Insurance companies licensed to sell life insurance, health insurance, or annuities in the State of Utah are required by law to be members of an organization called the Utah Life and Health Insurance Guaranty Association ("ULHIGA"). If an insurance company that is licensed to sell insurance in Utah becomes insolvent (bankrupt), and is unable to pay claims to its policyholders, the law requires ULHIGA to pay some of the insurance company's claims. The purpose of this notice is to briefly describe some of the benefits and limitations provide to Utah insureds by ULHIGA.

**PEOPLE ENTITLED TO COVERAGE**

You must be a Utah resident.

You must have insurance coverage under an individual or group policy.

**POLICIES COVERED**

ULHIGA provides coverage for certain life, Health (health) and annuity insurance policies.

**EXCLUSIONS AND LIMITATIONS**

Several kinds of insurance policies are specifically excluded from coverage. There are also a number of limitations to coverage. The following are not covered by ULHIGA:

- Coverage through an HMO.
- Coverage by insurance companies not licensed in Utah.
- Self-funded and self-insured coverage provided by an employer that is only administered by an insurance company.
- Policies protected by another state's guaranty association.
- Policies where the insurance company does not guarantee the benefits.
- Policies where the policyholder bears the risk under the policy.
- Re-insurance contracts.
- Annuity policies that are not issued to and owned by an individual, unless the annuity policy is issued to a pension benefit plan that is covered.
- Policies issued to pension benefit plans protected by the Federal Pension Benefit Guaranty Corporation.
- Policies issued to entities that are not members of ULHIGA, including limited health plans, fraternal benefit societies, state pooling plans and mutual assessment companies.

**LIMITS ON AMOUNT OF COVERAGE**

Caps are placed on the amount ULHIGA will pay. These caps apply even if you are insured by more than one policy issued by the insolvent company. The maximum ULHIGA will pay is the amount of your coverage or $500,000--whichever is lower. Other caps also apply:

- $200,000 in net cash surrender values.
- $500,000 in life insurance death benefits (including cash surrender values).
- $500,000 in Health insurance benefits.
- $200,000 in annuity benefits - if the annuity is issued to and owned by an individual or the annuity is issued to a pension plan covering government employees.
$5,000,000 in annuity benefits to the contract holder of annuities issued to pension plans covered by the law. (Other limitations apply).

Interest rates on some policies may be adjusted downward.

**DISCLAIMER**

PLEASE READ CAREFULLY:

COVERAGE FROM ULHIGA MAY BE UNAVAILABLE UNDER THIS POLICY. OR, IF AVAILABLE, IT MAY BE SUBJECT TO SUBSTANTIAL LIMITATIONS OR EXCLUSIONS. THE DESCRIPTION OF COVERAGES CONTAINED IN THIS DOCUMENT IS AN OVERVIEW. IT IS NOT A COMPLETE DESCRIPTION. YOU CANNOT RELY ON THIS DOCUMENT AS A DESCRIPTION OF COVERAGE. FOR A COMPLETE DESCRIPTION OF COVERAGE, CONSULT THE UTAH CODE, TITLE 31A, CHAPTER 28

COVERAGE IS CONDITIONED ON CONTINUED RESIDENCY IN THE STATE OF UTAH.

THE PROTECTION THAT MAY BE PROVIDED BY ULHIGA IS NOT A SUBSTITUTE FOR CONSUMERS' CARE IN SELECTING AN INSURANCE COMPANY THAT IS WELL-MANAGED AND FINANCIALLY STABLE.

INSURANCE COMPANIES AND INSURANCE AGENTS ARE REQUIRED BY LAW TO GIVE YOU THIS NOTICE. THE LAW DOES, HOWEVER, PROHIBIT THEM FROM USING THE EXISTENCE OF ULHIGA AS AN INDUCEMENT TO SELL YOU INSURANCE.

THE ADDRESS OF ULHIGA, AND THE INSURANCE DEPARTMENT ARE PROVIDED BELOW.

**Utah Life and Health Insurance Guaranty Association**
955 E. Pioneer Rd
Draper, Utah  84020

**Utah Insurance Department**
State Office Building
Room 3110
Salt Lake City, Utah  84114
STANDARD INSURANCE COMPANY
A Stock Life Insurance Company
900 SW Fifth Avenue
Portland, Oregon  97204-1282
(503) 321-7000
People.  Not just policies.®

GROUP LONG TERM DISABILITY INSURANCE POLICY

POLICYHOLDER: University of Utah
GROUP POLICY NUMBER: 136485-C
GROUP POLICY EFFECTIVE DATE: August 1, 2012
GROUP POLICY ANNIVERSARY DATE: Each future January 1
STATE OF ISSUE: Utah

This group long term disability insurance policy is issued to the Policyholder by Standard Insurance Company (Standard).

PLEASE READ THE ENTIRE POLICY.  IT IS IMPORTANT.

A table of contents can be found on the next page. Defined terms appear with their initial letters capitalized.

Standard issues this group long term disability insurance policy in consideration of the payment of required premiums.

STANDARD INSURANCE COMPANY

By

President

Corporate Secretary

GPTC1002-LTD
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PART 1: GROUP POLICY SCHEDULE

ELIGIBILITY

Employer(s): University of Utah

Eligible Class(es)

Eligible Class:
Class 1: University Faculty and Staff who meet the Work Test below and are not eligible for Class 2.

Class 2: Clinical Faculty and Physicians and the Senior Vice President(s) for Health Sciences

Class 3: University Faculty and Staff previously eligible for Class 1, who have executed a Phased Retirement Agreement with the University of Utah

Class 4: Clinical Faculty and Physicians and the Senior Vice President(s) for Health Sciences previously eligible for Class 2, who have executed a Phased Retirement Agreement with the University of Utah

INITIAL PREMIUM RATES FOR ALL INSURED EMPLOYEES

Monthly Income Benefit: Classes 1 and 3: 0.390% of covered Monthly Wage Base.

Classes 2 and 4: 0.710% of covered Monthly Wage Base.

Monthly Annuity Premium Benefit: 0.165% of covered Monthly Wage Base.

PART 2: THE GROUP POLICY

The Group Policy

The Group Policy is the entire contract between Standard and the Policyholder. Standard will provide benefits according to the terms of the Group Policy.

The Group Policy consists of this group long term disability insurance policy issued by Standard to the Policyholder and identified by the Group Policy Number, the Policyholder's attached application, group
long term disability insurance certificates with the same Group Policy Number, and any amendments or endorsements to the policy or certificates.

The Policyholder's rights or the rights of any Employee will only be affected by provisions that are part of the Group Policy. Only an executive officer of Standard may: bind Standard by making a promise or a representation; or accept a representation that relates to the Group Policy.

**Change of Group Policy**

Only an executive officer of Standard may approve a change to the Group Policy or waive any of its provisions. Any change will be endorsed on or added to the Group Policy in writing. Changes may be made without the consent of Employees.

Standard may change the Group Policy in whole or in part if:

1. the change in the Group Policy is either requested by the Policyholder or is made to satisfy any legal requirement that applies to the Group Policy; or

2. the change affects Standard's administration of the Group Policy and is intended to apply to all similar group insurance policies that are affected by the change. Standard will give the Policyholder written notice of Standard's intent to make this kind of a change at least 180 days in advance of the effective date of the change. Payment of the next premium due under the Group Policy will be the Policyholder's acceptance of the change, unless the Policyholder rejects the change, in writing, prior to its effective date.

**Certificates**

Standard will issue to the Policyholder group long term disability insurance certificates to be given to each insured Employee. The certificate will set forth the main features of the Group Policy that apply to the Employee.

**Incontestability of the Group Policy or Employer Coverage Under the Group Policy**

Any statement made by the Policyholder to obtain the Group Policy or made by an Employer to obtain coverage under the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder or Employer will be used to deny a claim, or to deny the validity of the Group Policy or the Employer's coverage under the Group Policy unless:

1. the Group Policy would not have been issued or the Employer's coverage under the Group Policy would not have been approved if Standard had known the truth; and

2. Standard has given the Policyholder or Employer a copy of a written instrument signed by the Policyholder or Employer which contains the misrepresentation.

The validity of the Group Policy or the Employer's coverage under the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums or fraudulent misrepresentations.

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**PART 3: PREMIUM PAYMENT**

**Payment of Premiums**

Premiums are to be paid by the Policyholder at Standard's home office. The first premium is due on the Group Policy Effective Date. Future premiums are due on the first day of each month thereafter. The Policyholder may pay premiums on or before their due dates. Failure to pay a premium when due
is a default. Premiums will be paid for all insured Employees but not for an Employee to whom benefits are being paid under the Group Policy.

Standard shall credit to the Policyholder any payment of premiums made in error. A credit shall be given only for the payments made in error during the year in which the error is found and reported to Standard.

**Premium Rates**

Initial premium rates for all insured Employees are shown in PART 1: GROUP POLICY SCHEDULE. Standard may, as of any premium due date, change the premium rates for this insurance. A change in rates may be made only after Standard has given the Policyholder at least 180 days written notice of the change. The premium rates are guaranteed for 29 months from the Group Policy Effective Date, except when:

1. Standard and the Policyholder or the Employer mutually agree to change premium rates or coverage under the Group Policy; or
2. a change or clarification in law or governmental regulation affects the risk assumed under the Group Policy; or
3. factors material to underwriting the risk Standard assumed under the Group Policy with respect to an Employer, including, but not limited to, the number of persons insured, age, insured earnings for all Employees, gender, or occupational classification, change by 25% or more; or
4. the premium contribution arrangement for Employees is changed or varies from that stated in the Group Policy when issued or last renewed.

Any such change in premium rates will reflect only the change in Standard’s risks.

**Grace Period**

The Policyholder will be given 60 days from a premium due date to pay each premium that is due after the first one. Insurance will continue during this period. A premium not paid by the end of this grace period will bring about the automatic termination of the Group Policy at the end of the grace period. If the Group Policy terminates for any cause, the Policyholder will owe all due and unpaid premiums; this includes a pro rata premium for the time the Group Policy was in force during the grace period.

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**PART 4: LEAVES OF ABSENCE AND OTHER ABSENCE**

**Leaves of Absence and Other Absence**

When an Employee stops Active Work in an Eligible Class, the Policyholder may, for the types of absences described below, continue the insurance of the Employee for not longer than the time limit shown for each type of absence. Insurance will continue and employment will be deemed to continue, solely for the purposes of this provision, if the required premiums are remitted for the Employee and:

1. the Employee is either on a sabbatical or on a leave of absence, with or without pay, approved by the cognizant Vice-President. Insurance may be continued to the end of 36 months, or, if earlier, the end of such leave; or
2. the Employee is on a leave of absence for pregnancy. Insurance may be continued to the end of 6 months after the pregnancy ends, or, if earlier, the end of such leave; or
(3) the Employee is on a family or medical leave approved by the Policyholder. During such leave, insurance may be continued to the end of 6 months or, if later, the period required by applicable state or federal law.

Employment will not be deemed to continue and insurance cannot be continued during a sabbatical or leave of absence unless the sabbatical or the leave for the Employee is set forth in a written document that is dated on or before the leave is to start and shows that the Employee is scheduled to return to Active Work.

For an Employee on leave, the Monthly Wage Base and premiums will be based on the wages payable by the Employer just prior to the start of the leave.

During the absences set forth above, insurance will be continued with premium payment in a manner that precludes individual selection.

PART 5: GENERAL PROVISIONS

Policyholder Information to be Given to Standard

On request, the Policyholder will give to Standard any information that is required to: administer the Group Policy; and determine changes in premium rates. Standard will have the right at any reasonable time to inspect any records in the Policyholder’s possession, control, or custody that relate to the Group Policy or the Employees insured under it.

How the Group Policy Can Be Terminated

(A) By the Policyholder
If not in default of any premium payment, the Policyholder may terminate the Group Policy as of any premium due date by giving notice in writing which is received before such date at Standard’s home office. If in default, the Group Policy will terminate automatically as set forth under "Grace Period" in PART 3: PREMIUM PAYMENT.

(B) By Standard
Standard may terminate the Group Policy as of any date set forth below by giving notice in writing which is mailed to the Policyholder at least 90 days before this date:

1. the Group Policy Anniversary Date; or
2. any premium due date, if on a prior premium due date fewer than 25 Employees were insured under the Group Policy; or
3. any premium due date, if on a prior premium due date less than 50 percent of the Employees eligible for insurance were insured under the Group Policy.

Assignment of the Group Policy by the Policyholder

The Policyholder may assign the Group Policy. No assignment will bind Standard unless it is in writing and until it is filed at Standard’s home office. Standard is not responsible for whether any assignment is valid.

Notice of Suit

The Policyholder or Employer shall promptly give Standard written notice of any lawsuit or other legal proceedings arising under the Group Policy.
Agency and Release

Individuals selected by the Policyholder or by any Employer to secure coverage under the Group Policy or to perform their administrative function under it, represent and act on behalf of the person selecting them, and do not represent or act on behalf of Standard. The Policyholder, Employer and such individuals have no authority to alter, expand, or extend Standard's liability or to waive, modify or compromise any defense or right Standard may have under the Group Policy. The Policyholder and each Employer hereby release, hold harmless and indemnify Standard from any liability arising from or related to any negligence, error, omission, misrepresentation, or dishonesty of any of them or their representatives, agents, or employees.

Effect on Workers' Compensation, State Disability Insurance

The coverage provided under the Group Policy is not a substitute for coverage under a workers' compensation or state disability income benefit law and does not relieve the Employer of any obligation to provide such coverage.