period during which you are entitled to Workers' Compensation benefits.

## **TERMINATION OF INSURANCE**

The insurance coverage on you will end on the earliest of these dates:

- (a) the date you do not meet the Eligibility definition;
- (b) the date you retire;
- (c) the date you cease to be on Active Employment, except as provided for under the Leave of Absence provision;
- (d) the end of the last period for which premium has been paid;
- (e) the date the Policy is discontinued; or
- (f) the first day of the month after the date on which you enter full-time military, naval or air service.

If your coverage ends as a result of your termination of Active Employment; and such termination is caused by an Accidental Injury or Sickness for which Disability benefits would be payable; and Disability is established prior to the termination of Active Employment, then Disability benefits will be paid as if such termination had not occurred.

The termination of the Policy will have no effect on Disability benefits which began before such termination. We may end your coverage if you make a fraudulent claim.

## **LEAVE OF ABSENCE**

Your coverage may be continued for up to 1 year during a Leave of Absence approved in writing by your Employer. If you become Disabled while on an approved Leave of Absence, and your disability continues beyond the date of your scheduled return to Active Employment, benefits will become payable after satisfaction of the normal benefit Elimination Period which will commence with the date of your scheduled return to Active Employment, provided you re-enroll and premium payments are resumed for your coverage.

# Critical Illness Rider

## CONSIDER THE FACTS

- The cost of a two-year disability can equal one to two times an individual's or family's annual household income.

*AHIP and LIFE: The Impact of Disability prepared by Milliman, Inc; May 2009.*

<b>CRITICAL ILLNESS RIDER</b>			
<b>Benefit Amount</b>	<b>10 Pay</b>	<b>11 Pay</b>	<b>12 Pay</b>
\$10,000.00	\$11.76	\$10.70	\$9.80
\$15,000.00	\$15.82	\$14.38	\$13.18
\$20,000.00	\$19.88	\$18.08	\$16.56
\$25,000.00	\$23.94	\$21.76	\$19.94

We will pay a one-time lump sum benefit amount based on diagnosis of the following conditions:

- Heart Attack,
- Stroke,
- Kidney Failure,
- Paralysis, or
- Major Organ Failure.

In the case of Heart Attack, a physician must make the diagnosis and treatment must occur within 72 hours of the onset of symptoms.

## CRITICAL ILLNESS RIDER LIMITATIONS

In addition to the Exclusions listed in the Base Plan to which this Rider is attached, no benefits will be paid for any loss caused by or resulting from: (a) a Critical Illness when the Date of Diagnosis occurs during the Waiting Period; (b) a Critical Illness diagnosed outside of the United States; or (c) a Sickness or Injury not specifically defined in this Rider.

No Critical Illness Benefit will be payable for a Critical Illness which is caused by or resulting from a Pre-Existing Condition when the Critical Illness Date of Diagnosis occurs before you have been continuously covered under this Rider for 12 consecutive months. Following 12 consecutive months this exclusion does not apply.

Pre-Existing Condition means a disease, Injury, Sickness, physical condition or mental illness for which you have experienced any of the following: (a) treatment; (b) incurred expense; (c) took medication; (d) received care or services including diagnostic testing or related measures; or (e) received a diagnosis or advise from a Physician, during the 12-month period immediately before the Effective Date of this Rider. The term Pre-Existing Condition will also include conditions which are related to such disease, Injury, Sickness, physical condition or mental illness.

Benefits reduce by 50% at age 70. No benefits will be paid for a Critical Illness when the Date of Diagnosis occurs during the Critical Illness Waiting Period. The waiting period is 30 days from the Effective Date of this Rider.

# Accident Only Spousal Rider

## CONSIDER THE FACTS

- On average, one out of every 11 Americans suffered a disabling injury in 2007.

*National Safety Council, Injury Facts, 2009 Edition, p. 2*

- Total costs of accidental injuries averaged \$26,023 per injury in 2007.

*National Safety Council, Injury Facts, 2009 Edition, p. 4*

<b>ACCIDENT ONLY SPOUSAL RIDER</b>				
<b>Monthly Indemnity Amount</b>	<b>Annual Salary</b>	<b>10 Pay</b>	<b>11 Pay</b>	<b>12 Pay</b>
\$500.00	up to \$10,000.00	\$4.80	\$4.36	\$4.00
\$1,000.00	\$10,001.00 - \$20,000.00	\$9.60	\$8.74	\$8.00
\$1,500.00	\$20,001.00 - \$30,000.00	\$14.40	\$13.10	\$12.00
\$2,000.00	\$30,001.00 and over.	\$19.20	\$17.46	\$16.00

We will pay a monthly indemnity amount to you for your spouse who is disabled as a result of a non-occupational accident. Benefits will begin on the 31st consecutive day after the Injury and will continue for up to 2 years.

Coverage under this Rider will begin on the later of the requested Effective Date or the date we approve the written application, provided that your spouse has no other group disability income coverage in force; is less than age 70; is engaged in Full Time Employment on the date

this Rider becomes effective; and is able to perform the material and substantial duties of his or her occupation on the date this Rider becomes effective, and; your coverage under the Policy is in force and you are on Active Employment; and the required premium has been paid.

FULL TIME EMPLOYMENT (or Full Time) means your Spouse is employed an average of 25 or more hours per week for pay or benefits. Full Time Employment does not include any hours your Spouse is working while self-employed.

## ACCIDENT ONLY SPOUSAL RIDER LIMITATIONS

This Rider does not provide benefits for your Spouse for any Disability, fatal or non-fatal, which results from any of the following: (a) Intentionally self-inflicted Injury while sane or insane; (b) An act of war, declared or undeclared; (c) Injury sustained or contracted while in the service of the armed forces of any country; (d) Committing a felony; (e) Penal incarceration. We will not pay benefits during any period for which your Spouse is incarcerated in a penal or correctional institution or for any Injury that occurs while your Spouse is incarcerated in a penal or correctional institution; (f) Injury arising out of and in the course of any occupation for wage or profit or for which your Spouse is entitled to Workers' Compensation. The term "entitled to Workers' Compensation" shall also include Workers' Compensation claim settlements which occur via compromise and release. Further, no benefits will be paid under this Policy for any period during which your Spouse is entitled to Workers' Compensation benefits; (g) Participation in any sport for wage or profit; (h) Participation in any contest of speed in a power driven vehicle for wage or profit.

Spouse means the person you are lawfully married to who is less than age 70. No benefits are payable for your Spouse under this Rider for a Disability from an Injury that occurred outside of the United States or its territories. No benefit will be provided for any period in which your Spouse is not under the Regular and Appropriate Care of a Physician. No benefits will be paid for any Injury to your Spouse which is caused by or resulting from spousal abuse.



# Hospital Indemnity Rider

## CONSIDER THE FACTS

- The average charge for a hospital stay is \$26,100.  
*HCUP Facts and Figures, 2007: Statistics on Hospital-based Care in the United States; Agency for Healthcare Research and Quality, 2009.*
- 33% of total healthcare costs are paid out-of-pocket.  
*Kaiser Family Foundation: Trends in Health Care Costs and Spending; March 2009*
- The average length of a hospital stay is 4.6 days.  
*HCUP Facts and Figures, 2007: Statistics on Hospital-based Care in the United States; Agency for Healthcare Research and Quality, 2009.*

We will pay a daily benefit amount for an Inpatient Hospital confinement up to a maximum of 90 days. Inpatient means you are admitted as a resident patient to a Hospital for at least 18 continuous hours and are being charged for room and board facilities.

<b>HOSPITAL INDEMNITY RIDER</b>			
<b>Daily Benefit Amount</b>	<b>10 Pay</b>	<b>11 Pay</b>	<b>12 Pay</b>
\$100.00	\$7.20	\$6.56	\$6.00
\$150.00	\$10.80	\$9.82	\$9.00

## HOSPITAL INDEMNITY RIDER LIMITATIONS

The Hospital Confinement Benefit will not be payable for an Injury or Sickness incurred in the first 12 months of coverage if the Injury or Sickness is caused by or resulting from a Pre-Existing Condition as defined in the Policy. In addition to the Exclusions listed in the Policy, no benefits will be payable under this Rider for any Hospital Confinement that is caused by or resulting from Mental Illness or Drug or Alcohol Abuse. Benefits are reduced by 50% at age 70. Successive Hospital stays will be considered as one confinement if they are separated by less than 90 days of confinement to a Hospital.

# COBRA Funding Rider

## CONSIDER THE FACTS

- Currently, the average long-term disability absence lasts 2.5 years.  
*Council for Disability Awareness, Worker Disability Planning & Preparedness Study, 2008*
- Half of bankruptcies are caused by unexpected illnesses, injuries, and medical bills.  
*Business Wire: Many Workers Would Rely on Credit or Family if Disabled or Ill; April 2009*
- Many people suffering from a serious sickness or injury lose their job and their employer-provided medical insurance.  
*Council for Disability Awareness, Worker Disability Planning & Preparedness Study, 2008*

In order to receive benefits under this Rider, you must:

- be receiving benefits under your Disability base plan;
- elect medical Cobra coverage; and
- be paying medical Cobra premiums.

This Benefit will pay up to the end of the disability benefit period or to the end of your medical COBRA benefit period, whichever occurs first.

<b>COBRA FUNDING RIDER</b>			
<b>Monthly Benefit Amount</b>	<b>10 pay</b>	<b>11 pay</b>	<b>12 pay</b>
\$300.00	\$5.40	\$4.92	\$4.50

## COBRA FUNDING RIDER LIMITATIONS

Proof of election of medical COBRA continuation must be provided to us. Proof of continued medical COBRA participation will be required before benefits are paid under this Rider.

# Tests That Can *Save Your Life!*



Our Family, Dedicated To Yours.®



Since 1993, Life line Screening has provided painless, accurate, affordable, non-invasive ultrasound screenings to more than 6 million people—identifying undiscovered vascular disease and the risk for osteoporosis.

American Fidelity Assurance Company has partnered with Life Line Screening to make these health screenings available to our Customers. All screening costs are the responsibilities of the Customer. You will receive your results from Life Line Screening in 21 days. Results are not shared with American Fidelity Assurance Company.

**For More Information**  
**Visit Life Line Screening Online:**  
[www.lifelinescreening.com/amerfid](http://www.lifelinescreening.com/amerfid)

## **For \$145 You Will Receive**

The Stroke, Vascular Disease & Heart Rhythm Package consisting of four screenings.

## **For Only \$10 More**

You may add the Osteoporosis Screening to the package.

### **1. Carotid Artery (Stroke Screening)**

*Ultrasound evaluation of the carotid arteries that screens for buildup of fatty plaque — the leading cause of strokes.*

### **2. Abdominal Aortic (Aneurysm Screening)**

*Ultrasound is used to screen for the presence of an aneurysm in the abdominal aorta that could lead to a ruptured aortic artery.*

### **3. Peripheral Arterial (Disease Screening)**

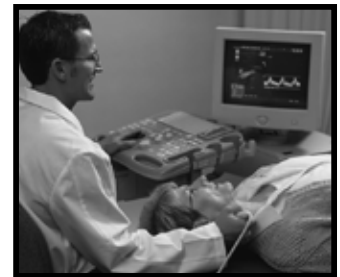
*Evaluates for peripheral arterial disease (plaque buildup) in the lower extremities. An abnormal result may indicate a risk for peripheral arterial disease and an increased risk of heart disease.*

### **4. Heart Rhythm Screening (Atrial Fibrillation)**

*Painless 6-lead EKG that can detect an irregular heart rhythm. Atrial fibrillation increases the risk of stroke 5 times.*

### **5. Osteoporosis Screening**

*An ultrasound measurement of the heel bone to determine abnormal bone mass density. Osteoporosis is painless and silent in its early stages.*



**Call for a Screening Near You**

*Pre-Registration is required.*

**Call 1-800-262-0972**

(Source Code BKHN-065)

**Complete Wellness Package**

**All 5 Screenings**

**Only \$155**

**Major Credit Cards Accepted**

*American Fidelity Assurance Company has partnered with Life Line Screening to make these discounted screening benefits available. You will receive your results from Life Line Screening in 21 days. Results are not shared with American Fidelity Assurance Company.*

# The Company Behind Your Plan

American Fidelity Assurance Company is a third-generation, family-owned organization providing insurance products and financial services to education employees, trade association members and companies throughout the United States and across the globe.

Since 1982, American Fidelity has been rated “A+” (Superior)<sup>1</sup> by A.M. Best Company. Considered one of the nation’s leading insurance company rating services, A.M. Best bases its ratings on an analysis of the financial condition and operating performance of insurance companies in such vital areas as: Competency of Underwriting, Control of Expenses, Adequacy of Reserves, Soundness of Investments and Capital Sufficiency.

American Fidelity Assurance Company (AFA) received Weiss Ratings’ B+ rating, which places AFA in the top 16.3 percent of companies in the industry.<sup>2</sup>

The 2011 Standard and Poor’s Insurance Rating Report has given American Fidelity an “Api”<sup>3</sup> rating. The qualified solvency ratings assigned by S&P are based on the analysis of quantitative data such as Capital Strength, Quality of Assets, Profitability and Liquidity.

American Fidelity Assurance Company is proud to count itself among Fortune<sup>4</sup> magazine’s “100 Best Companies to Work For” in America for the eighth straight year. We know that satisfied employees result in satisfied customers, which is an important foundation of American Fidelity’s approach to business.

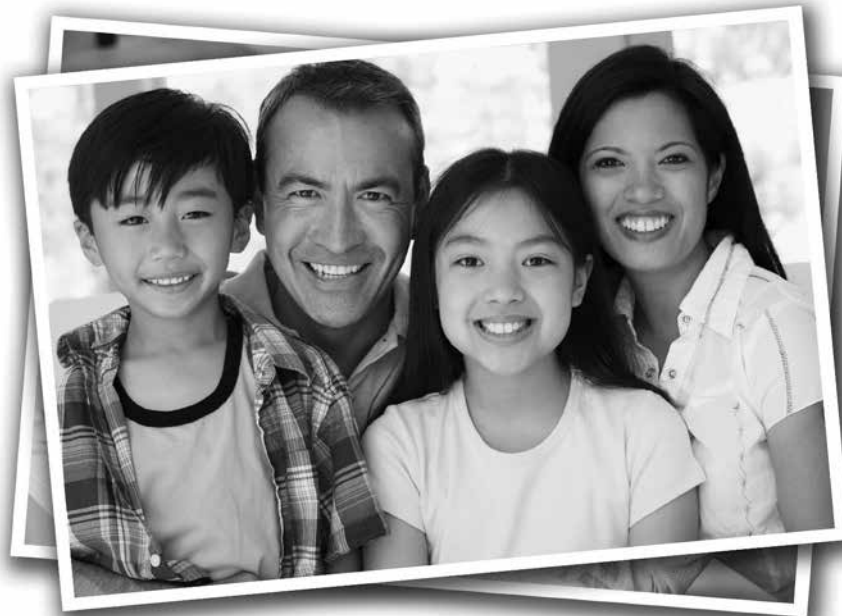
American Fidelity is founded on and driven by the principle of serving our customers and protecting their investment. We continue to grow steadily through calculated growth and conservative investment practices.

<sup>1</sup> [www.ambest.com/consumers](http://www.ambest.com/consumers) (April 3, 2012) (A+ is the 2nd out of 16 with 1 being the highest)

<sup>2</sup> [www.weissratings.com](http://www.weissratings.com) (January 13, 2012) (B+ is the 4th out of 16 with 1 being the highest)

<sup>3</sup> [www.standardandpoors.com](http://www.standardandpoors.com) (December 15, 2011) (Api is 6th out of 22 with 1 being the highest)

<sup>4</sup> *Fortune Magazine*, February 6, 2012 Issue (47th out of 100 with 1 being the highest)



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## How The Plan Works

**WAITING PERIOD - 20, 60, 100 CONSECUTIVE WORK DAYS**



**DURING SICK PAY PERIOD**

\$25 PER SCHEDULED WORK DAY, **IN ADDITION TO** FULLY PAID SICK LEAVE. \$35 FOR EACH DAY IN THE HOSPITAL (IN LIEU OF OTHER BENEFITS PAYABLE DURING SICK LEAVE).



**DURING DIFFERENTIAL PAY PERIOD**

25% OF REGULAR DAILY CONTRACT SALARY IN ADDITION TO DIFFERENTIAL OR SIMILAR PAY\*\* OR 100 SCHEDULED WORK DAYS IF NOT ELIGIBLE.



**AFTER DIFFERENTIAL PAY ENDS THROUGH THE SECOND BENEFIT YEAR**

UP TO 75% OF EACH REGULAR DAY OF REQUIRED ATTENDANCE (REDUCED BY DEDUCTIBLE SOURCES OF INCOME). THE MINIMUM DISABILITY BENEFIT WILL BE \$30 PER REGULAR DAY OF REQUIRED ATTENDANCE.



**AFTER SECOND BENEFIT YEAR**

EMPLOYEES WITH MORE THAN 5 YEARS STRS/PERS CREDIT RECEIVE 10% OF REGULAR MONTHLY CONTRACT SALARY (SUBJECT TO PLAN PROVISIONS) TO AGE 65\*. EMPLOYEES WITH LESS THAN 5 YEARS STRS/PERS CREDIT RECEIVE 60% OF REGULAR MONTHLY CONTRACT SALARY (REDUCED BY DEDUCTIBLE SOURCES OF INCOME). TOTAL BENEFITS FROM ALL SOURCES SHALL NOT EXCEED 80% OF REGULAR MONTHLY CONTRACT SALARY.\*\*\* (APPLICABLE TO CLASS I INSUREDS).

\* Please refer to STRS/PERS Booklet for an explanation of this benefit.

\*\* Differential pay or similar pay may vary in some school districts.

\*\*\* After the second benefit year, the minimum benefit will be no less than \$100.



A member of the American Fidelity Group

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