

Group Long Term Disability Insurance

issued by The Prudential Insurance Company of America

For Attorneys and Employees

Total Disability Benefits

Group Long Term Disability Insurance issued by The Prudential Insurance Company of America is designed to provide a monthly income if you are totally disabled for an extended period as the result of a covered occupational or nonoccupational sickness or injury or pregnancy.

You will be considered totally disabled if as a result of sickness or injury you are unable to perform the material and substantial duties of your occupation or employment, you are not working at any job for wage or profit, you are under the regular care of a doctor and you are not confined in a prison or other house of correction due to a conviction for a criminal or other offense.

Monthly Benefit Amounts

You may select a monthly benefit amount in \$100 increments subject to a minimum of \$300 and maximum of \$10,000 if less than age 60 or, \$2,000 if age 60 or over. Your monthly benefit may not exceed 66.67% of your monthly earnings. In the case of an employee, monthly earnings will be based on a normal work week not exceeding 40 hours, exclusive of bonus and overtime pay. In the case of a Partner or Proprietor, monthly earnings will be based on gross income derived from your regular occupation determined on the cash basis, less expenses paid, with respect to your regular occupation.

Maximum Benefit Period

You may select either Plan I, Plan II or Plan III:

	Age When Disability Commences	Maximum Benefit Period for:	
		Accident	Illness
Plan I	Less than age 68 Age 68 through age 69	Lifetime	To age 70
		Lifetime	2 years
Plan II	Less than age 63 Age 63 through age 67 Age 68 through age 69	Lifetime	7 $\frac{1}{2}$ years
		Lifetime	To age 70
		Lifetime	2 years
Plan III	Less than age 68 Age 68 through age 69	Lifetime	3 years
		Lifetime	2 years

Waiver of Premium—Total Disability

No charges will be made for continued insurance coverage while you are receiving monthly benefits for total disability commencing with the first quarterly billing date following the date monthly benefits commence.

Waiting Period

Monthly benefits start after you have been totally disabled for a continuous period which exceeds the waiting period. You may choose from the following waiting periods:

Plan A - 30 days* **Plan C - 180 days**
Plan B - 90 days **Plan D - 365 days**

* Maximum monthly benefit available under Plan A is \$2,000. Monthly benefit amounts in excess of \$2,000 must be under Plans B, C or D.

Cost of Living Adjustment Benefit (Total and Partial Disability)

This benefit provides an automatic increase of 6 percent in your monthly disability benefits on the first of the month following 12 consecutive months of total and/or partial disability. Thereafter, the monthly benefits you are receiving for this continuing disability will be increased by 6 percent on each subsequent anniversary date, up to a maximum of 8 such annual increases. No benefit adjustment will be made after attainment of age 65 or after expiration of the benefit period applicable to the plan under which you are insured. The benefit will apply only to \$1,000 or more of monthly benefit.

Attorneys and Employees less than age 65 who are insured under Plans I and II are eligible for this benefit.

Survivor Benefit

If you die while receiving monthly benefits, a one sum payment will be paid to your spouse if living, otherwise, to your children. The amount of the payment will be equal to the lesser of (1) 3 times your Maximum Monthly Benefit and (2) 50% of your Maximum Monthly Benefit times the number of months remaining in the unexpired portion of the Maximum Benefit Duration at the time of your death.

Catastrophic Disability Feature

A Catastrophic Disability Feature allows you to receive an additional 20% of your existing benefit if you are not able to perform at least two of the five Activities of Daily Living: bathing, dressing, transferring, toileting and feeding.

Future Increase Opportunity

Attorneys and employees who apply for coverage prior to age 40 are offered an annual opportunity to obtain or increase their monthly coverage amount. Increments of \$1,000, up to a maximum cumulative amount of \$5,000 are available without having to provide evidence of good health. This offer is subject to amount limitations based on earnings and is subject to the overall Plan maximum. The offer expires at age 45.

For Attorneys Only

Partial Disability Benefits

Monthly benefits are payable if you are partially disabled as a result of a covered accident or sickness. The disability must commence while you are insured and prior to the January 1 coinciding with or next following your 65th birthday.

You will be considered partially disabled while you are under the regular care of a physician and unable to perform one or more important daily duties of your regular occupation but you are (1) earning income from that occupation in a reduced amount, or (2) engaged in another occupation, provided, however, the income earned from (1) or (2) must result in a continuous reduction of 25% or more of your net monthly earned income prior to disability. The regular care of a physician is not required if impairment is permanent after a complete healing process.

For Attorneys Only

Monthly Benefit (Partial Disability)

Monthly benefits will be based on a percentage of reduction in earned income and as a percentage of your Total Disability monthly benefit amount as follows:

Percentage of Reduction in Monthly Earned Income*	Percentage of Your Total Disability Monthly Benefit Payable
25 thru 39%	30%
40 thru 49%	45%
50 thru 59%	55%
60 thru 69%	65%
70% or more	75%

*Earned income shall mean gross income derived from your regular occupation determined on the cash basis, less expenses paid, with respect to your regular occupation. Monthly Earned Income will be based on 1/12 of such earned income for the 12 month period immediately preceding the period of disability for which the claim is being made.

For Attorneys Only

Benefit Period Begins (Partial Disability)

Monthly benefits will begin after 180 consecutive days of **total and/or partial** disability, however, partial disability benefits will not be payable during a period of total disability.

For Attorneys Only

Benefit Period (Partial Disability)

Monthly benefits will be paid while you remain partially disabled, as follows:

1. For a disability commencing prior to age 55:
 - a. Plan I—Up to attainment of age 65
 - b. Plan II—As long as 7 1/2 years
 - c. Plan III—As long as 3 years.
2. For a disability commencing on or after age 55:
 - a. As long as 12 months or
 - b. To age 65 if partial disability follows a period of total disability of at least 365 days.

Exclusions—Total and Partial Benefits

The insurance does not cover:

1. Disability resulting from or contributed to by act of war (including undeclared war and armed aggression).
2. Intentionally self-inflicted injury, or attempted suicide whether or not sane.
3. The portion of a disability absence falling before a benefit period begins.
4. A disability commencing on or after January 1 coinciding with or next following the member's or employee's attainment of age 70 (age 65 for partial disability and Cost of Living Adjustment Benefit).

Mental Illness, Psychoneurotic and Personality Disorders—Total and Partial Benefits

In the case of mental illness, psychoneurotic and personality disorders, benefit payments for all such disabilities while the insured is not hospital confined will not exceed 24 months.

Pre-existing Condition—Total and Partial Benefits

If an individual receives medical treatment or advice for a sickness or injury within 12 months before his coverage starts, and he becomes totally disabled due to that condition within one year after being covered, benefits will not be paid for that disability or subsequent periods of disability due to the same condition. But this exclusion will not apply to a subsequent period of disability starting after he has been covered for one year.

Quarterly Costs Per \$100 of Monthly Benefit

Effective 4-1-93

Waiting Period

	Age	30 days	90 Days	180 days	365 days	Cost of Living Benefit
PLAN I	Less than age 30	\$ 2.70	\$ 2.30	\$ 1.65	\$ 1.60	\$ 0.36
	Age 30 through 34	3.50	3.10	2.30	2.20	0.46
	Age 35 through 39	4.50	3.50	2.85	2.80	0.57
	Age 40 through 44	5.30	3.90	3.60	3.50	0.68
	Age 45 through 49	7.60	6.40	5.80	5.60	1.03
	Age 50 through 54	9.70	8.20	7.75	7.50	1.22
	Age 55 through 59	12.35	9.95	9.50	9.25	1.50
	Age 60 through 64	12.60	11.70	9.80	9.50	1.68
	Age 65 through 69	15.80	13.05	11.70	10.80	N/A
PLAN II	Less than age 30	\$ 2.05	\$ 1.85	\$ 1.55	\$ 1.45	\$ 0.36
	Age 30 through 34	2.55	2.30	1.85	1.65	0.46
	Age 35 through 39	3.30	2.70	2.40	1.95	0.57
	Age 40 through 44	4.60	3.60	3.20	2.45	0.68
	Age 45 through 49	6.80	5.65	5.15	4.30	1.03
	Age 50 through 54	9.50	7.95	7.50	7.30	1.22
	Age 55 through 59	12.15	9.70	9.25	8.60	1.50
	Age 60 through 64	12.60	11.70	9.80	9.50	1.68
	Age 65 through 69	15.80	13.05	11.70	10.80	N/A
PLAN III	Less than age 30	\$ 1.85	\$ 1.65	\$ 1.20	\$ 1.15	
	Age 30 through 34	2.35	2.05	1.40	1.30	
	Age 35 through 39	2.85	2.45	1.80	1.70	
	Age 40 through 44	3.70	3.30	2.05	1.95	
	Age 45 through 49	5.15	4.10	3.20	2.85	
	Age 50 through 54	6.60	5.10	4.65	3.70	
	Age 55 through 59	9.50	8.40	7.30	6.60	
	Age 60 through 64	11.30	10.15	9.80	6.85	
	Age 65 through 69	15.80	13.05	11.70	8.20	

Rates may change as the insured enters a higher age category, also rates may change if plan experience requires a change for all insureds.

This is not a complete description of benefits, but a summary intended to briefly outline the State Bar of Texas Insurance Trust Group Long Term Disability Insurance benefits and policy exclusions, limitations and restrictions. After you enroll, you will be issued a Group Insurance Certificate describing your coverage in greater detail. The complete terms of the coverage will be governed by group insurance contract form Series 83500 issued to the State Bar of Texas Insurance Trust by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102.

Who is Eligible to Apply

Attorneys—All members of the State Bar of Texas who are less than age 70.

Employees—All employees of an “Eligible Employer Unit” who are working full time (30 hours or more per week) and are less than age 70. An “Eligible Employer Unit” is a sole proprietorship, partnership or corporation engaged primarily in the practice of law with at least one full-time employee who is not a member of the State Bar of Texas.

Health Requirements

Each individual will be required to submit evidence of good health satisfactory to Prudential in order to become insured or increase existing coverage. A physical examination may be required.

Effective Date of Coverage

Initial Coverage—Coverage will become effective on the date the application is approved by Prudential subject to any applicable pre-existing condition exclusion as explained earlier.

Increases or Changes in Existing Coverage—Optional changes in coverage may be made by making written request. If the change results in an increase in benefits, evidence of good health satisfactory to Prudential will be required. A physical examination may be required. The change will be effective on the quarterly premium due date coinciding with or next following the date of approval of the application by Prudential.

In any event, should an attorney/employee not be working full time on the effective date of initial coverage or an increase in coverage, the insurance will be delayed until return to full-time work.

Termination of Coverage

An attorney’s insurance will terminate if he is no longer practicing his occupation on a full-time basis, if he ceases to be a member of the State Bar of Texas, if he enters military service, if he discontinues the required payments, or if the Group Insurance Contract is discontinued.

An employee’s insurance will terminate if the Employer Unit ceases to be a participant in the Insurance Trust, if he discontinues his contributions, if he ceases to be an eligible employee or if the Group Insurance Contract is discontinued.

In any event, coverage will terminate on the January 1 coinciding with or next following the attorney’s/employee’s attainment of age 70.

How to Enroll

All applicants should complete an enrollment form and return it to:

State Bar of Texas Insurance Trust
206 E. 9th Street, Suite 1501
Austin, Texas 78701

Local (512) 479-0941 • Houston (713) 224-4024
Ft. Worth (817) 654-3347 • Toll-Free 1-800-460-7248
FAX (512) 479-4109

SEND NO MONEY AT THIS TIME—You will receive a statement for the appropriate amount.

Payments

Payments can be made only on a quarterly basis. The regular quarterly due dates are January 1, April 1, July 1 and October 1 of each year. Costs will increase per the charts with your attained age. These age determinations are made on January 1 of each year.

How to File a Claim

Contact the Insurance Trust Office for claim forms and questions regarding claims.