

Sealed proposals, subject to the conditions specified on all sheets attached hereto, will be received until 10:30 o'clock A.M. on Wednesday, October 16, 2019 in the Purchasing Department at City Hall, will be opened and read before a committee who will make the recommendation for furnishing the following supplies and/or services to be delivered in accordance with the following instructions:

Deliver Product or Service to: Risk Management 125 E. Main St., Ste. 302 Jackson, TN 38301
Mail or Deliver the Proposal Clearly Marked: Long Term Disability to: City Hall, 115 E. Main, Suite 202, Jackson, TN 38301 Attn: Purchasing

DELIVERY CHARGES OF PRODUCTS/SERVICES/SAMPLES ARE TO BE PREPAID AT PROPOSERS EXPENSE TO POINT OF DESTINATION F.O.B. JACKSON, TENNESSEE AND BACK.

ITEM NO.	QTY.	UNIT	PROPOSER MUST INDICATE BRAND AND/OR GRADE (IN SPACE PROVIDED ON PROPOSAL FORM) OF ITEM HE PROPOSES TO FURNISH IN CONNECTION WITH HIS PROPOSAL.	BRAND OR GRADE	UNIT PRICE		AMOUNT	
					COST	PER	DOLLARS	CENTS
			The City of Jackson will receive sealed Requests for Proposals for long term disability.					
			Per attached specifications or equal					
			Option 1 Corebenefit					
			Option 2 Employee Buy Up					
				TOTAL				

THE CITY IS EXEMPT FROM ALL FEDERAL AND STATE TAX DISCOUNTS: _____ % 20 DAYS _____ % 30 DAYS

In compliance with the above invitation for proposals, and subject to all the conditions contained herein, the undersigned offers, and agrees, if this proposal be accepted within _____ days from the date of the opening to "complete the project" upon which prices are quoted, at the price set opposite each item within _____ days after purchase order is issued.

_____ **PROPOSER'S FIRM NAME**

_____ **STREET ADDRESS**

BY _____
 _____ **SIGNATURE OF AUTHORIZED PERSON**

_____ **CITY** _____ **STATE** _____ **ZIP CODE**

_____ **PLEASE PRINT/TYPE SIGNATURE**

_____ **TITLE**

_____ **EMAIL ADDRESS**

_____ **TELEPHONE NUMBER**

_____ **FAX NUMBER**

_____ **BUSINESS LICENSE NUMBER**

The following Minimum General Proposal Conditions have been developed and pertain to none, any and all purchases that may be made as a result of this request.

1. The City has the right to accept the lowest and/or best proposal received.
2. **ACCEPTANCE AND REJECTION** The City reserves the right to reject any and all proposals, to waive any informality in proposals, and unless otherwise specified by the proposer, to accept any item in the proposal.
3. **TIME OF ACCEPTANCE** If a proposer fails to state a time within which a proposal must be accepted, it is understood and agreed that the City shall have sixty days to accept.
4. If a proposer discovers any ambiguity, conflict, discrepancy, or omission or other error in the RFP, it shall immediately notify the Purchasing Director of such error via email swhite@cityofjackson.net, and request modification or clarification of the document.
5. **DISCOUNT PERIOD** Discounts will be taken as written on the Request for Proposal.
6. **DEFAULT OF CONTRACTOR** In case of default of the contractor, the City may procure the articles of services from other sources and hold the contractor responsible for any excess cost occasioned thereby.
7. **SAMPLE OF MATERIALS** Samples of items, when required, must be furnished free of expense and if not destroyed, will upon request be returned at the proposer's expense.
8. **SIGNATURE ON PROPOSALS** Each proposal should give the full name and business address of the proposer. Unsigned proposals will be rejected. The person signing the proposal must show his title, and if requested by the City, must furnish satisfactory proof of his or her authority to bind his or her company in contract. Proposals must be written with typewriter, ink, or indelible pencil; otherwise, they may not be considered. Purchase order will be issued to the firm name appearing on the proposal.
9. **BOND REQUIREMENTS** All bond requirements shall be identified in the Request for Proposal. The right is reserved to require the successful proposer to furnish security, free of any expense to the City, to guarantee faithful performance of the contract.
10. **TIME OF PERFORMANCE** The number of calendar days in which delivery will be made after receipt of order shall be stated in the proposal. When no time of delivery is stated by the proposer, it is understood and agreed that delivery is to be made within two weeks after receipt of order. Shipping should be FOB destination.
11. **SPECIFICATIONS** It is understood that reference to available specifications shall be sufficient to make the terms of such specifications binding on the contractor. The use of the name of a manufacturer, or any special brand or make in describing an item does not restrict the proposer to that manufacturer or specific article, unless specifically stated. The articles on which the proposals are submitted must be equal or superior to that specified. Articles received not equal will be picked up by vendor or returned to vendor shipping charges collect.

Reference to brand names, trade names, model numbers or other descriptions peculiar to specific brand products is made to establish a required level of quality and functional capabilities; it is not intended to exclude other products of that level. Comparable products of other manufacturers will be considered if proof of comparability is contained in the proposal. It shall be the responsibility of the vendors, including vendors whose product is referenced, to furnish with the proposal such specifications, catalog pages, brochures or

other data as will provide an adequate basis for determining the quality and functional capabilities of the product offered. Failure to provide this data may be considered valid justification for rejection of a proposal.

12. **Inspection** Whether or not an inspection point is specified herein, all material and workmanship shall be subject to inspection and test at all times and places (including inspection and test after arrival at destination) and, when practicable during manufacture. In case any articles are found to be defective in material or workmanship, or otherwise not in conformity with the specification requirements the City shall have the right to reject such articles, or require their correction. Final inspection shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.
13. **WARRANTY** State any and all guarantees or warranties that would apply to item/ product/service which you are proposing.
14. **Proposals should be submitted in triplicate, WITH ONE ORIGINAL AND TWO COPIES PLUS FLASHDRIVE.**
15. **Faxed E Mailed** proposals will not be accepted.
16. **These** specifications meet the minimum requirement.

NO PROPOSALS WILL BE ACCEPTED AFTER THE ADVERTISED PROPOSAL OPENING TIME.

THE CITY RESERVES THE RIGHT TO DETERMINE THE COMPETENCE AND RESPONSIBILITY OF A PROPOSER FROM ITS KNOWLEDGE OF THE PROPOSER'S QUALIFICATIONS OR FROM OTHER SOURCES.



Effective March 19, 2013, if your proposal does not include the following information, it may be rejected for non-compliance according to the invitation to bid. In your bid, place a copy of your insurance certificate. If you are the successful bidder, a complete and current certificate of insurance will be asked of you.

UNDER DESCRIPTION OF OPERATIONS IT SHOULD READ: CITY OF JACKSON IS NAMED AS AN ADDITIONAL INSURED WITH RESPECTS GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE.

**CITY OF JACKSON, TN INSURANCE REQUIREMENT
CITY PROJECT CONTRACT**

The **VENDOR** shall purchase and maintain the insurance outlined below to provide protection from the **VENDOR'S** negligent acts. The **VENDOR** shall provide this insurance as required by the Contract Documents. The negligence by any subcontractor, by anyone directly or indirectly employed by any of them, shall be considered a negligent act of the **VENDOR**.

- Commercial General Liability in the amount of \$1,000,000 per occurrence and must include Products/Completed Operations and coverage for insured contracts. **The City of Jackson must be named Additional Insured** and this must be noted on the Certificate of Insurance. The Insurance Company agrees to Waive their Right of Subrogation against The City of Jackson and this must be noted on the Certificate of Insurance.
- Auto Liability Insurance in the amount of \$500,000 Combined Single Limit. **The City of Jackson must be named Additional Insured** and the Insurance Company agrees to Waive their Right of Subrogation against The City of Jackson and this must be noted on the Certificate of Insurance.
- Statutory Workers Compensation with Employers Liability Limits of 100/500/100 - The Insurance Company agrees to Waive their Right of Subrogation against The City of Jackson and this must be noted on the Certificate of Insurance.
- The Cancellation Clause on the Certificate of Insurance is amended to read: Should any of the described policies on the attached Certificate of Insurance be cancelled the issuing Insurance Company will mail 30 days written notice to: City of Jackson Purchasing Department 115 E. Main St. #202 Jackson, TN 38301, by registered mail, return receipt requested.
- All Certificates should be issued with an Insurance Company (or Companies) maintaining an AM Best Rating of A- or better and a Financial Size of IX or greater. All Insurance Companies shall be authorized to conduct business in The State of Tennessee.

The **VENDOR** shall maintain the above insurance through both final acceptance and any Warranty Period defined by the contract documents.

All Proposers MUST submit with their proposal:

CERTIFICATE OF INSURANCE WITH THE PROPER TYPES OF INSURANCE AS STATED ON THE PREVIOUS PAGE. IF YOU ARE THE SUCCESSFUL PROPOSER, PRIOR TO BEGINNING WORK, YOU MUST ADD THE CITY ADDITIONALLY INSURED.
SIGNED AFFIRMATIVE ACTION COMPLIANCE FORM
W-9 IF NEW PROPOSER
COMPLETED BUSINESS LICENSE INFORMATION
SIGNED IRAN DIVESTMENT ACT FORM
PROPOSAL ON A FLASH DRIVE

ANY PROPOSAL SUBMITTED WITHOUT THE ABOVE INFORMATION COULD BE REJECTED.

Proposals are awarded based upon qualifications, experience, and knowledge. Proposals will not be opened at the proposal opening, however, the name of each proposer will be read aloud. This is to avoid disclosure of contents to competing proposers during the subsequent negotiations. Proposals will be open to public inspection once the intent to award the contract to a particular proposer is announced. Discussions may be conducted for clarifications with responsible proposers who submit proposals determined by the Purchasing Director to be susceptible to be selected. These proposers will be given fair and equal treatment relative to discussion and revision of proposals. Revisions to proposals are permitted after submission and before the intent to award to a particular proposer is announced to obtain the best and final offers. City personnel may not disclose information derived from competing proposals. The award will be made to the responsible proposer whose proposal is determined to be the most advantageous to the City of Jackson.

SUCCESSFUL PROPOSER WILL BE RESPONSIBLE FOR ALL TAXES LEVIED UNDER THE LAWS OF THE STATE OF TENNESSEE.

THE CITY IS EXEMPT FROM FEDERAL AND STATE TAXES. UPON REQUEST, THE CITY WILL PROVIDE A SALES TAX EXEMPTION CERTIFICATE TO THE AWARDED FIRM. CONTRACTORS DOING BUSINESS WITH THE CITY SHALL NOT BE EXEMPTED FROM PAYING SALES TAX TO THEIR SUPPLIERS FOR MATERIALS TO FUFILL CONTRACTURAL OBLIGATIONS TO THE CITY, NOR SHALL ANY VENDOR BE AUTHORIZED TOO USE THE CITY'S TAX EXEMPTION IN SECURING SUCH MATERIALS.

By submission of this proposal, each proposer and each person signing on behalf of any proposer certifies and in the case of a joint proposal each party thereto certifies as to its own organization under penalty of perjury, that to the best of its knowledge and belief that each proposer is not on the list created pursuant to 12-12-106. This is the Iran Divestment Act which states that the State of Tennessee must publish on the state's website, a list of people determined to be engaged in investment activities with Iran. Prohibits people on the list from contracting with the city and makes any contract entered into void.

Questions will not be answered after noon on the Friday prior to proposal opening.

PUBLIC ACTS 109
(Iran Divestment Act)

“By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalties of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to § 12-12-106.”

Full text of Public Chapters can be found on the Tennessee Secretary of State’s website:
<http://tnsos.org/acts/ PublicActs.109.php>.

Company Name (Proposer/Contractor)

Print Name _____

Signed _____

Title _____

BUSINESS LICENSE APPLICATION FACT SHEET

Contractors living outside Tennessee with no state business location must have a state business account number to report sales in counties with sales between \$10,000 and \$50,000. They must get a county and city business license in counties from each jurisdiction where the contractor has \$50,000 or more in sales for the tax reporting period.

If you are an out-of-state entity doing business in Tennessee without a fixed business location in Tennessee, please contact the Department to discuss your situation to determine if Tennessee business tax is required to be paid. Please contact the Department of Revenue at (615) 253-0600 (Nashville-area and out-of-state) or (800) 342-1003 (statewide toll-free). You also go to the state website tn.gov/revenue, revenue help, taxes, business tax, if you don't find your answer in the question, you can go to the bottom of the page and submit a request. Give all the details and a state representative will email you back with an answer.

A business application can be located at cityofjackson.net. If you have any additional questions concerning the business license you may contact Dalton Haywood at the City Of Jackson, Revenue Department @ 731-425-8212.

LIST PROJECT NAME:

LIST CONTRACTOR & PHONE NUMBER:

VENDOR LOCATION:

LIST SUBCONTRACTORS & PHONE NUMBERS:

THIS PROPOSAL MAY BE CANCELED, OR THE ACCEPTANCE OF ANY PROPOSAL REVOKED BY THE CITY OF JACKSON UPON WRITTEN NOTIFICATION TO THE OTHER PARTY AT ANY TIME PRIOR TO, OR AFTER, THE ISSUANCE OF A REQUISITION FOR PURCHASE OR THE EXECUTION OF A WRITTEN CONTRACT BY THE CITY OF JACKSON.

THE BID/PROPOSAL/CONTRACT/PURCHASE ORDER MAY BE CANCELED BY THE CITY OF JACKSON AT ANY TIME FOR JUST CAUSE SUCH AS NON-DELIVERY, SUBSTITUTION OF NON-SPECIFIED PRODUCTS, LATE DELIVERIES, OR CONTINUOUS PROBLEMS WITH THE VENDOR. NON-DELIVERY OF MERCHANDISE WITHIN ONE WEEK OF ORDER WILL BE GROUNDS FOR VOIDING THE AGREEMENT. THE CITY RESERVES THE RIGHT TO REJECT ANY BID IF THE EVIDENCE SUBMITTED BY, OR INVESTIGATED OF, SUCH BIDDER IS NOT PROPERLY QUALIFIED TO CARRY OUT THE OBLIGATIONS OF THE BID AND TO COMPLETE THE WORK CONTEMPLATED THEREIN WITHIN THE TIME FRAME SET FORTH IN THE BID USING SUPERIOR QUALITY MERCHANDISE/EQUIPMENT.

THE CITY OF JACKSON HAS THE RIGHT TO WAIVE INFORMALITIES AND TO REJECT ANY AND ALL PROPOSALS WHOM IT FINDS, AFTER REASONABLE INQUIRY AND EVALUATION TO BE NON-RESPONSIVE, OR IT WOULD NOT BE IN THE BEST INTEREST OF THE PROJECT TO MAKE THE AWARD. BID WILL BE AWARDED TO THE LOWEST/ BEST RESPONSIVE BIDDER. IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO INSURE THAT ALL PERSONS EMPLOYED UNDER A CONTRACT WITH THE CITY, WHETHER DIRECTLY OR BY SUBCONTRACTOR, BE LEGAL RESIDENTS AND BE AUTHORIZED TO WORK IN THE UNITED STATES OF AMERICA.

IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO INSURE THAT ALL PERSONS EMPLOYED UNDER A CONTRACT WITH THE CITY, WHETHER DIRECTLY OR BY SUBCONTRACTOR, BE LEGAL RESIDENTS AND BE AUTHORIZED TO WORK IN THE UNITED STATES OF AMERICA.

IF FORWARDED BYMAIL, THE SEALED ENVELOPE CONTAINING THE BID MUST BE ENCLOSED IN ANOTHER ENVELOPE ADDRESSED AS "SEALED BID ENCLOSED"

PROPOSER MUST RETURN THE SIGNED INVITATION TO BID FORM.

MINORITY BUSINESS ENTERPRISES (MBE'S) AND DISADVANTAGED BUSINESS ENTERPRISES (DBE'S) ARE ENCOURAGED TO PARTICIPATE IN THE PROJECT. BIDDERS ARE ENCOURAGED TO USE MBE'S AND DBE'S AS SUBCONTRACTORS IN THE PERFORMANCE OF THIS PROJECT.

USE INFORMATION IN THIS PACKAGE TO SUBMIT YOUR PROPOSAL. ANY QUESTIONS SHOULD BE ADDRESSED, IN WRITING, TO SUSAN WHITE, PURCHASING DIRECTOR, EMAIL (swhite@cityofjackson.net). POTENTIAL PROPOSERS MUST REVIEW THE PROPOSAL PACKAGE UPON RECEIPT TO IDENTIFY ANY QUESTIONS AND/OR ISSUES. ANY/ALL QUESTIONS SHOULD BE SUBMITTED IN A SINGLE REQUEST FOR ADDENDUM. REQUESTS FOR CLARIFICATION MUST BE RECEIVED BY THE PURCHASING DEPARTMENT BY NOON, THE FRIDAY BEFORE THE SCHEDULED DATE OF THE PROPOSAL OPENING.

THE CITY OF JACKSON ACCOUNTING DEPARTMENT PAYS INVOICES ON THE 15TH AND 30TH OF EACH MONTH.

LACK OF WRITTEN NOTIFICATION OF ANY DELAY IN STATED DELIVERY TIME WILL BE CAUSE FOR DISCOUNTED PRICE OF 1% PER MONTH UNTIL DELIVERY IS FACILITATED OR CANCELLATION OF AWARD. ANY DELAY MUST BE BROUGHT TO THE ATTENTION OF THE PURCHASING DEPARTMENT, CITY HALL, 115 E. MAIN STREET, SUITE 202, JACKSON, TN 38301

ALL PROPOSALS ARE OPENED AT 10:30 A.M. UNLESS OTHERWISE INDICATED

IF ADDENDUM ACKNOWLEDGEMENTS ARE NOT INCLUDED WITH THE BID/PROPOSAL, THE BID/PROPOSAL COULD BE REJECTED. IT IS THE BIDDERS SOLE RESPONSIBILITY TO OBTAIN THE BID OR PROPOSAL PACKAGE, OBTAIN ADDENDUMS AND OTHER INFORMATION AND MAIL THE COMPLETED FORM TO CITY HALL, ATTN: PURCHASING 115 E. MAIN ST., SUITE 202, JACKSON, TN 38301.

AFFIRMATIVE ACTION COMPLIANCE PROGRAM

The Undersigned certifies to the City of Jackson that if the undersigned has fifty (50) or more employees and a contract with the City of Jackson for the furnishing of supplies or services or for the use of real or personal property in the amount of \$50,000 or more, that it has developed and is maintaining a written Affirmative Action Plan for each of its establishments as required by OFCCP Regulations 41 C.F.R. §§ 60-1.4, 60-250-5, and 60-741.5.

CERTIFICATION OF NONSEGREGATED FACILITIES

The undersigned also certifies to the City of Jackson that it does not maintain or provide for its employees any segregated facilities (i.e. with regard to race, color, religion, age, gender, disability or national origin) at any of its establishments and that it does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained.

The undersigned further agrees that it will obtain identical certification from its subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause and that it will retain such certifications in its files.

PLEASE CHECK ONE:

Our Company will comply with the foregoing to the extent required by law.

Our Company is exempt from the provisions of the Equal Opportunity Clause.

Date of Execution: _____

Name of Executing Officer: _____

Title: _____

Company Name: _____

Address: _____

EQUAL OPPORTUNITY TITLE VI POLICY STATEMENT

It is the policy of the Tennessee Department of Transportation to ensure compliance with Title VI of the Civil Rights Act of 1964; 49 CFR, Part 21; related statutes and regulations to the end that no person shall be excluded from participation in or be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance from the U. S. Department of Transportation on the grounds of race, color, sex, age, disability or national origin.

Any person who believes he or she has been discriminated against should contact Lynn Henning, Director of Human Resources/Title VI Coordinator, 127 E. Main St., Suite 303, Jackson, TN 38301, (731) 425-8252.

IGUAL OPORTUNIDAD TITULO VI

Es la política del Departamento de Transportacion Del Estado De Tennessee Asegurar Que Se Cumpla Con el Titulo VI del acto de derechos civiles de 1964; 49 CFR, Parte 21, que se relaciona con los estatutos y normas para asegurar que ninguna persona sea excluida o discriminada o que se le nieguen los beneficios de cualquier programa o actividad que reciba ayuda financiera Federal Del Departamento de Transportacion de Los Estados Unidos sin importar su raza, color, sexo, edad, origen, o con algun impedimento fisico.

Cualquier persona que crea que ha sido discriminada debera comunicarse al Lynn Henning, Director of Human Resources/Title VI Coordinator, 127 E. Main St., Suite 303, Jackson, TN 38301, (731) 425-8252.



SPECIFICATIONS

REQUEST FOR PROPOSALS

THE CITY OF JACKSON, TENNESSEE

EMPLOYEE BENEFIT

LONG TERM DISABILITY

I. Description

The City of Jackson is requesting proposals from qualified companies (Company) desiring to provide long term disability insurance (LTD) to our employees which include police, firefighters and Jackson Transit Authority. Companies may not contract with independent agent or brokers to provide these services to the City. The successful Company will be required to provide benefit plans that substantially match the current plan as shown in Attachment Schedule of Benefits For Class I, our current LTD Insurance Plan, which is attached and made a part hereof. Variations should be identified in the proposal.

The City has provided LTD coverage through Symetra since December 1, 2013. The current plan design includes two options. Option I (Core Benefit) the city pays the premium for all full time employees; Option II is Optional (Buy-up to SSNRA) the employees have the option to purchase and pay 100% of that premium.

Current Premiums:9

Core Benefit:	\$.141 per \$100 of Covered Payroll to a maximum of \$8,333
Optional Benefit:	\$.315 per \$100 of Covered Payroll to a maximum of \$8,333

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed the maximum amount as indicated above.

Maximum Disability Benefit: \$5000 per month
Current # of full time employees: 768
Current # employees with Buy-up: 238

**Rates for LTD insurance coverage are to be proposed without commissions.
All variations from the current plan design must be identified in the Proposal**

II. Minimum Qualifications and Submissions

- The company must be actively in business for at least the past 5 consecutive years providing services similar to those described herein. Provide information regarding years in business.
- The company must have provided services to at least two organizations of similar type and size. Provide information showing services and 3 references with contact information
 - The company must be licensed to conduct insurance business in the state of Tennessee. Please provide evidence of license to conduct business.
- Provide location of office; do you have a local office; give address of office where work will be performed.

III. Please provide the following:

- Your standard contract & sample specimen of your policy with endorsements;
- Your standard exclusions;
- A detailed benefits summary;
- Documentation of current Rating; should be no less than an A rating;
 - Samples of your monthly Utilization and Claims Reports and other reports your company can provide to assist us in managing this contract;
- Please provide a detail fee structure for report generation;
- Please describe your billing process, i.e. can fees be wired, by check, etc.
- Please describe your secured measures of storing and transmitting employee data

IV. Scope of Services

The company will be required to provide the following services to support LTD plan design (please address how each will be done):

1. Provide dedicated personnel to assist City staff with the following:
 - Enrollment, implementation and claims handling for line of coverage;
 - Name and contact information of manager who will administer this account along with name and contact information of supervisor(s) who will manage this account.
 - On going account support throughout the contract period; and
 - Claims support and assistance with LTD claims questions.

2. Provide the appropriate LTD booklets and other materials to distribute to staff.

V. Please provide information regarding your Takeover Process along with Cost.

Basic claims info: 7 open claims; 0 pending

Effective Date: **December 1, 2019**
Contract period: Three-Year Rate Guarantee

Proposal Requested:

A. SIX MONTH ELIMINATION PERIOD/FIVE YEAR BENEFIT

B. SIX MONTH ELIMINATION PERIOD/SSNR (Buy-Up)

ALL AT A BENEFIT OF 60% SALARY WITH A MAXIMUM OF \$5,000.00 BENEFIT PER MONTH (TWO YEAR OWN OCCUPATION, THEREAFTER ANY OCCUPATION)

The census and claims experience information will be e-mailed upon verifying accurate email address. Though sent later they are a part hereof. Please send back a confirmation email and request this additional information if you plan to submit a proposal.

Schedule of current benefit is below.

SCHEDULE OF BENEFITS FOR CLASS 1

Eligibility Waiting Period

For Employees hired on or before the Policy Effective Date:
The first of the month following the date of hire

For Employees hired after the Policy Effective Date:
The first of the month following the date of hire

Definition of Disability/Disabled

The Employee is considered Disabled if, solely because of Injury or Sickness, he or she is:

1. unable to perform the material duties of his or her Regular Occupation; and
2. unable to earn 80% or more of his or her Indexed Earnings from working in his or her Regular Occupation.

After Disability Benefits have been payable for 24 months, the Employee is considered Disabled if, solely due to Injury or Sickness, he or she is:

1. unable to perform the material duties of any occupation for which he or she is, or may reasonably become, qualified based on education, training or experience; and
2. unable to earn 60% or more of his or her Indexed Earnings.

The Insurance Company will require proof of earnings and continued Disability.

Definition of Covered Earnings

Covered Earnings means an Employee's wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

It does not include amounts received as bonus, commissions, overtime pay or other extra compensation.

Any increase in an Employee's Covered Earnings will not be effective during a period of continuous Disability.

Elimination Period

Core Benefit:	180 days
Optional Benefit:	180 days

Gross Disability Benefit

Core Benefit:	60%
Optional Benefit:	60%

The lesser of the percent of an Employee's monthly Covered Earnings listed above, rounded to the nearest dollar, or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit:	\$5,000 per month
Optional Benefit:	\$5,000 per month

Minimum Disability Benefit

Core Benefit:	The lesser of \$100 or 10% of an Employee's Monthly Benefit prior to any reductions for Other Income Benefits.
Optional Benefit:	The lesser of \$100 or 10% of an Employee's Monthly Benefit prior to any reductions for Other Income Benefits.

Disability Benefit Calculation

The Disability Benefit payable to the Employee is figured using the Gross Disability Benefit, Other Income Benefits and the Return to Work Incentive. Monthly Benefits are based on a 30-day month. The Disability Benefit will be prorated if payable for any period less than a month.

During any month the Employee has no Disability Earnings, the monthly benefit payable is the Gross Disability Benefit less Other Income Benefits. During any month the Employee has Disability Earnings, benefits are determined under the Return to Work Incentive. Benefits will not be less than the minimum benefit shown in the Schedule of Benefits except as provided under the section Minimum Benefit.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf or for dependents, or which the Employee's dependents receive because of the Employee's entitlement to Other Income Benefits.

Return to Work Incentive

During any month the Employee has Disability Earnings, his or her benefits will be calculated as follows.

The Employee's monthly benefit payable will be calculated as follows during the first 24 months disability benefits are payable and the Employee has Disability Earnings:

1. Add the Employee's Gross Disability Benefit and Disability Earnings.
2. Compare the sum from 1. to the Employee's Indexed Earnings.
3. If the sum from 1. exceeds 100% of the Employee's Indexed Earnings, then subtract the Indexed Earnings from the sum in 1.
4. The Employee's Gross Disability Benefit will be reduced by the difference from 3., as well as by Other Income Benefits.
5. If the sum from 1. does not exceed 100% of the Employee's Indexed Earnings, the Employee's Gross Disability Benefit will be reduced by Other Income Benefits.

After disability benefits are payable for 24 months, the monthly benefit payable is the Gross Disability Benefit reduced by Other Income Benefits and 50% of Disability Earnings.

No Disability Benefits will be paid, and insurance will end if the Insurance Company determines the Employee is able to work under a modified work arrangement and he or she refuses to do so without Good Cause.

Additional Benefits

Survivor Benefit

Benefit Waiting Period:	After 3 Monthly Benefits are payable.
	Amount of Benefit: 100% of the sum of the last full Disability Benefit plus the amount of any Disability Earnings by which the benefit had been reduced for that month.
Maximum Benefit Period	A single lump sum payment equal to 3 monthly Survivor Benefits.

Core Benefit Option - Maximum Benefit Period

<u>Age When Disability Begins</u>	<u>Maximum Benefit Period</u>
Age 62 or under	The date the 60th Monthly Benefit is payable. Age 63
63	The date the 36th Monthly Benefit is payable.
Age 64	The date the 30th Monthly Benefit is payable. Age 65
65	The date the 24th Monthly Benefit is payable.
Age 66	The date the 21st Monthly Benefit is payable.
Age 67	The date the 18th Monthly Benefit is payable. Age 68
68	The date the 15th Monthly Benefit is payable. Age 69 or older
older	The date the 12th Monthly Benefit is payable.

Optional Benefit Option - Maximum Benefit Period

The later of the Employee's SSNRA* or the Maximum Benefit Period listed below.

<u>Age When Disability Begins</u>	<u>Maximum Benefit Period</u>
Age 62 or under	The Employee's 65th birthday or the date the 42nd Monthly Benefit is payable, if later.
Age 63	The date the 36th Monthly Benefit is payable. Age 64
64	The date the 30th Monthly Benefit is payable. Age 65
The date the 24th Monthly Benefit is payable.	
Age 66	The date the 21st Monthly Benefit is payable. Age 67
67	The date the 18th Monthly Benefit is payable.
Age 68	The date the 15th Monthly Benefit is payable.
Age 69 or older	The date the 12th Monthly Benefit is payable.

*SSNRA means the Social Security Normal Retirement Age in effect under the Social Security Act on the Policy Effective Date.

ACKNOWLEDGE RECEIPT OF ALL ADDENDA INFORMATION

Addendum I _____

Addendum VI _____

Addendum II _____

Addendum VII _____

Addendum III _____

Addendum VIII _____

Addendum IV _____

Addendum IX _____

Addendum V _____

Addendum X _____

The attached specifications are written merely as a guideline with desired features and not to favor any specific brand or manufacturer.