Guardian®

Field Underwriting Guide

Disability Income Insurance

Introduction and Underwriting Philosophy

Introduction and underwriting philosophy

This Field Underwriting Guide is designed to make your job as a "field underwriter" as easy and rewarding as possible. We view field associates as our partners in the underwriting process. Truly you are a "field underwriter," the one who knows the client and is best positioned to give us all the information we need to make decisions that are fair to everyone. The more complete and accurate the information you give our underwriters, the quicker a decision can be made.

Our underwriting philosophy is to strive for accurate, fair, and consistent risk assessment. We assess each applicant's risk for disability insurance on an individual basis with the following objective:

To make the best possible offer for disability income insurance, creatively balancing the needs of the client and risk management; and where necessary to offer practical, solid solutions through a combination of rating, riders, or offers of amended contracts with different benefit structures.

The rules outlined in this guide are intended to apply to most situations, but some conditions may justify more liberal or conservative treatment. Underwriting reserves the right to request additional evidence of insurability at the underwriter's discretion.

The Field Underwriting Guide is meant to provide you with guidance on the Company's practices and procedures; however, it is not intended to provide a complete description of all practices and procedures of the Underwriting Department. Because it is updated periodically, it may not always reflect the Company's practices or procedures at any given time. Contact the Underwriting Department with any specific questions.

Tips to expedite the DI underwriting process

1. Have the client complete an eMed prior to the application and make sure the eMed is included when the application is submitted.

2. Review the Underwriting Field Impairment Probable Action Guide (Pub7028) if your applicant mentions any concerning medical history so you can correctly set expectations and advise of probable outcomes based on the history in question.

3. Review the Financial section of the Field Underwriting Guide and make sure that the required financials (tax returns, W-2's, paystubs, etc.) are submitted with the application package. When submitting tax returns, make sure to send the entire return so we don't have to ask for any missing parts. If a joint tax return is being submitted, be sure to include the client's W-2 form so that applicant's earned income may be accurately determined.

4. Use Guardian e-App available through Guardian Online (GOL) or use the traditional paper method and answer all questions and provide the necessary details to yes answers to avoid delays.

5. Occupation classes are determined by an applicant's job duties, not title. Provide a clear picture of what your client actually does on the job; and, if they are a medical professional, provide all applicable certifications, board specialties/sub-specialties and advanced degrees as this will help us correctly classify your applicant.

6. Include a signed authorization to disclose protected health information (AA1542), which allows the underwriter to discuss medical history with you.

7. Include a cover letter to explain any special circumstances (for example, explanation of occupational duties, complex business arrangements, etc.). Let us know if you have already discussed the case with an underwriter. Provide this information in the 'Notes to Underwriting' when using e-App.

8. Prepare your client for the next steps in the underwriting process. In addition to a medical exam (eMed, paramed), we will review pharmacy and major medical billing data on every case and may review medical records. The client should be encouraged to connect their electronic health records via our vendor to expedite processing.

9. If you have questions about medical or financial underwriting, contact your Guardian Agency's Disability Income Specialist.

10. Review the Field Underwriting Guide (Pub7492BL) that you are looking at right now and familiarize yourself with all available Products, Programs, and Discounts since knowing these will help you find the best approach for each and every client. You can also refer to the Underwriting & New Business Services Quick Reference Guide (Pub4217BL) to assist you with the underwriting process.

11. If you have a client with concerning medical history, consider submitting an Underwriting Inquiry Form. This gives our underwriters the authorization they need to review the client's medical records without having to go through the entire underwriting process.

Key Individual Disability staff

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Section 1

Provider Choice

Berkshire Policy Forms 18ID and 18UD

Provider Choice (18ID and 18UD)

Provider Choice is an individual disability income (IDI) product offered as three customizable packages that allow the consumer to select a disability insurance policy that best suits their unique needs.

Products, provisions, and features vary by state. For additional information, see Product Manual (Pub7493BL) or contact your agency's Disability Income Specialist.

Provider Choice Packages

Consumers may choose from one of the following:

Provider Choice Packages	Essential Package	Select Package	Premier Package
Definition of Disability	Two-Year Modified Own Occupation (any occupation thereafter)	Two-Year True Own Occupation (modified thereafter)	True Own Occupation
Premium Structure*	Level	Level or Graded	Level or Graded
Benefit Period	2 Year 10 Year 5 Year To age 65	5 Year To Age 65 To age 70 10 Year To age 67	2 Year 10 Year To age 67 5 Year To age 65 To age 70
Increase Option	N/A	Future Increase Option[†] Benefit Purchase Rider	Future Increase Option[†] Benefit Purchase Rider
Mental and/or Substance-Related Disorders (MSRD) Limitation	12 Month**	12 Month*** 24 Month Unlimited[††]	12 Month*** 24 Month Unlimited[††]
Partial/Residual Disability	Short-Term Residual	Basic Partial Enhanced Partial	Basic Partial Enhanced Partial
Cost of Living Adjustment	N/A	▪ Four-Year Delayed ▪ 3% Compound ▪ 6% Maximum	▪ Four-Year Delayed ▪ 3% Compound ▪ 6% Maximum
Catastrophic Disability (CAT)	N/A	Basic CAT/Severe Disability Enhanced CAT	Basic CAT/Severe Disability Enhanced CAT
Extended Benefits	N/A	Lump Sum Disability Benefit	Lump Sum Disability Benefit
Retirement Protection	N/A	Retirement Protection Plus	Retirement Protection Plus
Student Loan Protection	N/A	Student Loan Protection Rider	Student Loan Protection Rider

See next page for footnotes and Additional Benefits.

Berkshire Policy Forms 18ID and 18UD			
	Essential Package	**Select Package**	**Premier Package**
Additional Benefits	Social Insurance Substitute	Automatic Benefit Enhancement Social Insurance Substitute Supplemental Benefit Term Rider Unemployment Waiver of Premium	Automatic Benefit Enhancement Social Insurance Substitute Supplemental Benefit Term Rider Unemployment Waiver of Premium

*Substandard premiums in one of the following increments are applied on a policy and rider level (before the policy fee): 25%, 50%, 75%, and 100%.

**DE, FL, MT, ND, SD, and WY will have a 6 Month limitation and CA and NY will have 24 Month limitation in the Essential Package.

***In CA applicants will have a 24 Month limitation. In NY applicants can have 24 Months limitation or Unlimited. The 12 Month limitation is not available in either state.

† Not available for Classes 4D and 3D.

†† Unlimited is not available in CA or for anesthesiologists/anesthetists, certified anesthesiology assistants (CAAs), certified nurse anesthetists (CRNAs), dental anesthesiologists, emergency room physicians, general dentists, pain management physicians, pharmacists, and pharmacy technicians. This also applies to any residents declaring any of these specialties. These occupations require an MSRD limitation. MSRD limitations do not apply to policies issued as the result of a future increase option when exercised from a policy that did not have such a limitation.

Issue Ages		
	Level	**Graded**
Sex Distinct	18 – 60	18 – 50
Unisex	18 – 75 (76 – 80 on exception only)	18 – 50
Exceptions		
All Policies	Max Issue Age of 55 for 10-Year Benefit Period	Max Issue Age of 60 for 5-Year Benefit Period
18UD Only	Max Issue Age of 64 for To Age 65 Benefit Period Ages 67–74 valid with Year Benefit Period Only	Max Issue Age of 66 for To Age 67 / 70 Benefit Periods Ages 75+ valid with 1-Year Benefit Period Only
RPP Policies	Max Issue Age of 60 for Level	Max Issue Age of 50 for Graded

Elimination Periods (EP)					
30 Day	**60 Day**	**90 Day**	**180 Day**	**360 Day**	**720 Day**

Exceptions	
360 Day EP	Not available with 2-year benefit period in every state
720 Day EP	Not available in every state regardless of benefit period. 720- day elimination period not available with 2- and 5-year benefit periods.

Not all elimination periods are available in every state or with every benefit period. See Product Manual (Pub7493BL) **for details.**

Provider Choice Riders *If available with selected package.*	6/6M	5/5M	4/4M	4D	3/3M	3D	2/2M/1
Automatic Benefit Enhancement (ABE) Issue Ages: 18 – 50 Benefit Periods: All Elimination Periods: All *No charge rider available only at underwriting discretion. Only available with level premiums.*	✓	✓	✓	✓	✓	✓	
Benefit Purchase Rider (BPR) Issue Ages: 18 – 50 Benefit Periods: All Elimination Periods: All *See Rider Description for full details.*	✓	✓	✓	✓	✓	✓	
Catastrophic Disability (CAT) **Basic Catastrophic/Severe Disability** Issue Ages: 18 – 60* Benefit Periods: All Elimination Periods: All	✓	✓	✓	✓	✓	✓	✓
Enhanced Catastrophic Issue Ages: 18 – 60* Benefit Periods: All Elimination Periods: All except 720 Days	✓	✓	✓	✓	✓	✓	✓
Cost of Living Adjustment (COLA) **Four-Year Delayed** Issue Ages: 18 – 60* Benefit Periods: 10 Year, To Age 65 / 67 / 70 Elimination Periods: All	✓	✓	✓	✓	✓	✓	
3% Compound Issue Ages: 18 – 60* Benefit Periods: All – except 2 Year Elimination Periods: All	✓	✓	✓	✓	✓	✓	
6% Maximum Issue Ages: 18 – 60* Benefit Periods: All – except 2 Year Elimination Periods: All	✓	✓	✓	✓	✓	✓	
Future Increase Option (FIO) Issue Ages: 18 – 50 Benefit Periods: All Elimination Periods: All	✓	✓	✓		✓		

*Additional Issue Ages are available on Unisex policies. See Product Manual (Pub7493BL) for details.

Provider Choice Riders *If available with selected package.*	6/6M	5/5M	4/4M	4D	3/3M	3D	2/2M/1
Lump Sum Disability Benefit Issue Ages: 18 – 55 Benefit Periods: To age 65 / 67 / 70 Elimination Periods: All	✓	✓	✓	✓	✓	✓**	
Partial Disability							
Basic Partial Issue Ages: 18 – 60 Benefit Periods: All Elimination Periods: All	✓	✓	✓	✓	✓	✓	
Enhanced Partial Issue Ages: 18 – 60 Benefit Periods: All Elimination Periods: All	✓	✓	✓	✓	✓	✓	
Retirement Protection Plus (RPP) Issue Ages: 18 – 60* Benefit Periods: Rider Benefit Period To Age 65 Only Elimination Periods: All ***Rider EP cannot be less than base policy EP.***	✓	✓	✓	✓	✓	✓	
Short-Term Residual Issue Ages: 18 – 60 Benefit Periods: 2 / 5 / 10 Year, To Age 65 Elimination Periods: All	✓	✓	✓	✓	✓	✓	✓
Social Insurance Substitute (SIS) Issue Ages: 18 – 60 Benefit Periods: All Elimination Periods: All	✓	✓	✓	✓	✓	✓	✓
Student Loan Protection (SLP) Issue Ages: 18 – 40 (10/15 Year) 41 - 45 (10 Year) Benefit Periods: 10 Year, 15 Year Elimination Periods: 90 or 180 day ***Rider EP cannot be less than base policy EP.***	✓	✓	✓	✓	✓	✓	

*Additional Issue Ages are available on Unisex policies. See Product Manual (Pub7493BL) for details

**Lump Sum not available to 3D in CA.

Provider Choice Riders *If available with selected package.*	6/6M	5/5M	4/4M	4D	3/3M	3D	2/2M/1
Supplement Benefit Term Issue Ages: 18 – 40 (10/15 Year) 41 - 45 (10 Year) Benefit Periods: 10 Year, 15 Year Elimination Periods: 90 or 180 day ***Rider EP cannot be less than base policy EP.***	✓	✓	✓	✓	✓	✓	
Unemployment Waiver of Premium (UWP) Issue Ages: 18 – 55 Benefit Periods: All Elimination Periods: All *Not available to self-employed applicants.*	✓	✓	✓	✓	✓	✓	✓

*Additional Issue Ages are available on Unisex policies. See Product Manual (Pub7493BL) for details.

Not all riders are available under all underwriting programs. For additional rider information refer to the Additional Information below.

Note: Depending on the Benefit Period, Elimination Period, Issue Age, or Premium Structure, not all rider combinations are available. Please refer to the "Provider Choice Riders: additional information" section below, or Product Manual (Pub7493BL) for details.

Provider Choice: additional information

Minimum Issue Limits

$500 (including fully underwritten RPP)

$200 for Future Increase/Benefit Purchase Option exercises

The minimum policy size can be achieved with a combination of Base and Social Insurance Substitute Rider:

- Monthly benefit of the Base Policy (minimum $200) plus
- Monthly benefit of Social Insurance Substitute rider
  - If applicable: Minimum $200

Premium Modes and Factors	
Semi-annual	0.515000
Quarterly	0.262650
Monthly	0.085833

Please see Sections 4 and 5 for Maximum Issue limits.

For rules on Occupation Classes 2M, 2, 1M and 1 please see Provider Choice Rules for Occupation Classes 2M, 2, 1M and 1.

Provider Choice Riders: additional information

Some riders are not available in every state.
See Product Manual (Pub7493BL) to determine the state availability.

Automatic Benefit Enhancement Rider

Minimum: Not available if monthly benefit amount is less than $1,000 (includes SIS).

Maximum: Same as base.

ABE cannot exceed the applicable maximum Issue and Participation limits (1.04 x the approved coverage amount plus all in-force coverage, including: available FIO options, future ABE increases and SIS). ABE is not available if increases would result in exceeding the lifetime Maximum Issue limits. ABE is only available with level premium structure.

Not available under New Field Representative (FR) or Group Conversion programs.

Benefit Purchase Rider (BPR)

This is a no charge rider available only with either the Enhanced Partial Rider or the Basic Partial Rider. The applicant must purchase at least 75% of the maximum monthly benefit that the applicant financially qualifies for to be eligible for the BPR rider. M-Class applicants applying under the Special Limits for New Professionals Program must purchase at least 50% of the maximum monthly benefit they are eligible for to receive the BPR rider; however, this 50% option is not available to the Dental Market or Florida Applicants. This rider can be issued even if the insured has reached the Maximum Issue Limit on the base policy.

The benefit for a BPR Option Increase Policy will be determined at time of offer based on our then current underwriting guidelines. The minimum offer Berkshire will make is $400 and the minimum policy Berkshire will issue is $200. Applicants must accept 50% of the offer made at the time of the option exercise for the rider to remain in force. If the insured is eligible for less than $400, we will deem him or her ineligible for an increase. The rider will remain in force until the next review date. Applicants must apply on each option date to keep the rider in force.

New Physician/Fellow Limits are available to applicants up to 12 months prior to graduating or during the 24 months following graduation. However, individuals who are still in Residency only have to apply for 50% of the Resident Limit to be eligible for BPR.

Not available under Retirement Protection Plus (RPP), New Field Representative (FR) or Group Conversion programs.

See Option Exercise Section

Catastrophic Disability Benefit (CAT) Rider

Basic CAT/Severe Disability

Minimum: $100
Maximum: $12,500 available over Issue and Participation limits.

Enhanced CAT

Minimum: $100
Maximum: $12,500 available over Issue and Participation limits.

CAT coverage is not available under Retirement Protection Plus or Group Conversion programs.

Issue Limit calculations

CAT coverage is limited to the lesser of 40% of monthly earned income or 100% of monthly earned income less in force/applied for coverage (from all sources), and must not exceed the $12,500 maximum Issue and Participation limit:

- 40% Rule: Use 40% applicant's monthly earned income.
- 100% Rule: Monthly earned income, less all in-force/applied for IDI, SIS, CAT, and GLTD. Employer-paid GLTD will be discounted 30% as we do for base benefits.

Future Increase Option Rider

Minimum: $500
Maximum: 2x the sum of in-force or applied for base monthly benefit, SIS, and Guardian Group

Exceptions to Maximum

- Special Limits for New Professionals Program: 3x the sum of in-force or applied for base monthly benefit, SIS, and Guardian Group
- RPP Program: 2x the base monthly benefit for a total of base plus FIO amount not to exceed $8,000
- RPP Program, in conjunction with Special Limits for New Professionals program: 1x the base monthly benefit

Inforce and applied for coverage cannot exceed maximum Issue and Participation limits.

Note: Future Increase Option is not available for Classes 4D and 3D.

Exercising an FIO Option: The total of all in-force coverage including Guardian Group, plus the applied for FIO exercise cannot exceed maximum Issue and Participation Limits. Minimum policy amount that can be issued when exercising an FIO Option is $200.

[See Option Exercise Section](#)

Lump Sum Disability Benefit Rider

Minimum: Same as base.

Maximum: $20,000 without Graded Lifetime. If Graded Lifetime is in force or applied for on any policy see table below.

Lump Sum is not available with the following:

- Social Insurance Substitute Rider
- Retirement Protection Plus Rider, RPP Stand-Alone Policy, any in-force or applied for Retirement Contribution Protection with any carrier
- Short-term Residual Rider
- Government Employee, Home-Based Business, New Field Representative (FR) or Group Conversion programs

Lump Sum cannot be added to an in-force policy.

Any combination of Lifetime inforce and Lump Sum benefits will also be limited to $10,000 or $16,000 per month (depending upon occupation, as noted below). If the applicant does not have any lifetime coverage in force or applied for with any carrier, Lump Sum benefits will be limited to $20,000 per month. All benefits are subject to Maximum Issue and Participation Limits.

Graded Lifetime and Lump Sum: Max Rider Issue Limits (from all sources)				
Occupation/Occupation Class	**Lifetime only**	**Lump Sum only**	**Combination of Lifetime and Lump Sum**	**Additional Policies without Lifetime or Lump Sum**
Occupation Classes 4M, 3M, 4D, 3D, 3and all Physicians and Dental Specialists, regardless of Occupation Class	$10,000	$20,000	$10,000	Up to published I & P
Occupation Classes 6M and 5M (other than Physicians), and 6, 5 and 4	$16,000	$20,000	$16,000	Up to published I & P

Retirement Protection Plus (RPP) Disability Rider

Benefit Period: RPP is available with policies which have a To Age 65 / 67 / 70 Benefit Period; however, the rider Benefit Period will always be To Age 65.

Minimum: $250

Maximum: Maximums apply to both RPP Policies and the RPP Rider

RPP Disability Rider			
Issue Ages	**Premium Payor**	**% of Contributions**	**2026 Maximum Issue Limit**
18 – 49	Employee	100%	$6,000
50 – 60	Employee	100%	$6,660
18 – 49	Employer	133%	$6,000
50 – 60	Employer	133%	$6,660

Not available with in-force or applied-for Lifetime or Lump Sum coverage with any carrier.

Not available with 720-Day Elimination Period on the base policy.

RPP is available over-and-above our Maximum Issue limits based on Age and Occupation Class and our Issue and Participation Limit Tables based on Annual Earned Income.

RPP benefits are designed to help protect both employee and employer contributions; as such, applicants must be contributing to a qualified retirement plan to be eligible for RPP (the only exception is RPP available under our Special Limits for New Professionals Program). The plan must be in effect and funded for at least one year.

RPP benefits cannot exceed 100% of the Applicant's current retirement contributions to a qualified retirement plan (133% if the RPP benefits will be employer-paid and taxable). We do not require documentation as proof of current retirement contributions unless those contributions exceed 15% of the Applicant's annual earned income (19% if the RPP benefits will be employer-paid and taxable).

The RPP rider is not available with Retirement Protection Plus Stand-Alone Policy, Home Based Business Owner (HBB), New Field Representative (FR) or Group Conversion programs.

Social Insurance Substitute Rider

Minimum: $200 per Insured.

Maximum: $1,500 maximum Issue and Participation (from all sources).

The SIS rider may be required for classes 2/2M and 1 See the Provider Choice: additional information section for details.

Not available with Lump Sum rider.

Not available with Retirement Protection Plus Stand-Alone Policy or Government or Federal Employees programs.

Student Loan Protection Rider/Supplemental Benefit Term Rider

Issue Limits are outside of normal individual disability income Issue and Participation limits. The combined limit for Student Loan Protection Rider and Supplemental Benefit Term Rider is the greater of the maximum limits shown below based on educational degree or occupation class.

Minimum: $250*

Maximum based on educational degree:

$1,000 per insured if working towards or holding an Associate's or Bachelor's degree.
$2,000 per insured if working towards or holding a Master's degree, PhD, DMD, DDS or other 4 year graduate degree.
$2,500 per insured if working towards or holding a Medical Doctoral degree (MD or DO)**.

Maximum based on occupation class:

$1,000 per insured if 3 or 3M.
$2,000 per insured if 3D, 4, 4M or 4D.
$2,500 per insured if 5, 5M, 6 or 6M.

These limits also apply to policies receiving New Professional limits.

* Supplemental Benefit Term Rider not available if the base monthly benefit amount is less than $1,000 (includes SIS).

**Dental market excluded.

Not available with Retirement Protection Plus Stand-Alone Policy program.

The table below identifies the combined maximum limit based on both degree and occupation class.

Student Loan Protection Rider/Supplemental Benefit Term Rider Limits

	Occupation Class		
Degree*	**3 or 3M**	**3D, 4, 4M or 4D**	**5, 5M, 6 or 6M**
Associate's or Bachelor's degree	$1,000	$2,000	$2,500
Master's degree, PhD, DMD or DDS	$2,000	$2,000	$2,500
Medical Doctoral degree (MD or DO)**	$2,500	$2,500	$2,500

*Working towards or holding the specified degree

**Dental market excluded

Unemployment Waiver of Premium Rider

Not available to self-employed applicants.

Not available under Government or Federal Employees program, Home Based Business Owner program (HBB) or New Field Representative (FR) program.

Not available in every state. See Product Manual (Pub7493BL) for details.

Provider Choice: Discounts

Discount programs

Only one of the following discount programs can be issued per policy:

Association Discount program:[1] 10%

Forms: 18ID – Gender Distinct
18UD – Unisex for FIO Only

Employer-Paid Discounts (QSPP and Executive Bonus):[2] 25%

Forms: 18ID – Gender Distinct for FIO Only
18UD – Unisex

Professional Group Discount program:[2] 10%

Forms: 18ID – Gender Distinct
18UD – Unisex for MT Only

Student and Resident Discount program (including new white-collar professionals):[2] 10%

Forms: 18ID – Gender Distinct
18UD – Unisex for MT Only

Mental and/or Substance-Related Disorders (MSRD) limitation and discount

A Mental and/or Substance-Related Disorder (MSRD) limitation is required on all policies issued in CA and to any anesthesiologists/anesthetists, certified anesthesiology assistants (CAAs), certified nurse anesthetists (CRNAs), dental anesthesiologists, emergency room physicians, general dentists, pain management physicians, pharmacists, and pharmacy technicians. This MSRD also applies to any residents declaring any of these specialties. Discounts are applied when there is an MSRD limitation. MSRD limitations do not apply to policies issued as the result of a future increase or future purchase option when exercised from a policy that did not have such a limitation.

The MSRD Discount varies based on the MSRD Limitation as follows:

Mental and/or Substance-Related Disorders (MSRD) Benefit Limitation and Discount					
24-Month Discount		12-Month Discount		6-Month Discount	
Benefit Period	Discount	Benefit Period	Discount	Benefit Period	Discount
1 Year	N/A	1 Year	N/A	1 Year	10%
2 Year	N/A	2 Year	5.0%	2 Year	10%
5 Year	6%	5 Year	8.5%	5 Year	11%
10 Year	8%	10 Year	10.5%	10 Year	13%
To Age 65/67/70	10%	To Age 65/67/70	12.5%	To Age 65/67/70	15%

For more information regarding the Mental and/or Substance Related Disorders (MSRD) Benefit Limitation, see Product Manual (Pub7493BL) for details.

Note: See page 1-1 for MSRD options and details.

[1]Pays reduced compensation scale. Discount may vary depending on state.

[2] Pays reduced compensation scale when issued to a dental occupation (Occupation Class 3D or 4D).

Preferred Occupation Discount

10% policy level discount for qualifying occupations.

Select Risk Class Discount

25% discount for policies issued with the Select Risk Class.

Preferred Risk Class Discount (FIO only)

26% discount available only for FIO exercises if the Preferred Risk Class Discount was approved on the originating policy.

Provider Choice: Underwriting programs

Special Limits for New Professionals program

New professionals often lack the earnings history necessary to qualify for disability income insurance yet have tremendous future earnings potential. Through our Special Limits for New Professionals program, you can offer your new professional clients within the 24 months following graduation Provider Choice disability insurance protection without proof of income.

Special Limits are also available to applicants up to 12 months prior to graduating into their residency, fellowship, or practice. Applicant's graduation date must be included on the Application and/or the New Business Transmittal.

Regardless of current earnings or in-force Group LTD, special limits are available for the new professionals and medical/dental residents shown in the Special Limits for New Professionals table on the next page (not intended for second specialty and all other normal underwriting requirements apply).

Group LTD coverage is not considered when determining the amount of available coverage for those applying under the Special Limits for New Professionals Program. Applicants may also provide proof of income (i.e. employment agreement) in order to obtain amounts above the New Professionals Program Limits; however, if we proceed with amounts over the Special Limits for New Professionals, normal underwriting guidelines and Graded Lifetime and Lump Sum limitations will apply.

Employment agreements and/or Physician Recruitment Agreements are only considered when the employment start date is within 6 months of issue. For other scenarios, contact your underwriter for individual consideration.

Special Limits for New Professionals Program			
Status/Profession	**Monthly Benefit Maximum**	**Catastrophic Benefit Maximum***	**FIO Maximum Benefit****
Physicians			
Medical Physician (MD, DO), Medical Fellow (MD, DO)	$8,000	$8,000	$22,000
Medical Resident	$5,000	$8,000	$15,000
Dentists			
Dental Anesthesiologist, General Dentist (DMD, DDS)	$5,000	$5,000	N/A
Other Dental Specialist (DMD, DDS)	$7,500	$7,500	N/A
Dental Resident	$5,000	$5,000	N/A
Other Occupations			
Accountant/CPA, Architect, Attorney, Computer Science, Engineer (Degreed), Optometrist, Pharmacist, Podiatrist, PhD Psychologist, Veterinarian	$4,000	$8,000	$12,000
Actuary, Business Analyst, Certified Registered Nurse Anesthetist (CRNA), Computer Analyst, Data Analyst, Investment Analyst, MBA Professional, Paralegal Nurse Practitioner (NP Certified), Physical Therapist, Physician Assistant (PA Certified)	$3,000	$6,000	$9,000
Medical Physicist, Pharmacy Resident, Scientist (MD or PhD)	$2,500	$5,000	$7,500
Podiatry Resident	$1,000	$2,000	$3,000

*Catastrophic Disability Benefit (CAT) rider is not available in every state. See Product Manual (Pub7493BL) for details.
**Future Increase Option (FIO) not available to occupation classes 4D and 3D.

See Notes on next page.

Notes:

Timing of Special Limit Eligibility

Special Limits are available to applicants up to 12 months prior to graduating or during the 24 months following graduation.

Applicant's graduation date must be included on the Application and/or the New Business Transmittal.

New Professional Limits with Other Coverage

In-force Group LTD coverage does not count toward the amount issued under this program. Participation with other companies' individual disability coverage is limited to a maximum of $1,000 over and above our published Special Limits for New Professionals.

Student Loan Protection/Supplemental Benefit Term rider limits

See the Student Loan Protection/Supplemental Benefit Term Rider section.

Retirement Protection Plus (RPP) limits

All applicants (except in NY) who qualify under our Special Limits for New Professionals Program are eligible for up to $1,000 of RPP (rider or stand-alone policy). Applicants with employment agreements and/or physician recruitment agreements are also eligible for this $1,000 RPP rider. Applicants in NY who qualify under our Special Limits for New Professionals Program may apply for RPP; however normal financial underwriting guidelines for RPP will apply and applicants must be contributing to a qualified plan that has been in existence for at least one year.

RPP is unavailable with the Lump Sum Disability Benefit Rider and is unavailable if any in-force or applied for lifetime benefits exists with any company.

See Retirement Protection Plus (RPP) Disability Rider section or the Retirement Protection Plus (RPP) program: Stand-Alone Policy section for additional details and restrictions.

FIO Group Backup Program

This program provides higher FIO issue limits for certain clients with Group LTD coverage in place. The program is intended to help ensure that these clients have FIO coverage to replace their Group LTD coverage if it is lost.

Eligibility: Clients who are eligible for an FIO rider and meet the following criteria:

- The amount of FIO coverage the client financially qualifies for is less than the amount of Group LTD coverage* currently in force; and
- The client must purchase at least 90% of the maximum base monthly benefit for which they financially qualify.

If the client meets these criteria, they can apply for FIO rider coverage up to their tax adjusted* in force GLTD amount, not to exceed maximum Issue and Participation limits. We will include any in force or applied for FIO coverage with Berkshire/Guardian when determining the maximum amount of FIO available.

When determining insurable income, we will include all income required to be reported to the IRS including W-2 wages, salary, bonuses, the applicant's share of net business income, and all other compensation received for work or services.

Notes:

- Only available with Provider Choice policy forms 18ID and 18UD.
- Not available when base policies include a Lump Sum Disability benefit rider.

* We will discount the Group LTD 30%.

Stand-Alone Benefit Purchase Rider Program

The Stand-Alone BPR program provides applicants who are fully insured by Group LTD or another carrier's IDI coverage an option to go through medical underwriting now and then obtain additional Berkshire coverage by exercising increases without additional medical underwriting as their income increases. This program utilizes a $100 monthly benefit Provider Choice policy and our BPR rider to provide an option for future increases with Guardian. This program is only available to applicants meeting the eligibility criteria listed below.

The applicant may apply for the Premier or Select package and any of the benefit periods, definitions of disability, premium structures, and elimination periods available under those packages. For details see the Provider Choice Packages section.

Available riders: Basic or Enhanced Partial rider, Cost of Living Adjustment Rider (4-Year Delayed, 3% Compound, 6% Maximum).

All normal medical and occupational underwriting requirements apply.

Eligibility

- The applicant qualifies for less than $500 per month of additional IDI coverage.
- The applicant cannot have any in-force IDI coverage with Berkshire. Applicants who already have a Berkshire IDI policy without a BPR rider can have the rider added to their existing policy with full underwriting instead of using this program.
- Applicants with an income pre-tax replacement ratio above 75% will not be eligible for this program. The replacement ratio is calculated as total disability benefits (including IDI and Group coverage) divided by pretax Earned Income. If the IDI or group benefits are taxable, they will be discounted by 30% for the purpose of the replacement ratio calculation. Earned Income means the income you are required to report to the Internal Revenue Service ("IRS") for income tax purposes. This includes W-2 wages, salary, bonuses, your share of net business income, and all other compensation you received for work or services.
- Available to Classes 6/6M, 5/5M, 4/4M and 3/3M only.

Retirement Protection Plus (RPP) program: Stand-Alone Policy

The RPP program provides disability insurance protection for retirement plan contributions. This program is to help protect both employee and employer contributions. At time of total disability, benefits are paid into an irrevocable trust. The trustee invests the funds at the direction of the insured and distributes them to the insured at age 65. RPP is not available to applicants with lifetime benefits or Lump Sum in-force or applied for with any carrier.

Retirement Protection Plus Program	
Issue Ages	Level: 18 – 60 Graded: 18 – 50
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Definition of Disability	Two-Year True Own Occupation (Modified Thereafter)
Premium Structure	Level or Graded
Elimination Periods	180 Days or 360 Days
Benefit Period	To Age 65
Discounts	All current discounts allowable for the appropriate Provider Choice base policy form apply to policies issued through the RPP program, except Mental and/or Substance Limitation (MSRD) Discounts. See note on next page for additional information.

Available Riders

- Automatic Benefit Enhancement — Not available if FIO Rider is selected
- Cost of Living Adjustment (Four-Year Delayed, 3% Compound, 6% Maximum)
- Future Increase Option*

*The total of monthly benefit and Future Increase Option rider may not exceed $8,000 (FIO is not available with ABE rider). The FIO Rider amount cannot exceed two times the base benefit applied for (one times the base under the New Professionals Program). FIO is not available for Classes 4D and 3D.

Eligible retirement plans

Money Purchase Plans, Profit Sharing Plans, Simplified Employee Pensions (SEPs), Employee Stock Ownership Plans (ESOPs), 401(k), 457 and 403(b) Plans, SARSEP Plans, IRAs and Roth IRAs, SIMPLE Plans, Keogh Plans.

Notes:

- The plan must have been in effect and funded for at least one year. Non-Qualified Deferred Compensation Arrangements will be considered only on a case-by-case basis.
- For Government and State employees: Contributions to FERS (Federal Employment Retirement System), PERS (Public Employee Retirement System) and SERS (State Employee Retirement System) are not eligible for RPP coverage. Qualifying plans are 457 or 403(b) plans.

Retirement Protection Plus program issue limits

Minimum RPP Stand-Alone Policy Size: $500

Maximum Issue limits: See table below.

Retirement Protection Plus Program 2026 Issue Limits			
Issue Ages	**Premium Payor**	**% of Contributions**	**Maximum Issue Limit**
18 – 49	Employee	100%	$6,000
50 – 60	Employee	100%	$6,660
18 – 49	Employer	133%	$6,000
50 – 60	Employer	133%	$6,660

Maximum Issue amounts under the Retirement Protection Plus program may change from year to year as the federal annual defined contribution limits are adjusted.

RPP is available over-and-above our Maximum Issue limits based on Age and Occupation Class and our Issue and Participation Limit Tables based on Annual Earned Income.

RPP benefits are designed to help protect both employee and employer contributions; as such, applicants must be contributing to a qualified retirement plan to be eligible for RPP (the only exception is RPP available under our Special Limits for New Professionals Program). The plan must be in effect and funded for at least one year.

RPP benefits cannot exceed 100% of the Applicant's current retirement contributions to a qualified retirement plan (133% if the RPP benefits will be employer-paid and taxable). We do not require documentation as proof of current retirement contributions unless those contributions exceed 15% of the Applicant's annual earned income (19% if the RPP benefits will be employer-paid and taxable).

Notes:

- The RPP program is not a pension or retirement plan or a substitute for such a plan. The RPP policy and the RPP rider are not available with any in-force or applied for lifetime or lump sum coverage.
- All normal medical and financial underwriting requirements apply.
- The Mental and/or Substance Related Disorders (MSRD) Limitation and Discount will apply to all RPP stand-alone policies issued in CA and to any anesthesiologists/anesthetists, certified anesthesiology assistants (CAAs), certified nurse anesthetists (CRNAs), emergency room physicians, general dentists, pain management physicians, pharmacists and pharmacy technicians. This MSRD also applies to any residents declaring any of these specialties. MSRD limitations do not apply to policies issued as the result of a future increase option when exercised from a policy that did not have such a limitation.

New Business Owners program – Start-Up Savvy

This program allows new business owners to financially qualify for a Provider Choice policy based on prior W-2 or 1099 income earned over the last full calendar year in the same occupation, eliminating the need for hard-to-obtain financial documents such as profit and loss statements or client contracts.

Eligibility: Business owners in the first year of a start-up, or before they have filed tax returns on the new business, will be considered using three streamlined requirements:

- Ages 30 through 50, with at least 3 years of industry experience; and
- Working in an industry other than real estate or financial services; and
- Submits a copy of the most recent W-2 or 1099 from the prior employer if applying for more than $5,000. If applying for $5,000 or less, we will rely on the financial section of the application.

Under this program, we will consider a portion of an applicant's prior W2 or1099 income for financial underwriting purposes:

- Physicians:
  - 70% of prior W2/1099 earnings
- Dentists:
  - 50% of prior W2/1099 earnings
- All other occupations aside from real estate industry and financial service occupations (e.g., mortgage brokers, mortgage originators, real estate agents/brokers, residential construction occupations, real estate developers, real estate investors, private equity analysts, venture capitalists, investment analysts, commodity brokers, etc.:
  - 70% of prior W2/1099 earnings

Maximum Issue Limits:

- $5,000 Dentists
- $10,000 Physicians and all other eligible occupations

Underwriting reserves the right to request additional financial information at the underwriter's discretion. This underwriting approach does not modify underwriting requirements other than those specifically stated herein.

Notes: This program cannot be combined with any other underwriting program.

For information on the PayGuard Plus version of this program see PayGuard Plus: New Business Owners program – Start-Up Savvy section.

For information on the Overhead Expense version of this program see the Overhead Expense: Underwriting programs section.

Partial Rider Enhancement Program

For information on the Partial Rider Enhancement Program see the Product Manual (Pub7493BL).

Established Business Owners – Business Owners Advantage (BOA) program

Non-dental business owners qualify for a monthly DI benefit up to a maximum of $2,000 above normal Issue and Participation limits. This program is available with Provider Choice.

Formula: Earned Income x 1.20 = New Insurable Income

Eligible business owners

Sole proprietors; self-employed individuals; and owners of S-Corps, C-Corps, LLCs and partnerships.

Ineligible business owners

Owners classified as dental in the occupation classification listing and real estate industry and financial service occupations (e.g., mortgage brokers, mortgage originators, real estate agents/brokers, residential construction occupations, real estate developers, real estate investors, private equity analysts, venture capitalists, investment analysts, commodity brokers, etc.)

Financial requirements

Normal financial underwriting requirements apply.

Note: This program cannot be combined with any other underwriting program.

Home Based Business Owner program (HBB)

This program is required for clients who meet all the following criteria:

- Home based business owner,
- do not leave their home on a regular basis to conduct business,
- do not have clients come to their home on a regular basis to conduct business.

IDI for Home Based Business Owners	
Issue Ages	Level premium structure: 18 – 55; Graded premium structure: 18 – 50
Risk Class Discount	Select, Standard
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Elimination Periods	90, 180, or 360 days
Benefit Periods	2 / 5 / 10 Year, To Age 65 / 67 / 70
Minimum Policy Size	$1,000 (base monthly benefit minimum is $200 – policy size is combination of base and Social Insurance Substitute)
Underwriting Requirements	All applicants must show at least a two-year earning pattern on the application and submit normal financial requirements.

Available Riders

- Automatic Benefit Enhancement
- Basic CAT/Severe Disability, Enhanced CAT*
- Basic Partial
- Cost of Living Adjustment (4-Year Delayed, 3% Compound, 6% Maximum)
- Future Increase Option** or Benefit Purchase Rider
- Social Insurance Substitute
- Student Loan Protection Rider
- Supplemental Benefit Term Rider

*Where available. CAT coverage will be limited to 40% or 100% of the monthly earned income, whichever is less, and must not exceed the $8,000 maximum Issue and Participation limit (state restrictions may apply):

1. 40% Rule: Use 40% applicant's monthly earned income.
2. 100% Rule: Monthly income, less all in-force/applied for IDI, SIS, CAT, and non-discounted GLTD.

**FIO is not available for Classes 4D and 3D.

Notes:

- We can consider Overhead Expense coverage under the HBB guidelines on a case-by-case basis when eligible overhead expenses are clearly distinguishable from personal living expenses.
- We will consider PayGuard Plus on a case-by-case basis.
- This program cannot be combined with any other underwriting program.

Government Employee program: state, municipal, county, and town

Coverage can be issued to Government Employees (excluding active-duty military personnel, postal employees and railroad employees) that are covered under the Public Employee Retirement System ("PERS") or the State Employee Retirement System ("SERS"). This program is available with Provider Choice policies. We will treat PERS or SERS benefits as we do applicants with a 60% group LTD benefit with a cap of $12,000 for financial qualification purposes; the imputed 60% group LTD benefits will be discounted as we would for any other employer-paid group LTD plan. For those who also have inforce GLTD in addition to PERS/SERS, the imputed 60% group LTD benefits will be used for financial qualification purposes, and the inforce GLTD coverage will not be considered.

This Underwriting Program is required for Applicants who have been government employees for at least three years.

If the Applicant has been a Government Employee for less than three years and is not eligible for the Special Limits for New Professionals Program, normal underwriting guidelines apply (i.e., we will not impute a 60% Group LTD benefit to compensate for PERS/SERS benefits; however, any other Group LTD benefits will be considered for purposes of financial underwriting).

Government Employee Program	
Issue Ages	Level premium: 18 – 60 Graded premium: 18 – 50
Classes of Risk	Select, standard
Occupation Classifications	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Maximum Benefit Period	To Age 70
Minimum Elimination Period	90 days

Available Riders

- Automatic Benefit Enhancement (ABE)
- Benefit Purchase Rider
- Catastrophic Disability Benefit (Basic, Enhanced) *
- Cost of Living Adjustment (Four-Year Delayed, 3% Compound, 6% Maximum)
- Future Increase Option**
- Partial Disability (Basic, Enhanced)
- Retirement Protection Plus Rider
- Short Term Residual Disability Benefit Rider
- Student Loan Protection Rider
- Supplemental Benefit Term Rider

*Where Available. The maximum CAT benefit for applicants eligible for PERS (Public Employee Retirement System), and SERS (State Employee Retirement System) must not exceed $8,000 and will be the lesser of (state restrictions may apply):

1. 40% of earned income; or
2. 100% of earned income minus in-force IDI, non-discounted government coverage (based on 60% of income) and applied for coverage.

** FIO is not available for Classes 4D and 3D.

Note: With the exception of RPP, the Federal/Governmental Employee program cannot be combined with other underwriting programs.

Federal Employee program

Coverage can be issued to Federal Employees (excluding active duty military personnel, postal employees and railroad employees) that are covered under the Federal Employee Retirement System ("FERS"). This program is available with Provider Choice policies. We will treat FERS benefits as we do applicants with a 40% group LTD benefit with a cap of $12,000 for financial qualification purposes; the imputed 40% group LTD benefits will be discounted as we would for any other employer-paid group LTD plan. For those who also have inforce GLTD in addition to FERS, the imputed 40% group LTD benefits will be used for financial qualification purposes, and the inforce GLTD coverage will not be considered.

This Underwriting Program is required for Applicants who have been Federal Employees for at least one year.

If the Applicant has been a Federal Employee for less than one year and is not eligible for the Special Limits for New Professionals Program, normal underwriting guidelines apply (i.e., we will not impute a 40% Group LTD benefit to compensate for FERS benefits; however, any other Group LTD benefits will be considered for purposes of financial underwriting).

Federal Employee Program	
Issue Ages	Level premium: 18 – 60 Graded premium: 18 – 50
Classes of Risk	Select, standard
Occupation Classifications	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Maximum Benefit Period	To age 70
Minimum Elimination Period	90 days

Available Riders

- Automatic Benefit Enhancement (ABE)
- Benefit Purchase Rider
- Catastrophic Disability Benefit (Basic, Enhanced) *
- Cost of Living Adjustment (Four-Year Delayed, 3% Compound, 6% Maximum)
- Future Increase Option**
- Partial Disability (Basic, Enhanced)
- Retirement Protection Plus Rider
- Short Term Residual Disability Benefit Rider
- Student Loan Protection Rider
- Supplemental Benefit Term Rider

*Where available, the maximum CAT benefit for applicants eligible for FERS (Federal Employee Retirement System) must not exceed $8,000 and will be the lesser of (state restrictions may apply):

1. 40% of earned income; or
2. 100% of earned income minus in-force IDI, non-discounted coverage (based on 40% of income) and applied for coverage.

**FIO is not available for Classes 4D and 3D.

Note: With the exception of RPP, the Federal/Governmental Employee program cannot be combined with other underwriting programs.

New Field Representative (FR) program

This program provides New Guardian Field Representatives up to $3,000 of total Provider Choice coverage without financial documentation. New FR Program is only available when an applicant applies within his/her first 12 months with Guardian. The New FR Program does not mean guaranteed standard issue and does not modify underwriting requirements other than those specifically stated herein. State variations and restrictions may apply.

New Field Representative (FR) Program	
Ages	18 – 40
Class of Risk	Select, Standard
Occupation Classes	5
Minimum Elimination Period	90 Days
Maximum Benefit Period	Age 70
Maximum Monthly Benefit	$1,000
Medical Requirements	No special exceptions for medical requirements

Available Riders

- Catastrophic Disability Benefit Rider (Basic, Enhanced)
- Cost of Living Adjustment Rider (4-Year Delayed, 3% Compound, 6% Maximum)
- Future Increase Option
- Partial Disability (Basic, Enhanced)
- Short Term Residual Disability Benefit Rider
- Social Insurance Substitute
- Student Loan Protection Rider
- Supplemental Benefit Term Rider

Notes:

- Lump Sum, Retirement Protection Plus Rider, Automatic Benefit Enhancer, Benefit Purchase Rider, and Unemployment Waiver of Premium Rider are not available under the New FR Program.
- CAT amount cannot exceed base (not available in all states).
- FIO amount cannot exceed 2x base or $2,000, whichever is less.
- Total coverage is the sum of in-force and applied-for monthly benefit, Social Insurance Substitute rider, Student Loan Protection/Supplemental Benefit Term rider, and Future Increase Option rider amounts. Overall issue and participation limits apply. Guardian Group LTD coverage is not considered when determining the amount of available coverage for those applying under the New FR Program.
- To determine medical underwriting requirements, add half the applied for FIO amount and all of the Student Loan Protection/Supplement Benefit Term riders to the base monthly benefit amount. Any PayGuard Plus coverage in-force or applied for will also be included when determining medical requirements.
- See Medical Requirements Section for additional information.
- Underwriting reserves the right to request medical records at the underwriter's discretion.
- Mental and/or Substance-Related Disorders (MSRD) Limitation & Discount may apply.

- New FR Program for Provider Choice applications cannot be combined with other underwriting programs including the New FR Program for PayGuard Plus.
- For information on the PayGuard Plus version of this program see the PayGuard Plus: Underwriting Programs section.

Group Conversion program

The Group Conversion program (also referred to as straight conversions) is designed to meet the special needs of students and residents pursuing an MD, DO, DDS or DMD. Group LTD coverage is provided during their residency/student years, along with the opportunity to convert to an individual disability income insurance policy upon completion of their programs.

The program requires that a Guardian AbilityGuard Group LTD plan with a conversion option be installed at an approved institution. Once the GLTD plan is in place, medical residents or dental or veterinary students covered under the plan may be eligible to convert their group coverage at the successful completion of their medical residency or upon graduation from the student programs (Note: Podiatric students or residents are not eligible for conversion).

Case approvals and producer rights

To obtain approval for the conversion program, complete and submit the Request for Case Approval (form #AA1127) to either the Guardian Group Department or the Manager of Endorsed Programs. Occasionally a Guardian agent or broker other than the endorsed producer may have a client who is eligible for a conversion. All inquiries by such an agent or broker will be directed to the endorsed producer(s).

Note: Only the endorsed producer(s) may market the availability of the program and its features to eligible residents or students.

Prior approval by Berkshire for the installation of a group conversion program is required before a producer presents any quote from Guardian for the Group LTD plan. If you wish to discuss a potential marketing opportunity, please contact your agency's Disability Insurance Specialist.

Group Plan participant conversion criteria

To convert the Group LTD plan to a Provider Choice individual disability policy, upon completion of their program, students and residents must meet the following conversion criteria:

- Covered for at least 12 consecutive months under the Group LTD plan immediately prior to the date he/she completes the program of training.

Note: Eligibility for conversion will not apply if Guardian Group coverage ends for all individuals or the individual fails to make a required contribution or changes to a class not eligible under the group plan).

- Completed the medical residency or student program in which he/she was enrolled.
- Not be disabled under the terms of the group plan.
- Applications may be submitted in writing 60 days prior to graduation and within 31 days post-graduation. There are no application submission restrictions on when a person who is in a conversion-eligible group can apply for fully underwritten coverage.[3]

A straight (non-underwritten) conversion policy can be configured as:

- an all base Provider Choice policy, or
- a combination of base policy and any riders available with the Group Conversion Program.

[3]Conversion applications will also be accepted within 31 days of the first notice of the underwriting decision on a medically underwritten Berkshire policy if the medically underwritten policy was applied for within 31 days of leaving the group program.

Group Conversion Program	
Elimination Period	Same or longer than GLTD plan elimination period
Benefit Period	2 / 5 / 10 Year, To Age 65, To Age 67
Premium Structure	Level or Graded

Available Riders

- Cost of Living Adjustment (Four-Year Delayed, 3% Compound)
- Future Increase Option Rider*
- Partial Disability Rider (Enhanced)
- Social Insurance Substitute Rider
- Student Loan Protection Rider (where available)/Supplemental Benefit Rider (where available)
- Unemployment Waiver of Premium

*Not available with Classes 4D and 3D.

Group conversion program issue limit guidelines

Coverage above the maximum conversion limits listed below may be available with full underwriting. (Limits assume compliance with current Issue and Participation limits.)

The total of base, Future Increase Option, Social Insurance Substitute, and Student Loan Protection/Supplemental Benefit cannot exceed the maximum conversion limit; additionally, this total, combined with the amount of other individual disability coverage in-force or applied for that will remain in-force after graduation, cannot exceed the Special Limits for New Professionals. If the applicant has other coverage and wants additional coverage above New Professional Limits, then the coverage needs to be fully underwritten.

Provider Choice Maximum Conversion Amount	
Medical Students	$1,000 base + $3,000 FIO
Medical Residents	$4,000 total (base + FIO) *
Dental Students	$2,000 base **
Dental Residents	$4,000 base*/**

*$5,000 total may be available with prior Guardian approval. AbilityGuard group contract may need to be re-negotiated to receive any conversions over $4,000/month.
** FIO is not available with Classes 4D and 3D.

If the applicant already has other non-underwritten Guardian IDI coverage in force, such as from another conversion program, the amount of group conversion coverage we will issue will be reduced so that the total non-underwritten coverage amount doesn't exceed $15,000 of monthly benefits (including FIO rider).

All straight conversion policies are also issued with an amendment that must be signed by the proposed insured as a requirement of policy delivery stating that the individual has completed the educational or training program through which he or she was covered under the group plan.
Straight conversion policies are not eligible for an Association, Student and Resident, Professional Group, QSPP, or EBP discount.

Mental and/or Substance Related Disorders (MSRD) limitation and discount

The 24 month Mental and/or Substance Related Disorders Limitation and Discount is applied to all GSI Group Conversion policies. See this section for details.

Special Guaranteed Standard Issue (Special GSI)

The Special GSI program provides Provider Choice (18ID) coverage without medical underwriting to medical physician residents, fellows, and recent graduates of approved residency programs. Each Special GSI program has a program owner that is responsible for marketing, managing, and selling Special GSI. Other agents and brokers must have the program owner's permission to use the program's Special GSI underwriting option. In addition, eligibility for coverage requires that applicants meet the following criteria on the date the application is signed:

- be on track to complete the selected program of study (anytime during residency, fellowship, or internship through 90 days after the program of study completion date[4]).
- have been continuously at work full-time (at least 30 hours per week) performing the usual duties of the applicant's occupation for the past six months.
- not be currently disabled and/or collecting disability benefits from any source.
- not be determined to need modified coverage or a decline by another disability insurance carrier more than nine months after their residency program hire date or in the past five years, whichever is shorter. This does not apply to applicants declined or provided with modified offers by Berkshire Life. Declines or modified offers from Berkshire Life do not impact Special GSI eligibility.

Special GSI Program	
Product	Provider Choice (18ID)
Maximum Monthly Benefit	$8,000
Monthly GSI Cap (Base + FIO/BPR)	$15,000
Premium Structure	Level or Graded
Elimination Periods	90, 180, or 360 days
Benefit Period	2 / 5 / 10 Year, To Age 65 / 67
Mental and/or Substance-Related Disorder (MSRD)	24 month Mental and/or Substance-Related Disorder (MSRD) limitation required
Available Discounts	Student Resident discount, Preferred Occupation Discount, Mental and/or Substance-Related Disorder (MSRD) discount, Select Risk
Available Riders[5]	▪ Benefit Purchase Rider (BPR) or Future Increase Option Rider ▪ Enhanced Catastrophic Disability Benefit Rider or Severe Disability Rider ▪ Cost of Living Adjustment (Four-Year Delayed or 3% Compound) ▪ Partial Disability Rider (Enhanced or Basic) ▪ Student Loan Protection Rider/Supplemental Benefit Rider ▪ Unemployment Waiver of Premium

[4] GSI applications will also be accepted within 31 days of the first notice of an underwriting decision on a Berkshire Life, medically underwritten disability insurance policy if the original policy was applied for within 90 days of program of study completion date.

[5] Eligibility may vary by product, state, and occupation.

Special GSI program issue limit guidelines

The amount of monthly benefit available to each applicant is subject to both the monthly Guaranteed Standard Issue (GSI) Cap and Berkshire Life published Special Limits for New Professionals as outlined below:

1. Berkshire Life will not issue more Special GSI coverage than the Monthly GSI Cap. The Special GSI coverage consists of GSI Base, GSI FIO, and group conversion coverage. The maximum Special GSI monthly benefit will be reduced by the amount of GSI coverage already in force.

2. Berkshire Life will not issue more Special GSI coverage than our published Special Limits for New Professionals unless the applicant submits an employment contract for financial underwriting. The new professional limits will be offset by any in force or applied for individual disability or guaranteed standard issue coverage. The New Professional limits will also be offset by any coverage resulting from a conversion option from a policy of group long term disability insurance. If an applicant is covered by a Guardian Group long term disability policy that will be discontinued upon graduation, such coverage will not be counted towards the amount of available coverage.

The applicant can purchase an amount of coverage less than the Special GSI offer range; however, any such purchase will be subject to the current minimum policy size and product specifications.

Applicants must meet the following requirements to obtain a BPR on their Special GSI policy:

- The applicant must purchase at least 50% of the maximum monthly benefit that the applicant financially qualifies for to be eligible for the BPR rider. Fellows must purchase at least $4,000 of base coverage to qualify for BPR; residents must purchase at least $2,500 of base coverage to qualify for BPR. Applicants must purchase at least 75% to qualify if they are in Florida ($6,000 for fellows; $3,750 for residents).
- The applicant must purchase either the Enhanced Partial Rider or the Basic Partial Rider to qualify for BPR.

BPR option exercises are subject to a $15,000 GSI limit. Special GSI policyholders with a BPR will not be able to obtain more than $15,000 of total GSI coverage, which includes Special GSI, group conversions, any increase option exercises from GSI policies, and any other carrier's GSI.

Student Loan Protection (SLP) rider or Supplemental Benefit Term (SBT) rider coverage issued as part of the Special GSI offer may be issued in addition to the Monthly GSI Cap. Coverage for these riders is subject to current limits.

When applying for Catastrophic Disability Benefit (CAT) or Severe Disability rider additional health questions on the application must be answered and issuance of the rider is dependent on those responses. Rider issue limits apply. Under the Special Limits for New Professionals, up to $8,000 of rider coverage is available without financial underwriting. Additional coverage may be available with financial underwriting.

The applicant can submit an employment contract and apply for coverage above the New Professional limits. Total coverage cannot exceed the Monthly GSI Cap. An underwriter will determine the issue amount based on the Monthly GSI Cap and our existing financial underwriting guidelines.

The Special GSI offer is considered to be a one-time offer. If the applicant applies for a lower monthly benefit amount than the Special GSI offer, the applicant will forfeit the remainder of the Special GSI amount. However, we provide a second opportunity to purchase additional Special GSI coverage when a resident becomes eligible for first-year New Professional limits.

Approval requirements

We review each request for a new Special GSI program and consider the factors listed below before providing approval:

- Relationship with Graduate Medical Education (GME) leadership. An endorsement by a representative of the GME leadership is not required for Special GSI, but it is viewed favorably when we are deciding which programs to approve.
- Residency program sales history and program owner's overall sales history.
- Marketing plan showing how the program owner will market to all eligible residents and plan for meeting the 30% participation requirement.
- Competitive situation. We will not start a Special GSI program where there is another carrier's GSI program already in place unless we can replace that competing GSI program.

To start the review process, reach out to your region's external wholesaler. Due to the seasonality of Special GSI sales, we start new programs in January and review new requests between September and November. Any requests received between December and August will be considered for the following year.

Participation requirements

- **Annual production requirement**: at least 30% of the graduating class of residents and fellows.
- Failure to meet production requirements in any year may result in the closing of the underperforming program.

Section 2

PayGuard Plus

Berkshire Policy Form 18PG

PayGuard Plus (18PG)

PayGuard Plus provides individual disability coverage for a specified term and is also known as personal reducing term. A range of term periods, from 5 to 30 years, is available for selection by the insured. In no event will a benefit term exceed the insured's age 65. If the insured is continuously disabled during the last year of the term, twelve months' benefit will be paid.

The policy is not available in all states and product and features may vary by state. Refer to State Product Variations in the Product Manual (Pub7493BL) for full details.

PayGuard Plus	
Issue Ages	18 – 60
Occupation Classes*	6/6M, 5/5M. 4/4M/4D, 3/3M/3D
Risk Classes	Select, Standard
Elimination Periods	90, 180 days
Benefit Term	5 – 30 years, not to exceed age 65
Riders Available	True Own Occupation Rider
Premiums	Level
Discounts	See next page
Annual Policy Fee	$30
Premium Modes and Factors	Semi-Annual: 0.515000 Quarterly: 0.262650 Monthly: 0.085833
Substandard Premiums	Substandard premiums are applied on a coverage level and are a percentage of premium in one of the following increments: 25%, 50%, 75% or 100% above standard rates.
State Availability	See Product Manual (Pub7493BL) for details

*Class 2/2M is available to business owners who have owned their business for at least five years and whose income is at least $50,000. The True Own Occupation Rider is not available with Class 2/2M and the maximum issue limit is $7,500.

PayGuard Plus minimum policy size

The minimum monthly benefit is $1,000.

PayGuard Plus maximum policy size

These amounts, or the amount determined by using the Issue and Participation table would be used, whichever is less.

Maximum PayGuard Plus Issue and Participation (I&P) Limits		
Occupation Class	**Issue Ages**	**Maximum I&P Limit**
6/6M, 5/5M, 4/4M, 3M	18 – 60	$30,000
4D, 3D	18 – 60	$17,000
	18 – 60 (CA)	$16,000
3	18 – 60	$15,000
2/2M*	18 – 60	$7,500

*Class 2/2M is available to business owners who have owned their business for at least five years and whose income is at least $50,000. The True Own Occupation Rider is not available with Class 2/2M and the maximum issue limit is $7,500.

Mental and/or Substance-Related Disorders (MSRD) limitation

A 24-month Mental and/or Substance-Related Disorders (MSRD) limitation is included on all policies issued in CA.

PayGuard Plus: Discounts

Risk Class Discount

PayGuard Plus may be issued with the Select Risk Discount.

Discount programs

Only one of the following discount programs can be issued per policy:

Association:[6] 10% discount available to members of a preapproved association.

Multi-Life Discount: 20% discount for 3+ lives with the same employer.

[6]Pays reduced compensation scale.

PayGuard Plus: Underwriting Programs

High Indemnity Program (HIP)

The High Indemnity Program (HIP) allows a high-earning individual to obtain additional individual disability insurance above our normal Issue and Participation limits with a PayGuard Plus reducing term insurance policy.

The High Indemnity Program	
Issue Ages	18 - 59
Occupation Classes	See table on next page
Risk Classes	Select, Standard
Elimination Periods	180 Days
Benefit Term	6 years
Discounts	None
Definition of Disability	Modified Own Occupation*
Premium Structure	Level
Minimum Issue Limit	$1,000
Maximum Issue Limit	Not to exceed 33% Pre-Tax Replacement Ratio Not to exceed $20,000

**True Own Occupation in states that require this definition of disability*. See Product Manual (Pub7493BL) for details.

HIP applicant criteria:

The applicant must be fully insured (must have inforce individual disability coverage meeting our maximum issue and participation limit).

How to apply:

Use PayGuard Plus Disability Application. The PDQ application should not be used with this program.

If applying via eApp answer the question “Are you applying for a special program” with “No.”

Complete the Reason for Coverage Section by selecting “Other” and enter “High Indemnity Program”.

HIP assigned occupations classes

The following chart lists occupations eligible for this program, along with the assigned occupation class:

High Indemnity Program Assigned Occupation Class			
Attorney	5	**Ophthalmologist**	3M
Cardiologist	3M	**Oral Surgeon (MD or DO)**	3M
CEO	5	**Orthopedic Surgeon**	2M
Dermatologist	3M	**Owner**	5
Director	5	**Pain Management Physician**	2M
ER Physician	2M	**Plastic Surgeon**	2M
Executive	5	**Stockbroker**	3
Financial Advisor	4	**Surgeon (other specialties)**	2M
Internist	4M	**Urologist**	3M
Neurosurgeon	3M	**Vice President**	5

For other occupations, contact your underwriter for individual consideration.

Financial Underwriting

Eligible applicants can obtain up to $20,000 in HIP coverage, not to exceed a 33% total pre-tax replacement ratio. The replacement ratio is calculated as total disability benefits (including IDI, Group and the HIP coverage) divided by pretax Earned Income.

- If the IDI or group benefits are taxable, they will be discounted by 30% for the purpose of the replacement ratio calculation.
- Earned Income means the income you are required to report to the Internal Revenue Service ("IRS") for income tax purposes. This includes W-2 wages, salary, bonuses, your share of net business income, and all other compensation you received for work or services.

All normal medical and financial underwriting requirements apply.

Not available in all states. See Product Manual (Pub7493BL) for details

PayGuard Disability Quick App Program (PDQ)

The PayGuard Disability Quick App Program (PDQ) provides a simplified application and streamlined underwriting process which is available to medically qualified applicants applying for up to $6,000 on a Payguard Plus policy. This program provides an opportunity for expedited underwriting and is not a guaranteed standard issue program.

PayGuard Disability Quick App Program	
Issue Ages	18 – 50
Occupation Classes	6/6M, 5/5M. 4/4M/4D, 3/3M/3D
Risk Classes	Select
Elimination Periods	90, 180 days
Benefit Term	5 – 30 years, not to exceed age 55
Discounts	Select Risk Discount Association Discount or Multi-Life Discount*
Definition of Disability	Modified Own Occupation True Own Occupation
Premium Structure	Level
Minimum Issue Limit	$1,000
Maximum Issue Limit	$6,000

*The Association and Multi-Life Discounts cannot be combined

PDQ participant criteria

To use the PayGuard Disability Quick App the applicant must meet health qualifications and the following criteria:

- Citizen or green card holder.
- Employed full-time or a homemaker applying in conjunction with a Spousal Coverage Program.
- Not in a Real Estate industry occupation (e.g., mortgage brokers, mortgage originators, real estate agents/brokers, residential construction occupations, real estate developers, real estate investors, etc.).
- Not a federal or government employee including members of the military.
- No adverse actions on an application, renewal, or reinstatement for insurance with any carrier in the last five years.
- In the past five years, no claims for or receipt of disability benefits with any carrier and has been able to perform the usual duties of occupation for the past 6 months.
- No use of tobacco products, nicotine products or nicotine delivery systems within the last twelve months.
- Never had action taken against professional standing, license, or certification.

Underwriting Requirements:

- No routine medical requirements. Underwriting will rely on information from the MIB and Milliman's IRIX system which provides pharmacy records and major medical claims data.
- No Financial requirements.

The PDQ program may be used by a non-working spouse when applying for the Spousal Coverage Program subject to the requirements and limitations of that Program. The PDQ program may not be used for the High Indemnity Program (HIP).

Business Owned Key Person Program

This program provides Payguard Plus protection for the benefit of the Business if a Key Person is unable to work due to sickness or injury. Coverage is paid for, and owned, by the Business and insures the Key Person. In the event of a Key Person's disability, benefits are paid to the Business.

A Key Person is a member of the executive team or a crucial staff member whose knowledge, creativity, inspiration, reputation and/or skills are critical to the viability or growth of the Business, and whose loss may cripple it. Key Person coverage is designed to allow the Business to continue to operate by providing benefits to cover the financial burden (e.g., recruitment, training, temporary staffing, and other needs) if a Key Person is disabled.

Key Person Program	
Issue Ages	18 – 50
Occupation Classes	6/6M, 5/5M, 4/4M, 3/3M
Elimination Periods	90 or 180 days
Benefit Term	5 Years
Discounts	None
Definition of Disability	True Own Occupation by rider
Premium Structure	Level
Minimum Issue Limit	$1,000
Maximum Issue Limit	$30,000 Occupation Classes 6/6M, 5/5M, 4/4M $10,000 Occupation Classes 3/3M
Owner	Business
Insured	Key Person
Business Requirements	▪ The business must be a profitable closely held partnership or sole proprietorship. ▪ The business may have no more than 5 owners.
Key Person Requirements	▪ Must perform critical functions for the business which cannot be easily replaced ▪ Duties are not primarily administrative in nature ▪ Work an average of at least 30 hours per week ▪ Cannot own more than 5% of the Business ▪ Has been with the Business for a minimum of 12 months ▪ Is covered by IDI or GLTD Disability Insurance ▪ Is not a spouse or first-degree relative (parent, sibling, child) of the business owner(s)

Medical Requirements:

Medical Requirements		
Benefit Amount	**Medical Form**	**Labs**
$500 - $6,000	Non-Medical or eMed	Urine/HIV*
Over $6,000	eMed or Paramed	Blood/Urine*

* Labs are not required for issue ages 18 – 50

Financial Requirements:

1. Last 2 years of business tax returns; and
2. Proof of Key Person's current income (year-to-date pay stub, W2,1099 etc.)[7]

Benefit Term Amount:

Underwriting will consider two times the salary of the Key Person to determine a monthly benefit amount.

The formula is as follows:

Monthly Benefit Term Amount = (Annual Salary/12) x 2

The amount of Key Person coverage available will be reduced by any key person coverage, in force or applied for, from all sources.

[7] 1099 earners may be considered.

Spousal Coverage Program

The intent of Spousal Coverage is to provide up to $2,500 of PayGuard Plus coverage to the non-working spouse of a Guardian and/or Berkshire individual disability policyholder. If the non-working spouse (homemaker) becomes disabled, the monthly benefits will be paid to the non-working spouse.

Spousal Coverage Program	
Issue Ages	18 – 45
Occupation Class	3
Definition of Disability	Modified Own Occupation
Risk Classes	Select, Standard*
Elimination Periods	90, 180 days
Benefit Term	5 – 10 years
Riders Available	None
Minimum Monthly Benefit	$1,000
Maximum Monthly Benefit	$2,500

*Standard risk class not available with the PDQ Application.

In order to be eligible for Spousal Coverage, the working spouse must have at least $4,000 of individual disability insurance coverage with Guardian and/or Berkshire. This includes any policies issued as a result of FPO, FIO or BPR option exercises. This does not include Business Reducing Term, Overhead Expense or Disability Buy-Out policies.

Spousal Coverage can be applied for with either the PDQ Application or the traditional fully underwritten application. It is not available with the Conversion Option Program.

Conversion Option Program

The Conversion Option Program is a no-cost endorsement that will automatically be added to all qualifying PayGuard Plus policies. This Endorsement provides clients the ability to convert their PayGuard Plus Policy on the 5th policy anniversary to a Provider Choice disability income insurance policy. Insured has 61 days to convert: from 30 days before the 5th policy anniversary to 30 days after.

The Conversion Option Endorsement will be added to PayGuard Plus policies that meet the following criteria:

- 10-year Term or more
- Issue Ages 18-40
- Occupation Classes 6/6M, 5/5M. 4/4M, 3/3M
- Not available to the Dental Market (3D or 4D)
- Not available in combination with Key Person or Spousal Coverage Programs
- Available with both our traditional fully underwritten application and our PayGuard Plus Disability Quick (PDQ) Application

The PayGuard Plus policy can be converted to a Provider Choice Policy as follows:

- To Age 65 Benefit Period
- Maximum Issue Limit is subject to financial underwriting and will not exceed the PayGuard Plus benefit amount
- Occupation Class will be determined at time of conversion
- An elimination period equal to or greater than the PayGuard Plus Policy's Elimination Period
- A definition of Total Disability comparable to the PayGuard Plus Policy's definition of Total Disability
- No optional benefit riders
- Any exclusion rider or rating on the PayGuard Plus policy will transfer to the resulting Provider Choice policy
- Discounts will be determined at the time of conversion and may not carry over from the PayGuard Plus policy.

Criteria for Conversion

- Occupational and Financial underwriting only – no Medical underwriting.
- The insured has never been disabled under the PayGuard Plus policy and has not had a disability claim approved by any entity or source within the last five years.
- Must be employed at least 30 hours per week and a minimum of 10 months a year and be in an insurable occupation.

New Field Representative (FR) program

This program provides New Guardian Field Representatives up to $2,000 of PayGuard Plus coverage without financial documentation. New FR Program is only available when an applicant applies within his/her first 12 months with Guardian. The New FR Program does not mean guaranteed standard issue and does not modify underwriting requirements other than those specifically stated herein. State variations and restrictions may apply.

New Field Representative (FR) Program	
Ages	18 – 40
Class of Risk	Select, Standard
Occupation Classes	5
Minimum Elimination Period	90 Days
Maximum Benefit Term	10 Years
Maximum Monthly Benefit	$2,000
Medical Requirements	No special exceptions for medical requirements

Available Riders and Endorsements

- True Own Occ
- Conversion Option

Notes:

- Overall issue and participation limits apply. Guardian Group LTD coverage is not considered when determining the amount of available coverage for those applying under the New FR Program.
- Any Provider Choice coverage in-force or applied for will also be included when determining medical requirements.
- See Medical Requirements Section for additional information.
- Underwriting reserves the right to request medical records at the underwriter's discretion.
- New FR Program for PayGuard Plus applications cannot be combined with the New FR Provider Choice Program or any other underwriting program, except the PayGuard Plus Conversion Option program.

For information on the Provider Plus version of this program see the Provider Choice: Underwriting Programs section.

New Business Owners program – Start-Up Savvy

This program allows new business owners to financially qualify for a PayGuard Plus policy based on prior W-2 or 1099 income earned over the last full calendar year in the same occupation, eliminating the need for hard-to-obtain financial documents such as profit and loss statements or client contracts.

Eligibility: Business owners in the first year of a start-up, or before they have filed tax returns on the new business, will be considered using three streamlined requirements:

- Ages 30 through 50, with at least 3 years of industry experience; and
- Working in an industry other than real estate or financial services; and
- Submits a copy of the most recent W-2 or 1099 from the prior employer if applying for more than $5,000. If applying for $5,000 or less, we will rely on the financial section of the application.

Physicians who meet program criteria can qualify for a monthly benefit of 70% of their prior W-2/1099 earnings not to exceed $10,000/month.

Dentists who meet program criteria can qualify for a monthly benefit of 50% of their prior W-2/1099 earnings not to exceed $5,000/month.

New Business Owners in all other occupations aside from real estate industry and financial service occupations (e.g., mortgage brokers, mortgage originators, real estate agents/brokers, residential construction occupations, real estate developers, real estate investors, private equity analysts, venture capitalists, investment analysts, commodity brokers, etc.) who meet program criteria can qualify for a monthly benefit of 70% of their prior W-2/1099 earnings not to exceed $10,000/month.

Underwriting reserves the right to request additional financial information at the underwriter's discretion. This underwriting approach does not modify underwriting requirements other than those specifically stated herein.

Note: This program cannot be combined with any other underwriting program.

For information on the Provider Choice version of this program see the Provider Choice: Underwriting program section.

For information on the Overhead Expense version of this program see the Overhead Expense: Underwriting programs section.

Section 3

Overhead Expense

Berkshire Policy Form 18OE

Overhead Expense (18OE)

A non-cancellable and guaranteed renewable (to age 65) policy that provides benefits to reimburse the normal and customary fixed monthly business expenses of a business or practice of a professional or business owner while he or she is disabled.

Overhead Expense (OE) insurance is intended to provide financial protection when the absence of a business owner would result in a significant loss of revenue. If Underwriting determines that the absence of a business owner would not result in an immediate, significant loss of revenue to the business, Overhead Expense may not be available.

The basic information Underwriting would need for evaluation is:

- number of employees in the company,
- what their jobs are,
- an explanation as to why revenue would immediately, significantly suffer with the loss of the owner.

Overhead Expense (18OE)			
Issue Ages	18 – 60		
Classes of Risk	Select, Standard		
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D		
Elimination Periods	30, 60, 90 Days		
Benefit Periods	12, 18, 24 Months		
Premiums	Gender-distinct; Level or Graded		
Annual Policy Fee	$30		
Premium Modes and Factors	Semi-Annual: 0.515000	Quarterly: 0.262650	Monthly: 0.085833
State Availability	See Product Manual (Pub7493BL) for details		

Mental and/or Substance Related Disorders (MSRD) limitation

A 24-month Mental and/or Substance Related Disorders limitation is included on all policies in CA and all states for the following occupations: anesthesiologists/anesthetists, certified anesthesiology assistants (CAAs), certified nurse anesthetists (CRNAs), dental anesthesiologists, emergency room physicians, general dentists, pain management physicians, pharmacists, and pharmacy technicians. This limitation also applies to any residents declaring any of these specialties. The MSRD limitations do not apply to policies issued as the result of a future increase or future purchase option when exercised from a policy that did not have such a limitation.

For more information on Overhead Expense see Product Manual (Pub7493BL) for details.

* FIO is available for Classes 4D and 3D Dental Occupations for Overhead Expense.

Overhead Expense (18OE) Issue Limits

Our Overhead Expense policies are reimbursement contracts, i.e., the amount reimbursed is equal to the actual expenses incurred but not greater than the maximum monthly Overhead Expense benefit. The maximum is selected at issue, and care should be taken to ensure that it closely relates to the covered expenses that would be incurred by the insured upon disability. Where there are multiple business owners or professionals involved, only those expenses appropriately allocated to the insured should be considered.

Minimum policy size

$500 per month

$300 per month for Increase Option exercises

$100 per month for Applicants applying for Business Loan Protection Term Rider

Maximum 18OE Issue and Participation (I&P) Limits		
Benefit Periods	**18OE Maximum I&P Limit for Occupation Classes 6/6M, 5/5M, 4/4M**	**18OE Maximum I&P Limit for Occupation Classes 4D, 3/3M/3D**
12 months	$60,000	$50,000
18 months	$45,000	$40,000
24 months	$35,000	$30,000

Maximum Issue and Participation limits are per person regardless of the number of businesses owned. For applicants with multiple policies in force and applied for, the aggregate benefit amount cannot exceed:

- $840,000 for Occupation Classes 6/6M, 5/5M, 4/4M
- $720,000 for Occupation Classes 4D, 3/3M,3D.

Benefit amount plus FIO cannot exceed maximum issue limit.

Participation with other company coverage

We will participate with other companies' Overhead Expense coverage up to our maximum Issue and Participation limit.

Owners/employees

In circumstances where there are income-generating employees, the monthly benefit amount may be adjusted.

Maximum owners in a partnership

Fee for Service – 10 principals Other businesses – 4 principals

Partnerships with excess principals may be considered subject to underwriting approval.

Overhead Expense (18OE) Riders

Overhead Expense (18OE) Riders	
Additional Overhead Expense Benefit Rider	Issue Ages 18 – 60 Level Issue Ages 18 – 50 Graded *Available at Underwriter Discretion*
Benefit Purchase Rider	Issue Ages 18 – 50 *No Charge Rider*
Business Loan Protection Term Rider	Issue Ages 18 – 60 Term cannot exceed age 65
Future Increase Option (FIO)	Issue ages 18 – 50*
Partial Disability Benefit Rider	Issue ages 18 – 60 Level Issue Ages 18 – 50 Graded
Professional Replacement Benefit Rider	Issue ages 18 – 60 Level Issue Ages 18 – 50 Graded
Your Income Protection Rider	Issue ages 18 – 60 Level Issue Ages 18 – 50 Graded

*FIO is available with Classes 4D and 3D Dental Occupations

Overhead Expense (18OE) Riders: additional information

Some riders are not available in every state. See Product Manual (Pub7493BL) to determine the state availability.

Benefit Purchase Rider (OE BPR)

There is no benefit amount associated with this rider; therefore, there are no minimum and maximum issue limits. If the insured has reached the maximum issue limit on the base policy, this rider can still be issued, and an offer will be determined by underwriting at time of exercise if eligible. The OE BPR is not available for policies issued under our Startup Savvy program. The OE BPR is only available if an applicant applies for a required amount of base OE coverage based on benefit period and listed below. If the base OE amount is reduced after issue, the OE BPR will be removed from the policy.

BPR Eligibility	
Benefit Period	**OE Base Benefit Required to be Eligible for BPR**
12 months	$30,000
18 months	$20,000
24 months	$15,000

The benefit for an OE BPR Option Increase Policy will be determined at time of offer based on our then current underwriting guidelines. The minimum offer Berkshire will make is $600 and the minimum policy Berkshire will issue is $300. Applicants must accept 50% of the offer made at the time of the option exercise for the rider to remain in force. If the insured is eligible for less than $600, we will deem him or her ineligible for an increase. The rider will remain in force until the next review date. Applicants must apply on each option date to keep the rider in force.

Business Loan Protection Term Rider (BLPT)

Coverage is available to insure up to 100% of the monthly payments (principal and interest) of an applicant's financial obligation, when 100% of the obligation rests with a single individual. For variable loans, the monthly benefit = (the sum of all monthly loan payment amounts)/ (the total number of loan payments). Documentation of the business loan obligation will be required at the time of underwriting.

The Maximum Issue Limit for the BLPT is up to $20,000 per month depending on the Benefit Term. The maximum aggregate benefit amount per applicant is $2,000,000. An applicant can have up to five BLPT riders on one or multiple policies combined; however, the total of all BLPT riders plus any in force or applied for Professional Replacement rider cannot exceed $20,000 per month. We will participate with any other loan protection coverage up to our $20,000 per month limit and our $2,000,000 maximum aggregate limit. This rider is over and above the Maximum OE Issue Limit.

Maximum BLPT Rider Limits					
Benefit Term (Years)	Maximum Monthly Benefit	Benefit Term (Years)	Maximum Monthly Benefit	Benefit Term (Years)	Maximum Monthly Benefit
5 – 8	$20,000	16	$10,410	24	$6,940
9	$18,510	17	$9,800	25	$6,660
10	$16,660	18	$9,250	26	$6,410
11	$15,150	19	$8,770	27	$6,170
12	$13,880	20	$8,330	28	$5,950
13	$12,820	21	$7,930	29	$5,740
14	$11,900	22	$7,570	30	$5,550
15	$11,110	23	$7,240		

The benefit term cannot exceed age 65.

This rider can have a 30, 60, 90, 180, or 360 day elimination period; however, the elimination period must be equal to or more than the elimination period of the base policy.

- Eligible Loans: The most common loans that are eligible for coverage are those to purchase, improve or expand an applicant's business.
- Ineligible Loans: Lines of credit, any type of non-business (personal) loan, and loans between immediate family members such as parent and child or husband and wife are not eligible for coverage.
- Occasionally an insurable loan will include certain features that are not insurable. For example, a loan may require substantial initial down payment, ongoing fixed monthly payments for several years, and then on the last payment a large balloon payment. In such an example neither the down payment, nor the balloon payment can be covered and only the monthly payments would be eligible for coverage.

Future Increase Option

FIO can be up to 1 x the base monthly benefit amount not to exceed the maximum Issue and Participation limit.

Professional Replacement Benefit Rider

This rider provides a reimbursement up to 100% of a Professional Replacement's gross monthly salary in the event of a total disability. The Maximum Issue Limit for the Professional Replacement Benefit Rider is $20,000 per month but cannot exceed the base OE Monthly Benefit amount. This rider is over and above the Maximum OE Issue Limit. The sum of any Professional Replacement Benefit Riders plus any Business Loan Protection Term Riders cannot exceed $20,000 per month.

The Professional Replacement rider is not available if there are any salary replacement benefits in force with any carrier – the only exception is that the Professional Replacement rider is available if there is a Professional Replacement rider already in force on an existing 18OE policy.

The Business Loan Protection Term rider $2,000,000 maximum aggregate benefit amount does not include amounts issued under the Professional Replacement Benefit rider.

Your Income Protection Rider

This rider provides an income replacement benefit of 60% of an applicant's earned income up to a maximum of $5,000 per month if there is no other disability coverage in force or applied for (including the following disability insurance coverage, whether group, association, or individual: short term , long term , and multi-life). This rider has a Modified Own Occupation definition of Total Disability. If an applicant purchases this rider and then applies for individual disability coverage, we will count this rider as in force individual disability insurance. This rider will have a 90 day elimination period and a 24 month benefit period.

Overhead Expense (18OE) Discounts

Overhead Expense (18OE) Discounts	
Multi-Policy Discount	5% permanent discount applied to the Overhead Expense policy only when Individual Disability policy 18ID/18UD and Overhead Expense policy are either purchased at the same time, or Overhead Expense policy is applied for within six months of Individual Disability policy.
Preferred Occupation Discount	10% policy level discount for qualifying occupations.
Preferred Risk Class Discount (FIO only)	26% discount available only for FIO exercises if the Preferred Risk Class Discount was approved on the originating policy.
Select Risk Class Discount	25% discount for policies issued with the Select Risk Class.
Only one of the following discounts can be issued per policy:	
Association Discount	10% policy-level discount for pre-approved associations.
Multi-Life Discount	20% policy-level discount for 3 lives issued within 6 months.

Covered overhead expenses (18OE)

The normal, necessary and customary expenses incurred and paid in the continued operation of a professional practice, or in the running of a business; in the event of a joint occupancy, this term means that part of such charges incurred for which the applicant is responsible.

These charges include:

- Rent
- Electricity
- Telephone
- Heat
- Water
- Laundry
- Real estate taxes
- Interest on debt

  - Salaries of employees who are not members of the applicant's profession.
  - Rent or lease expense of furniture, equipment or other assets used in your professional practice.
  - Depreciation or scheduled installment payments of principal on debt. The amount of depreciation allowed will be that used for federal income tax purposes. The amount of principal will not be more than that paid under a plan of scheduled installment payments which begin before the start of disability.

For more information on expenses that are and are not covered see Product Manual (Pub7493BL) for details.

Overhead Expense: Underwriting Programs

Business Loan Protection (BLP) Program

This program utilizes our Overhead Expense (OE) policy and our Business Loan Protection Rider to provide reimbursement for eligible loans (for loan requirements see the Business Loan Protection Term Rider section). The base 18OE policy will have a $100 monthly benefit and a 12-month Benefit Period.

This program may be combined with the Professional Replacement Benefit (PRB) Program when the 12 Month Benefit Period option is selected. If a longer Benefit Period is selected for the PRB Program, separate policies will need to be applied for under each program as the maximum Benefit Period allowed under the BLP Program is 12 months. Except for the Professional Replacement Benefit rider, no other riders can be considered under this program. The Accelerated Benefit Endorsement is also unavailable.

We may be able to consider coverage under this program with a broader range of owners/income earners than under a typical OE policy. All other underwriting rules and requirements for Overhead Expense (OE) apply to this program.

BLP Program	
Issue Ages	18 – 60
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Class of Risk	Select, Standard
Minimum BLP Rider Issue Limit	$500 per month
Maximum BLP Rider Issue Limit	$20,000 per month*
Maximum Number of BLP Riders	5 per policy
Elimination Periods	30, 60, 90, 180 or 360 days
Benefit Term*	5 – 30 Years, cannot exceed age 65
Definition of Disability	True Own Occupation
Premium Structure	Level
Additional Financial Requirements	Proof of Loan at time of Underwriting

* The sum of any Berkshire/Guardian Business Loan Protection benefit plus any Berkshire/Guardian Professional Replacement Benefit cannot exceed $20,000 per month.

The combined aggregate benefit (the total dollar amount of all Berkshire/Guardian benefits to a single applicant under all business loan protection and professional replacement benefits) cannot exceed $2,000,000. The aggregate benefit is the monthly benefit times the number of months in the term.

Note: The policyowner may assign the Business Loan Protection Monthly benefit separately from other benefits under this policy.

Professional Replacement Benefit (PRB) Program

This program utilizes our Overhead Expense (OE) policy and our Professional Replacement Benefit Rider to provide a reimbursement of up to 100% of a Professional Replacement's gross monthly salary in the event of a total disability. The base 18OE policy will have a $100 monthly benefit.

This program may be combined with the Business Loan Protection (BLP) Program if the 12 Month Benefit Period option is selected. If a longer Benefit Period is selected, separate policies will need to be applied for under each program as the maximum Benefit Period allowed under the BLP Program is 12 months. Except for the Business Loan Protection rider, no other riders can be considered under this program. The Accelerated Benefit Endorsement is also unavailable.

The Professional Replacement Benefit rider is not available if there are any salary replacement benefits in force with any carrier – the only exception is if there is a Professional Replacement rider already in force on an existing 18OE policy. We may be able to consider coverage under this program with a broader range of owners/income earners than under a typical OE policy. All other underwriting rules and requirements for Overhead Expense (OE) apply to this program.

PRB Program	
Issue Ages	18 – 60
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Class of Risk	Select, Standard
Minimum PRB Rider Issue Limit	$500 per month
Maximum PRB Rider Issue Limit	$20,000 per month*
Elimination Periods	30, 60 or 90 days
Benefit Periods*	12, 18, 24 Months
Definition of Disability	True Own Occupation
Premium Structure	Issue Ages 18 – 60 Level Issue Ages 18 – 50 Graded

* The sum of any Berkshire/Guardian Professional Replacement Benefit plus any Berkshire/Guardian Business Loan Protection benefit cannot exceed $20,000 per month.

The combined aggregate benefit (the total dollar amount of all Berkshire/Guardian benefits to a single applicant under all business loan protection and professional replacement benefits) cannot exceed $2,000,000. The aggregate benefit is the monthly benefit times the number of months in the term.

New Business Owners -Start-Up Savvy program

Self-employed business owners in the first year of start-up can financially qualify for up to $20,000 (including in-force coverage) of Overhead Expense coverage and up to $10,000 of FIO coverage with submission of a completed Overhead Expense Insurance Supplement showing at least that much in eligible expenses.

Eligibility: Business owners in the first year of a start-up, or before they have filed tax returns on the new business, will be considered using two streamlined requirements:

- Business owners ages 18 to 50 in their first year of start-up; and
- Overhead Expense Supplement showing eligible expenses that equal or are greater than the amount applied.

Note: The applicant must be a business owner and any resulting policy will be issued on or after the date the business or practice is formally opened and operating.

Available Riders

FIO, Partial Disability Benefit, Additional Overhead Expense, Professional Replacement Benefit, Business Loan Protection Rider[8] and Your Income Protection Rider

Maximum Issue and Participation Limits (including In-Force)

$20,000/mo. of Overhead Expense coverage with FIO of up to $10,000 and Professional Replacement Benefit Rider of up to $10,000.

Medical requirements are necessary and are based on the applicant's age and coverage amount(s) applied.

For information on the Provider Choice version of this program see the Provider Choice: Underwriting program section.

For information on the PayGuard Plus version of this program see PayGuard Plus: New Business Owners program – Start-Up Savvy section.

[8] See Business Loan Protection (BLP) Program section for additional information.

Section 4

Disability Buy Out

Berkshire Policy Form 18DB

Disability Buy-Out (18DB)

This policy provides cash to assist in the purchase of a disabled partner's or shareholder's business interest by the remaining owners. Among the conditions for policy renewal: the insured has an ownership interest in the business and is actively employed by the business.

Disability Buy-Out	
Issue Ages	18 – 60
Classes of Risk	Select, Standard
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D
Elimination Periods	360, 540, 720 days
Benefit Periods	12, 24, 36, 48, 60 months
Funding Options	Monthly, Lump Sum, Down Payment
Premiums	Gender-distinct; level
Annual Policy Fee	$30
Premium Modes and Factors	Semi-Annual: 0.515000 Quarterly: 0.262650 Monthly: 0.085833
State Availability	See Product Manual (Pub7493BL) for details
Discounts	Multi-client Discount, Preferred Occupation Discount, Preferred Risk Class Discount (FIO), Select Risk Class Discount
Available Riders	
Future Increase Option (FIO)	Issue Ages 18 – 50*

*FIO is available with Classes 4D and 3D Dental Occupations

Disability Buy-Out (18DB) issue limits

Minimum Issue amount

$20,000

Maximum Issue and Participation limit

We will issue up to 100% of the applicant's share of the business or practice value as determined by our published valuation methods up to the following:

$3,000,000 for 360 Day EP

$3,500,000 for 540 Day EP

$4,000,000 for 720 Day EP

Future Increase Option rider

Issue Limits: $10,000 – $150,000

Disability Buy-Out (18DB) Ownership guidelines

General

All applicants must be actively working in the business(es) full-time and insurable.

- Owners with less than 5% interest are not eligible to apply.
- Owners with more than a 10% interest must apply.
- Owners with a 5% - 10% interest:
    - If only one of the owners holds a 5-10% interest in the business, then applying is optional for that owner.
    - If more than one of the owners hold a 5 – 10% interest, then applying is optional for those owners as long as 4 or more owners of the business apply.

Coverage is not available when there are only two partners, they are more than 15 years apart in age, and the older partner is at least 51 years old.

Covering a single owner is acceptable when all other owners are uninsurable.

Business

Professional businesses/personal service

Between two and ten owners are acceptable for firms that have been in business for at least one year where each applicant has an ownership interest not exceeding 90% for any one person.

Commercial businesses

Between two and five owners are acceptable for firms that have been in business for at least three years where each applicant has an ownership interest not exceeding 90%.

Family owned

Applicants who are related as parent and child or husband and wife and are sole owners of the business are not eligible for DBO coverage.

Individual

Professional/personal service organizations

The applicant must have been in the business for at least one year. Exceptions will be made for certain professional partnerships if an existing buy-sell agreement is in place.

Commercial businesses

The applicant must have been in the business for at least one year. No exceptions will be made.

Other considerations

Participation with other companies

We will allow our DBO coverage to be layered on top of an owner's existing DBO coverage from another carrier; we will also consider coverage for new partners/shareholders where the existing owners have DBO coverage in-force with another carrier provided:

- the applicant confirms that the elimination period and funding method outlined in the buy-out agreement align with the new coverage; and
- the new coverage issued has the same elimination period, funding method and benefit period as the coverage in-force.

Disability Buy-Out (18DB) Financial valuation requirements

Professional businesses/personal service

A fee for service business in which the professional, or highly technical skill directly provided by the owner, cannot be replicated by non-owner employees.

- Three years of corporate tax returns will be required to establish the annual gross receipts of the business.

Commercial businesses

A business engaged in sales, manufacturing, or service, but which does not fall within the above delineated parameters of a Professional/Personal Service business.

- Two years of Corporate tax returns will be required to establish both the net worth[9] of the business and the total owner compensation[10].

Business valuation

The value of a business will be determined using one of the following methods:

A. Gross Receipts Business(es) Valuation - Professional Corporations and Personal Service Partnerships—one times the average annual gross receipts of the business(es) over the last three years.

B. Net Worth Business(es) Valuation - Commercial Business(es)— 100% of net worth[9] plus two times total owner compensation[10] all based on an average of these figures over the last two years.

C. Traditional Business(es) Valuation – The Traditional Business Valuation is only available for applicants who work with Guardian Wealth Advanced Markets (GWAM) and obtain a BizEquity Business Valuation Report through the GWAM; and, the GWAM BizEquity Report must be submitted with the Application. Each owner's share of the business value is proportional to their percentage of ownership in the business(es).

[9] Net worth means the assets of the Business(es) less the liabilities of the Business(es) as reported for federal income tax purposes multiplied by Your percentage of Ownership Interest in the Business. In the event that assets and liabilities are not required to be reported for federal income tax purposes, they may be provided through a compilation report as prepared by an independent certified public accountant applying mutually acceptable business valuation techniques on an accounting basis consistent with the Business(es)' most recent federal income tax return.

[10] Total owner compensation means Net Income plus Compensation.

Net Income means Your share of the Business(es)' profit or loss, as reported for federal income tax purposes.

Compensation means salaries, wages, fees, commissions, bonuses, pension and profit-sharing contributions earned by You, received by You or that is allocable to You by the Business(es), as reported for federal income tax purposes. All income or remuneration from sources other than from the Business(es) is not included in Compensation.

Solicitation

- Use the current edition of our application being careful to complete the information for Disability Buy-Out insurance.
- If the Buy-Sell Agreement is to be drafted after the date of issue, we will require proof that an agreement is in effect on the first policy anniversary or we will cancel the policy from date of issue and refund all premiums.

Buy-Sell Agreement

The Buy-Sell Agreement should not be submitted for underwriting review, although in all cases Underwriting reserves the right to request one at the underwriter's discretion. The Buy-Sell Agreement must be in existence at end of the first policy year, at time of renewal, and at time of disability and must be provided as part of proof of loss at time of claim.

Disability Buy-Out (18DB): One-Way Buy-Outs

In the event of a sole owner's disability, a one-way buy-out provides funding to assist in the purchase of the owner's business interest by a succession employee. The succession employee must be named in the buy-sell agreement and be actively and primarily employed by the business. The Applicant/Insured will be the sole business owner and the Owner of the policy will be the succession employee.

The sole business owner and the succession employee cannot be related as parent and child or husband and wife. In addition, if the owner is 51 years of age or older, there cannot be more than a 15-year age difference between the sole business owner and the succession employee.

The One-Way Buy-Sell Agreement:

- Must be in existence at the time of underwriting, at end of the first policy year, at time of renewal, and at time of disability.
- Must specifically name the succession employee.
- Must specifically outline the succession employee's legal or equitable interest in the business upon death or disability of sole business owner.
- Should not be submitted for underwriting review although Underwriting reserves the right to request one at the underwriter's discretion.
- Must be provided as part of proof of loss at time of claim.

Financial Requirements for a One-Way Buy-Out

1. All Businesses except Sole Proprietorships: refer to normal DBO financial requirements.
2. Sole Proprietorships:

   A. Professional/Personal Service (Fee-for-Service) Businesses
   The last three years' 1040 Personal Returns (must have Schedule Cs for the business) will be required to establish the annual gross receipts of the business.

   B. Commercial/Other Business (not professional/Fee-for-Service)
      - The last two years' 1040 Personal Returns (must have Schedule Cs for the business) will be required to establish total owner compensation.
      - Net Worth must be provided through a compilation report prepared by an independent certified public accountant applying mutually acceptable business valuation techniques on an accounting basis consistent with the Business's most recent federal income tax return(s).

   C. Traditional Business(es) Valuation – The Traditional Business Valuation is only available for applicants who work with Guardian Wealth Advanced Markets (GWAM)and obtain a BizEquity Business Valuation Report through the GWAM; and, the GWAM BizEquity Report must be submitted with the Application. Each owner's share of the business value is proportional to their percentage of ownership in the business(es).

Disability Buy-Out (18DB): Buy-Out for multiple businesses

Multiple businesses can be considered for DBO coverage on a case-by-case basis. In order to be considered for coverage the following must apply:

- The Traditional Valuation Method is the only Valuation Method available and a copy of Guardian Wealth Advanced Markets (GWAM) BizEquity Report is required at the time of underwriting.
- There must be no more than three businesses involved.
- Applicants must be gainfully employed and working full-time in the businesses
- Multiple businesses with a Cross Purchase Buy-Out Agreement are not eligible for consideration

Disability Buy-Out (18DB): Small Case Underwriting

We can consider up to $250,000 (from all sources) of Lump Sum Disability Buy-Out Coverage without requiring financial documentation other than a completed Disability Buy-Out Insurance Supplement.

This DBO coverage is for entity purchase buy-out scenarios only and is not available for cross purchase scenarios. Either a Gross Receipts business valuation or a Net Worth business valuation can be applied for (based on the type of business). New business owners can be considered under this program. The Buy-Sell Agreement must be in existence at the end of the first policy year, at time of renewal, and at time of disability and must be provided as part of proof of loss at time of claim. All other underwriting rules and requirements for Disability Buy-Out (18DB) apply to this program.

Section 5

Option Exercises

Option Exercises

The Future Increase Option (FIO), Future Purchase Option (FPO), and Benefit Purchase (BPR) riders provide insureds the right to apply for additional coverage without evidence of good health.

However, the ability to exercise these options is subject to financial underwriting, taking into consideration all disability insurance in force, for which the applicant has applied, or is eligible to receive.

The insured's personal financial information should be represented completely and accurately on the insurance application, and all required financial documentation should be provided for underwriting to avoid delays

State variations may apply. See Product Manual (Pub7493BL) for details.

IDI Future Increase Option (FIO)/Future Purchase Option (FPO) Exercises[11]

Option dates fall on every policy anniversary ending with the anniversary following the insured's 55th birthday as outlined in the applicant's rider.

Generally, prior to age 45, all or any part of the rider option amount can be applied for on any policy anniversary, depending upon income qualification and all other disability insurance in force, for which the applicant has applied, or is eligible to receive.

On any policy anniversary after the insured reaches age 45, one third of the originally purchased FIO/FPO amount, not to exceed the remaining balance, can be applied for. Refer to all terms and conditions of the rider which may include state variations. Note: The "one-third rule" will not apply if the outstanding FIO amount remaining is less than $1,000 or for exercises in connection with a special option date resulting from the loss of group long term disability (GLTD) coverage.

All option amounts are subject to the Company's Issue and Participation limits.

Applications to exercise an FIO/FPO option may be submitted up to 60 days before and 90 following an option date. The insured is eligible to apply for an option if disabled or currently receiving disability benefits.

Special Option Date for FIO Exercises

The option period for a special option date is the 90-day period beginning on the special option date. The insured is not eligible to apply for a Special Option if disabled or receiving disability benefits from any source.

The special option dates are as follows:

- The first date the insured is no longer covered by their employer's group long-term disability (GLTD) plan.
- A specific date that Berkshire declares for such purpose.
- A specific date for individuals who purchase an individual disability income policy within the first year after issuance of the policy with proof of new or increased income (such as an employment contract). These individuals can apply for an increase policy as a result of a special option date – thereby not having to wait until the next policy anniversary to obtain additional coverage.
- A specific date for individuals who purchase an individual disability policy under the Special Limits for New Professionals program before becoming a first-year professional. These individuals can apply for an increase

[11] This section applies to Policy Forms 18ID, 18UD, 1400, 1500 and 1600 only. For previous policy forms please refer to the rider.

policy when they become a first-year professional — thereby not having to wait until the next policy anniversary to obtain additional coverage. The individual has up to 24 months after the date of graduation to apply. These graduates can submit a copy of their new employment agreement and we will underwrite them according to our issue and participation limits. If they opt not to provide us with the employment contract, we will only underwrite up to the new professional program limit for that particular occupation/specialty.

Social Insurance Substitute (SIS)

An applicant can choose to allocate some of their option amount to the SIS rider (instead of base monthly benefit) up to the rider's maximum limit, not to exceed our SIS maximum issue limit. This does not require medical underwriting and an additional benefits supplement is not needed.

Changing Graded Lifetime Benefits to the Lump Sum Disability Benefit Rider on an FIO/FPO Exercise

For exercises on policies with graded lifetime benefits, this benefit can be changed to the Lump Sum Disability Benefit Rider on the increase policy. This change is allowable without further underwriting; however, submission of an applicable change supplement is required. Check state availability listing for application forms at the time of exercise. See the Graded Lifetime and Lump Sum: Max Rider Issue Limits table.

Reducing coverage from what is available for Continuation on FIO/FPO Exercises

An applicant can choose to elect less coverage on the increase policy than what is available for continuation from the originating policy without further underwriting. The result should be discussed at length with the applicant seeking a change, so that the applicant is fully aware how the change(s) can impact claims; especially claims involving mental health or substance-related conditions, disorders, or diseases. Submission of an applicable change supplement is required.

Minimum

Minimum policy amount that can be issued is $200.

IDI Benefit Purchase Rider (BPR)[12]

Benefit Purchase Option Exercise

Review dates fall on every third policy anniversary until the rider expiry date as outlined in the insured's policy. On each review date, when an application is submitted, we will determine eligibility for an increase policy based on our then-current underwriting guidelines. We must receive the option exercise application and other evidence we require during the benefit purchase period, excluding evidence of medical insurability. The benefit purchase period means the 60 days immediately before the review date and ending 30 days immediately following the review date.

Note: The Benefit Purchase Rider will terminate if any of the following occur: the application for an increase policy and evidence of insurability are not received during the benefit purchase period; if less than 50% of our offer for an increase policy is accepted; if the monthly benefit on the original policy is reduced after issue; or the initial premium for any increase policy is not paid.

Special Benefit Purchase Option Offer

The Benefit Purchase Rider includes a special option provision. To qualify for a special option, the applicant must either no longer be eligible to participate in their employer's group long-term disability (GLTD) plan or have had at least a 50% increase in income during the first three years after the effective date of the policy, or since the last Review Date.

Individuals who purchase an individual disability policy under the Special Limits for New Professionals program before becoming a first-year professional are eligible for a BPR special option. These individuals can apply for an increase policy when they become a first-year professional — thereby not having to wait until the next policy anniversary to obtain additional coverage. The individual has up to 24 months after the date of graduation to apply. These graduates can submit a copy of their new employment agreement and we will underwrite them according to our issue and participation limits. If they opt not to provide us with the employment contract, we will only underwrite up to the new professional program limit for that particular occupation/specialty.

The insured is eligible for one special option date during every 3-year period.

If an applicant exercises a BPR special option but then decides not to accept the offer or accepts less than 50% of the offer, we will not terminate the rider.

Exercising a special option does not cancel or forfeit the next regularly scheduled 3-year option

Disability

The insured is not eligible to apply for a BPR increase policy if disabled or receiving disability benefits from any source.

Minimums

The minimum BPR increase offer Berkshire will make is $400 and the minimum policy Berkshire will issue is $200. Applicants must accept 50% of the offer made at the time of the option exercise for the rider to remain in force.

[12] This section applies to Policy Forms 18ID, 18UD, 1400, 1500 and 1600 only. For previous policy forms please refer to the rider.

New Professionals in training

Applicants currently in a formal training program (such as residency, MBA program, or other graduate education) can keep their Benefit Purchase Rider in effect without purchasing the minimum amount of coverage normally required during an option period by:

- Completing an applicable option exercise application; and
- In the option requested section of the application, indicate that the applicant is enrolled in a formal training program and provide details about the type of program they are enrolled in.

BPR applications deferred for formal training will be closed incomplete and not declined.

IDI Option Exercises for Future Increase Option Rider, Future Purchase Option Rider, and Benefit Purchase Rider[13]

Continuation of Riders

The table below includes riders that may be on inforce policies but are no longer available for new issues. If a rider is no longer available for new policy issues, the option exercise will include the comparable rider that we are issuing at the time of the option exercise.

Continuation of Riders		
Rider Name	**Automatically Continued from original policy**	**Available with Medical Underwriting if not on original policy**
All cost of living adjustment riders	Yes	Yes
Automatic Benefit Enhancement Rider (ABE)	No	No
Automatic Increase Rider (0100/1100) (AIR)	No	No
Basic Catastrophic/Severe Disability Riders	No	Yes
Basic Partial Disability Benefit Rider	Yes	Yes
Basic Residual Disability Benefit Rider	Yes	No
Benefit Purchase Rider	No	No
Catastrophic Disability Rider (CAT)	No	No
Enhanced Catastrophic Disability Rider	No	Yes
Enhanced Partial Disability Benefit Rider	Yes	Yes
Future Increase Option Rider	No	No
Graded Lifetime Disability Benefit Rider	Yes*	No
Group Disability Replacement Rider (GDR)	No	No
Lifetime Accident/Sickness Riders	Yes	No
Lump Sum Disability Benefit Rider	Yes	Yes
Residual Disability Benefit Rider	Yes	No
Retirement Protection Plus Rider	No	Yes

[13] This section applies to Policy Forms 18ID, 18UD, 1400, 1500 and 1600 only. For previous policy forms please refer to the rider.

Continuation of Riders		
Rider Name	**Automatically Continued from original policy**	**Available with Medical Underwriting if not on original policy**
Short-Term Residual Disability Benefit Rider	Yes	No
Social Insurance Substitute Rider	No	Yes**
Student Loan Protection Rider	No	Yes
Supplemental Benefit Term Rider	No	Yes
Two-Year Partial Disability Benefit Rider	Yes	No
Unemployment Waiver of Premium Rider	Yes	Yes

Notes:

* For exercises on policies with graded lifetime benefits, this benefit can be changed to the Lump Sum Disability Benefit Rider on the increase policy. This change is allowable without further underwriting.

** Applicants have the option to allocate a portion of their available FIO towards SIS benefits without the need for medical underwriting.

When requesting additional benefits on an option exercise that requires medical underwriting, the applicable authorization and medical Part II supplement must be completed.

Definition of Total Disability

If the original policy contains a True Own Occupation definition of total disability, the applicant can request the increase policy be issued with a Two-Year True Own Occupation with Modified Own Occupation definition thereafter. This change is allowable without further underwriting; however, submission of an applicable change supplement is required.

Definition of Disability mapping		
Originating Policy	**Occ Class**	**Increase Policy**
True Own Occupation	6-1	True Own Occupation – No Specialty
True Own Occupation*	6M-1M	True Own Occupation – Enhanced Medical Specialty
True Own Occupation**	6M-1M	True Own Occupation – Specialty Own Occupation
True Own Occupation***	4D, 3D	True Own Occupation – Specialty Own Occupation
Modified Own Occupation	All	Two-Year True Own Occupation; Modified Thereafter

*Applies to all Medical classes where **the** increase policy has Basic/Enhanced Partial and does not have graded lifetime benefits.

** Applies to all Medical classes where the increase policy does not have Basic/Enhanced Partial and/or has graded lifetime benefits.

*** Applies to all Dentists and Dental Specialties regardless of rider combination.

Mental and/or Substance-Related Disorders Limitation

The Mental and/or Substance-Related Disorders (MSRD) limitation will not be required on an option exercise when it is not on the original policy.

The MSRD limitation may be added or removed on an increase policy when the applicant applies for such or selects to reduce certain riders (e.g., change Enhanced Partial Disability Benefit Rider to Basic Partial Disability Benefit Rider).

- Removal of the MSRD Limitation requires underwriting. Submit an applicable change supplement, C-Auth, and applicable medical Part II supplement.
- The option to remove an MSRD limitation is not available for occupations that currently require the MSRD limitation.
- To add the MSRD limitation or reduce the Enhanced Partial Disability Benefit Rider to Basic Partial Disability Benefit Rider, submit an applicable change supplement.

Note that when adding the MSRD limitation, the reduction of any Enhanced Partial Disability Benefit Rider to Basic Partial Disability Benefit Rider is also required.

Policy Dating Rules

When an increase policy is issued during an option period the policy will be dated the policy anniversary (month, day) of the original policy, unless otherwise requested on the application. When the increase policy is issued outside of an option period, including when using a special option, the policy will be dated using a current date (the policy anniversary day of the original policy in the month the policy is issued). If the increase policy is part of a group billing arrangement, the policy date will be the same as the group common billing day.

Note: The requested date cannot be prior to the anniversary month and day.

Financial requirements for IDI Option Exercises

Financial requirements for IDI Option Exercises	
Occupation/Business Status	**Documentation Required**
Employee	Form 1040 or W-2 or payroll stub with year-to-date earnings
Joint Returns	Form 1040 and W-2
Sole Proprietor (or Independent Contractor)	Form 1040 with all schedules
Partnership	Form 1040 with all schedules, Partnership (1065) Return
C Corporation	Form 1040 with all schedules and W-2. For closely held or one person C Corporation, include Form 1120
S Corporation	Form 1040 with all schedules, W-2, Form 1120S with all schedules
Limited Liability Company (LLC or LLP)	Form 1040 with all schedules, W-2 Applicable Corporate (1120 or 1120S) or Partnership (1065) Return

To include bonus compensation, the applicant must provide the employer's verification of two years of bonus history to be sure the amount is consistent. Amounts (in-force and applied for) under $7,500 in monthly benefit will require one year of financial documentation and amounts over.

$7,500 or more will require two years of financial documentation.

Employment contracts can be considered if the start date of employment is within 6 months of the issue date of the new contract.

Overhead Expense (OE) Option Exercises

This section applies to Overhead Expense Policy Form 18OE only. For previous policy forms please refer to the rider.

Option dates for the OE Future Increase Option Rider fall on every policy anniversary until the rider expiry date as outlined in the original policy — with the last option date occurring on the policy anniversary after the insured's 55th birthday.

Option dates for the OE Benefit Purchase Rider fall on every third policy anniversary until the rider expiry date as outlined in the original policy.

Requests to exercise a FIO option may be submitted up to 60 days before and 90 days after an option date. Requests to exercise a BPR option may be submitted up to 60 days before and 30 days after an option date.

Conditions and limitations

Refer to the Overhead Expense section of the Product Manual (Pub7493BL).

Continuation of riders

Unless specified otherwise on the application, riders that are part of the original policy will be included on the increase policy. The following riders cannot continue to the increase policy:

- Additional Overhead Expense Benefit Rider
- Automatic Benefit Enhancement (ABE)
- Overhead Expense Benefit Purchase Rider (BPR)
- Business Loan Protection Term Rider
- Overhead Expense Future Increase Option (FIO) Rider
- Professional Replacement Benefit Rider
- Salary Replacement (some exceptions may apply)
- Supplemental Overhead Expense Benefit Rider
- Your Income Protection (YIP) Rider

When requesting additional benefits on an option exercise that requires medical underwriting, an applicable medical supplement must be completed.

Financial requirements for OE Option Exercises

Financial requirements for OE Option Exercises	
Type of Business	**Documentation Required**
Proprietor (or Independent Contractor)	Schedule C only
Partnership	1065 Partnership Return
C Corporation	1120 C Corporation Return
S Corporation	1120S S Corporation Return
Limited Liability Company (LLC or LLP)	Applicable Corporate (1120 or 1120S) or Partnership (1065) Return

Profit and Loss Statements: A business owner may submit a current year-to-date profit and loss statement that is certified by an accountant as financial proof of earnings in lieu of business taxes.

Disability Buy-Out (DBO) Future Increase Option Exercises

This section applies to Disability Buy-Out (DBO) Policy Form 18DB only. For previous policy forms please refer to the rider.

Option dates fall on every policy anniversary until the rider expiry date as outlined in the original policy, with the last option date occurring on the anniversary after the insured's 55th birthday. The maximum option amount each year is $150,000 (maximum coverage amounts not to exceed the company's current issue and participation limit). However, if an annual option is not exercised, they may apply for up to two times the maximum option amount on the next option date. Requests to exercise an FIO option may be submitted up to 60 days before and 90 days after an option date.

Conditions and limitations

Refer to the Disability Buy-Out section of the Product Manual (Pub7493BL).

Continuation of riders

No riders are available on an increase policy.

Financial requirements for DBO Option Exercises

To exercise an FIO option, complete the appropriate application and submit financial requirements as outlined below.

Financial requirements for DBO Option Exercises	
Type of Business	**Documentation Required**
Professional/Personal Services Business	3 years of corporate tax returns
Commercial Business	2 years of corporate tax returns

The Traditional Business Valuation is only available for applicants who work with Guardian Wealth Advanced Markets (GWAM) and obtain a BizEquity Business Valuation Report through the GWAM. The GWAM BizEquity Report must be submitted with the application. Each owner's share of the business value is proportional to their percentage of ownership in the business(es).

Selecting a Contract State (FIO/FPO) (All products)

The residence state of the insured generally determines the contract state unless the insured has a connection with another state. That connection could be a workplace or secondary residence (generally defined as the state where the insured resides for at least four months a year). The application and other new business forms should be the state forms as determined by the contract state.

If the insured has moved since the original policy was issued, the insured can request that the contract state be the same contract state of the original policy, but **only** when all the following conditions are met:

- The original policy is not policy form 18ID, 18UD, 18DB, or 18OE; and
- The insured has moved to a premium load state (see table).

Premium Load States	
Policy form	**Premium Load States**
18ID/18UD (non-dental)	AZ, CA, and NV
18ID/18UD (dental)	AZ, CA, MI, NV, OR, PA, and WA
18DB	AZ, CA, FL, and NV
18OE	AZ, CA, FL, and NV

Example #1: The original policy is a NY contract (1400 policy series) and the insured has moved to CA. Because both conditions have been met, the FIO exercise can have a NY or CA contract state.

Example #2: Original policy is a NY Provider Choice (18ID policy series) and the insured has moved to AZ. Because both conditions have not been met, the FIO contract state must be AZ.

Contract State on a BPR Exercise (All products)

For BPR exercises, the applicant may only select the state in which he or she currently lives or works.

Submitting Option Exercise Applications

To submit an option exercise application, use Guardian e-App available through Guardian Online (GOL) or use the traditional paper method. Answer all questions and provide the necessary details to yes answers to avoid delays.

Conditions of Coverage

For FIO/FPO option exercises, if a payment is submitted with the application, the Conditions of Coverage form must be completed. If this form is not received, then the payment will be refunded directly to the client with a notification to the agency.

If all information necessary to determine insurability is not received within 60 days from the date the Conditions of Coverage form is signed, the payment is returned directly to the client with a notification to the agency.

Conditions of Coverage is not available with BPR exercises.

Occupational Class mapping

The following mapping will be used for successful exercises of pre-merger Berkshire (BLICO) Future Purchase Options (FPOs) (policy numbers with an "H" prefix):

Occupation Mapping – Policies with an H prefix	
BLICO Classification	**Current Products**
Limited Issue Plus (LI+) (P)	Class 6 or 6M
Limited Issue (LI)	Class 5 or 5M
Class 1	Class 4 or 4M
Class 2	Class 3 or 3M
Class 3	Class 2 or 2M
Class 4	Class 1 or 1M

The following mapping will be used for successful exercises of Future Increase Options (FIOs) (policy numbers with a "G" or "Z" prefix):

Occupation Mapping – Policies with an G or Z prefix	
GLIC/BLICOA Classification	**Current Products**
Class 6	Class 6 or 6M
Class 5	Class 5 or 5M
Class 4	Class 4 or 4M
Class 4P	Class 3M or 4M
Class 3	Class 3 or 3M
Class 2	Class 2 or 2M
Class 1	Class 1 or 1M
3D	Class 3D or 4D
4D	Class 4D

Note:

- Medical occupations map to the corresponding "M" class.
- The Occupation Class for additional coverage resulting from the exercise of an FIO/ FPO or BPR will either be the Occupation Class for the original policy, or if the insured is in a more favorable Occupation Class at the time of exercise, that Occupation Class will be used for the additional coverage.

Policy form mapping

Policy form mapping	
Original Policy Form	**New Policy Form**
1400, 1100, NC104, NC109, NC112 Sex Distinct, AH-1-NC87 Sex Distinct	18ID
1500, 1600, 0100, 2100, NC93-NC101 Unisex, NC108, NC111 Unisex, NC107, NC110, NC114 NY Unisex	18UD
4100/5100, NC105, OE102, NC82 OE	18OE
3100, AH84	18DB

Discounts on Option Exercises

Qualified Sick Pay Programs (QSPP) Discount and Executive Bonus Plan (EBP) Programs

QSPP/EBP Discount Programs		
If the original policy is:	**Then the increase policy form number will be:**	**Will the increase policy receive the corresponding discount?**
A policy that was issued as part of a QSPP or EBP	Form 18UD (unisex)	Yes, QSPP and EBP discounts always carry forward to exercise policies

Association, Student and Resident, and Professional Group Discount Programs

Association, Student and Resident and Professional Group Discount Programs	
If the original policy is a:	**Then the increase policy form number will be:**
Unisex policy that was issued as part of a VIP or Association	Form 18UD (unisex)
Gender-distinct policy that was issued as part of an Association	Form 18ID (gender-distinct)
Gender-distinct policy that was issued as part of a VIP	Form 18ID (gender-distinct)
Gender-distinct policy that was part of the Student/Resident or Professional Group program	Form 18ID (gender-distinct) Form 18UD (unisex) for MT only
Unisex policy that was part of a Student and Resident program	Form 18UD (unisex)
Policy that was not issued as part of a discount program, but the applicant is now eligible*	Form 18ID (gender-distinct) for Student/ Resident, Association, & Professional Group programs Form 18UD (unisex) for MT

* "Eligible" means eligible for a discount under one of our existing discount programs.

The increase policy will receive the corresponding discount if the discount program is active at the time of the option exercise and one of the following conditions is true:

- the applicant is still active with the program or association; or
- the original policy was issued 3/16/2019 or later with an FIO rider; or
- the original policy was issued 10/18/2021 or later with a BPR rider.

If none of these apply to the policy/applicant, then the exercise is not eligible for the discount.

Preferred Occupation Discount

The Preferred Occupation Discount is available on option exercises if the insured is in an eligible occupation at the time of the option exercise regardless of whether it is on the original policy or not. The discount is not available on option exercises if the insured is not in an eligible occupation, even if the discount is on the originating policy.

Section 6

Discount Programs

Discount Programs

The following discounts are available on the policy forms listed below.

Discount Availability[14]

Discount Availability	18ID	18UD	18OE	18DB	18PG
Select Risk	✓	✓	✓	✓	✓
Preferred Risk on FIO only	✓	✓	✓	✓	
Preferred Occupation Discount	✓	✓	✓	✓	
Association Discount *	✓		✓		✓
Student and Resident Discount (including new white-collar professionals) **	✓				
Professional Group Discount**	✓				
Mental and/or Substance-Related Disorders (MSRD) limitation and discount	✓	✓			
Qualified Sick Pay Program (QSPP) / Executive Bonus Plan (EBP)***		✓			
Multi-Policy Discount			✓		
Multi-Life Discount			✓		✓
Multi-Client Discount				✓	

*Association available on 18UD for FIO only.

**Student and Resident Discount (including white-collar professionals) , and Professional Group Discount available on 18UD in MT only.

*** QSPP/EBP available on 18ID for FIO only.

[14] Availability may vary by state. See Product Manual (Pub7493BL) for details.

Association Discount program

The Association Discount program is designed to help producers develop additional target market relationships by gaining the sponsorship of an association. Approved associations will be able to offer a 10% discount.

Associations are sometimes approved with eligibility limitations. It is the responsibility of the producer to be mindful of any limitations before offering the discount. Please contact a Guardian IDI agency wholesaler or Guardian IDI internal wholesaler for more details.

Association criteria

- Prior approval by Berkshire is required for a particular association program to be accepted.
- We consider local, county, state, or regional associations only.
- National and multi-state associations are ineligible.
- Maximum size should be appropriate for the producer or team of producers to personally solicit business as described in the producer's marketing plan.
- The association must be in existence for at least two years and have a constitution or bylaws limiting membership to individuals in the same occupation.
- The association must have been formed to promote the professional or trade interests of its members.
- Associations formed for the purpose of obtaining insurance are not eligible.
- Limited to homogeneous associations representing occupation classes 6/6M, 5/5M, 4/4M/, 3/3M.
- Associations sponsoring multiple carriers in the same product line will not be eligible.
- Other groups may be limited or excluded, as necessary, based on claims experience or portfolio concentration.
- OH requires 10 or more lives issued for the discount

Note: All medical and dental associations are ineligible except for veterinarians.

Initiating association approval

- Submit an Approval to Approach form 7151 (available on GuardianOnline) to the Manager of Endorsed Programs at the Berkshire Home Office.
- The association request is reviewed for compatibility with the program profile. If it fits, a preliminary approval notice is sent to the producer.

Sponsorship requirements

To obtain final case approval we need the following:

- A copy of the letter sponsoring the agent(s)/agency and Berkshire.
  - The executive director or president of the association must sign the letter. The director must also announce the program offerings to the membership.
  - It is recommended that the agency also be named in the endorsement of the association for continuity of the marketing process within the association.
- Include a written explanation of your marketing plan and influence within the association (e.g., relationship with the executive director, insurance committee, existing client/members, etc.)

- A copy of the association's bylaws or constitution.
- A current association membership roster and information on how the roster will be updated as new members join.

Notes:

- With the receipt of this information, a final authorization letter will be sent to the producer. The letter will include a 6-digit number that has been assigned to the association and should be referenced on any subsequent correspondence submitted to the home office.
- Any cases submitted to and received by New Business/Underwriting prior to the effective date of a new discount program may be issued with the program discount without the writing producer splitting commissions with the endorsed agent. Program guidelines will apply to any subsequent business.
- If a previous discount program was terminated, a new discount program can be established by following the Sponsorship Requirements above, provided that a minimum of two years has elapsed since the previous discount program was terminated.

Annual review

At annual review, the association activity will be reviewed. One of the two actions will be taken:

- If association sales are on pace with expectations, a new marketing plan and current roster, and a calendar of the marketing events for the next twelve (12) months will be requested.
  - Thirty (30) days later, a follow-up request will be sent if new marketing plan and current roster are not received.
  - Thirty (30) days after that, notification of closure of the association will be sent if requirements are not received; or
- if association sales are not on target, a letter will be sent warning of impending closure of the program.

The following information will also be part of the review process:

- Total number of policies written in the last 12 months.
- Total first year annualized premium for the last 12 months.
- The morbidity and persistency of the association from actuarial.

First year annual association review

In reviewing solicitation activity and in determining potential renewal of an association endorsement, the following guidelines will be used:

The minimum requirement is the lesser of:

- Policies written on 10% of membership; or
- 50 contracts written on membership (could be higher for large associations); or
- $50,000 of first year annualized premium (could be higher for large associations).

Association annual review for subsequent years

The minimum requirement is the lesser of:

- Additional policies written on 5% of membership; or

- 25 contracts written on membership (could be higher for large associations); or
- $25,000 of first year annualized premium (could be higher for large associations).

In addition, expected persistency based on the average duration of business and loss ratio for the association must be at least the company average and within expectations of pricing.

Based on these criteria, we will determine whether to continue the endorsement as is, continue the endorsement on a probationary period or terminate the endorsement.

Student and Resident Discount program (including new white-collar professionals)

The Student and Resident Discount program provides a 10% discount[15] to students, residents, fellows, and recent graduates.

Applicants must meet the following criteria to be eligible for the discount:

- Medical and Dental students, residents and fellows:
  - Must be enrolled at, employed by, or recently graduated from a university, college, school or hospital that has been previously approved by Guardian.
  - Are eligible to participate in Student and Resident Discount programs up to 180 days following graduation or program completion. Applications must be received by New Business within said 180 days for the applicant to receive the discount.
- Non-medical and non-dental (Occupation Class 3, 4, 5, or 6):
  - Must be enrolled at or recently graduated from a university or college. Guardian pre-approval is **not** required. These applicants should use the code 112210.
  - Must apply while enrolled or up to 1 year following graduation or program completion. Applications must be received by New Business within 1 year of graduation to receive the discount and the graduation date must be noted on the Application.

For all eligible applicants, a New Business Transmittal must be included with each application for insurance noting the group name and assigned plan number. For eApp, group name and assigned plan number may be included in the notes to New Business Administration section.

[15] 20% discount for dental Student and Resident Discount programs in AZ, MI, NV, PA, OR, and WA.

Approval requirements

Non-medical and non-dental (Occupation Class 3, 4, 5, or 6)

Applicants with occupation class 3, 4, 5, or 6 do not need pre-approval and can use the discount code 112210.

Medical and Dental students, residents and fellows

If there is not an existing discount program available, then a new program can be started with the following requirements:

Medical Physician resident programs not already covered by a discount can be set up without a letter from the institution provided the following criteria are met:

- 3 or more distinct lives are issued within 6 months.
  - FIO Exercises, BPR Exercises, and RPP Policies can be included.
  - Policies from Group Conversion Program will be included in lives count.
- The institution name, city and state are consistent across all issued lives. Residents at multiple hospitals affiliated with the same residency program can be counted towards the same discount program.
- The number of physician residents completing residency annually is provided.

Programs that meet the above requirements will be set up only for Medical Physicians as defined in the Special Limits for New Professionals table. Annual production requirements for Student Resident Discount Programs will also apply to Medical Physician resident programs. Non-physician residents will not be eligible to set up a Student Resident Discount Program without a letter from the institution.

The three lives must be issued within a 6-month period from discount program approval. In-force policies that did not initially qualify for the discount, but subsequently qualify within the 6-month time frame, will be handled as an in-force change for processing purposes. For more information, please refer to GuardianOnline under Products / Disability Insurance / Claims & Policy Services.

For non-physician medical programs, a letter from an institution leader, who is authorized to make benefit decisions, is required. In the letter, the institution leader must specify the name of the agent/agency, agree to formally announce the program and provide access to participants. Before obtaining this letter, the agent must submit an Approval to Approach form to the Manager of Endorsed Programs.

If a previous discount program at the institution was terminated, a new discount program can be established by following the Approval Requirements above, provided that a minimum of two years has elapsed since the previous discount program was terminated.

Participation requirements

- **First year:** at least 10% of eligible lives
- **Second year and each year thereafter:** at least 25% of eligible lives
- Failure to meet production requirements in any year may result in a notice of intent to terminate the underperforming program.

Producer rights and annual review

Multiple levels of exclusivity are available. Please contact the Manager of Endorsed Programs for more details.

The named agency or agent(s) will be required to provide and obtain approval, from the Manager of Endorsed Programs, of a detailed plan to increase sales and meet the production requirements within one year. Failure to meet production requirements may result in a probationary status. Continued underperformance may result in termination of the underperforming program.

Note: Any cases submitted to and received by New Business/Underwriting prior to the effective date of a new discount program with level two or level three exclusivity may be issued with the program discount without the writing producer splitting commissions with the endorsed agent. Program guidelines will apply to any subsequent business.

Professional Group Discount program

The Professional Group Discount program offers a 10% permanent discount on a policy level with a minimum of 3 non-dental occupations, issued distinct lives.[16] This coverage will be issued on a gender distinct basis under the following conditions:

- Maximum issue age 60
- An assigned plan number must be submitted with the application
- All applicants have the same employer and location[17]
- Partners receiving regular income from their business will be allowed the discount

The three lives must be issued within a 6-month period from discount program approval. In-force policies not eligible for the discount that subsequently qualify within the 6-month time frame, will be handled as an in-force change for processing purposes. For more information, please refer to GuardianOnline under Products / Disability Insurance / Claims & Policy Services.

Approval requirements

- Submit a request for a group to New Business.
- New Business Transmittal with each application for insurance noting the group and assigned plan number, or for eApp, notes made in the notes to New Business Administration section.
- Applicant must attest to working for employer on application for insurance.
- Not available to the student, resident, or fellow populations.
- Dental occupations will not be counted toward the 3 lives required to start a new group. However, dental occupations are still eligible for existing professional group discounts.

[16]FIO exercises, BPR exercises and RPP policies can be included in the lives count.

[17]Different addresses in the same city will be considered the same location.

Qualified Sick Pay Program (QSPP) / Executive Bonus Plan (EBP)

A QSPP is an Employee Multi-Life program that enables the business to continue making salary payments to disabled employees while also offering a 25% permanent Employee Multi-Life discount. This discount is available with a minimum of 3 distinct issued lives[18] when coverage is 100% employer paid.

An Executive Bonus Plan (or Section 162 Plan) is an Employee Multi-Life program that is a way to combine employer-paid coverage with a tax-free benefit for an employee. The employer simply provides a bonus to selected employees in the value of the policy premium. An EBP provides a permanent 25% discount.

The coverage will be issued on a unisex basis under the following conditions:

Qualified Sick Pay Program (QSPP) / Executive Bonus Plan (EBP)	
Minimum # of Lives	3 must be maintained
Issue Ages	18 – 75 (maximum issue age for 10-year benefit period is 55)
Occupation Classes	6/6M, 5/5M, 4/4M/4D, 3/3M/3D, 2, 1 *For plans with applicants over age 60, 50% of participants must be under the age 60 and in occupation classes 6/6M-3/3M/3D.* *Classes 2 and 1 are only available in Employee Multi-Life situations with a mix of other occupation classes (at least 50% of participants must be classes 6/6M through 3/3M or 3D), level premium structure only.*
Premium Structure	Level Graded (maximum issue age is 50)
Discounts	Permanent 25%

The three lives must be issued within a 6-month period from discount program approval. In-force policies not eligible for the discount that subsequently qualify within the 6-month time frame, will be handled as a "terminate and replace" scenario for processing purposes. For more information, please refer to GuardianOnline.

Notes:

- Policies sold under a QSPP program are list billed to the employer.
- Multiple levels of exclusivity are available. Please contact the Manager of Endorsed Programs for more details.
- Policies issued as the result of exercising a future increase or future purchase option on a policy with a QSPP/EBP discount will receive a QSPP/EBP discount.

[18] FIO exercises, BPR exercises and RPP policies can be included in the lives count.

Preferred Occupation Discount

The Preferred Occupation Discount (POD) offers a 10% permanent discount on a policy level in approved states.[19] The discount is available for the following occupations (including residents that intend to pursue or have declared these specialties):

5M Physicians

All Occupation Class 5M Board-Certified Pulmonologists

4M Physicians

Occupation Class 4M Internal Medicine Physicians (except Rheumatologists) and all Occupation Class 4M Board-Certified Radiologists and Radiation Oncologists.

3M Surgeons

All Occupation Class 3M Board-Certified Surgeons with the exception of Orthopedic Surgeons.

Availability

The Preferred Occupation Discount is available on the following products:

- Provider Choice Individual DI
- Business Overhead Expense
- Disability Buy-Out Insurance

The Preferred Occupation Discount is also available with any of the following:

- Straight Conversion/GSI Programs
- Fully Underwritten Conversions
- RPP Program

Notes:

- Discount will continue in over-age extension situations.
- Discount cannot be added to in-force policies. If the insured changes occupations to an eligible occupation while the policy is in force, the discount cannot be added to the policy. It will only be available on subsequent policy issues or Increase Option Exercises if eligible at the time of issue.
- For information on option exercises see Preferred Occupation Discount section in Option Exercises.
- Some state restrictions apply.

[19] See Product Manual (Pub7493BL) for details.

Select premium risk class underwriting criteria

This is a 25% discount available to applicants with no use of nicotine in any form in the last 12 months.

Multi-Policy Discount

This is a 5% permanent discount on 18OE applied to the Overhead Expense contract only when Individual Disability and Overhead Expense are either purchased at the same time, or Overhead Expense is applied for within six months of Individual Disability.

Multi-Life Discount

This is a 20% discount available on 18PG and 18OE for 3+ lives with the same employer.

Multi-Client Discount

This is a 25% discount available on 18DB when three or more lives under the same buy-sell agreement are insured with any combination of Berkshire Disability Buy Out, Overhead Expense, PayGuard Plus or Provider Choice products (including increase option exercises and RPP policies).

Not available in NY. 10% discount in NJ.

Section 7

Occupational Underwriting

Occupational Underwriting

Proper classification of occupations is of primary importance in the disability income risk selection process. It is the basis for establishing the premium to be charged for the risk. Generally, a particular job is classified according to the occupational hazard presented by the actual duties performed. Dangerous occupations and/or occupations in which manual duties increase the risk of injury, such as those working in certain criminal justice occupations or those operating heavy machinery, may be deemed uninsurable. In addition to duties, several other factors influence the ultimate classification. Among these are educational background, professional designations, degrees, certifications, experience, working conditions and environment, moral hazard, stability, size of organization, income level (both personal and corporate), motivation, time spent traveling, etc. In addition, consideration is given to company-wide and industry-wide claims experience.

Determination of all classifications is the final decision of the Home Office Underwriter.

For claim purposes occupation is determined based on the policy terms and provisions.

Job title vs. duties

In most instances, job title alone is not sufficient to determine proper classification. It is, therefore, imperative that a full description of the applicant's duties be given on the application. If travel or supervision are involved, the percentage of time spent on these functions should be indicated as well as the amount of time spent on manual or selling duties. Conflicting information concerning duties may require additional documentation.

Physicians are classified using their Medical Board Specialty Certification (and if applicable Subspecialty Certification) as certified by the American Board of Medical Specialties.

Part-time and dual occupations

All applicants must be employed on a full-time basis year round. Thirty hours per week is the accepted minimum standard for full-time employment. If an applicant has more than one occupation, the classification will be based on the more hazardous occupation. Part-time work in an uninsurable occupation may cause us to decline issuing coverage on any basis. Unless otherwise specified, a physician with multiple specialties who would receive different occupation classes will be treated as having dual occupations and classification will be based on the more hazardous specialty/sub-specialty.

Business and residence address the same (home-based)

Insured's who use their home as their primary business location, leave the home on a regular basis to conduct business or have clients come to the home on a regular basis, continue to be eligible for disability insurance under our usual underwriting guidelines.

Home-based business owners who do not meet the criteria above may be eligible for individual disability insurance through the Home- Based Business Owners program.

Recent changes in occupations

Applicants who recently changed occupations or are employed by companies less than six months old are generally not eligible for disability income coverage.

Consideration will be given on an individual basis to applicants who take over an existing business or have prior experience in the same or a closely related field and have established some long-term contracts for the new business. Residual coverage will generally not be issued because of the lack of an earnings pattern.

General occupation class descriptions

The following are general descriptions of each occupation class, followed by an alphabetical listing of the most often encountered occupations and their class.

If an applicant has an occupation that is not in the Occupation Class Listing, the underwriter will utilize the class definitions and the merits of the case to determine the appropriate occupation class.

"M" Classes: 6M, 5M, 4M, 3M, 2M and 1M

"M" classes are for individuals in the health care industry. These professions include, but are not limited to, physicians, nurses, pharmacists, optometrists, etc. Physicians will be classified according to their specialty and sub-specialty. Non-physician medical occupations not found in the Occupation Class Listing will be classified according to their job duties.

Class 1M occupations are uninsurable.

"D" Classes: 4D and 3D

"D" classes are for individuals in the dental industry. These professions include, but are not limited to, general dentists, endodontists, pediatric dentists, periodontists, prosthodontists, oral surgeons and orthodontists. Dentists will be classified according to their specialty. Dental occupations not found in the Occupation Class Listing will be classified according to their job duties.

Class 6

Available to occupations with the most favorable experience such as actuaries, architects, attorneys, CPAs, and corporate executives, who meet the following requirements:

- Employed full-time in a business which is financially sound, has been in existence for five years, and has prospects for a stable future.
- The business has 10+ full-time employees other than the owner, with at least five employees with job duties that would qualify them for occupation classes 4, 5, or 6.
- Daily duties are office, managerial, administrative, or technical; 10% or less time spent on sales or travel; no physical or manual duties.
- At least $75,000 salary including bonus for each of the past two years.

Class 5

Class 5 includes those professional and executive occupations that qualify for preferential classification because of stability of employment and income; the demand for their service, education, training and experience qualifications; and who meet the following requirements:

- Employed full-time in a business which is financially sound, has been in existence for five years, and has prospects for a stable future.
- The business has 5+ full-time employees; cannot be supervising anyone with primarily manual duties.
- Daily duties are primarily office-only; 10% or less time spent on travel; 10% or less time spent on physical or manual duties.
- At least $60,000 salary including bonus for each of the past two years.

Class 4

Those who do not qualify for Class 5 but are engaged in office, clerical, executive, professional or semi-professional occupations requiring a high degree of stability and responsibility and who meet the following requirements:

- Duties may involve sales or travel; 10% or less time spent on physical or manual duties.
- At least $40,000 salary including bonus for each of the past two years.

Class 3

Includes occupations that require more physical activity than Class 4, plus certain occupations which may not be hazardous but where the claim experience has been worse than Class 4 and who meet the following requirements:

- Duties may include sales or travel; 25% or less time spent on physical or manual duties.
- Duties do not include climbing, kneeling, crouching, crawling, pushing, or pulling; operating machinery; or carrying or lifting objects in excess of 30 lbs.

Class 2

Includes occupations where light manual duties or skilled work are involved, including small businesses where the proprietor has specialized skills, and who meet the following requirements:

- Duties may include sales, travel, and fine motor skills (jeweler/watch repair, musical instruments, or electronics repair).
- Duties may include some climbing, kneeling, crouching, crawling, pushing or pulling; operating machinery; or carrying or lifting objects in excess of 30 lbs.
- Duties should include no exposure to environmental or occupational hazards, such as extreme temperatures, fumes, hazardous chemicals, poor ventilation, heights, or usage of a ladder.

Class 1

Includes occupations requiring heavy manual duties or where there are real accident or environmental hazards. Class 1 occupations are considered uninsurable. An occupation is considered Class 1 if it has any of the following:

- Exposure to environmental or occupational hazards such as extreme temperatures, fumes, hazardous chemicals, poor ventilation, heights, or usage of a ladder.
- A history of poor claims experience. These occupations will be listed as Class 1 in the Occupation Class Listing of the most often encountered occupations.

Provider Choice Rules for Occupation Classes 2M, 2, 1M and 1

Occupation Class 2M

These occupations are uninsurable except in the following case:

Class 2M can be considered for Provider Choice coverage if the applicant is a business owner who has owned the business for at least five years and whose income is at least $50,000.

Social Insurance Substitute coverage (SIS) is required (where available). After the first $500 of monthly benefit, the next $1,500 of coverage must be comprised of SIS benefits. Amounts thereafter will be issued as monthly benefit not to exceed the maximum issue limit of $7,500 for class 2 applicants. The SIS rider has a minimum issue limit of $200. The $1,500 SIS requirement described above will be offset by the amount of any in-force SIS or GLTD coverage the applicant may have.

Class 2M may have either a 2- or 5-year benefit period.

Occupation Class 2

All Class 2 applicants can be considered for Provider Choice coverage under the Essential Package with a 2- or 5-year benefit period.

The Essential Package includes:

- Two-Year Modified Own Occupation Definition of Disability
- Level premiums
- 12 Month Mental and/or Substance Related Disorders (MSRD) limitation[20]
- Short-Term Partial rider, Social Insurance Substitute rider

For Occupation Class 2, Social Insurance Substitute coverage (SIS) is required (see below).

The following Class 2 applicants can be considered for Provider Choice coverage under the Select or Premier Packages:

- Those applying for coverage under a QSPP or Executive Bonus Programs with a mix of occupation classes (at least 50% of participants must be classes 6/6M – 3/3M/3D) or
- a business owner who has owned the business for at least five years and whose income is at least $50,000.

For Class 2 applicants choosing the Select Package, a 5- year benefit period is available. A 2- or 5-year benefit period is available with the Premier Package.

For all Occupation Class 2 applicants, Social Insurance Substitute coverage (SIS) is required (where available). After the first $500 of monthly benefit, the next $1,500 of coverage must be comprised of SIS benefits. Amounts thereafter will be issued as monthly benefit not to exceed the maximum issue limit of $7,500 for class 2 applicants. The SIS rider has a minimum issue limit of $200. The $1,500 SIS requirement described above will be offset by the amount of any in-force SIS or GLTD coverage the applicant may have.

See the Provider Choice Packages section for additional information on package options.

[20] 12-month limitation may not be available in all states.

Occupation Class 1M

These occupations are uninsurable.

Occupation Class 1

These occupations are uninsurable except in the following case:

Class 1 can be considered for Provider Choice coverage under a QSPP or Executive Bonus Programs with a mix of occupation classes (at least 50% of participants must be classes 6/6M – 3/3M/3D).

Social Insurance Substitute coverage (SIS) is required (where available). After the first $500 of monthly benefit, the next $1,500 of coverage must be comprised of SIS benefits. Amounts thereafter will be issued as monthly benefit not to exceed the maximum issue limit of $7,500 for class 2 applicants. The SIS rider has a minimum issue limit of $200. The $1,500 SIS requirement described above will be offset by the amount of any in-force SIS or GLTD coverage the applicant may have.

Class 1 may have either a 2- or 5-year benefit period.

Occupation classifications for Residents/Fellows

Most hospitals have a four-year residency program. Residents in their third and fourth year have declared their specialties and should be classed accordingly.

Residents in their first and second year usually have not declared their specialty as they will go through various rotations for the first two years. They are, however, placed in either a "Medical" or "Surgical" residency program. All undeclared residents will be classified 3M. A fellow who enters a training program in a medical specialty after completing residency will be classified according to their specialty.

Please question carefully so that you can properly classify the client.

Military obligations

Individuals who are members of any branch of the regular armed forces of any country, or who intend to enlist in any branch of the services are uninsurable.

Members of the militia or reserve units who are not on full-time active duty may be considered for insurance on the basis of their regular civilian occupation, with consideration to be given to any additional hazard relating to military activity, such as parachuting, scuba diving, mountaineering, etc.

Applicants with known orders for active military duty are uninsurable.

Business Owner Upgrade (BOU) program

This program helps established business owners qualify for a higher occupation class based on income, duties, and number of employees. Non-medical, non-dental business owners who have owned at least a 20% share of a stable and financially successful business for the previous two years may qualify for an occupation class upgrade if they meet the criteria and requirements detailed below.

Eligible business owners

Sole proprietors; self-employed individuals; and owners of S-Corps, C-Corps, LLCs and partnerships.

Ineligible business owners

Owners in a dental or medical occupation (occupation classes 4D,3D,6M,5M,4M,3M,2M,1M).

Business Owner Upgrade requirements

BOU Occ Class	Number of employees*	Owner's manual duties	Minimum Income**
Occ Class 3	5+	<25%	$25,000
Occ Class 4	5+	<10%	$60,000
Occ Class 5	5+	<10%	$100,000
Occ Class 6	10+	none	$150,000

*Must be employed full-time, year round.
**Minimum income must be met for the last 2 years.

This program is available at underwriter discretion.

Note: This program cannot be used in combination with a Move-Up option.

Move-Up Options

The Move-Up Option is used to recognize certain occupations that, through ownership, income level, stability, experience and business environment can be considered one classification higher. The occupations eligible to move up one class are indicated in the alphabetical occupation class listing, and the criteria necessary are indicated by letters of the alphabet under the column titled, "Move-Up Option."

Move-Up Option criteria

A. Employed full-time in a business which is financially sound, has been in existence for five years, and has prospects for a stable future.
B. Works at a business location other than his or her personal residence.
C. The business has 10+ full-time employees other than the owner, with at least five employees qualifying for occupation Class 5 or Class 4.
D. Daily duties are office, managerial, administrative or technical; little or no sales or travel; and no physical or manual duties.
E. Salary and bonus of $75,000 for the past two years.
F. Salary and bonus of $60,000 for the past two years.
G. Salary and bonus of $40,000 for the past two years.
H. Travel required less than 25% of time.
I. Few or no selling duties involved.
J. Supervisor of Class 4 risks only.
K. Organization of at least five full-time employees and is not supervising anyone with manual duties.
L. Income in excess of $100,000, at least five years in the insurance business, and has at least one of the following designations:
    - CFP
    - CLTC
    - CPCU
    - RHU
    - ChFC
    - CLU
    - MDRT
    - CFA
    - CPWA
M. Has at least three years' experience in occupation.
N. Owner of business for at least five years.
O. 90% or more of duties are in an office setting.
P. Has at least five years' experience in occupation.[21]

All of the criteria indicated for a particular occupation must be met in order to qualify to move up. Underwriting reserves the right to request documentation of each criterion at the underwriter's discretion.

For any risk whose classification cannot be determined from the following list, contact the Underwriting Department.

The Underwriting Department reserves the right to change classification based on information received at the time of underwriting.

Move-Up Options cannot be used with the Business Owners Upgrade (BOU) program.

[21] For medical specialties, experience does not include medical training in a residency program or fellowship.

Occupation Class Listing - Dental

Occupation Class Listing - Dental			
Occupation	**Class**	**Move Up Option**	**POD***
DDSs and DMDs			
Dental Anesthesiologist	3D		
Dentist (general)	3D		
Endodontist	4D		
Oral Radiologist	4D		
Oral Surgeon – DDS, DMD degree	4D		
Oral Surgeon – MD, DO degree	See Medical Section		
Orthodontist	4D		
Pediatric Dentist	4D		
Periodontist	4D		
Prosthodontist	4D		
Other			
Dental Assistant		Uninsurable	
Dental Hygienist, Dental Therapist		Uninsurable	
Dental Lab Worker, Technician	2M		

*The Preferred Occupation Discount (POD) offers a 10% permanent discount on a policy level in approved states. See the Preferred Occupation Discount section for details, exclusions, and limitations.

Determination of all classifications is the final decision of the Home Office Underwriter.

Occupation Class Listing – Medical

Occupation Class Listing - Medical			
Occupation	**Class**	**Move Up Option**	**POD***
MDs and DOs			
Allergist/Immunologist	4M		
Anesthesiologist	3M		
Anesthetist (MD or DO only)	3M		
Cardiologist	4M		Yes
Cardiovascular Surgeon	3M		Yes
Dermatologist	4M		
Emergency Room Physician	3M		
Endocrinologist	5M		
Family Practice Physician	5M		
Gastroenterologist	5M		
General Practice Physician	4M		Yes
Geneticist	4M		
Geriatrician	5M		
Gynecological Oncologist	3M		
Hematologist	5M		
Hospice and Palliative Medicine Physician	Classed According to Primary Board Certification		
Hospitalist	5M		
Immunologist	4M		
Infectious Disease Physician (MD)	4M		Yes
Internist	5M		
Medical Resident - Undeclared	3M		
Medical Resident -Specialty Declared	See Specialty		
Neonatologist	5M		
Nephrologist	5M		
Neurologist	4M		
Neurosurgeon	4M		
Obstetrician and/or Gynecologist	3M		
Oncologist	5M		

Occupation Class Listing - Medical			
Occupation	**Class**	**Move Up Option**	**POD***
MDs and DOs continued			
Ophthalmologist	4M		
Oral Surgeon - DDS, DMD degree	See Dental Section		
Oral Surgeon - MD, DO degree	4M		
Orthopedic Surgeon	3M		
Osteopath	Classed According to Specialty		
Otolaryngologist	4M		
Otologists	4M		
Pain Management Physician	3M		
Pathologist	5M		
Pediatrician	5M		
Physiatrist (physical medicine, rehab)	3M		
Plastic Surgeon	3M		Yes
Preventative Medicine Physician	4M		
Psychiatrist (MD)	4M		
Pulmonologist	5M		Yes
Radiation Oncologist	4M		Yes
Radiologist	4M		Yes
Reproductive Endocrinologist	5M		
Rheumatologist	4M		
Surgeon (all specialties)	3M		Yes[22]
Urologist	4M		
Medical Market: Other			
Acupuncturist (non-MDs, licensed)	3M		
Animal Care Technician/Vet Aide	2M		
Audiologist	4M		
Behavior Analyst - Board Certified (BCBA)	3M		
Cardiac Technician	3M		
Certified Anesthesiology Assistant (CAA)	3M		
Chiropodist	2M		
Chiropractor	2M		
Dental Lab Owner	2M		

[22] Orthopedic Surgeons are not eligible for the Preferred Occupation Discount (POD).

Occupation Class Listing - Medical			
Occupation	**Class**	**Move Up Option**	**POD***
Medical Market: Other (continued)			
Denturist	2M		
Dialysis Technician	2M		
Dietary Aide	2M		
Electrologist	2M		
Embalmer	2M		
Embryologist – Non-MD with a Masters or PhD	4M		
Embryologist - Without MD, Masters, or PhD	3M		
Emergency Medical Technician (in hospital)	2M		
Epidemiologist	Classed According to Duties		
Geneticist (non-MD or non-DO)	4M		
Hearing Aid Technician	2M		
Hospital Attendant, Orderly or Aide	2M		
Hypnotherapist	2M		
Hypnotist	2M		
Inhalation Therapist	2M		
Kidney Dialysis Technician	2M		
Lab Technician	2M		
Lab Worker (in hospital)	3M		
Massage Therapist	2M		
Medical Assistant	3M		
Medical Physicist	See Physicists		
Medical Technologist	2M		
Midwife (RN or CNM in hospital or clinic)	3M		
Naturopath	3M		
Nurse Anesthetist (CRNA)	3M		
Nurse – RN (In clinical settings: Hospitals, Nursing Homes, MD office, etc.), Instructor, Director	3M		
Nurse – LPN	Uninsurable		
Nurse Practitioner (degreed)	3M		
Nursing Assistant	2M		
Nutritionist	3M		
Occupational Therapist (In clinical settings: Hospitals, MD office, etc.)	3M		
Optician	4M		

Occupation Class Listing - Medical			
Occupation	**Class**	**Move Up Option**	**POD***
Medical Market: Other (continued)			
Optometrist	6M		
Optometrist Assistant	3M		
Orderly (Hospital)	2M		
Orthotist (licensed)	3M		
Paramedic (in hospital)	3M		
Perfusionist	3M		
Pharmacist	4M		
Pharmacy Technician	3M		
Phlebotomist	3M		
Physical Therapist (In clinical settings: Hospitals, MD office, etc.)	3M		
Physician Assistant (degreed, certified)	4M		
Physiotherapist	3M		
Podiatrist	3M		
Prosthetist (licensed)	3M		
Psychologist (PhD, PsyD)	6M		
Psychologist (Masters)	5M		
Psychologist – Counselors (others)	3M		
Respiratory Therapist	3M		
Speech Therapist (In clinical settings: Hospitals, MD office, School, etc.)	3M		
Surgical Assistants/Technician	3M		
Medical Market: Other continued			
Ultrasound Technician	3M		
X-Ray Technician	3M	P	
Physicians or Osteopaths not listed – contact your Underwriter for appropriate classification.			

*The Preferred Occupation Discount (POD) offers a 10% permanent discount on a policy level in approved states. See the Preferred Occupation Discount section for details, exclusions, and limitations.

Determination of all classifications is the final decision of the Home Office Underwriter.

Occupation Class Listing – Non-medical, Non-dental

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Academic Dean	5		
Accountant - Certified Public Accountant	6		
Accountant - Bachelor's or Master's Degree	5	P	
Accountant – Associate's Degree	4		
Actuary	6		
Adjuster		See Insurance	
Administrative Assistant (office duties only)	3		
Advertising - Account Executive	5		
Advertising - Representative	3		
Advertising - Art Director (print media)	5		
Advertising - Artist or Graphic Artist (full-time, salaried)	4		
Advertising - Commercial Artist (full-time, salaried)	4		
Advertising - Graphic Artist/Designer (office only, salaried)	4		
Advertising - Writer (full-time, salaried)	4		
Agent		See Specific Industry	
Air Conditioning - Engineer		See Engineer	
Air Conditioning - Installer, Repairmen, Servicemen	2		
Airport Personnel - Manager (office and supervisor duties)	4		
Airport Personnel - Dispatcher (office duties only)	3		
Airport Personnel - Operations Clerk, Passenger Agent	3		
Airport Personnel - Reservation Clerk	3		
Animator	3		
Answering Service	3		
Antique Dealer - Sales Only	3		
Antique Dealer - Purchasing, Repairing, Collecting or Delivering	2		
Appraiser	5		
Architect - College or Professional Degree (in office duties)	6		
Architect - Landscape Architect	4	P	

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Art Restorer	2		
Artist, Graphic Designer - Commercial (working full-time away from residence)	4		
Artist, Graphic Designer - Other	Contact your Underwriter for Home-Based Business Owner Consideration		
Assayer (not in mine)	3		
Assessor	4		
Attorney	6		
Auctioneer	3		
Auditor	5		
Author		See Writer	
Automobile Industry - New Vehicles: Dealer, Salesmen, Dealership Owner	3	A, E, K, N	
Automobile Industry - Owner of Multiple Dealerships	4		
Automobile Industry - Used Vehicles Only	2		
Automobile Industry - Garages, Filling and Service Stations, and Parking Lot Proprietor, Manager (not repairing)	2		
Automobile Industry - Repairmen, Painter, Bodymen, Mechanic	1		
Automobile Industry - Car Wash Proprietor and Manager	2		
Automobile Rental/Leasing	2		
Bakeries - Manager, Proprietor	3		
Bakeries - All Other	2		
Banks - Officer	5		
Banks - Portfolio Manager	5		
Banks - Loan Officer	5		
Banks - Teller, Clerk	3		
Barber	2		
Barber Shops, Beauty Parlors	2		
Behavior Analyst - Board Certified (BCBA)	3M		
Booking Agent (full-time, office away from home)	2		
Bookkeeper	3		
Broker - Insurance		See Insurance	

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Broker - Merchandise - Office Duties Only, Not Visiting Market or Handling Goods	3		
Broker - Merchandise - Other	2		
Broker - Real Estate		See Real Estate	
Broker - Stocks, Bonds, Futures or Options		See Financial Industry	
Building or Apartment House - Owner or Manager (supervising only)	3		
Building Industry		See Construction	
Building Inspector	4		
Building Mover	2		
Building Services - Superintendent	2		
Business Analyst	5		
Business Machines Sales and Service - Owner	4	A, F, K, N	
Business Machines Sales and Service - Manager, Salesmen	4	A, K	
Business Machines Sales and Service - Servicemen	2		
Buyer (department store) - Office Duties Only	4		
Buyer (department store) - Other	3		
Cabinet Maker	2		
Cantor	3		
Carpenter	1		
Cartographer	4		
Cashier (office and sales only)	3		
Caterer (no food prep or serving, office and sales only)	3		
Cemetery Manager - Office Duties	2		
Census Taker	2		
Check Cashing Service	2		
Chemical Industry - Foremen Engaged in Process Work	3		
Childcare Worker	2		
Choreographer	2		
Cinematographer	3		
Civil Engineer		See Engineer	
Claims Adjusters (Insurance) - Not Fire or Marine	4		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Claims Adjusters (Insurance) - Fire or Marine	3		
Cleaners & Dryers, Laundries - Office Only	2		
Clergymen	4		
Clerks (office)	3		
Clothing Manufacturers - Proprietor, Manager, Clerk, Inspector, Designer, Supervisor (office and supervising only)	4		
Clothing Manufacturers - Other Worker	2		
Collection Industry - Office Only	3		
Composer	4		
Comptrollers	4	F, M	
Computer Industry - Owner, Proprietor (no sales duties)	5		
Computer Industry - Systems Engineer, Design Engineer	See Engineer		
Computer Industry - Computer Analyst	5		
Computer Industry - Consultant	5		
Computer Industry - Librarian, Programmer	5		
Computer Industry - Salesmen (duties primarily inside home office)	5		
Computer Industry - Salesmen (duties outside home office)	4	F, M	
Computer Industry - Skilled Repairmen, Servicemen, Installer	2		
Construction Industry - Owner, Contractor (executive duties only)	5		
Construction Industry - Owner, Contractor, Estimator (supervising and on-site inspection)	4		
Construction Industry - Construction Engineer	See Engineer		
Construction Industry - Owner, Contractor (working, not flipping houses)	Classify According to Duties		
Construction Industry - Foremen, Supervisor (on-site)	2		
Construction Industry - Skilled Worker	Classify According to Trade		
Consultant	5		
Courier/Express Mail Service - Executive	4	A, F, H, I, J, K	
Courier/Express Mail Service – Supervisor	3		
Courier/Express Mail Service - Other	1		
Crane Operator	2		
Curator-Art Gallery/Library/Museum	4		
Custom House - Broker	3	F, P	
Dairy Products Processing	2		
Dairy Scientist	2		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Day Care Center (not at Home)	2		
Decorator (interior) - Consulting Duties Only (minimum income $50K)	5		
Decorator (interior) - Window and Display	2		
Data Analyst	5		
Data Engineer - PE, PhD or Master's degree	6		
Data Engineer - Bachelor's degree	5		
Data Engineer - Other	4		
Data Scientist	5		
Designer - In Office or Studio	4		
Designer - Industrial	4	A, F, K	
Dietician - Not Preparing Food	3M		
Dietician - Others	2M		
Disc Jockey	2		
Dog Groomer, Handler, Kennel Operator, Trainer	2		
Draftsmen (office away from home)	4		
Dressmaker	2		
Dry Cleaning - Clerk, Manager	3		
Dry Cleaning - Foremen	2		
Dry Cleaning - Deliverymen	1		
Editor-Magazine, Newspapers (office duties only)	4	A, F, H, I, J, K	
Efficiency Expert or Industrial Engineer	See Engineer		
Electrical Industry - Electrical Engineer	See Engineer		
Electrical Industry - Meter Reader	1		
Electrical Industry - Installer and Repairmen	1		
Electrical Industry - Electrician	2		
Electroplater	2		
Electrotyper	2		
Employment Agency - Owner, Manager, Recruiter	4	A, F, K, N	
Engraver	3		
Etcher	2		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Engineer – PE, PhD, or Master's degree – no manual duties – office-based[23]	6		
Engineer – PE, PhD, or Master's degree – no manual duties – not office-based[23]	4		
Engineer – PE, PhD, or Master's degree – manual duties	4		
Engineer – Bachelor's degree – no manual duties – office-based[23]	5		
Engineer – Bachelor's degree – no manual duties – not office-based[23]	4		
Engineer – Bachelor's degree – manual duties	4		
Engineer – no Bachelor's, Master's, PE, or PhD degree	Class by Duties		
Event Planners (no manual duties)	3		
Executive - Refer to specific industry where applicable	6		
Exporter/Importer - Office and Sales Only (no travel)	5		
Exporter/Importer - Other	2		
Express, Motor Freight, or Warehouse - Agent, Estimator, Owner, Manager (office and sales only)	4		
Express, Motor Freight, or Warehouse - Owner, Manager (supervisory)	3		
Express, Motor Freight, or Warehouse - Dispatcher, Express men, Foremen, Packer	2		
Exterminator	2		
Eye Glass/Lens Cutter, Grinder	2		
Farmer - Proprietor, Farmer (supervisor only)	Contact your Underwriter for Consideration		
Fashion Designer	2		
Financial Industry – Broker - Commodity Broker (not exchange floor)	3	F, P	
Financial Industry – Broker - Futures or Options	3	F, P	
Financial Industry – Broker - Hedge Fund or Derivative Manager	3	F, P	
Financial Industry – Broker - Stocks or Bonds (office duties only, not exchange floor)	4		
Financial Industry – Broker - Insurance	See Insurance		
Financial Industry – Financial Planner	See Insurance		
Financial Industry – Mortgage Banker or Broker (salaried)	5		
Financial Industry – Mortgage Originator or Broker (commission)	3	F, M	
Financial Industry – Investment Analyst or Banker	5		
Financial Industry – Private Equity Analyst or Banker	5		
Financial Industry – Venture Capitalist (office duties only)	3	F, P	
Fire Alarm Installer, Repairman	2		
Fire Extinguisher (Refill/Service)	2		

[23] If at least 75% of time is office-based, we will classify the Engineer as office-based for determining occ class.

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Firearms - Inspector, Repairer, Sales Dealer	2		
Fishing Industry – Hatcheries - Manager, Owner, Superintendent (supervising only)	3		
Fishing Industry - Processing and Packing Foremen	2		
Florists - Merchant, Manager	4		
Florists - Clerk	3		
Florists - Floral Arranger (office only)	3		
Florists – Greenhouse - Artificial Flower Maker	1		
Funeral Director - Proprietor, Director (not embalming)	4		
Furnace Installer, Repairman	2		
Furniture Designer	4		
Furniture Restorer	2		
Furniture Upholster	2		
Furrier	2		
Gem Cutter/Polisher	2		
Gemologist	3		
Glazier	1		
Goldsmith	2		
Golf - Owner, Proprietor, Manager of Golf Courses, Country Clubs (executive duties only)	Contact your Underwriter for consideration		
Guidance Counselor	5		
Guide (Travel/Tour)	2		
Hairdresser	2		
Hairstylist	2		
Harbor Master	See Marine Industry		
Heating Apparatus - Dealer or Salesmen (no installing or servicing)	4		
Health Club Manager	2		
Health Coach (no physical duties)	2		
Heating Apparatus - Installer, Servicemen	2		
Heavy Equipment Operator	2		
Homemaker (PayGuard Spousal Coverage program only)	3		
Hospitals, Nursing Homes, Long Term Care Facilities - Administrator, Executive	5		
Hospitals, Nursing Homes, Long Term Care Facilities - Dietician (not cooking)	3M		

Occupation Class Listing

Occupation	Class	Move Up Option	POD*
Hospitals, Nursing Homes, Long Term Care Facilities - Manager, Superintendent, Clerk	3		
Hospitals, Nursing Homes, Long Term Care Facilities - Nurse – RN	3M		
Hospitals, Nursing Homes, Long Term Care Facilities - Nurse – LPN	Uninsurable		
Hospitals, Nursing Homes, Long Term Care Facilities - Technician (medical)	3M		
Hotels, Motels, Inns (open year-round) - First Class - Owner, Manager	4		
Hotels, Motels, Inns (open year-round) - First Class - Clerk	3		
Hotels, Motels, Inns (open year-round) - Small Operation - Owner, Manager	3		
Hotels, Motels, Inns (open year-round) - Small Operation - Clerk	2		
Hotels, Motels, Inns (open year-round) - Small Operation - All Other	1		
Household Appliances - Dealer, Salesmen	4		
Household Appliances - Installer and Repairer	1		
Income Tax Services - Executive, Owner	4	F, H, I, K, N	
Income Tax Services - Supervisor	4		
Industrial Water Softening	2		
Insurance - Adjuster (not fire or marine)	4		
Insurance - Office Manager	4		
Insurance - Surveyor, Underwriter, Clerical Help	4		
Insurance - Claims Examiner (office only)	4		
Insurance - Agent, General Agent, Broker	5		
Insurance - Financial Planner	5		
Insurance - Other Adjuster	3		
Interpreter	3		
Jewelry (excluding diamond merchants) - Retail Stores - Owner, Manager	4		
Jewelry (excluding diamond merchants) - Retail Stores - Clerk	3		
Jewelry (excluding diamond merchants) - Retail Stores - Maker, Repairer	2		
Jewelry (excluding diamond merchants) – Manufacturing - Wholesale (Owner, Manager)	3		
Journalist (salaried)	4		
Judge (law degree needed)	Contact your Underwriter for consideration		
Key Maker	2		
Labor Unions (Organizer/Official)	2		
Landscape and Horticultural Services - Office Only	4		
Landscape and Horticultural Services - Supervisor	3		
Landscape and Horticultural Services - Landscape Architect	4	P	
Lawyer	6		
Librarian	4		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Leasing Companies	3		
Legal Stenographer	2		
Legal Transcriber	2		
Life Coach	3		
Liquor Industry - Manufacturers - Office Only	4		
Liquor Industry - Manufacturers - Other	2		
Liquor Industry - Distribution - Office and Salesmen	2		
Liquor Industry - Distribution - Retail Stores (no delivery)	2		
Literary Agents	3		
Livestock (Sales, Auctioneer, Buyer, etc.)	2		
Lobbyists	5		
Locksmiths	2		
Lumber Industry - Logging - Proprietor, Manager (not in woods)	3		
Lumber Industry - Lumber Yards - Office Only	3		
Machine Shops - Owner, Manager (office duties only)	4		
Machine Shops - Foremen, Machinist, Skilled Worker	2		
Magistrate	6		
Manufacturing (non-hazardous product or industry) - Professional Engineer	See Engineer		
Manufacturing (non-hazardous product or industry) - Executive, Owner (office duties only)	5		
Manufacturing (non-hazardous product or industry) - Designer, Manufacturer, Representative, Draftsmen	4		
Manufacturing (non-hazardous product or industry) - Superintendent, Manager, Foremen (supervisory duties only)	3		
Manufacturing (non-hazardous product or industry) - Working Foremen, Electrician, Mechanic, Pipe Fitter, Shipping and Receiving Clerk	2		
Manufacturing (non-hazardous product or industry) - Other Skilled Worker	See Specific Trade		
Marine Industry - Harbor Master	3		
Marine Industry - Harbor Pilot, Quartermaster	2		
Marine Industry - Marina - Owner, Manager	3		
Marine Industry - Marina - Skilled Worker	See Specific Trade		
Market Research - Executive, Owner	5		
Market Research - Other (office duties only)	4		
Market Research - Other	3		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Meat Pack Plant (Management, Foreman)	2		
Mechanic	1		
Medical Laboratories - Office Only	4		
Medical Laboratories - Other	3M		
Medical Records Clerk	3		
Medical Transcriptionist	3		
Merchant	See Sales		
Mining (office only)	3		
Mobile Home Park Operator	2		
Modeling Agency Owner	2		
Mortgage Banker/Broker	See Financial Industry		
Mortician	2		
Motion Picture Industry	See Radio and TV		
Moving and Storage - Executive	3	A, G, H, I, K, N	
Moving and Storage - Supervisory	2		
Museums - Conservation Technician	4		
Musician - Symphony Orchestra, Conductor (full-time, salaried)	3		
Musical Instrument Repair	2		
Newspaper Industry - Advertising, Business or Circulation, Manager, Editor	4		
Newspaper Industry - Correspondent, Photographer, Reporter, Proofreader	3		
Notary	4		
Numismatists (Coin Collectors)	3		
Office Machine Repair	2		
Office Manager	3		
Paralegal	4		
Parts Clerk	2		
Pawnbroker	2		
Personal Trainer (no physical duties)	2		
Personnel Manager	3		
Pet Supply and Grooming	2		
Photofinishing Laboratories (Owner)	2		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Photographers (salaried) - Commercial (studio)	4		
Photographers (salaried) - On-Site	2		
Piano Repairer or Tuner	2		
Picture Framer	2		
Pipefitter	1		
Plasterer	1		
Plumber	2		
Printing and Publishing Industry - Compositor, Layout	4		
Printing and Publishing Industry - Linotype Operator, Photoengraving, Lithographer, Proofreader	3		
Printing and Publishing Industry - Job Printer, Monotype Operator, Pressmen, Stenotyper, Type Caster, Typesetter	2		
Printing and Publishing Industry - Machine Repairmen, Photoengraving, Printer or Router	2		
Professor	5		
Programmer (data processing)	5		
Proofreader	3		
Prosthetic Limb Manufacturers - Dealer (not making or repairing)	4		
Prosthetic Limb Manufacturers - Maker or Repairer	2M		
Publicity Agent or Manager	3		
Publisher	4	A, F, K	
Purchasing Agent	4		
Radio, Television, Motion Pictures, Stage-Theater - Announcer, Film or Sound Editor, Radio or TV Production Manager or Program Director (studio duties only), Production Assistant Coordinator, Radio or TV Engineer (master control)	3		
Radio, Television, Motion Pictures, Stage-Theater - Theater Owner or Manager (office and supervising only)	3		
Radio, Television, Motion Pictures, Stage-Theater - Film Developer or Colorist, Director, Producer, Stage Manager, Projectionist, Radio or TV Reporter; Radio or TV Engineer (office, supervisor, not maintenance or transmitting), Rerecording Mixer, Script Supervisor, Sound Engineer	3		
Radio, Television, Motion Pictures, Stage-Theater - Boom Men – Cameramen (not aerial or stunt), Property Men, Set Designer, Scenery Shifter, Sound Effects Men, Wardrobe Assistant	2		
Receptionist	3		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Real Estate - Appraiser	5		
Real Estate - Agent, Broker	3	E, M	
Real Estate - Developer (no on-site duties)	3	E, M	
Real Estate - Investor (no on-site duties)	3	E, M	
Real Estate - Property Manager (supervising only)	3		
Real Estate - Residential Construction	See Construction		
Real Estate - Title Abstractor, Title Searcher	4		
Rental/Leasing Companies – not Automobile	3		
Rental/Leasing Companies – Automobile	See Automobile Industry		
Restaurants - First Class – Liquor Sales Secondary - Proprietor, Manager, Host or Hostess, Maître d' (not cooking or tending bar)	3		
Restaurants - First Class – Liquor Sales Secondary - Head Chef (primarily supervisory Duties)	3		
Restaurants - Establishments Catering Primarily to Liquor Sales (no food prep) Proprietor, Manager (not tending bar)	3		
Restaurants - All Other	1		
Rug Sales	2		
Sales - Retail (inside, not delivering) Merchant, Proprietor	5		
Sales - Manager, Cashier	3		
Sales - Assistant Manager, Sales Clerk, Supervisor with Sales Duties	3		
Sales - Stock Clerk (light articles)	2		
Sales - Delivering, Stock Clerk (heavy goods)	1		
Outside Sales (no delivery) - Manufacturers' Representative	5		
Outside Sales (no delivery) - Other Traveling Sales	3	A, G, M	
Outside Sales (no delivery) - Other Sales	3		
Outside Sales (no delivery) - Clothing and Garment Sales	3		
Outside Sales (no delivery) - Liquor Sales	2		
Sales Manager (salaried, executive duties, incidental travel)	5	A, E, J, K	
School Superintendent	5		
Scientist	See specific type below		
Anthropologist	6		
Astronomer	6		
Bacteriologist	5	O	

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Scientist continued			
Biochemist - Office Duties Only	6		
Biochemist – Other	4		
Biologist	6		
Botanist - Office Duties Only	6		
Botanist - Other	4		
Chemist - Office Duties Only	6		
Chemist - Lab Duties Only and Supervisors	6		
Chemist - Engaged in Process Work	4		
Computer Scientist (researcher/developer who works primarily in academic settings or in R&D labs)	6		
Demographer	6		
Ecologist	5	O	
Economist	6		
Entomologist	5	O	
Geologist - Office Duties Only	6		
Geologist - in the Field	4		
Geophysicist	6		
Meteorologists	6		
Pathologist (PhD) – Office Duties Only	6		
Pathologist (PhD) - In the Field or Lab	5		
Pharmacological Scientist (researcher/developer who works primarily in academic settings or in R&D labs)	6		
Physicist	6		
Political Economist	6		
Political Scientist	6		
Sociologist	6		
Toxicologist - Office Duties Only	6		
Toxicologist - In the Field or Lab	5		
Zoologist	5	O	
Scrap Metal Dealer	2		
Seamstress (Not in Home)	2		
Secretary, Administrative Assistant	3		
Shipping & Receiving Clerk	2		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Social Worker (office only, no investigation) - PhD or MSW-Masters of Social Work	5M		
Social Worker (office only, no investigation) - Private Agency	4M		
Social Worker (office only, no investigation) - No Master's (MSW) degree	3M		
Shoe Repair	2		
Signs and Billboards (Supervisor)	2		
Silversmith	2		
Sprinkler/Irrigation System	2		
Stable Owner/Operator	2		
Statistician	5		
Stock or Bond Broker or Salesmen	See Financial Industry		
Studio Engineer/Technician	3		
Surveyor	3		
Tailor	2		
Taxicab – Limo Service Company - Owner or Manager (office and supervising only)	3		
Taxidermist	2		
Teacher - Principal	5		
Teacher - Teacher in a classroom setting	5		
Teacher - Teacher in a non-classroom setting (shop, trade, physical education, etc.)	3		
Teacher - Music Instructor (home-based)	4		
Teacher - Preschool Teacher (degreed and not home-based)	2		
Teacher - Behavior Analyst - Board Certified (BCBAs)	3M		
Telecommunications - Administrator	3		
Telecommunications - Assistant Manager	4		
Telecommunications - Inside Installer, Foremen, Repairmen, Test men, Inspector	2		
Telecommunications - Dispatcher, Operator	3		
Telecommunications - Outside Foremen, Inspector	2		
Telemarketer	3		
Telephone Answering Service	3		
Telephone Installer	2		

Occupation Class Listing			
Occupation	**Class**	**Move Up Option**	**POD***
Textile Industry - Superintendent and Foremen (supervising only)	3		
Textile Industry - Other Skilled Worker	1		
Theater	See Radio, TV, and Motion Picture		
Tour Guide	2		
Translator	4		
Transportation Industry (truck, airplane and bus) - Executive, General Officer (office duties only)	5		
Transportation Industry (truck, airplane and bus) - Announcer, Station Master (office), Station Agent (office)	4		
Transportation Industry (truck, airplane and bus) - Ticket Agent	3		
Transportation Industry (truck, airplane and bus) - Manager, Superintendent, Surveyor	3		
Transportation Industry (truck, airplane and bus) - Other Skilled Worker	See Specific Trade		
Travel Agencies - Office Only	4	A, F, J, K, N	
Undertaker	See Funeral Directors		
Upholsterer	2		
Vending Machine Industry (office only)	3		
Veterinarian - Small Animals	5M		
Veterinarian - Large Animals	3M		
Watchmaker or Repairer	2		
Waterworks Employee	2		
Wrecker Foreman	2		
Writer (salaried, full-time)	4		
Zoo Director	3		

*The Preferred Occupation Discount (POD) offers a 10% permanent discount on a policy level in approved states. See the Preferred Occupation Discount section for details, exclusions, and limitations.

Determination of all classifications is the final decision of the Home Office Underwriter.

FIO/FPO/GDR Exercise Occupation Class Mapping

For information on FIO/FPO/GDR exercise occupation class mapping see the Occupational Class mapping tables.

Section 8

Medical Underwriting

Medical Underwriting

Regular Issue Medical Requirements

eMed is encouraged for all cases.

Regular Issue Medical Requirements		
Ages	**eMed /Paramedical Exam*,**	**Blood/Urine**
Individual Disability Products and Overhead Expense		
18-50	> $3,000	N/A
51+	> $3,000	> $1,500
PayGuard Plus		
18-50	> $6,000	N/A
51+	> $6,000	> $6,000
Disability Buy-Out		
18-50	> $250,000	N/A
51+	> $250,000	> $100,000

*For amounts equal to or below those listed in the table, Part II Medical Supplement or eMed is required.

When eMed/Paramedical Exam and Blood/Urine are required, Physical Measurements (build and blood pressure) will also be required. Physical Measurements are also commonly known as "Measurements" or" Short Form".

eMed not available in WY.

Medical Requirements: additional information

To determine medical underwriting requirements for individual disability, add half the applied for FIO amount and all of the SIS, Student Loan Protection, and Supplemental Benefit Term riders to the base monthly benefit amount. Any PayGuard Plus coverage in force in eligible states will also be included when determining medical requirements.

Note: Benefit Purchase Rider is not factored into the amount of coverage calculation.

To determine medical underwriting requirements for Overhead Expense, add half the applied-for FIO amount, all of the Business Loan Protection, Professional Replacement, and Your Income Protection Riders to the base monthly benefit amount.

To determine medical underwriting requirements for Disability Buy-Out, add half the applied-for FIO amount to the base monthly benefit amount.

To determine underwriting requirements for the Monthly or Down Payment Funding Method for Disability Buy-Out, multiply the monthly benefit by the benefit period and add the lump sum amount (if applicable) to the total.

Any amount of coverage in force with Berkshire/Guardian (issued in past five years) must be added to the above limits unless the requirement called for has been obtained in the interim.

Underwriting reserves the right to request additional medical requirements at the underwriter's discretion.

Forms and requirements validity period

The application forms and requirements are valid for specific periods of time. Use the following chart to determine when a new application or requirement is needed:

Forms and Requirements Validity Period	
Form/Requirement	**Validity Period (Based on Date Signed)**
Application	Up to 6 Months
eMed/ Paramedical	Up to 12 Months
Labs (i.e., Blood, Specimen)	Up to 12 Months*

*New labs may be requested for cause or to improve an offer.

Approved medical vendors

Medical requirements must be ordered from the following approved vendors:

Approved Medical Vendors	
Service	**Approved Vendors**
eMed*	Access via GOL (see below)
Paramedical Exams	APPS, ExamOne, IMS Paramed, Parameds.com
Lab Orders (Blood and Urine)	CRL (for IL/Combo), ExamOne
APS Retrieval Service	ExamOne, Express Imaging Service (EIS), ParaMeds.com, ReleasePoint

*eMed not available in WY.

When blood profiles are required on cases within the non-medical limits, the paramedical facility should be advised to obtain the blood profile only and not to perform a full exam or obtain a medical history.

Underwriting reserves the right to request special studies, blood profiles or other tests at the underwriter's discretion.

Reminder: If an exam and labs are required for underwriting, be sure to override any automatically-generated age/amount requirements and instead select "Physical Measurements, Blood and Urine". This will avoid the applicant being asked the medical questions again.

Note: Terminology may vary between vendors. Physical Measurements are also commonly known as "Measurements" or "Short Form."

To access eMed, go to Guardian Online (GOL) > Tools & Illustrations > Client & Prospecting Activity > eApp/eMed for Life & DI > Launch eApp 2.0 > New Application > complete the client information and Application type = Stand-alone Medical Questionnaire. Once the order is placed, a secure email will be sent to the applicant to sign in and complete the medical questionnaire.

Need help? Email DiHelp@glic.com, or call **866-672-1964**, Option 4.

Guidelines for ordering Attending Physician Statements (APS)/medical records

APS/medical records are required when an applicant is at least one of the following:

- Age 51 and above
- Applying for Lump Sum Benefits
- Dental occupations applying in California

eApp currently identifies applicants meeting the above criteria and presents these applicants with a link, at the end of the eApp process, to connect their Patient Portal Medical records utilizing Human API. While this process is optional, utilizing the link is highly recommended to expedite the overall underwriting process. Underwriting cannot accept Patient Portal Records provided by an insured.

Underwriting reserves the right to order APS/medical records at underwriter's discretion.

eMed

Guardian eMed is a web-based service for applicants to complete and sign the "Part II". It is the preferred alternative to a paramedical examiner asking the Part II medical questions or the producer completing a paper non-medical with the applicant.

The advantages of eMed include:

- Secure and convenient way for the applicant to provide medical information.
- Our customized script facilitates a thorough collection of medical information directly from applicants and results in fewer Attending Physician Statements (APSs).
- Ability to view and save a copy of the electronically signed Part II.
- Applicant and agent receive immediate email notification after eMed is completed.

Note: eMed is not available in WY

Exclusions and ratings

Exclusions and premium ratings are tools that allow us to issue coverage in circumstances when an application would otherwise be declined.

Limits and benefit periods may be reduced and/or elimination periods extended, depending upon the nature and severity of any medical impairments involved. Supplemental benefit riders may not be offered.

Extra premium (ratings)

An extra premium is a means of providing disability insurance coverage when there is an increase in risk due to current and/or past impairment or medical history. The extra premium enables us to provide coverage for any disability resulting from such an impairment or history. An exclusion rider and an extra premium may both be necessary for some applicants.

Extra premium charges are 25%, 50%, 75%, or 100%.

Exclusion Riders

An exclusion rider is a means of providing disability insurance coverage in certain instances when an applicant might otherwise be uninsurable because of a current or past impairment or medical condition that could be the cause of future disability. The rider excludes coverage for any disability resulting from such an impairment or medical condition.

Reconsideration of Exclusions and Ratings

When the underwriter approves the policy and it is issued, the agency is notified of the status of the exclusion or rating. If the exclusion or rating is not considered permanent, a time period for reconsideration will be provided. This review, intended to determine if the original offer can be improved upon, will be subject to additional requirements to be determined at that time by the underwriter.

For extra premiums due to weight requirements, we will consider reducing or removing an extra premium after the insured has maintained a standard weight for a period of at least one year. Any consideration for the reduction or removal of an extra premium will be subject to evidence of insurability as we require.

Refer to the publication How It Works (Pub3519BL-B) for additional information.

Reconsideration of Standard Rates Due to Nicotine Use

Insureds may apply for select rates on the policy anniversary following total abstinence from all nicotine and tobacco use for a period of 12 months.

Please refer to the Guidelines for changes to in-force disability insurance policies (Pub7504) or contact Policy Services at 1-888-Guardian (1-888-482-7342) for more information.

Section 9

Financial Underwriting

Financial Underwriting

The following requirements should be used unless otherwise noted in an underwriting program for which the applicant is eligible.

Provider Choice and PayGuard

Financial requirements

Provider Choice (Excluding Future Increase/Benefit Purchase Option exercises) and PayGuard Plus	
Monthly Benefit*	**Documentation Required**
Up to $5,000	Fully completed financial section of the application
$5,001 → $10,000	
W-2 Earners (All)	Fully completed financial section of the application
Business Owners and 1099 Contractors	One year of financial documentation
$10,001 and up	
W-2 Earners: Salaried	One year of financial documentation
W-2 Earners: Commission/Production Based	Two years of financial documentation
Business Owners and 1099 Contractors	Two years of financial documentation
Provider Choice: Future Increase/Benefit Purchase Option exercises	
Monthly Benefit*	**Documentation Required**
Up to $7,500	One year of financial documentation
$7,501 and up	Two years of financial documentation

*Includes both in-force and applied-for IDI coverage with all companies but does not include any inforce GLTD.

See table on next page for specific documentation required.

Specific requirements are needed for real estate and financial industry occupations. Please see the Real estate and financial industry occupations section for details.

Underwriting reserves the right to request additional documentation at the underwriter's discretion.

Any reference to tax returns refers to Federal returns.

Personal Financial Information is required to be completed on all applications.

Specific financial returns required

Specific Financial Returns Required	
Type	**Customary Tax Forms**
W-2 Earners (Salaried/Commission/Production Based)	W-2 or pay stub with year-to-date earnings.
Joint Returns	Form 1040 and W-2.
Sole Proprietor or Independent Contractor (1099)	Form 1040 with all schedules.
Partnership	Form 1040 with all schedules, Form 1065 with all schedules.
C Corporation	Form 1040 with all schedules and W-2. For closely held or one-person C Corporation, include Form 1120.
S Corporation	Form 1040 with all schedules, W-2, Form 1120S with all schedules.
Limited Liability Company (LLC or LLP)	Form 1040 with all schedules, W-2, Form 1065 with all schedules.

Applicants with employment contracts for W2/salaried positions

We will consider an employment contract when the applicant is within 6 months of starting employment. The contract must specifically outline a guaranteed base salary for the applicant as a W2 employee. Any disability coverage available through the new employer must be disclosed and factored into the financial evaluation. An amendment will be required outlining the employer, position and guaranteed base salary.

Applicants with employment contracts for new 1099 positions

We understand that applicants in their first year of business under a 1099 contract might not be able to provide necessary documentation to appropriately determine their insurable income. Applicants under a new 1099 contract who have not yet filed a tax return can submit a 1099 contract that clearly defines their 1099 income (e.g., guaranteed salary, hourly wage and guaranteed hours worked). In these instances, we will use a 50% expense ratio in conjunction with documented 1099 income to determine insurable income.

If the 1099 contract clearly indicates that the applicant's contracted client will be paying most of the expenses, we may, at underwriter discretion, be able to utilize an expense ratio as low as 25%. **Exception:** Dentists and Dental Specialists are not eligible for an expense ratio of less than 50%.

Locum Tenens contracts for jobs lasting 6 months or more can be considered under this guideline.

Per-diem Employees, Locum Tenens, or employees of Staffing Services (W2 or 1099)

This paragraph does not apply to individuals applying under the Special Limits for New Professionals or Start-Up Savvy programs. We will consider Per-diem Employees, Locum Tenens (for contracts lasting less than 6 months), or employees of Staffing Services only when tax returns/pay stubs support stability of income. The documentation must also support at least a one-year history of full-time (minimum of 30 hours per week), year-round employment. For these types of employees, the amount of income used when determining issue amounts may be limited at underwriter discretion. For traveling nurses, the amount of income used when determining issue amounts will be limited to a maximum of 50%.

Real estate and financial industry occupations

Financial services and real estate-related occupations often have volatile incomes that are highly dependent on the overall performance of the economy and subject to business cycles. In times of economic downturn, such as the 2009 recession, financial services and real estate-related occupations can experience severe reductions in earnings. This guideline does not apply to financial planners or other insurance related occupations.

Real estate and financial industry occupations eligible for consideration		
▪ Bonds Brokers (office duties only, not on exchange floor)	▪ Mortgage Bankers (salaried)	▪ Real Estate Appraisers
▪ Commodity Brokers (not on exchange floor)	▪ Mortgage Brokers (salaried or commission)	▪ Real Estate Brokers
▪ Derivative Managers	▪ Mortgage Originators (commission)	▪ Real Estate Developer (no on-site duties)
▪ Futures Brokers	▪ Options Brokers	▪ Real Estate Investor (no on-site duties)
▪ Hedge Fund Managers	▪ Private Equity Analysts	▪ Residential Construction
▪ Investment Analysts	▪ Private Equity Bankers	▪ Stocks Brokers (office duties only, not on exchange floor),
▪ Investment Bankers	▪ Real Estate Agents	▪ Venture Capitalists (office duties only)

Occupations ineligible for coverage: Bond/stock/commodity brokers on the exchange floor, "house flippers", property managers with manual duties, superintendents and those that do not meet the requirements in the table above.

The occupations outlined in the table on the previous page are not eligible for consideration under any of our published underwriting programs (e.g., BOA, Start-Up Savvy).

Underwriting Requirements:

- A minimum of three years in the industry.
- Three years of complete corporate and personal federal tax returns with all schedules and supporting statements.
- Current year financial documentation such as pay stubs (for W-2) or profit/loss statements (for business owners).

Financial Underwriting:

Tax returns can be complex for these occupations. Capital gains income from sources such as stocks or real estate will not be counted as income for the purposes of determining issue limits. Only business income will be included.

The stability of earned income will play a key factor in determining appropriate issue limits. If income is trending upward, three-year income averaging will be used. If income is trending downward, we will use the lowest income of the past two years. In addition, if there is a variation/fluctuation in annual income over the last three years greater than 50% we will require an adjusted limit to account for the financial volatility. This adjusted limit will be 75% of the average annual income over the last three years.

Physician Recruitment Agreements/contracts

A recruitment agreement/contract is a financial arrangement used by hospitals to encourage physicians to relocate their practice into the community serviced by the hospital – typically because there are too few doctors in the area to support the hospital. Since the physician does not work for the hospital, payment detailed in such agreements is not the doctor's earned income. Rather, it is money the physician must use as the practice's gross revenue, with a portion going to pay business expenses. Amounts paid by such agreements will be viewed as gross revenue and not earned income. Earned income will be considered based on the highest of the following amounts:

- The pre-relocation earned income
- First year physician limits
- 60% of the recruitment contract-amount

Note: Employment Agreements and Physician Recruitment Agreements will only be considered when the employment start date is within 6 months of issue.

Income

In order to issue the appropriate amount of individual disability coverage it is first necessary to determine an applicant's insurable income. In order to do this the company considers the applicant's "earned income." Earned Income means the income you are required to report to the Internal Revenue Service ("IRS") for income tax purposes. This includes W-2 wages, salary, bonuses, your share of net business income, and all other compensation you received for work or services. It does not include unearned or passive income and it is not Adjusted Gross Income for federal tax purposes.

The minimum income requirement for disability insurance is $18,000 in annual earnings.

Section 179 deductions

Section 179 of the IRS Tax Code allows businesses to deduct the full purchase price of qualifying equipment and/or software purchased or financed during the tax year. Underwriting will deduct 50% of qualifying Section 179 deductions from a business owner's otherwise insurable income for underwriting purposes.

Bonus income

Bonus payments can be included in insurable income if it is a regular feature of the insured's income. Bonus payments are considered a regular feature if it has been earned for the last two years, and indications are that it will continue. This applies when there has been no change of employment or business during those two years and the employer/business are the same.

Restricted stock unit (RSU) compensation

RSU compensation can be included in insurable income if it is a regular feature of the insured's income. RSU compensation is considered a regular feature if it has been earned for the last two years, and indications are that it will continue. This applies when there has been no change of employment or business during those two years and the employer/business are the same.

Pension and profit-sharing plans

Except as noted below, pension and profit-sharing contributions of small business owners may be added to earned income for purposes of determining the amount of individual disability coverage available; however, the maximum additional amount is limited to 25% of earnings, up to $100,000.

Exceptions

Sole proprietors and partnership owners: pension contributions may not be added to earned income, as they are included in the net reportable income figure.

Pension contributions for stockholders/employees of C corporations (including PCs) and S corporations in excess of 25% of base earnings will be considered, providing the amount of the contribution can be verified and the contributions are not covered by a waiver of premium insurance provision.

For more information, see Product Manual (Pub7493BL) for details.

Another way to help insure certain pension contributions is to obtain a separate policy under the Retirement Protection Plus (RPP) program. Under this program certain contributions may be insured at up to 100% (133% if employer-paid). Thus, the total amount of coverage can be greater than when contributions are included with insurable earned income.

If, however, the RPP program is used, benefits from the policy are paid into a trust and are generally not available to the insured until age 65. For details on this program see the Underwriting Program Section.

Short Term Disability Coverage

Short Term Disability (STD) coverage will not be considered if an applicant has Group Long Term Disability (GLTD) coverage in force. If an applicant has STD but no GLTD and the STD benefit period exceeds 180 days, then Underwriting may have to either adjust the applied-for elimination period or include the STD coverage in the financial calculations (utilizing the same discount criteria and issue and participation limits for GLTD).

We will treat a salary continuation plan the same as STD coverage.

Financial documentation

The financial section of the disability insurance application must be fully completed, even though other substantiating financial documentation is required. Underwriting reserves the right to request additional verifying data at the underwriter's discretion.

Overhead Expense (including option exercises)

Overhead Expense	
Monthly Benefit	**Documentation Required**
Up to $20,000	Overhead Expense Supplement including a completed Section 4: Monthly Expenses of the Business Entity*
$20,001 and up	Overhead Expense Supplement and one-year financial documentation

* To complete Section 4: Monthly Expenses of the Business Entity within eApp, you must select Special Underwriting Program "Enhanced Quick Issue" on the Overhead Expense screen.

Underwriting reserves the right to request additional documentation at the underwriter's discretion.

Overhead Expense	
Type of Business	**Customary Tax Forms**
Sole Proprietor, 1099 Employee or Independent Contractor	Schedule C only.
Partnership	Form 1065 with all schedules.
C Corporation	Form 1120 with all schedules.
S Corporation	Form 1120S with all schedules.
Limited Liability Company (LLC)	May file as any one of the above entities.
Limited Liability Partnership (LLP)	Appropriate forms required accordingly.

Disability Buy-Out (including future purchase/increase option exercises)

Disability Buy-Out	
Type of Business	**Documentation Required**
Professional/Person Services Business	Three years of Corporate Tax Returns are required for all amounts.
Commercial Business	Two years of Corporate Tax Returns are required for all amounts.

Cases up to $250,000 may qualify for the Small Case Underwriting program. For more information see Disability Buy-Out (18DB): Small Case Underwriting.

The Personal Financial Information section must be completed on all applications.

Underwriting reserves the right to request additional documentation at the underwriter's discretion.

Issue and Participation for individual products

Once an applicant's income is determined, the next step is to use this income to determine how much coverage they are eligible for. This can be done using the Individual Disability Illustration system, or can be calculated manually by applying the guidelines outlined in the following pages. If earnings fall between those shown on the table, interpolate between the amounts listed.

We will consider issuing a disability policy when the applicant's total disability income coverage, both in-force and applied-for in all companies (including Berkshire and Guardian), does not exceed the limits given in the Issue and Participation Limit tables, subject to set maximums.

For Future Increase/Purchase Options, additional rules may apply. See Issue and Participation tables for additional details.

Issue means the maximum amount of monthly benefit which we will consider issuing, including any disability coverage already in force with Berkshire and Guardian.

Participation means the maximum amount of monthly benefit applied for and in force with all companies, including Berkshire and Guardian.

The maximum Issue and Participation amounts include base, and if included on the policy, Future Increase/Purchase Option, Automatic Benefit Enhancement/Increase rider and Social Insurance Substitute riders, as well as any in-force coverage.

There are special limits for applicants who qualify under one of our special programs. Please refer to the Underwriting Programs section for further information regarding:

New Professionals Program (NPP)

Retirement Protection Plus (RPP)

Start Up Savvy Underwriting Program (SSU)

Business Owner Advantage Program (BOA)

Home Based Business Program (HBB)

Student Loan Protection Program (SLP)

Government Employee Program (PERS/SERS)

Federal Employee Program (FERS)

Maximum Issue and Participation Limits: Provider Choice (18ID/18UD)

Medical Occupation Classes 6M–2M

Occupation Class	Issue Ages (determined by age last birthday)	Maximum Issue Limit*	Maximum Participation with Other Company's Individual Coverage**	Maximum Participation with Group LTD (not all benefits taxable)***	Maximum Participation with Group LTD (all benefits taxable)***
6M, 5M, 4M, 3M	18 – 60	$30,000	$30,000	$35,000	$42,000
	61+	$15,000	$15,000	N/A††	N/A††
4D, 3D	18 – 60	$17,000	$25,000	$35,000	$42,000
	18 – 60 CA only	$16,000	$20,000	$25,000	$30,000
	61+	$10,000	$10,000	N/A††	N/A††
2M†	18 – 60	$7,500	$7,500	N/A††	N/A††
	61+	$6,000	$6,000	N/A††	N/A††

Special GSI Program

Occupation Class	Issue Ages (Determined by age last birthday)	Maximum Issue Limit*	Maximum Participation with Other Company's Individual GSI Coverage**
6M, 5M, 4M, 3M	All	$15,000	$15,000

See Special GSI program issue limit guidelines for more information.

Non-Medical Occupation Classes 6–1

Occupation Class	Issue Ages (Determined by age last birthday)	Maximum Issue Limit*	Maximum Participation with Other Company's Individual Coverage**	Maximum Participation with Group LTD (not all benefits taxable)***	Maximum Participation with Group LTD (all benefits taxable)***
6, 5, 4, 3	18 – 60	$30,000	$30,000	$35,000	$42,000
	61+	$15,000	$15,000	N/A††	N/A††
2, 1†	18 – 60	$7,500	$7,500	N/A††	N/A††
	61+	$6,000	$6,000	N/A††	N/A††

See next page for important Notes and Footnotes.

*Social Insurance Substitute rider; Future Increase Option rider amounts and the Berkshire applied-for coverage amount are included in the "Maximum Issue Limit."

**Social Insurance Substitute rider; Future Increase Option rider amounts and the Berkshire applied-for coverage amount; and any in-force, non-group coverage, including Association, are included in the "Maximum Participation with Other Company's Individual Coverage."

***The Maximum Participation with Group LTD Limit is not applicable when determining the allowable amount of a Future Increase Option Rider; however, this limit will apply when exercising a Future Increase Option.

†The SIS rider may be required for classes 2, 2M and 1. See the Provider Choice: additional information section for details. Benefit periods and available riders for classes 2, 2M, and 1 may be limited. See the Provider Choice: additional information section for details.

††For individuals in occupation classes 2/2M and 1 and those over age 60 (regardless of occupation class), only the Individual Paid Issue and Participation column should be used; and, any in-force or applied for Group LTD coverage will be considered as in-force individual coverage and will not be discounted.

- Product provisions and features may vary from state to state.
- Refer to Underwriting Program section for special limits through programs such as New Professionals, Business Owner Advantage, Federal Employees, Government Employees, Retirement Protection Plus, Home Based Business, Student Loan Protection, etc.

Note: Lifetime Issue Limit Restrictions — Inforce or applied for Lifetime benefits from all sources may reduce maximum issue limits. See Lifetime Issue Limit Restrictions section for more details.

Note: Several factors are considered in determining the amount of disability coverage available to an applicant and considered by the Company in using the Issue and Participation tables. These factors include, but are not limited to: 1) earned income; 2) employment status (business owner or employee); 3) disability insurance in force at the time of application with Berkshire, Guardian and all other insurers; 4) disability insurance or coverage provided by the employer, 5) disability insurance benefits available to the applicant within 12 months of the policy date; and 6) the tax treatment of all inforce disability insurance. Disability coverage for which an insured is eligible to obtain, but which is not in force pursuant to Berkshire and Guardian policies containing the following riders will count as in-force coverage in determining overall participation limits: Automatic Increase Rider, Automatic Benefit Enhancement Rider, Future Increase Option Rider (FIO); and Future Purchase Option Rider (FPO). "Earned Income" for purposes of this paragraph has the same meaning as it has in the insured's application for coverage, or in the insured's application to exercise a Future Purchase Option or Future Increase Option, respectively.

All of the above factors are also considered in the underwriting of an application to exercise an FIO, FPO, and Benefit Purchase Rider (BPR), as they relate to an insured at the time the insured applies for additional coverage through an FIO, FPO, or BPR. These factors may be different than at the time the insured applies for additional coverage through an FIO, FPO, or BPR, in comparison with the same factors as they existed at the time the insured applied for the policy to which the FIO, FPO, or BPR is attached.

For FIO or FPO exercises while an insured is disabled, the amount of the insured's Participation reflected in the Issue and Participation tables will include all disability insurance in force with all insurers (including but not limited to Berkshire or Guardian), as well as disability insurance or benefits provided by any employer, regardless of whether any claim pursuant to such insurance is payable. As per the Issue and Participation Table, the amount of coverage available to an insured through the exercise of an FIO or FPO may be reduced by virtue of the insured's disability coverage in force with Berkshire, Guardian, any other insurer or insurers, the disability coverage provided by the insured's employer, and the tax treatment afforded all such coverage. The amount of coverage available to an insured at the time of exercising an FIO or FPO may also be impacted by virtue of changes to the Issue and Participation Tables made after the issuance of the policy from which the option is being exercised.

Overview

We will consider issuing a disability policy when the applicant's total disability income coverage, both in-force, applied for, and for which the applicant is eligible to receive from all companies (including Berkshire and Guardian), does not exceed the limits given in the Issue and Participation Limit tables. If earnings fall between those shown on the table, interpolate between table income amounts listed.

Calculating the issue amount

The issue amount can be calculated using the illustration system, or it can be manually calculated by using the Issue and Participation limit tables themselves. The manual calculation involves a number of different columns based the type of in-force or applied for coverages, such as Group LTD or Individual, and if the premiums for the in-force and applied for coverages are paid for by the individual/applicant or the employer.

The "Individual Pay Issue and Participation" column should be used in the following circumstances:

- When all in-force and applied-for coverages are paid for by the individual/applicant and there is no in-force or applied-for Group LTD coverage.
- When there is no in-force or applied for Group LTD coverage and the applicant's earned income is generated from any of the following business entities:
  - Sole Proprietorship
  - Partnership
  - S-Corporation
  - Limited Liability Company[24]
  - Limited Liability Partnership[25]

Participation with other companies' individual coverage

For Maximum Issue and Participation Tables, see page 8-8.

PayGuard Plus and Association coverage are treated as Individual coverage for subtraction from issue and participation limits.

[24]A Limited Liability Company may in rare instances file as a C-Corporation and thereby qualify to use the Employer-Paid column. In such a situation contact the underwriting department for assistance.

25A Limited Liability Partnership may in rare instances file as a C-Corporation and thereby qualify to use the Employer-Paid column. In such a situation contact the underwriting department for assistance.

Employer Paid Limits

Generally, if the employer pays the entire premium for disability coverage, the benefits paid under the policy are taxable. To help compensate for the reduction in benefits due to taxes, increased limits are available in an employer-paid program.

To use the Employer Paid Limits follow these ground rules:

12. These limits are intended for all non-owner employees of any business entity, and for employee/owners of C-Corporations. Sole Proprietors, partners of partnerships, and principals of S-Corporations, Limited Liability Companies, and Limited Liability Partnerships are not eligible for employer-paid limits.
13. For these limits to apply, the employer must pay the premiums for all disability income coverage (existing and applied for with all companies) in such a way that the premiums are not taxable to employees.
14. The additional coverage available through an employer paid plan must fall within the maximum issue and participation limits for the class being insured.
15. These limits must always be used when the business has a qualified sick pay plan and is deducting the premium, or is a plan funded in accordance with IRC – Cafeteria Plan (pre-tax).
16. The application question that asks for the portion of premium paid by the employer must be completed. The employer-pay credit will not increase the maximum issue and participation limit, benefit period, or occupation class.

Employer-Paid Limits apply when an employer pays the premiums for all disability income coverage (existing and applied-for with all companies). On occasion, we encounter "split dollar" or "co-pay" situations where some of the coverage is employer-paid and some is employee-paid. In these instances, proportionate weight will be given to the amount that is taxable vs. non-taxable.

Participation with Group LTD

Some companies provide group disability insurance coverage for their employees. Group long-term disability plans usually provide for integration of the benefits with disability income benefits payable to the insured from other individual income sources.

For issue ages 18-60, if the applicant has in-force or applied for group coverage, and occupation classes 6/6M thru 3/3M/3D are illustrated, the following will outline which Issue and Participation column to use in the given situation:

1. When the applied-for individual coverage is being paid by the applicant, and the group coverage is employer paid, discount the group by 30% and subtract the discounted group amount from the "Individual Paid Participation with Group LTD" column. Use the lower of this amount, or the amount calculated without factoring in the group coverage, but based on the "Individual Paid Issue and Participation" column.
2. When both the individual and group coverage are being paid by the applicant subtract the non-discounted group amount from the "Individual Paid Participation with Group LTD" column. Use the lower of this amount, or the amount calculated without factoring in the group coverage, but based on the "Individual Paid Issue and Participation" column.
3. When the owner of an S-Corp, Partnership, Sole Proprietorship, Limited Liability Company[26] or Limited Liability Partnership[27] has Group LTD coverage always subtract the non-discounted group amount from the "Individual Paid Participation with Group LTD" column. Use the lower of this amount, or the amount calculated without factoring in the group coverage, but based on the "Individual Paid Issue and Participation" column.
4. When all in-force and applied for individual and Group LTD coverages are employer paid, and therefore fully taxable, subtract 100% of the group amount from the "Employer Paid Participation with Taxable Group LTD" column. Use the lower of this amount, or the amount calculated without factoring in the group coverage, but based on the "Employer Pay Participation" column.

[26] A Limited Liability Company may in rare instances file as a C-Corporation and thereby qualify to use the Employer-Paid column. In such a situation contact the underwriting department for assistance.

Tax treatment of disability insurance products

The table on the next page provides a brief guide to the tax treatment of disability insurance products. For an overview of the general tax considerations with respect to disability insurance policies based on current federal tax law see Pub3953BL Disability insurance and general tax considerations.

Disability insurance tax guide[28]

Disability Insurance Tax Guide				
Premiums Paid By	**Benefits Paid To**	**Policy-owner**	**Tax Treatment**	
			Premiums	**Benefits**
Personal Disability Income Insurance				
Individual (including a sole proprietor)	Individual	Individual	Nondeductible	Tax-Free
Employer (key person coverage)	Employer	Employer	Nondeductible	Tax-Free
Employer (under a Traditional Qualified Sick Pay Plan)	Employee	Employee	Deductible by employer. Employer-paid premium excluded from employee's taxable income	Reportable as Income
Partnership, LLC, S Corporation, or C Corporation	Business Owner (assume more than 2% S Corp Owner)	Business Owner (assume more than 2% S Corp Owner)	Deductible by employer; included in business owner's taxable income.	Tax-Free
Employer (under an Executive Bonus Plan)	Employee	Employee	Bonus is deductible by employer and included in employee's taxable income if bonus is deemed "reasonable."	Tax-Free
Overhead Expense				
Business or Owner	Business or Owner	Business or Owner	Tax Deductible	Reportable as Income*
Business Reducing Term				
Business or Owner	Loss Payee	Business or Owner	Unclear and may depend upon facts and circumstances.	N/A benefits go to loss payee.
Disability Buy-Out				
Partnership or Corporation (under Entity Purchase Agreement)	Partnership or Corporation	Partnership or Corporation	Nondeductible	Tax-Free
Partnership or Corporation (under a Cross Purchase Agreement)	Insured's Partner or Fellow Shareholder	Insured's Partner or Fellow Shareholder	Nondeductible	Tax-Free

*Although the benefits are taxable as income, the actual business expenses are deductible.

[28]This guide is provided for informational purposes only and should not be considered tax or legal advice. Your client should contact their tax or legal advisor regarding the tax treatment of the policy and the policy benefits. Your client should consult with their own independent tax and legal advisors regarding their particular set of circumstances. The information provided is not intended or written to be used, and cannot be relied upon, to avoid penalties imposed under the Internal Revenue Code or state and local tax law provisions.

Section 10

Issue and Participation Tables

Issue and Participation Tables

Issue and Participation Tables[1]				
Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
18,000	1,100	1,100	1,300	1,300
19,000	1,150	1,150	1,350	1,350
20,000	1,200	1,200	1,400	1,400
21,000	1,250	1,250	1,550	1,550
22,000	1,300	1,300	1,600	1,600
23,000	1,350	1,350	1,700	1,700
24,000	1,400	1,400	1,750	1,750
25,000	1,450	1,450	1,800	1,800
26,000	1,550	1,550	1,900	1,900
27,000	1,600	1,600	1,950	1,950
28,000	1,700	1,700	2,000	2,000
29,000	1,750	1,750	2,050	2,050
30,000	1,800	1,800	2,100	2,100
31,000	1,850	1,850	2,200	2,200
32,000	1,900	1,900	2,250	2,250
33,000	1,950	1,950	2,300	2,300
34,000	2,000	2,000	2,400	2,400
35,000	2,050	2,050	2,450	2,450
36,000	2,100	2,100	2,550	2,550
37,000	2,150	2,150	2,600	2,600
38,000	2,200	2,200	2,650	2,650
39,000	2,250	2,250	2,700	2,700
40,000	2,300	2,300	2,750	2,750
41,000	2,400	2,400	2,850	2,850

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
42,000	2,450	2,450	2,900	2,950
43,000	2,500	2,500	2,960	3,010
44,000	2,550	2,550	3,020	3,060
45,000	2,600	2,600	3,080	3,120
46,000	2,650	2,650	3,190	3,280
47,000	2,700	2,700	3,240	3,330
48,000	2,750	2,750	3,300	3,380
49,000	2,800	2,800	3,360	3,440
50,000	2,850	2,850	3,410	3,500
51,000	2,900	2,950	3,530	3,620
52,000	2,960	3,010	3,580	3,680
53,000	3,020	3,060	3,640	3,730
54,000	3,080	3,120	3,640	3,790
55,000	3,130	3,170	3,710	3,850
56,000	3,190	3,280	3,820	3,970
57,000	3,240	3,330	3,870	4,030
58,000	3,300	3,380	3,880	4,080
59,000	3,360	3,440	3,940	4,140
60,000	3,410	3,500	3,940	4,200
61,000	3,470	3,560	4,010	4,300
62,000	3,530	3,620	4,060	4,320
63,000	3,580	3,680	4,100	4,340
64,000	3,640	3,730	4,150	4,390

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
65,000	3,640	3,790	4,190	4,430
66,000	3,710	3,850	4,280	4,520
67,000	3,760	3,910	4,330	4,560
68,000	3,820	3,970	4,370	4,620
69,000	3,870	4,030	4,420	4,670
70,000	3,880	4,080	4,460	4,730
71,000	3,940	4,140	4,560	4,830
72,000	3,940	4,200	4,600	4,890
73,000	4,000	4,260	4,650	4,940
74,000	4,010	4,300	4,690	5,000
75,000	4,060	4,320	4,740	5,050
76,000	4,100	4,340	4,830	5,160
77,000	4,150	4,390	4,880	5,210
78,000	4,190	4,430	4,920	5,270
79,000	4,240	4,480	4,970	5,320
80,000	4,280	4,520	5,010	5,370
81,000	4,330	4,560	5,110	5,450
82,000	4,370	4,620	5,150	5,480
83,000	4,420	4,670	5,200	5,490
84,000	4,460	4,730	5,240	5,530
85,000	4,510	4,780	5,280	5,590
86,000	4,560	4,830	5,350	5,700
87,000	4,600	4,890	5,390	5,750
88,000	4,650	4,940	5,430	5,800
89,000	4,690	5,000	5,470	5,860
90,000	4,740	5,050	5,510	5,910

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
91,000	4,780	5,100	5,580	6,020
92,000	4,830	5,160	5,620	6,070
93,000	4,880	5,210	5,660	6,130
94,000	4,920	5,270	5,700	6,180
95,000	4,970	5,320	5,740	6,240
96,000	5,010	5,370	5,810	6,340
97,000	5,060	5,430	5,850	6,400
98,000	5,110	5,450	5,890	6,450
99,000	5,150	5,480	5,920	6,510
100,000	5,200	5,490	5,960	6,560
101,000	5,240	5,530	6,040	6,670
102,000	5,280	5,590	6,070	6,720
103,000	5,320	5,640	6,110	6,780
104,000	5,350	5,700	6,200	6,860
105,000	5,390	5,750	6,240	6,910
106,000	5,430	5,800	6,320	7,020
107,000	5,470	5,860	6,360	7,080
108,000	5,510	5,910	6,400	7,130
109,000	5,550	5,970	6,440	7,180
110,000	5,580	6,020	6,480	7,240
111,000	5,620	6,070	6,560	7,350
112,000	5,660	6,130	6,600	7,400
113,000	5,700	6,180	6,640	7,460
114,000	5,740	6,240	6,680	7,510
115,000	5,770	6,290	6,720	7,560
116,000	5,810	6,340	6,800	7,670

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]				
Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
117,000	5,850	6,400	6,840	7,730
118,000	5,890	6,450	6,880	7,780
119,000	5,920	6,510	6,920	7,830
120,000	5,960	6,560	6,960	7,890
121,000	6,000	6,610	7,040	8,000
122,000	6,040	6,670	7,080	8,050
123,000	6,070	6,720	7,120	8,100
124,000	6,110	6,780	7,160	8,160
125,000	6,200	6,860	7,300	8,210
126,000	6,240	6,910	7,380	8,320
127,000	6,280	6,970	7,430	8,370
128,000	6,320	7,020	7,470	8,430
129,000	6,360	7,080	7,510	8,480
130,000	6,400	7,130	7,550	8,530
131,000	6,440	7,180	7,640	8,640
132,000	6,480	7,240	7,680	8,700
133,000	6,520	7,290	7,720	8,750
134,000	6,560	7,350	7,760	8,800
135,000	6,600	7,400	7,800	8,860
136,000	6,640	7,460	7,890	8,960
137,000	6,680	7,510	7,930	9,020
138,000	6,720	7,560	7,970	9,070
139,000	6,760	7,620	8,010	9,130
140,000	6,800	7,670	8,060	9,180
141,000	6,840	7,730	8,140	9,290
142,000	6,880	7,780	8,180	9,340
143,000	6,920	7,830	8,220	9,390

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
144,000	6,960	7,890	8,270	9,450
145,000	7,000	7,940	8,310	9,500
146,000	7,040	8,000	8,390	9,610
147,000	7,080	8,050	8,440	9,660
148,000	7,120	8,100	8,480	9,720
149,000	7,160	8,160	8,530	9,770
150,000	7,300	8,210	8,570	9,820
151,000	7,340	8,260	8,660	9,930
152,000	7,380	8,320	8,710	9,980
153,000	7,430	8,370	8,750	10,040
154,000	7,470	8,430	8,790	10,090
155,000	7,510	8,480	8,840	10,140
156,000	7,550	8,530	8,930	10,250
157,000	7,590	8,590	8,970	10,300
158,000	7,640	8,640	9,020	10,360
159,000	7,680	8,700	9,060	10,410
160,000	7,720	8,750	9,110	10,460
161,000	7,760	8,800	9,200	10,570
162,000	7,800	8,860	9,240	10,620
163,000	7,850	8,910	9,290	10,680
164,000	7,890	8,960	9,330	10,730
165,000	7,930	9,020	9,380	10,780
166,000	7,970	9,070	9,520	10,890
167,000	8,010	9,130	9,560	10,940
168,000	8,060	9,180	9,610	11,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]				
Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
169,000	8,100	9,230	9,650	11,050
170,000	8,140	9,290	9,700	11,100
171,000	8,180	9,340	9,790	11,210
172,000	8,220	9,390	9,830	11,260
173,000	8,270	9,450	9,880	11,320
174,000	8,310	9,500	9,920	11,370
175,000	8,350	9,550	9,970	11,420
176,000	8,390	9,610	10,060	11,530
177,000	8,440	9,660	10,100	11,580
178,000	8,480	9,720	10,150	11,640
179,000	8,530	9,770	10,190	11,690
180,000	8,570	9,820	10,240	11,740
181,000	8,620	9,880	10,330	11,850
182,000	8,660	9,930	10,380	11,900
183,000	8,710	9,980	10,420	11,960
184,000	8,750	10,040	10,470	12,010
185,000	8,790	10,090	10,510	12,060
186,000	8,840	10,140	10,600	12,140
187,000	8,880	10,200	10,700	12,200
188,000	8,930	10,250	10,740	12,250
189,000	8,970	10,300	10,780	12,300
190,000	9,020	10,360	10,820	12,360
191,000	9,060	10,410	10,900	12,410
192,000	9,110	10,460	10,940	12,460
193,000	9,150	10,520	10,980	12,520
194,000	9,200	10,570	11,020	12,570
195,000	9,240	10,620	11,060	12,620

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
196,000	9,290	10,680	11,140	12,680
197,000	9,330	10,730	11,180	12,730
198,000	9,380	10,780	11,220	12,780
199,000	9,420	10,840	11,260	12,840
200,000	9,520	10,890	11,300	12,890
201,000	9,560	10,940	11,380	12,940
202,000	9,610	11,000	11,420	13,000
203,000	9,650	11,050	11,460	13,050
204,000	9,700	11,100	11,500	13,100
205,000	9,740	11,160	11,540	13,160
206,000	9,790	11,210	11,620	13,210
207,000	9,830	11,260	11,660	13,260
208,000	9,880	11,320	11,800	13,320
209,000	9,920	11,370	11,840	13,370
210,000	9,970	11,420	11,880	13,420
211,000	10,010	11,480	11,950	13,480
212,000	10,060	11,530	11,990	13,530
213,000	10,100	11,580	12,030	13,580
214,000	10,150	11,640	12,070	13,640
215,000	10,190	11,690	12,110	13,690
216,000	10,240	11,740	12,180	13,740
217,000	10,280	11,800	12,220	13,800
218,000	10,330	11,850	12,260	13,850
219,000	10,380	11,900	12,300	13,900
220,000	10,420	11,960	12,330	13,960
221,000	10,470	12,010	12,410	14,010
222,000	10,510	12,060	12,450	14,060

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
223,000	10,560	12,120	12,480	14,120
224,000	10,600	12,170	12,520	14,170
225,000	10,700	12,220	12,560	14,220
226,000	10,740	12,270	12,640	14,270
227,000	10,780	12,330	12,670	14,330
228,000	10,820	12,380	12,710	14,380
229,000	10,860	12,430	12,800	14,430
230,000	10,900	12,490	12,830	14,490
231,000	10,940	12,540	12,900	14,540
232,000	10,980	12,590	12,930	14,590
233,000	11,020	12,650	12,960	14,650
234,000	11,060	12,700	12,990	14,700
235,000	11,100	12,750	13,030	14,750
236,000	11,140	12,800	13,090	14,800
237,000	11,180	12,860	13,120	14,860
238,000	11,220	12,910	13,160	14,910
239,000	11,260	12,960	13,190	14,960
240,000	11,300	13,020	13,220	15,020
241,000	11,340	13,070	13,280	15,070
242,000	11,380	13,120	13,320	15,120
243,000	11,420	13,170	13,350	15,170
244,000	11,460	13,230	13,380	15,230
245,000	11,500	13,280	13,410	15,280
246,000	11,540	13,330	13,470	15,330
247,000	11,580	13,390	13,500	15,390
248,000	11,620	13,440	13,540	15,440
249,000	11,660	13,490	13,570	15,490

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
250,000	11,800	13,540	13,700	15,540
251,000	11,840	13,600	13,770	15,600
252,000	11,880	13,650	13,800	15,650
253,000	11,910	13,700	13,830	15,700
254,000	11,950	13,750	13,860	15,750
255,000	11,990	13,810	13,890	15,810
256,000	12,030	13,860	13,960	15,860
257,000	12,070	13,910	13,990	15,910
258,000	12,110	13,970	14,020	15,970
259,000	12,140	14,020	14,060	16,020
260,000	12,180	14,070	14,090	16,070
261,000	12,220	14,120	14,150	16,120
262,000	12,260	14,180	14,180	16,180
263,000	12,300	14,230	14,220	16,230
264,000	12,330	14,280	14,250	16,280
265,000	12,370	14,330	14,280	16,330
266,000	12,410	14,390	14,340	16,390
267,000	12,450	14,440	14,370	16,440
268,000	12,480	14,490	14,410	16,490
269,000	12,520	14,540	14,440	16,540
270,000	12,560	14,600	14,470	16,600
271,000	12,600	14,650	14,580	16,650
272,000	12,640	14,700	14,600	16,700
273,000	12,670	14,750	14,630	16,750
274,000	12,710	14,810	14,650	16,810
275,000	12,800	14,860	14,680	16,860
276,000	12,830	14,910	14,730	16,910

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
277,000	12,870	14,960	14,760	16,960
278,000	12,900	15,020	14,780	17,020
279,000	12,930	15,070	14,810	17,070
280,000	12,960	15,120	14,830	17,120
281,000	12,990	15,170	14,890	17,170
282,000	13,030	15,230	14,910	17,230
283,000	13,060	15,280	14,940	17,280
284,000	13,090	15,330	14,970	17,330
285,000	13,120	15,380	14,990	17,380
286,000	13,160	15,440	15,040	17,440
287,000	13,190	15,490	15,070	17,490
288,000	13,220	15,540	15,100	17,540
289,000	13,250	15,590	15,120	17,590
290,000	13,280	15,650	15,140	17,650
291,000	13,320	15,700	15,150	17,700
292,000	13,350	15,750	15,170	17,750
293,000	13,380	15,800	15,190	17,800
294,000	13,410	15,850	15,210	17,850
295,000	13,440	15,910	15,230	17,910
296,000	13,470	15,960	15,270	17,960
297,000	13,500	16,010	15,290	18,010
298,000	13,540	16,060	15,310	18,060
299,000	13,570	16,120	15,330	18,120
300,000	13,700	16,170	15,350	18,170
301,000	13,730	16,220	15,390	18,220
302,000	13,770	16,270	15,410	18,270
303,000	13,800	16,320	15,430	18,320

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
304,000	13,830	16,380	15,450	18,380
305,000	13,860	16,430	15,470	18,430
306,000	13,890	16,480	15,510	18,480
307,000	13,930	16,530	15,530	18,530
308,000	13,960	16,590	15,550	18,590
309,000	13,990	16,640	15,570	18,640
310,000	14,020	16,690	15,590	18,690
311,000	14,060	16,740	15,630	18,740
312,000	14,090	16,790	15,650	18,790
313,000	14,120	16,850	15,670	18,850
314,000	14,150	16,900	15,690	18,900
315,000	14,180	16,950	15,710	18,950
316,000	14,220	17,000	15,750	19,000
317,000	14,250	17,050	15,770	19,050
318,000	14,280	17,110	15,790	19,110
319,000	14,310	17,160	15,810	19,160
320,000	14,340	17,210	15,830	19,210
321,000	14,370	17,260	15,870	19,260
322,000	14,410	17,310	15,890	19,310
323,000	14,440	17,370	15,910	19,370
324,000	14,470	17,420	15,930	19,420
325,000	14,550	17,470	15,950	19,470
326,000	14,580	17,520	15,990	19,520
327,000	14,600	17,570	16,010	19,570
328,000	14,630	17,630	16,030	19,630
329,000	14,650	17,680	16,050	19,680
330,000	14,680	17,730	16,070	19,730

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
331,000	14,710	17,780	16,110	19,780
332,000	14,730	17,830	16,130	19,830
333,000	14,760	17,880	16,150	19,880
334,000	14,780	17,940	16,170	19,940
335,000	14,810	17,990	16,180	19,990
336,000	14,830	18,040	16,230	20,040
337,000	14,860	18,090	16,250	20,090
338,000	14,890	18,140	16,260	20,140
339,000	14,910	18,200	16,290	20,200
340,000	14,940	18,250	16,310	20,250
341,000	14,970	18,300	16,350	20,300
342,000	14,990	18,350	16,370	20,350
343,000	15,020	18,400	16,390	20,400
344,000	15,040	18,450	16,410	20,450
345,000	15,070	18,510	16,430	20,510
346,000	15,100	18,560	16,470	20,560
347,000	15,120	18,610	16,490	20,610
348,000	15,140	18,660	16,510	20,660
349,000	15,140	18,710	16,530	20,710
350,000	15,150	18,760	16,550	20,760
351,000	15,170	18,820	16,590	20,820
352,000	15,190	18,870	16,610	20,870
353,000	15,210	18,920	16,630	20,920
354,000	15,230	18,970	16,650	20,970
355,000	15,250	19,020	16,670	21,020
356,000	15,270	19,070	16,710	21,070
357,000	15,290	19,130	16,730	21,130

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
358,000	15,310	19,180	16,750	21,180
359,000	15,330	19,230	16,760	21,230
360,000	15,350	19,280	16,790	21,280
361,000	15,370	19,330	16,830	21,330
362,000	15,390	19,380	16,850	21,380
363,000	15,410	19,430	16,870	21,430
364,000	15,430	19,490	16,890	21,490
365,000	15,450	19,540	16,910	21,540
366,000	15,470	19,590	16,950	21,590
367,000	15,490	19,640	16,970	21,640
368,000	15,510	19,690	16,990	21,690
369,000	15,530	19,740	17,010	21,740
370,000	15,550	19,790	17,030	21,790
371,000	15,570	19,850	17,070	21,850
372,000	15,590	19,900	17,090	21,900
373,000	15,610	19,950	17,110	21,950
374,000	15,630	20,000	17,130	22,000
375,000	15,650	20,050	17,150	22,050
376,000	15,670	20,100	17,190	22,100
377,000	15,690	20,150	17,210	22,150
378,000	15,710	20,210	17,230	22,210
379,000	15,730	20,260	17,250	22,260
380,000	15,750	20,310	17,270	22,310
381,000	15,770	20,360	17,310	22,360
382,000	15,790	20,410	17,330	22,410
383,000	15,810	20,460	17,350	22,460

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
384,000	15,830	20,510	17,370	22,510
385,000	15,850	20,560	17,390	22,560
386,000	15,870	20,620	17,430	22,620
387,000	15,890	20,670	17,450	22,670
388,000	15,910	20,720	17,470	22,720
389,000	15,930	20,770	17,490	22,770
390,000	15,950	20,820	17,510	22,820
391,000	15,970	20,870	17,550	22,870
392,000	15,990	20,920	17,570	22,920
393,000	16,010	20,970	17,590	22,970
394,000	16,030	21,030	17,610	23,030
395,000	16,050	21,080	17,630	23,080
396,000	16,070	21,130	17,670	23,130
397,000	16,090	21,180	17,690	23,180
398,000	16,110	21,230	17,710	23,230
399,000	16,130	21,280	17,730	23,280
400,000	16,150	21,330	17,750	23,330
401,000	16,170	21,380	17,790	23,380
402,000	16,180	21,440	17,810	23,440
403,000	16,210	21,490	17,830	23,490
404,000	16,230	21,540	17,850	23,540
405,000	16,250	21,600	17,870	23,600
406,000	16,260	21,650	17,910	23,650
407,000	16,290	21,700	17,930	23,700
408,000	16,310	21,760	17,950	23,760
409,000	16,330	21,810	17,970	23,810

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
410,000	16,350	21,860	17,990	23,860
411,000	16,370	21,920	18,030	23,920
412,000	16,390	21,970	18,050	23,970
413,000	16,410	22,020	18,070	24,020
414,000	16,430	22,080	18,090	24,080
415,000	16,450	22,130	18,110	24,130
416,000	16,470	22,180	18,150	24,180
417,000	16,490	22,240	18,170	24,240
418,000	16,510	22,290	18,190	24,290
419,000	16,530	22,340	18,210	24,340
420,000	16,550	22,400	18,230	24,400
421,000	16,570	22,450	18,270	24,450
422,000	16,590	22,500	18,290	24,500
423,000	16,610	22,560	18,310	24,560
424,000	16,630	22,610	18,330	24,610
425,000	16,650	22,660	18,350	24,660
426,000	16,670	22,720	18,390	24,720
427,000	16,680	22,770	18,410	24,770
428,000	16,710	22,820	18,430	24,820
429,000	16,730	22,880	18,450	24,880
430,000	16,750	22,930	18,470	24,930
431,000	16,760	22,980	18,510	24,980
432,000	16,790	23,040	18,530	25,040
433,000	16,810	23,090	18,550	25,090
434,000	16,830	23,140	18,570	25,140
435,000	16,850	23,200	18,590	25,200
436,000	16,870	23,250	18,630	25,250

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
437,000	16,890	23,300	18,650	25,300
438,000	16,910	23,360	18,670	25,360
439,000	16,930	23,410	18,690	25,410
440,000	16,950	23,460	18,710	25,460
441,000	16,970	23,520	18,750	25,520
442,000	16,990	23,570	18,770	25,570
443,000	17,010	23,620	18,790	25,620
444,000	17,030	23,680	18,800	25,680
445,000	17,050	23,730	18,830	25,730
446,000	17,070	23,780	18,870	25,780
447,000	17,090	23,840	18,890	25,840
448,000	17,110	23,890	18,910	25,890
449,000	17,130	23,940	18,930	25,940
450,000	17,150	24,000	18,950	26,000
451,000	17,170	24,050	18,990	26,050
452,000	17,190	24,100	19,010	26,100
453,000	17,210	24,160	19,030	26,160
454,000	17,230	24,210	19,050	26,210
455,000	17,250	24,260	19,070	26,260
456,000	17,270	24,320	19,110	26,320
457,000	17,290	24,370	19,130	26,370
458,000	17,310	24,420	19,150	26,420
459,000	17,330	24,480	19,170	26,480
460,000	17,350	24,530	19,190	26,530
461,000	17,370	24,580	19,230	26,580
462,000	17,390	24,640	19,250	26,640
463,000	17,410	24,690	19,270	26,690

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
464,000	17,430	24,740	19,290	26,740
465,000	17,450	24,800	19,310	26,800
466,000	17,470	24,850	19,350	26,850
467,000	17,490	24,900	19,370	26,900
468,000	17,510	24,960	19,390	26,960
469,000	17,530	25,010	19,410	27,010
470,000	17,550	25,060	19,430	27,060
471,000	17,570	25,120	19,470	27,120
472,000	17,590	25,170	19,490	27,170
473,000	17,610	25,220	19,510	27,220
474,000	17,630	25,280	19,530	27,280
475,000	17,650	25,330	19,550	27,330
476,000	17,670	25,380	19,590	27,380
477,000	17,690	25,440	19,610	27,440
478,000	17,710	25,490	19,630	27,490
479,000	17,730	25,540	19,650	27,540
480,000	17,750	25,600	19,670	27,600
481,000	17,770	25,650	19,710	27,650
482,000	17,790	25,700	19,730	27,700
483,000	17,810	25,760	19,750	27,760
484,000	17,830	25,810	19,770	27,810
485,000	17,850	25,860	19,790	27,860
486,000	17,870	25,920	19,830	27,920
487,000	17,890	25,970	19,850	27,970
488,000	17,910	26,020	19,870	28,020
489,000	17,930	26,080	19,890	28,080
490,000	17,950	26,130	19,910	28,130

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
491,000	17,970	26,180	19,950	28,180
492,000	17,990	26,240	19,970	28,240
493,000	18,010	26,290	19,990	28,290
494,000	18,030	26,340	20,010	28,340
495,000	18,050	26,400	20,030	28,400
496,000	18,070	26,450	20,070	28,450
497,000	18,090	26,500	20,090	28,500
498,000	18,110	26,560	20,110	28,560
499,000	18,130	26,610	20,130	28,610
500,000	18,150	26,660	20,150	28,660
501,000	18,170	26,720	20,170	28,720
502,000	18,190	26,770	20,190	28,770
503,000	18,210	26,820	20,210	28,820
504,000	18,230	26,880	20,230	28,880
505,000	18,250	26,930	20,250	28,930
506,000	18,270	26,980	20,270	28,980
507,000	18,290	27,040	20,290	29,040
508,000	18,310	27,090	20,310	29,090
509,000	18,330	27,140	20,330	29,140
510,000	18,350	27,200	20,350	29,200
511,000	18,370	27,250	20,370	29,250
512,000	18,390	27,300	20,390	29,300
513,000	18,410	27,360	20,410	29,360
514,000	18,430	27,410	20,430	29,410
515,000	18,450	27,460	20,450	29,460
516,000	18,470	27,520	20,470	29,520
517,000	18,490	27,570	20,490	29,570

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
518,000	18,510	27,620	20,510	29,620
519,000	18,530	27,680	20,530	29,680
520,000	18,550	27,730	20,550	29,730
521,000	18,570	27,780	20,570	29,780
522,000	18,590	27,840	20,590	29,840
523,000	18,610	27,890	20,610	29,890
524,000	18,630	27,940	20,630	29,940
525,000	18,650	28,000	20,650	30,000
526,000	18,670	28,050	20,670	30,050
527,000	18,690	28,100	20,690	30,100
528,000	18,710	28,160	20,710	30,160
529,000	18,730	28,210	20,730	30,210
530,000	18,750	28,260	20,750	30,260
531,000	18,770	28,320	20,770	30,320
532,000	18,790	28,370	20,790	30,370
533,000	18,800	28,420	20,800	30,420
534,000	18,830	28,480	20,830	30,480
535,000	18,850	28,530	20,850	30,530
536,000	18,870	28,580	20,870	30,580
537,000	18,890	28,640	20,890	30,640
538,000	18,910	28,690	20,910	30,690
539,000	18,930	28,740	20,930	30,740
540,000	18,950	28,800	20,950	30,800
541,000	18,970	28,850	20,970	30,850
542,000	18,990	28,900	20,990	30,900
543,000	19,010	28,960	21,010	30,960
544,000	19,030	29,010	21,030	31,010

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
545,000	19,050	29,060	21,050	31,060
546,000	19,070	29,120	21,070	31,120
547,000	19,090	29,170	21,090	31,170
548,000	19,110	29,220	21,110	31,220
549,000	19,130	29,280	21,130	31,280
550,000	19,150	29,330	21,150	31,330
551,000	19,170	29,380	21,170	31,380
552,000	19,190	29,440	21,190	31,440
553,000	19,210	29,490	21,210	31,490
554,000	19,230	29,540	21,230	31,540
555,000	19,250	29,600	21,250	31,600
556,000	19,270	29,650	21,270	31,650
557,000	19,290	29,700	21,290	31,700
558,000	19,310	29,760	21,310	31,760
559,000	19,330	29,810	21,330	31,810
560,000	19,350	29,860	21,350	31,860
561,000	19,370	29,920	21,370	31,920
562,000	19,390	29,970	21,390	31,970
563,000	19,410	30,000	21,410	32,000
564,000	19,430	30,000	21,430	32,000
565,000	19,450	30,000	21,450	32,000
566,000	19,470	30,000	21,470	32,000
567,000	19,490	30,000	21,490	32,000
568,000	19,510	30,000	21,510	32,000
569,000	19,530	30,000	21,530	32,000
570,000	19,550	30,000	21,550	32,000
571,000	19,570	30,000	21,570	32,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]				
Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
572,000	19,590	30,000	21,590	32,000
573,000	19,610	30,000	21,610	32,000
574,000	19,630	30,000	21,630	32,000
575,000	19,650	30,000	21,650	32,000
576,000	19,670	30,020	21,670	32,020
577,000	19,690	30,040	21,690	32,040
578,000	19,710	30,060	21,710	32,060
579,000	19,730	30,080	21,730	32,080
580,000	19,750	30,100	21,750	32,100
581,000	19,770	30,120	21,770	32,120
582,000	19,790	30,140	21,790	32,140
583,000	19,800	30,160	21,800	32,160
584,000	19,830	30,180	21,830	32,180
585,000	19,850	30,200	21,850	32,200
586,000	19,870	30,220	21,870	32,220
587,000	19,890	30,240	21,890	32,240
588,000	19,910	30,260	21,910	32,260
589,000	19,930	30,280	21,930	32,280
590,000	19,950	30,300	21,950	32,300
591,000	19,970	30,320	21,970	32,320
592,000	19,990	30,340	21,990	32,340
593,000	20,010	30,360	22,010	32,360
594,000	20,030	30,380	22,030	32,380
595,000	20,050	30,400	22,050	32,400
596,000	20,070	30,420	22,070	32,420
597,000	20,090	30,440	22,090	32,440
598,000	20,110	30,460	22,110	32,460

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
599,000	20,130	30,480	22,130	32,480
600,000	20,150	30,500	22,150	32,500
601,000	20,170	30,520	22,170	32,520
602,000	20,190	30,540	22,190	32,540
603,000	20,210	30,560	22,210	32,560
604,000	20,230	30,580	22,230	32,580
605,000	20,250	30,600	22,250	32,600
606,000	20,270	30,620	22,270	32,620
607,000	20,290	30,640	22,290	32,640
608,000	20,310	30,660	22,310	32,660
609,000	20,330	30,680	22,330	32,680
610,000	20,350	30,700	22,350	32,700
611,000	20,370	30,720	22,370	32,720
612,000	20,390	30,740	22,390	32,740
613,000	20,410	30,760	22,410	32,760
614,000	20,430	30,780	22,430	32,780
615,000	20,450	30,800	22,450	32,800
616,000	20,470	30,820	22,470	32,820
617,000	20,490	30,840	22,490	32,840
618,000	20,510	30,860	22,510	32,860
619,000	20,520	30,880	22,520	32,880
620,000	20,550	30,900	22,550	32,900
621,000	20,570	30,920	22,570	32,920
622,000	20,590	30,940	22,590	32,940
623,000	20,600	30,960	22,600	32,960
624,000	20,630	30,980	22,630	32,980
625,000	20,650	31,000	22,650	33,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
626,000	20,670	31,020	22,670	33,020
627,000	20,690	31,040	22,690	33,040
628,000	20,710	31,060	22,710	33,060
629,000	20,730	31,080	22,730	33,080
630,000	20,750	31,100	22,750	33,100
631,000	20,770	31,120	22,770	33,120
632,000	20,790	31,140	22,790	33,140
633,000	20,810	31,160	22,810	33,160
634,000	20,830	31,180	22,830	33,180
635,000	20,850	31,200	22,850	33,200
636,000	20,870	31,220	22,870	33,220
637,000	20,890	31,240	22,890	33,240
638,000	20,910	31,260	22,910	33,260
639,000	20,930	31,280	22,930	33,280
640,000	20,940	31,300	22,940	33,300
641,000	20,970	31,320	22,970	33,320
642,000	20,990	31,340	22,990	33,340
643,000	21,010	31,360	23,010	33,360
644,000	21,020	31,380	23,020	33,380
645,000	21,050	31,400	23,050	33,400
646,000	21,070	31,420	23,070	33,420
647,000	21,090	31,440	23,090	33,440
648,000	21,100	31,460	23,100	33,460
649,000	21,130	31,480	23,130	33,480
650,000	21,150	31,500	23,150	33,500
651,000	21,170	31,520	23,170	33,520
652,000	21,200	31,540	23,200	33,540

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
653,000	21,210	31,560	23,210	33,560
654,000	21,230	31,580	23,230	33,580
655,000	21,250	31,600	23,250	33,600
656,000	21,270	31,620	23,270	33,620
657,000	21,290	31,640	23,290	33,640
658,000	21,310	31,660	23,310	33,660
659,000	21,330	31,680	23,330	33,680
660,000	21,350	31,700	23,350	33,700
661,000	21,370	31,720	23,370	33,720
662,000	21,390	31,740	23,390	33,740
663,000	21,410	31,760	23,410	33,760
664,000	21,430	31,780	23,430	33,780
665,000	21,440	31,800	23,440	33,800
666,000	21,470	31,820	23,470	33,820
667,000	21,490	31,840	23,490	33,840
668,000	21,510	31,860	23,510	33,860
669,000	21,520	31,880	23,520	33,880
670,000	21,550	31,900	23,550	33,900
671,000	21,570	31,920	23,570	33,920
672,000	21,590	31,940	23,590	33,940
673,000	21,600	31,960	23,600	33,960
674,000	21,630	31,980	23,630	33,980
675,000	21,650	32,000	23,650	34,000
676,000	21,670	32,020	23,670	34,020
677,000	21,700	32,040	23,700	34,040
678,000	21,710	32,060	23,710	34,060
679,000	21,730	32,080	23,730	34,080

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
680,000	21,750	32,100	23,750	34,100
681,000	21,770	32,120	23,770	34,120
682,000	21,790	32,140	23,790	34,140
683,000	21,810	32,160	23,810	34,160
684,000	21,830	32,180	23,830	34,180
685,000	21,850	32,200	23,850	34,200
686,000	21,870	32,220	23,870	34,220
687,000	21,890	32,240	23,890	34,240
688,000	21,910	32,260	23,910	34,260
689,000	21,930	32,280	23,930	34,280
690,000	21,940	32,300	23,940	34,300
691,000	21,970	32,320	23,970	34,320
692,000	21,990	32,340	23,990	34,340
693,000	22,010	32,360	24,010	34,360
694,000	22,020	32,380	24,020	34,380
695,000	22,050	32,400	24,050	34,400
696,000	22,070	32,420	24,070	34,420
697,000	22,090	32,440	24,090	34,440
698,000	22,100	32,460	24,100	34,460
699,000	22,130	32,480	24,130	34,480
700,000	22,150	32,500	24,150	34,500
701,000	22,170	32,520	24,170	34,520
702,000	22,190	32,540	24,190	34,540
703,000	22,210	32,560	24,210	34,560
704,000	22,220	32,580	24,220	34,580
705,000	22,250	32,600	24,250	34,600
706,000	22,270	32,620	24,270	34,620

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
707,000	22,300	32,640	24,300	34,640
708,000	22,310	32,660	24,310	34,660
709,000	22,330	32,680	24,330	34,680
710,000	22,350	32,700	24,350	34,700
711,000	22,370	32,720	24,370	34,720
712,000	22,390	32,740	24,390	34,740
713,000	22,410	32,760	24,410	34,760
714,000	22,430	32,780	24,430	34,780
715,000	22,450	32,800	24,450	34,800
716,000	22,470	32,820	24,470	34,820
717,000	22,490	32,840	24,490	34,840
718,000	22,500	32,860	24,500	34,860
719,000	22,530	32,880	24,530	34,880
720,000	22,550	32,900	24,550	34,900
721,000	22,570	32,920	24,570	34,920
722,000	22,590	32,940	24,590	34,940
723,000	22,610	32,960	24,610	34,960
724,000	22,630	32,980	24,630	34,980
725,000	22,650	33,000	24,650	35,000
726,000	22,670	33,020	24,670	35,000
727,000	22,690	33,040	24,690	35,000
728,000	22,710	33,060	24,710	35,000
729,000	22,730	33,080	24,730	35,000
730,000	22,750	33,100	24,750	35,000
731,000	22,760	33,120	24,760	35,000
732,000	22,800	33,140	24,800	35,000
733,000	22,810	33,160	24,810	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
734,000	22,830	33,180	24,830	35,000
735,000	22,850	33,200	24,850	35,000
736,000	22,870	33,220	24,870	35,000
737,000	22,890	33,240	24,890	35,000
738,000	22,910	33,260	24,910	35,000
739,000	22,930	33,280	24,930	35,000
740,000	22,950	33,300	24,950	35,000
741,000	22,970	33,320	24,970	35,000
742,000	22,990	33,340	24,990	35,000
743,000	23,010	33,360	25,010	35,000
744,000	23,040	33,380	25,040	35,000
745,000	23,050	33,400	25,050	35,000
746,000	23,070	33,420	25,070	35,000
747,000	23,090	33,440	25,090	35,000
748,000	23,110	33,460	25,110	35,000
749,000	23,130	33,480	25,130	35,000
750,000	23,150	33,500	25,150	35,000
751,000	23,170	33,520	25,170	35,000
752,000	23,190	33,540	25,190	35,000
753,000	23,210	33,560	25,210	35,000
754,000	23,230	33,580	25,230	35,000
755,000	23,250	33,600	25,250	35,000
756,000	23,270	33,620	25,270	35,000
757,000	23,290	33,640	25,290	35,000
758,000	23,310	33,660	25,310	35,000
759,000	23,330	33,680	25,330	35,000
760,000	23,350	33,700	25,350	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
761,000	23,370	33,720	25,370	35,000
762,000	23,390	33,740	25,390	35,000
763,000	23,410	33,760	25,410	35,000
764,000	23,430	33,780	25,430	35,000
765,000	23,450	33,800	25,450	35,000
766,000	23,470	33,820	25,470	35,000
767,000	23,490	33,840	25,490	35,000
768,000	23,510	33,860	25,510	35,000
769,000	23,530	33,880	25,530	35,000
770,000	23,550	33,900	25,550	35,000
771,000	23,570	33,920	25,570	35,000
772,000	23,590	33,940	25,590	35,000
773,000	23,610	33,960	25,610	35,000
774,000	23,630	33,980	25,630	35,000
775,000	23,650	34,000	25,650	35,000
776,000	23,670	34,020	25,670	35,000
777,000	23,690	34,040	25,690	35,000
778,000	23,710	34,060	25,710	35,000
779,000	23,730	34,080	25,730	35,000
780,000	23,750	34,100	25,750	35,000
781,000	23,770	34,120	25,770	35,000
782,000	23,790	34,140	25,790	35,000
783,000	23,810	34,160	25,810	35,000
784,000	23,830	34,180	25,830	35,000
785,000	23,850	34,200	25,850	35,000
786,000	23,870	34,220	25,870	35,000
787,000	23,890	34,240	25,890	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
788,000	23,910	34,260	25,910	35,000
789,000	23,930	34,280	25,930	35,000
790,000	23,950	34,300	25,950	35,000
791,000	23,970	34,320	25,970	35,000
792,000	23,990	34,340	25,990	35,000
793,000	24,010	34,360	26,010	35,000
794,000	24,030	34,380	26,030	35,000
795,000	24,050	34,400	26,050	35,000
796,000	24,070	34,420	26,070	35,000
797,000	24,090	34,440	26,090	35,000
798,000	24,110	34,460	26,110	35,000
799,000	24,130	34,480	26,130	35,000
800,000	24,150	34,500	26,150	35,000
801,000	24,170	34,520	26,170	35,000
802,000	24,190	34,540	26,190	35,000
803,000	24,210	34,560	26,210	35,000
804,000	24,230	34,580	26,230	35,000
805,000	24,250	34,600	26,250	35,000
806,000	24,280	34,620	26,280	35,000
807,000	24,290	34,640	26,290	35,000
808,000	24,310	34,660	26,310	35,000
809,000	24,330	34,680	26,330	35,000
810,000	24,350	34,700	26,350	35,000
811,000	24,370	34,720	26,370	35,000
812,000	24,390	34,740	26,390	35,000
813,000	24,410	34,760	26,410	35,000
814,000	24,430	34,780	26,430	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
815,000	24,450	34,800	26,450	35,000
816,000	24,470	34,820	26,470	35,000
817,000	24,490	34,840	26,490	35,000
818,000	24,520	34,860	26,520	35,000
819,000	24,520	34,880	26,520	35,000
820,000	24,550	34,900	26,550	35,000
821,000	24,570	34,920	26,570	35,000
822,000	24,590	34,940	26,590	35,000
823,000	24,610	34,960	26,610	35,000
824,000	24,630	34,980	26,630	35,000
825,000	24,650	35,000	26,650	35,000
826,000	24,670	35,000	26,670	35,000
827,000	24,690	35,000	26,690	35,000
828,000	24,710	35,000	26,710	35,000
829,000	24,730	35,000	26,730	35,000
830,000	24,750	35,000	26,750	35,000
831,000	24,770	35,000	26,770	35,000
832,000	24,790	35,000	26,790	35,000
833,000	24,820	35,000	26,820	35,000
834,000	24,830	35,000	26,830	35,000
835,000	24,850	35,000	26,850	35,000
836,000	24,870	35,000	26,870	35,000
837,000	24,890	35,000	26,890	35,000
838,000	24,910	35,000	26,910	35,000
839,000	24,930	35,000	26,930	35,000
840,000	24,950	35,000	26,950	35,000
841,000	24,970	35,000	26,970	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]				
Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
842,000	24,990	35,000	26,990	35,000
843,000	25,010	35,000	27,010	35,000
844,000	25,030	35,000	27,030	35,000
845,000	25,050	35,000	27,050	35,000
846,000	25,070	35,000	27,070	35,000
847,000	25,090	35,000	27,090	35,000
848,000	25,110	35,000	27,110	35,000
849,000	25,130	35,000	27,130	35,000
850,000	25,150	35,000	27,150	35,000
851,000	25,170	35,000	27,170	35,000
852,000	25,190	35,000	27,190	35,000
853,000	25,210	35,000	27,210	35,000
854,000	25,230	35,000	27,230	35,000
855,000	25,250	35,000	27,250	35,000
856,000	25,270	35,000	27,270	35,000
857,000	25,290	35,000	27,290	35,000
858,000	25,310	35,000	27,310	35,000
859,000	25,330	35,000	27,330	35,000
860,000	25,350	35,000	27,350	35,000
861,000	25,380	35,000	27,380	35,000
862,000	25,390	35,000	27,390	35,000
863,000	25,410	35,000	27,410	35,000
864,000	25,430	35,000	27,430	35,000
865,000	25,450	35,000	27,450	35,000
866,000	25,470	35,000	27,470	35,000
867,000	25,490	35,000	27,490	35,000
868,000	25,510	35,000	27,510	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
869,000	25,530	35,000	27,530	35,000
870,000	25,550	35,000	27,550	35,000
871,000	25,570	35,000	27,570	35,000
872,000	25,600	35,000	27,600	35,000
873,000	25,610	35,000	27,610	35,000
874,000	25,630	35,000	27,630	35,000
875,000	25,650	35,000	27,650	35,000
876,000	25,670	35,000	27,670	35,000
877,000	25,690	35,000	27,690	35,000
878,000	25,700	35,000	27,700	35,000
879,000	25,730	35,000	27,730	35,000
880,000	25,750	35,000	27,750	35,000
881,000	25,770	35,000	27,770	35,000
882,000	25,790	35,000	27,790	35,000
883,000	25,810	35,000	27,810	35,000
884,000	25,830	35,000	27,830	35,000
885,000	25,850	35,000	27,850	35,000
886,000	25,870	35,000	27,870	35,000
887,000	25,890	35,000	27,890	35,000
888,000	25,910	35,000	27,910	35,000
889,000	25,920	35,000	27,920	35,000
890,000	25,950	35,000	27,950	35,000
891,000	25,970	35,000	27,970	35,000
892,000	25,990	35,000	27,990	35,000
893,000	26,010	35,000	28,010	35,000
894,000	26,030	35,000	28,030	35,000
895,000	26,050	35,000	28,050	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
896,000	26,070	35,000	28,070	35,000
897,000	26,090	35,000	28,090	35,000
898,000	26,110	35,000	28,110	35,000
899,000	26,130	35,000	28,130	35,000
900,000	26,150	35,000	28,150	35,000
901,000	26,170	35,000	28,170	35,000
902,000	26,190	35,000	28,190	35,000
903,000	26,220	35,000	28,220	35,000
904,000	26,230	35,000	28,230	35,000
905,000	26,260	35,000	28,260	35,000
906,000	26,280	35,000	28,280	35,000
907,000	26,310	35,000	28,310	35,000
908,000	26,320	35,000	28,320	35,000
909,000	26,350	35,000	28,350	35,000
910,000	26,370	35,000	28,370	35,000
911,000	26,400	35,000	28,400	35,000
912,000	26,410	35,000	28,410	35,000
913,000	26,430	35,000	28,430	35,000
914,000	26,460	35,000	28,460	35,000
915,000	26,480	35,000	28,480	35,000
916,000	26,500	35,000	28,500	35,000
917,000	26,520	35,000	28,520	35,000
918,000	26,550	35,000	28,550	35,000
919,000	26,570	35,000	28,570	35,000
920,000	26,590	35,000	28,590	35,000
921,000	26,610	35,000	28,610	35,000
922,000	26,640	35,000	28,640	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
923,000	26,660	35,000	28,660	35,000
924,000	26,680	35,000	28,680	35,000
925,000	26,700	35,000	28,700	35,000
926,000	26,720	35,000	28,720	35,000
927,000	26,740	35,000	28,740	35,000
928,000	26,760	35,000	28,760	35,000
929,000	26,790	35,000	28,790	35,000
930,000	26,810	35,000	28,810	35,000
931,000	26,830	35,000	28,830	35,000
932,000	26,850	35,000	28,850	35,000
933,000	26,880	35,000	28,880	35,000
934,000	26,900	35,000	28,900	35,000
935,000	26,920	35,000	28,920	35,000
936,000	26,940	35,000	28,940	35,000
937,000	26,970	35,000	28,970	35,000
938,000	26,990	35,000	28,990	35,000
939,000	27,000	35,000	29,000	35,000
940,000	27,030	35,000	29,030	35,000
941,000	27,050	35,000	29,050	35,000
942,000	27,080	35,000	29,080	35,000
943,000	27,090	35,000	29,090	35,000
944,000	27,120	35,000	29,120	35,000
945,000	27,140	35,000	29,140	35,000
946,000	27,170	35,000	29,170	35,000
947,000	27,180	35,000	29,180	35,000
948,000	27,210	35,000	29,210	35,000
949,000	27,230	35,000	29,230	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
950,000	27,250	35,000	29,250	35,000
951,000	27,270	35,000	29,270	35,000
952,000	27,300	35,000	29,300	35,000
953,000	27,310	35,000	29,310	35,000
954,000	27,340	35,000	29,340	35,000
955,000	27,360	35,000	29,360	35,000
956,000	27,380	35,000	29,380	35,000
957,000	27,400	35,000	29,400	35,000
958,000	27,430	35,000	29,430	35,000
959,000	27,440	35,000	29,440	35,000
960,000	27,470	35,000	29,470	35,000
961,000	27,490	35,000	29,490	35,000
962,000	27,510	35,000	29,510	35,000
963,000	27,530	35,000	29,530	35,000
964,000	27,560	35,000	29,560	35,000
965,000	27,580	35,000	29,580	35,000
966,000	27,600	35,000	29,600	35,000
967,000	27,630	35,000	29,630	35,000
968,000	27,640	35,000	29,640	35,000
969,000	27,670	35,000	29,670	35,000
970,000	27,690	35,000	29,690	35,000
971,000	27,710	35,000	29,710	35,000
972,000	27,730	35,000	29,730	35,000
973,000	27,760	35,000	29,760	35,000
974,000	27,770	35,000	29,770	35,000
975,000	27,800	35,000	29,800	35,000
976,000	27,830	35,000	29,830	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
977,000	27,840	35,000	29,840	35,000
978,000	27,870	35,000	29,870	35,000
979,000	27,890	35,000	29,890	35,000
980,000	27,910	35,000	29,910	35,000
981,000	27,930	35,000	29,930	35,000
982,000	27,950	35,000	29,950	35,000
983,000	27,970	35,000	29,970	35,000
984,000	28,000	35,000	30,000	35,000
985,000	28,020	35,000	30,000	35,000
986,000	28,040	35,000	30,000	35,000
987,000	28,070	35,000	30,000	35,000
988,000	28,080	35,000	30,000	35,000
989,000	28,110	35,000	30,000	35,000
990,000	28,130	35,000	30,000	35,000
991,000	28,150	35,000	30,000	35,000
992,000	28,180	35,000	30,000	35,000
993,000	28,200	35,000	30,000	35,000
994,000	28,220	35,000	30,000	35,000
995,000	28,240	35,000	30,000	35,000
996,000	28,260	35,000	30,000	35,000
997,000	28,280	35,000	30,000	35,000
998,000	28,310	35,000	30,000	35,000
999,000	28,320	35,000	30,000	35,000
1,000,000	28,350	35,000	30,000	35,000
1,001,000	28,380	35,000	30,000	35,000
1,002,000	28,390	35,000	30,000	35,000
1,003,000	28,420	35,000	30,000	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
1,004,000	28,430	35,000	30,000	35,000
1,005,000	28,460	35,000	30,000	35,000
1,006,000	28,490	35,000	30,000	35,000
1,007,000	28,500	35,000	30,000	35,000
1,008,000	28,530	35,000	30,000	35,000
1,009,000	28,540	35,000	30,000	35,000
1,010,000	28,570	35,000	30,000	35,000
1,011,000	28,600	35,000	30,000	35,000
1,012,000	28,610	35,000	30,000	35,000
1,013,000	28,640	35,000	30,000	35,000
1,014,000	28,650	35,000	30,000	35,000
1,015,000	28,680	35,000	30,000	35,000
1,016,000	28,710	35,000	30,000	35,000
1,017,000	28,720	35,000	30,000	35,000
1,018,000	28,750	35,000	30,000	35,000
1,019,000	28,760	35,000	30,000	35,000
1,020,000	28,790	35,000	30,000	35,000
1,021,000	28,820	35,000	30,000	35,000
1,022,000	28,830	35,000	30,000	35,000
1,023,000	28,860	35,000	30,000	35,000
1,024,000	28,870	35,000	30,000	35,000
1,025,000	28,900	35,000	30,000	35,000
1,026,000	28,930	35,000	30,000	35,000
1,027,000	28,940	35,000	30,000	35,000
1,028,000	28,970	35,000	30,000	35,000
1,029,000	28,980	35,000	30,000	35,000
1,030,000	29,010	35,000	30,000	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
1,031,000	29,040	35,000	30,000	35,000
1,032,000	29,050	35,000	30,000	35,000
1,033,000	29,080	35,000	30,000	35,000
1,034,000	29,090	35,000	30,000	35,000
1,035,000	29,120	35,000	30,000	35,000
1,036,000	29,150	35,000	30,000	35,000
1,037,000	29,160	35,000	30,000	35,000
1,038,000	29,190	35,000	30,000	35,000
1,039,000	29,200	35,000	30,000	35,000
1,040,000	29,230	35,000	30,000	35,000
1,041,000	29,260	35,000	30,000	35,000
1,042,000	29,270	35,000	30,000	35,000
1,043,000	29,300	35,000	30,000	35,000
1,044,000	29,310	35,000	30,000	35,000
1,045,000	29,340	35,000	30,000	35,000
1,046,000	29,370	35,000	30,000	35,000
1,047,000	29,380	35,000	30,000	35,000
1,048,000	29,410	35,000	30,000	35,000
1,049,000	29,420	35,000	30,000	35,000
1,050,000	29,450	35,000	30,000	35,000
1,051,000	29,480	35,000	30,000	35,000
1,052,000	29,490	35,000	30,000	35,000
1,053,000	29,520	35,000	30,000	35,000
1,054,000	29,530	35,000	30,000	35,000
1,055,000	29,560	35,000	30,000	35,000
1,056,000	29,590	35,000	30,000	35,000
1,057,000	29,600	35,000	30,000	35,000

[1] See page 10-41 for Notes.

Issue and Participation Tables[1]

Annual Earned Income	Individual Paid Issue and Participation Tax-Free Monthly Indemnity	Individual Paid Participation with Group LTD	Business Owner Advantage Individual Paid Issue and Participation	Business Owner Advantage Individual Paid Participation with Group LTD
1,058,000	29,630	35,000	30,000	35,000
1,059,000	29,640	35,000	30,000	35,000
1,060,000	29,670	35,000	30,000	35,000
1,061,000	29,700	35,000	30,000	35,000
1,062,000	29,710	35,000	30,000	35,000
1,063,000	29,740	35,000	30,000	35,000
1,064,000	29,750	35,000	30,000	35,000
1,065,000	29,780	35,000	30,000	35,000
1,066,000	29,810	35,000	30,000	35,000
1,067,000	29,820	35,000	30,000	35,000
1,068,000	29,850	35,000	30,000	35,000
1,069,000	29,860	35,000	30,000	35,000
1,070,000	29,890	35,000	30,000	35,000
1,071,000	29,920	35,000	30,000	35,000
1,072,000	29,930	35,000	30,000	35,000
1,073,000	29,960	35,000	30,000	35,000
1,074,000	29,970	35,000	30,000	35,000
1,075,000	30,000	35,000	30,000	35,000

[1] See page 10-41 for Notes.

- Always observe maximum issue and participation limits for the appropriate occupation class.
- Refer to the Program Section for New Professionals, Business Owner Advantage Program, Government Employees (federal state, municipal, county and town), Retirement Protection Plus, and Group Conversion, for special issue limits.
- Social Insurance Substitute Rider; Future Increase Option Rider amounts; and the Berkshire applied for coverage amount are included in the maximum issue limit.

Notes: Several factors are considered in determining the amount of disability coverage available to an applicant and considered by the Company in using the Issue and Participation tables. These factors include, but are not limited to: 1) earned income; 2) employment status (business owner or employee); 3) disability insurance in force at the time of application with Berkshire, Guardian and all other insurers; 4) disability insurance or coverage provided by the employer, 5) disability insurance benefits available to the applicant within 12 months of the policy date; and 6) the tax treatment of all inforce disability insurance. Disability coverage for which an insured is eligible to obtain, but which is not in force pursuant to Berkshire and Guardian policies containing the following riders will count as in-force coverage in determining overall participation limits: Automatic Increase Rider, Automatic Benefit Enhancement Rider, Future Increase Option Rider (FIO); and Future Purchase Option Rider (FPO). “Earned Income” for purposes of this paragraph has the same meaning as it has in the insured’s application for coverage, or in the insured’s application to exercise a Future Purchase Option or Future Increase Option, respectively.

All of the above factors are also considered in the underwriting of an application to exercise an FIO, FPO, and Benefit Purchase Rider (BPR), as they relate to an insured at the time the insured applies for additional coverage through an FIO, FPO, or BPR. These factors may be different than at the time the insured applies for additional coverage through an FIO, FPO, or BPR, in comparison with the same factors as they existed at the time the insured applied for the policy to which the FIO, FPO, or BPR is attached.

For FIO or FPO exercises while an insured is disabled, the amount of the insured’s Participation reflected in the Issue and Participation tables will include all disability insurance in force with all insurers (including but not limited to Berkshire or Guardian), as well as disability insurance or benefits provided by any employer, regardless of whether any claim pursuant to such insurance is payable. As per the Issue and Participation Table, the amount of coverage available to an insured through the exercise of an FIO or FPO may be reduced by virtue of the insured’s disability coverage in force with Berkshire, Guardian, any other insurer or insurers, the disability coverage provided by the insured's employer, and the tax treatment afforded all such coverage. The amount of coverage available to an insured at the time of exercising an FIO or FPO may also be impacted by virtue of changes to the Issue and Participation Tables made after the issuance of the policy from which the option is being exercised.

Calculating the maximum issue limit

The maximum issue limit can be calculated using the illustration system or you can calculate the amount yourself using the tables. Here are some examples of such calculations:

Example 1: Sample Calculation Individual-Paid Scenario, No In-force Coverage

The Facts: Individual-paid coverage — The prospect is a 42-year-old attorney with an annual income of $220,000 and a MA resident. The prospect has no other coverage currently in force. What is the maximum monthly benefit for which the prospect qualifies?

Step	Process	Purpose	Result	Where do I find this?
1	Determine who will be paying for this new coverage	Determines which column in the Issue and Participation table to use	Individual	See Facts Above
2	Determine whether there is Employer Paid Group LTD in-force	Determines which column in the Issue and Participation table to use	No	See Facts Above
3	Determine client's income	To be used in Step 4	$220,000	See Facts Above
4	Find client's income in the Issue and Participation table	Determines the amount client is eligible to purchase based on current income	$10,420	Individual Pay Issue and Participation Tax-Free Monthly Benefit column
5	Determine occupation classification	To be used in Step 6	6	Occupation Classification Guide
6	Determine maximum issue limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$30,000	Provider Choice Section 4, Maximum Issue and Participation Limits
7	Use the lesser of the amount from Step 4 or Step 6	Determines the amount client is eligible to purchase (based on current income and occupation classification)	$10,420	
8	Determine prospect's age	Verify prospect is between the issue ages of 18-50 for FIO eligibility	Yes	See Facts Above
9	Subtract Step 7 from Step 6	Ensure maximum issue limit has not been exceeded (FIO rule 2x base, 3x for residents)	**FIO Limit** $30,000 -$10,420 $19,580*	

Conclusion: The issue limit for this scenario is $10,420 base coverage and maximum FIO rider is $19,580. 2x base ($20,840) plus base ($10,420) exceeds issue limit. Max FIO ($19,580) is used instead.

*Keep in mind when requesting FIO, the prospect must have the potential to earn the salary listed to financially qualify.

Example 2: Sample Calculation Individual-Paid Scenario, Has Guardian Coverage In Force

The Facts: Individual-paid coverage—The prospect is a 35-year-old auditor, in NV who has an annual income of $37,500 plus a guaranteed bonus of $2,500. Currently, the prospect has individual-paid, in-force Guardian coverage of $1,400 (no optional riders). What is the maximum monthly benefit for which the prospect qualifies?

Step	Process	Purpose	Result	Where do I find this?
1	Determine who will be paying for this new coverage	Determines which column in the Issue and Participation table to use	Individual	See Facts Above
2	Determine whether there is Employer Paid Group LTD in-force	Determines which column in the Issue and Participation table to use	No	See Facts Above
3	Determine client's income	To be used in Step 4	$40,000 (annual income plus guaranteed bonus)	See Facts Above
4	Find client's income in the Issue and Participation table	Determines the amount client is eligible to purchase based on current income	$2,300	Individual Pay Issue and Participation Tax-Free Monthly Benefit column
5	Determine occupation classification	To be used in Step 6	5	Occupation Classification Guide
6	Determine maximum issue limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$30,000	Provider Choice Section 4, Maximum Issue and Participation Limits
7	Subtract in-force coverage from participation amount	Determines the amount client is eligible to purchase based on the current income and occupation classification	$2,300 -$1,400 $900	
8	Verify Minimum Issue Policy Size	To confirm $900 is not under issue limit	The minimum issue limit is $500*	
9	Determine prospect's age	Verify prospect is between the issue ages of 18 - 50 for FIO eligibility	Yes	See Facts Above
10	Determine the FIO amount based on the total applied and in force	FIO Rule: 2x Base, 3x for Residents/Students	$2,300 x 2 $4,600	FIO Rule
11	Subtract total in Steps 4 & 10 from Step 6	Ensure maximum issue limit has not been exceeded	**FIO Limit** $30,000 -$2,300 -$4,600 $23,100	Provider Choice Section 4, Maximum Issue and Participation Limits

Conclusion: The issue limit for this scenario is $900 base coverage and maximum FIO rider is $4,600. The maximum base plus FIO rider is less than maximum issue and participation limits.

*Monthly benefit amounts under $1,000 require a $75 policy fee.

Note: FIO 2x/3x rule is based on total GLIC coverage (less any existing FIO rider amounts).

Employer-paid limits

To help compensate for the reduction in benefits due to taxes, increased limits are available in an employer-paid program.

To use the Employer-Paid limits follow these ground rules:

- These limits are intended for all non-owner employees of any business entity, and for employee/owners of C-Corporations. Sole Proprietors, partners of partnerships, and principals of S-Corporations, Limited Liability Companies, and Limited Liability Partnerships are not eligible for employer-paid limits
- For these limits to apply, the employer must pay the premiums for all disability income coverage (existing and applied-for with all companies) in such a way that the premiums are not taxable to employees.
- The additional coverage available through an employer-paid plan must fall within the maximum issue and participation limits for the class being insured.
- These limits must always be used when the business has a qualified sick pay plan and is deducting the premium, or is a plan funded in accordance with Cafeteria (Section 125) Plans.
- The application question that asks for the portion of premium paid by the employer must be completed. The employer-pay credit will not increase the maximum issue and participation limit, benefit period, or occupation class.

Employer-Paid Limits apply when an employer pays the premiums for all disability income coverage (existing and applied-for with all companies). On occasion, we encounter "split dollar" or "co-pay" situations where some of the coverage is employer-paid and some is employee-paid. In these instances, proportionate weight will be given to the amount that is taxable vs. non-taxable.

Please see the Employer Paid Issue and Participation Limit Table for the Employer-Paid limits.

See Example on next page

Example 1: Sample Calculation Employer-Paid Scenario, No In-force Coverage

The Facts: Employer-paid coverage – The prospect is a 28-year-old manager in NY with an annual income of $130,000. The prospect has no other coverage currently in force. What is the maximum monthly benefit for which the prospect qualifies?

Step	Process	Purpose	Result	Where do I find this?
1	Determine who will be paying for this new coverage	Determines which column in the Issue and Participation table to use	Employer	See Facts Above
2	Determine whether there is taxable Employer-Paid Group LTD in-force	Determines which column in the Issue and Participation table to use	No	See Facts Above
3	Determine client's income	To be used in Step 4	$130,000	See Facts Above
4	Find client's income in the Issue and Participation table	Determines the amount client is eligible to purchase based on current income	$8,290	See the Employer Paid Issue and Participation Limit Table
5	Determine occupation classification	To be used in Step 6	3	Occupation Classification Guide
6	Determine maximum issue limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$15,000	Provider Choice Section 4, Maximum Issue and Participation Limits
7	Use the lesser of the amount from Step 4 or Step 6	Determines the amount client is eligible to purchase based on current income and occupation classification	$8,290	
8	Determine prospect's age	Verify prospect is between the issue ages of 18 - 50 for FIO eligibility	Yes	See Facts Above
9	Subtract Step 7 from Step 6	Ensure maximum issue has not been exceeded	**FIO Limit** $15,000 -$8,290 $6,710	

Conclusion: The issue limit for this scenario is $8,290 base coverage and maximum FIO rider is $6,710.
2x base ($16,580) plus base ($8,270) exceeds issue limit. Max FIO ($6,710) is used instead.

Participation with other companies' individual coverage

For other occupation classes and issue ages, refer to the Maximum Issue and Participation Limit Tables in Section 4.

PayGuard and Association coverage are treated as individual coverage for subtraction from issue and participation limits.

The participation amount is determined using the monthly benefit limit amount on the Issue and Participation charts.

See Example on next page.

Example 1: Sample Calculation Individual-Paid Scenario, Has Other Coverage In-force

The Facts: Individual-paid coverage—The prospect is a 40-year-old attorney, in MA, who has an annual income of $800,000. Currently, the prospect has individual-paid, in-force coverage of $8,000 with another carrier. What is the maximum monthly benefit for which the prospect qualifies?

Step	Process	Purpose	Result	Where do I find this?
1	Determine who will be paying for this new coverage	Determines which column in the Issue and Participation table to use	Individual	See Facts Above
2	Determine whether there is Employer-Paid Group LTD in force	Determines which column in the Issue and Participation table to use	No	See Facts Above
3	Determine client's income	To be used in Step 4	$800,000	See Facts Above
4	Find client's income in the Issue and Participation table	Determines the amount client is eligible to purchase based on current income	$24,150	Individual Pay Issue and Participation Tax-Free Monthly Benefit column
5	Determine occupation classification	To be used in Step 6	6	Occupation Classification Guide
6	Determine maximum participation limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$30,000	Provider Choice Section 4, Maximum Issue and Participation Limits
7	Subtract in-force coverage from participation amount	Determines the amount client is eligible to purchase based on the current income and occupation classification	$24,150 -$8,000 $16,150	
8	Use the lesser of the amount from Step 6 or Step 7	Determines the amount client is eligible to purchase based on the current income and occupation classification	$16,150	
9	Determine prospect's age	Verify prospect is between the issue ages of 18 - 50 for FIO eligibility	Yes	See Facts Above
10	Determine maximum issue limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$30,000	Provider Choice Section 4, Maximum Issue and Participation Limits
11	Determine the FIO amount based on the total applied and in force	FIO Rule: 2x Base, 3x for Residents/Students	$16,150 x 2 $32,300	FIO Rule
12	Subtract Step 4 from Step 6	Ensure maximum issue and participation limits have not been exceeded	**FIO Limit** $30,000 -$24,150 $5,850	
13	Subtract Step 7 from Step 10	Ensure maximum issue limit has not been exceeded	**FIO Limit** $30,000 -$16,150 $13,850	
14	Use lesser of Step 12 and 13	Determine FIO Issue Amount	$5,850	

Conclusion: The issue limit for this scenario is $16,150 base coverage and maximum FIO rider is $5,850.
2x base ($32,300) plus base ($16,150) exceeds issue limit. Max FIO ($5,850) is used instead.

Participation with Group LTD

Group long-term disability plans usually provide for integration of the benefits with disability income benefits payable to the insured from other individual disability income sources. For issue ages 18-60[29], if the applicant has in-force or applied-for group coverage, and occupation classes 6/6M thru 3/3M/3D are illustrated, the following will outline which Issue and Participation column to use in the given situation:

- When the applied-for individual coverage is being paid by the applicant, and the group coverage is employer-paid, discount the group by 30% and subtract the discounted group amount from the "Individual Pay Participation with Group LTD" column. Use the lower of this amount or the amount calculated without factoring in the group coverage, but based on the "Individual Pay Issue and Participation" column.
- When both the individual and group coverage are being paid by the applicant, subtract the non-discounted group amount from the "Individual Pay Participation with Group LTD" column. Use the lower of this amount or the amount calculated without factoring in the group coverage, but based on the "Individual Pay Issue and Participation" column.
- When the owner of an S-Corp, Partnership, Sole Proprietorship, Limited Liability Company[30] or Limited Liability Partnership[3] has Group LTD coverage, always subtract the non-discounted group amount from the "Individual Pay Participation with Group LTD" column. Use the lower of this amount or the amount calculated without factoring in the group coverage, but based on the "Individual Pay Issue and Participation" column.
- When all in-force and applied-for individual and Group LTD coverage are employer-paid and therefore fully taxable, subtract 100% of the group amount from the "Employer-Paid Participation with Taxable Group LTD" column in the Employer Paid Issue and Participation Limit Table. Use the lower of this amount or the amount calculated without factoring in the group coverage, but based on the "Employer Pay Participation" column.

[29] For individuals in occupation classes 2/2M & 1 and those over age 60 (regardless of occupation class) only the Individual Paid Issue and Participation column should be used; and, any in-force or applied-for Group LTD coverage will be considered as in-force individual coverage and will not be discounted.

[30] A Limited Liability Company or a Limited Liability Partnership may in rare instances file as a C-Corporation and thereby qualify to use the Employer-Paid column in the Employer Paid Issue and Participation Limit Table. In such a situation, contact the Underwriting Department for assistance.

Example 1: Individual Paid, Has Taxable Employer-Paid Group LTD In-force

The Facts: Individual-paid coverage – The prospect 35-year-old, neurologist, occupation class 4M in GA, has an annual W-2 income of $320,000 and a taxable employer-paid group LTD plan of $15,000 in force. What is the maximum monthly benefit for which the prospect qualifies?

Step	Process	Purpose	Result	Where do I find this?
1	Determine who is paying for the new coverage	Determines which column in the Issue and Participation table to use	Individual	See Facts Above
2	Determine whether Employer-Paid Group LTD is in force	Determines which column in the Issue and Participation table to use	Yes, $15,000 of monthly benefit	See Facts Above
3	Determine client's income	To be used in Step 4	$320,000	See Facts Above
4	Find client's income in the Issue and Participation table	Determines the amount client is eligible to purchase based on current income	$17,210	Individual Pay Participation with Group LTD column
5	Determine occupation classification	To be used in Step 6	4M	Occupation Classification Guide
6	Determine maximum participation limit for occupation class	Ensure occupation class maximum limits are not exceeded	$35,000	Provider Choice Section 4, Maximum Issue and Participation Limits
7	Discount existing group coverage by 30%*	To be used in Step 6	$15,000 x .70 $10,500	
8	Subtract Step 7 from Step 4	Determines how much the prospect may purchase	$17,210 -$10,500 $6,710	
9	Compare amount from Step 6 with the amount in the Individual Pay Issue and Participation Tax-Free Monthly Benefit column	Use whichever is less	$6,710	Issue and Participation Limit Table
10	Determine prospect's age	Verify prospect is between the issue ages of 18 – 50 for FIO eligibility	Yes	See Facts Above
11	Determine maximum issue limit for occupation	Ensure occupation class maximum limits are not exceeded	$30,000	Provider Choice Section 4, Maximum Issue and Participation Limits
12	Determine the FIO amount based on the total applied and in force	FIO Rule: 2x Base, 3x for Residents/Students	$6,710 x 2 $13,420	FIO Rule
13	Subtract Step 9 from Step 11	Ensure maximum issue and participation limits have not been exceeded	**FIO Limit** $30,000 -$6,710 $23,290	

Conclusion: The issue limit for this scenario is $6,710 base coverage and maximum FIO rider is $13,420. The maximum base plus FIO rider is less than maximum issue and participation limits.

* The 30% Group LTD discount is only available when individually paid for non-cancellable disability income is written in conjunction with existing or new taxable Group LTD. Discount the group amount by 30% and subtract the balance from the "Individual Pay Participation with Group LTD" column. For S-corporation owners, partners, sole proprietors or others with non-taxable group LTD, the non-discontinued group LTD amount should be subtracted from the "Individual Pay Participation with Group LTD" column.

See Example 2 on next page.

Example 2: Sample Calculation Employer-Paid Scenario, Has Employer-Paid Group LTD In-force

The Facts: Employer-paid coverage – The prospect is a 39-year-old publicity agent in SD with an annual income of $190,000 and an employer-paid group LTD of $6,400 in force. What is the maximum monthly benefit for which the prospect qualifies?

Step	Process	Purpose	Result	Where do I find this?
1	Determine who will be paying for this new coverage	Determines which column in the Issue and Participation table to use	Employer	See Facts Above
2	Determine whether there is Employer-Paid Group LTD in force	Determines which column in the Issue and Participation table to use	Yes, $6,400 of monthly benefit	See Facts Above
3	Determine client's income	To be used in Step 4	$190,000	See Facts Above
4	Find client's income in the Issue and Participation table	Determines the amount client is eligible to purchase based on current income	$13,200	See the Employer Paid Issue and Participation Limit Table
5	Determine occupation classification	To be used in Step 6	3	Occupation Classification Guide
6	Determine maximum issue limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$15,000	Provider Choice Section 4, Maximum Issue and Participation Limits
7	Determine maximum participation limit for occupation classification	Ensure occupation class maximum limits are not exceeded	$25,000	Provider Choice Section 4, Maximum Issue and Participation Limits
8	Subtract Step 2 from Step 4	Determines how much the prospect may purchase	$13,200 -$6,400 $6,800	
9	Use the lesser of the amount from Step 6 or Step 8	Determines the amount client is eligible to purchase based on the current income and occupation classification	$6,800	
10	Determine prospect's age	Verify prospect is between the issue ages of 18 - 50 for FIO eligibility	Yes	See Facts Above
11	Determine the FIO amount based on the total applied and in force	FIO Rule: 2x Base, 3x for Residents/Students	$6,800 x 2 $13,600	FIO Rule
12	Subtract Step 9 from Step 6	Ensure maximum issue and participation limits have not been exceeded	**FIO Limit** $15,000 -$6,800 $8,200	

Conclusion: The issue limit for this scenario is $6,800 base coverage and maximum FIO rider is $8,200.
2x base ($13,600) plus base ($6,800) exceeds the issue limit.

Section 11

Supplementary Information

Supplementary Information

This section will provide you with additional information regarding Berkshire products and procedures." For further detailed information, see Product Manual (Pub7493BL).

Age calculation

The method used to calculate the age of the applicant: Age last birthday—Current age as of last birthday

Example: Applicant's Date of Birth is 11/01/1980
Today's date is 05/10/2016
Applicant's age (actual) is 35

Saving age

To save age for an age last birthday product, the contract should be dated one day prior to the applicant's birthday. A policy can be back dated no more than 30 days prior to the date the application was signed. Request a policy date to save age in the Special Request section of the application. See the Policy dating section for further details.

Appointment and licensing requirements

For the company to accept and process an application for insurance, all producers involved with the solicitation and sale (and as listed on the Producers Certification) must be licensed in both the selected contract state and in the state where the application was solicited and signed, if different than the contract state. An application cannot be accepted or processed if any soliciting producer is not properly licensed.

Additionally, a policy cannot be issued if all producers (soliciting and commissionable) do not hold an active license and appointment in both the contract state and solicitation state. License and appointment verification is checked against the date the application was signed and the policy issue date.

Guardian also verifies license and appointment at the time the commission is scheduled to be paid.

Note: Approved state appointments are required prior to solicitation of an application in Pennsylvania. This means that the company will not be able to process applications solicited in Pennsylvania by a producer not yet appointed.

Conditional Receipt

If a payment is submitted with the application, a Conditional Receipt must be completed and signed by the applicant at the time of application solicitation. This receipt is subject to certain conditions and is, therefore, a Conditional Receipt. Those conditions should be covered in detail with the applicant. The Conditional Receipt does not create any temporary or interim insurance. In no event should this ever be referred to as a "binder" or "binding receipt."

The Conditional Receipt sets the date and conditions under which the insurance being applied for may go into effect. All of the conditions must be met or no insurance will become effective under the terms of the Conditional Receipt.

No receipt other than the regular Conditional Receipt should be given for any amount collected. The check and conditional receipt must be dated the same and on or after the date the application is signed.

A payment can be taken with an application when applying for a disability income, overhead expense, or disability buy-out policy. A payment cannot be taken in connection with an application for a PayGuard Plus, Guaranteed Standard Issue, Conversion policies, or inquiries.

Refer to the Conditional Receipt and the Conditional Receipt Guidelines (AA1707) for further details.

Contract state, required forms, and residence requirements

Applicants who are not citizens of the United States of America must intend to reside permanently in the United States, have a valid Social Security number and file a United States Federal Tax Return. A "green card" is considered evidence of permanent residency.

Canadian citizens will be considered, but they must have a tie to the United States through residency or place of business. The contract state will be the address of residence or business in the United States. The application must be signed in the United States, and the agent must be licensed in the contract state and the state in which the application is signed.

If the applicant is a Canadian citizen exercising an FIO but no longer lives or works in the United States, they will not be eligible to add any additional benefits (such as optional riders) during an FIO exercise and the FIO application must be taken in the same state that the original policy was issued.

The residence of the application generally determines the contract state unless the applicant has a connection with another state. That connection could be a residence, workplace, or a secondary residence (generally defined as the state where the applicant resides for at least four months a year). The application and other new business forms should be the state forms as determined by the contracting state.

For Future Increase Option/Future Purchase Option rider exercises see Selecting a Contract State (FIO/FPO). For Benefit Purchase rider exercises see Contract State on a BPR Exercise.

Delivery requirements

A delivery requirement is any requirement that is communicated at issue and must be received by New Business Services to place the policy in force and pay commissions. Such requirements may be an amendment(s), exclusion(s), a Declaration of Insurability or the initial premium. These requirements must be signed and dated and should never be altered. If an applicant responds positively to any question(s) that are part of the Declaration of Insurability, no policy should be delivered, no initial premium collected, and the company should be notified immediately.

Foreign nationals

We will consider applicants who are foreign nationals and hold one of the following valid visas: G1, H1B, J1, L1, O1, and TN. We will also consider students holding a valid F1 Visa (Student Visa) who indicate their intentions to reside permanently in the United States. All policies issued to foreign nationals (except Canadian Citizens in the U.S, on a temporary Visa) will include a travel exclusion.

Foreign travel

Applicants planning foreign travel may require the addition of a foreign travel exclusion rider, or in some situations, coverage may not be available. Consult the Underwriting Department regarding specific situations.

Inquiry applications

An Underwriting Inquiry form is used when an applicant has significant medical history and insurability is in question. The Underwriting Inquiry form enables the company to obtain medical records and determine on what basis (if any) an offer can be made. Inquiry applications can also be submitted in order for underwriting to provide a preliminary financial evaluation when the applicant has a complex or unusual financial situation.

The applicant must sign the form.

- The Underwriting Inquiry[31] should be as complete as possible. This includes listing what other companies have done including rating, exclusions or modifications, if applicable. Providing this information will greatly help the underwriter reach a decision.
- When multiple physicians are involved, the producer should always find out which doctor has the complete records concerning the impairment. It may be the primary care physician or the specialist.
- When the producer can tell the underwriter which doctor holds the complete set of records, the time-consuming process of contacting multiple physicians can be avoided.
- A Conditional Receipt and prepayment cannot be taken with an inquiry application.

Note: An Inquiry Application is designed to provide you with a preliminary and non-binding assessment regarding the medical history as noted on the Inquiry Application. To apply for an insurance policy, the full Application for Disability Insurance needs to be completed. At the time of actual underwriting, evidence of overall insurability and any interim health changes will be considered.

Policy dating

Non-Conditionally receipted policies will automatically be postdated 15 days from the date the policy is approved unless:

- A request is made on Part 1 ("Remarks and Special Requests" section) of the application to backdate to save the age of the applicant. The age of the applicant can be saved by dating between the date of the Part I application and the date of issue. The back dating may be no more than 30 days prior to date the application is signed; or
- There is a request on the application to date the policy ahead to a specific date not over 60 days from the date of the application (the policy will be issued no more than 15 days prior to the date requested and a Declaration of Insurability will be required upon delivery of the policy).

Policies with a pre-payment and a valid Conditional Receipt will be dated according to the terms of the Conditional Receipt. Except as provided in the Conditional Receipt, coverage does not take effect unless and until the policy is delivered and the first premium is paid, absent any change in the applicant's insurability (health, income level, status of employment and/or occupation as stated in the application).

Policy delivery

Part I of the application provides "Except as provided in the Conditional Receipt (if an advance payment has been made and acknowledged and such Receipt issued), no insurance shall take effect unless and until the policy is delivered, the first premium is paid, and there has been no change in the health, the income level, status of employment or occupation of the proposed insured."

It is exceedingly important that this provision be strictly adhered to when delivering a policy which is not prepaid, even when the policy may have been applied for and delivered to an owner other than the applicant. If there has been any change in the health or status of the applicant between the date of application and the date of policy delivery, the company should be notified immediately and no policy should be delivered nor initial premium collected.

[31] This form is available at GuardianOnline or from your agency's Disability Income Specialist.

Refund of Initial premiums

Incomplete Policies

Policy is not issued due to incomplete underwriting information: the initial premium is refunded to the applicant.

Not Taken Policies

Policy is issued but the conditions for policy delivery are not met: the initial premium is refunded to the applicant.

Declined Policies

The underwriter contacts the agency at the time of the decline. Any initial premium is refunded to the applicant after waiting five days to provide the agent time to contact the applicant.

Issued policy goes in force with an overpayment

If the initial premium exceeds the amount of premium needed to place the policy in force, the overpayment of premium will be refunded to the client except when the overpayment is sufficient to pay the next modal premium; provided the policy is not paid more than one year in advance. For example: If the initial premium submitted is $150.00 and the premium needed to pay the monthly mode is $75.00, the next monthly payment will automatically be applied, crediting the policy for the following month. If the initial premium submitted was $100.00 and the premium needed to pay the monthly mode is $75.00, a refund of $25.00 will be sent to the applicant.

Reissues

Reissue requests can be submitted up to six months after the policy is issued or three months after the policy goes in force. Thereafter, an in-force policy change request must be submitted. Policies not eligible for an in-force change must be handled as a replacement.

Replacements

When Berkshire issues a contract with the understanding that the existing DI coverage with another company will be terminated or reduced, the new contract will be issued with a health replacement exclusion requiring the policyowner's signature. The exclusion language specifies that the amount of insurance issued will be limited by the amount of in-force monthly benefit that the Berkshire coverage is replacing. It further specifies that it is understood that the in-force coverage will be terminated or reduced as a result of the issuance of the Berkshire contract.

Berkshire is required by law to notify the other insurer in Florida. However, in Florida and all other states, it is the applicant's responsibility to terminate the existing coverage. Some states also require additional replacement forms be completed at time of application and included at submission to begin processing. Refer to GuardianOnline for a current and complete listing of forms by state.

Note: It may not be in the best interests of the policyholder to replace existing disability insurance coverage.

In-force changes

For guidelines on allowable changes to in-force policies see Guidelines to Make Changes to In-force Disability Insurance Policies.

Sports hazards

Some types of sports involve hazards which exceed the hazards normally expected in recreation or a hobby and may require an exclusion rider.

It is important to include information regarding the extent of participation in these activities with the application. Questionnaires for the more common sports hazards are on GuardianOnline.

Note: We will not accept most applicants who are professional or semi-professional athletes.

Section 12

Multi-Life Guarantee Standard Issue (GSI)

Supplemental Income Protection Program

Multi-Life Guarantee Standard Issue (GSI) – Supplemental Income Protection Program

For Use with Employer-Sponsored Multi-Life GSI Cases

This section covers Multi-Life GSI philosophy when utilizing Provider Choice (policy form 18GI). It provides general guidance on practices and is intended to help the producer underwrite cases.

Determining a company's Multi-Life Disability business profile

When complete information about the employer and employees is received in the Multi-Life Team, the underwriters will review the request and determine if an offer is available.

- What is the nature of the business?
- What is the business entity (i.e. LLC, LLP, C Corporation, S Corporation)
- Nature of the eligible employee population (i.e. Executives, Partners, Lawyers)
- Existing Coverage information (i.e. Group Long Term Disability, current in-force Individual Disability Insurance or Guarantee Standard Issue program)

Additional information that will be helpful to underwrite a case includes:

- Length of time the business has been in existence
- Financial stability of the business
- Mergers and Acquisitions
- Are voluntary benefits offered, and if so, what is the participation
- Enrollment timing – First enrollment best if off cycle from other benefits
- Producer's level of Multi-Life experience
- Producer's relationship with the company and experience rolling out other products with the company

Favorable industries

- Corporate Executives, Middle Management, Technical Management
- Accounting Firms
- Business Services
- "Creative" Firms (Advertising Agencies/Graphic Design)
- Engineers/Architects
- Law Firms
- Scientific Firms
- White collar populations with bonus compensation not covered by LTD

Preferred risk factors

- Professional white-collar service industries. (Construction, manufacturing and other blue/gray collar employees are not a desirable risk for this program.)
- Businesses that are at least two years old within a profitable and stable industry.
- A significant portion of the proposed eligible population's income is high relative to the Group Long Term Disability (LTD) cap.

Case level demographics

- Proposed eligible employees ("Eligibles") should consist of a clearly defined carve out. General wording of "Executives" or "Employees" will not suffice or provide clarity around the intended program for the employer or Guardian.
- Not more than 10% of the overall eligible population should be over age 64 (excluding 5-9 Life Program, see guidelines specific to 5-9 Life Program instead).

Plan designs

The income replacement percentage and covered compensation (referred to as "Insurable Income") for each case will vary based on the specific information presented by the Employer and the Employer's specific plan design. The selected replacement level and insurable income will be consistent among participants of the designated class within each case/plan.

There are a number of plan designs that package Individual and Group Disability coverage to provide an integrated concept. The plans outlined below provide an overview of how they work.

Percentage less LTD plan design

This is the most common of all plan designs. The plan design layers Individual Disability Insurance (IDI) on top of the LTD plan. The LTD coverage typically is employer paid (but can be employee paid), and the IDI coverage can be either employee or employer paid. It is not unusual for the IDI GSI offer to cover different compensation than the LTD. For example, the LTD typically covers base salary only, and the IDI GSI offer will consider insurable income of base plus variable compensation not covered under the LTD plan.

Distinguishing features:

- Supplements the LTD and provides additional coverage in excess of the LTD capped benefit maximum and/or replaces compensation such as bonus that is not replaced by the LTD.

Combo plan design

The combination plan provides a traditional replacement ratio (i.e., 60%) with both Group and Individual insurance. This is achieved by splitting the benefit percentage (and/or the maximum) between the two coverages (i.e., 40% to $10,000 with LTD and 20% to $5,000 with IDI).

Distinguishing features:

- Truly integrates with LTD coverage providing a consistent percentage of IDI replacement.
- Employer paid or 100% participation required.
- Requires increased coordination of provisions between LTD and IDI.
- LTD and IDI would need to cover the same source of income. (For example: the LTD covers base salary only; IDI would cover base salary only.)

Reverse combo plan design

The reverse combination plan combines Group and Individual with IDI covering the first portion of insurable income and LTD covering income in excess of the DI GSI offer. (Stated another way, the LTD benefit insures the income in excess of what the IDI benefit insures.) For example, IDI covering 60% of the first $100,000 of insurable income for a $5,000 GSI monthly benefit amount, plus LTD covering 60% of insurable income from $100,001 - $200,000 provides $5,000 benefit amount, totaling $10,000 total coverage.

Distinguishing features:

- LTD supplements IDI.
- Provides a specific percentage of IDI coverage based on a fixed amount replacing the first portion of income paid and supplemented by LTD.
- Employer Paid or 100% participation required.
- Requires increased coordination of provisions between LTD and IDI.
- LTD and IDI would need to cover the same source of income. (For example: if LTD covers base salary only, then IDI must cover base salary only.)
- LTD plan design should reflect covering 0% of the 1st $XXX,XXX.

Stand-alone plan design

This concept is highly discouraged; however, there will be situations when the company may be able to support a limited GSI amount with the maximum replacement ratio of 60% on an Employer Paid basis.

Distinguishing features:

- The employer does not provide LTD coverage.
- A specific percentage of IDI coverage can be provided.
- Limited GSI amount.
- Maximum replacement ratio of 60%.

Flat amount

Utilized to provide a single, identical amount of coverage to all Eligibles (e.g., $1,000 base benefit for all Eligibles). A variety of riders may be utilized for enrollment options on a Voluntary offering.

Product overview

Provider Choice (policy form 18GI) is issued by Berkshire Life Insurance Company of America for use with employer-sponsored GSI cases. This product is designed to provide the flexibility to customize benefit design for specific employer requirements. Benefits are offered for programs at the discretion of the Multi-Life Underwriter.

Provider Choice (18GI)	
State Availability	Available in all states
Definition of Disability	▪ Two-Year Modified Own Occupation (Any Occupation Thereafter) ▪ Modified Own Occupation ▪ Two-Year True Own Occupation (Modified Thereafter) ▪ True Own Occupation ▪ True Own Occupation with Enhanced Medical Specialty (All M Classes)
Non-cancellable Guaranteed Renewable to Age 65/67	Yes
Conditionally Renewable After Age 65/67	For life if not disabled and working full-time at least 10 months of the year.
Premium Structure	Level and Unisex State Variations: CA – 20% increase
Minimum Policy Size	$300/mo. Base
Policy Fees	$30
Non-Nicotine Use (Select Risk)	25% Discount if no use of any nicotine in any form in the last 12 months. As a case level exception, we may disregard cigar use less then twelve times per year.
Occupation Classes	6/6M, 5/5M, 4/4M, 3/3M
Benefit Period	2 / 5 / 10 Year, to Age 65 / 67 / 70
Mental and/or Substance Related Disorders (MSRD) Limitation	12 Month 24 Month No Limitation (Subject to Underwriter Approval) In CA, DE, FL, MT, NY, ND, SD, and WY the 12 Month Limitation is replaced with the 6 Month Limitation. All 12 month rules apply to the 6 month limitation.

Provider Choice (18GI) (continued)

Issue Ages	18 – 75			
All 18GI Policies	• Max Issue Age of 55 for 10 Year Benefit Period • Max Issue Age of 64 for to Age 65 Benefit Period • Ages 67 – 74 valid with 2 Year Benefit Period Only • Max Issue Age of 60 for 5 Year Benefit Period • Max Issue Age of 66 for to Age 67 / 70 Benefit Periods • Ages 75+ valid with 1 Year Benefit Period Only			
RPP Policies	Max Issue Age of 60 for Level			
Elimination Period (EP) / Accumulation Period (AP)	90 Day / 210 Days	180 Day / 360 Days	360 Day / 540 Days	720 Day / 900 Days
RPP Policies	180 and 360 EPs Only			
360 Day EP	• Not Available with 1 Year Benefit Period in NY. • Not Available with 2 Year Benefit Period in DE and NY.			
720 Day EP	• Not Available with 1/2 Year Benefit Period in NY. • Not Available with 2 / 5 Year Benefit Periods. • Not Available in CA and DE.			

Available Riders/Endorsements (Provider Choice 18GI)

Additional Monthly Benefit (AMB)	Allows additional coverage to be added onto the existing, inforce policy, which is also referred to as Automatic Increases.
Issue Ages	18 – 64
Minimal Issue	$50

Catastrophic Disability (CAT)

Basic Catastrophic/Severe Disability

Issue Ages	18 – 64 for 2 / 5 / 10 Year and to Age 65 18 – 66 for to Age 67 / 70
Benefit Periods	All
Elimination Periods	All

Enhanced Catastrophic

Issue Ages	18 – 64 for 2 / 5 / 10 Year and to Age 65 18 – 66 for to Age 67 / 70
Benefit Periods	All
Elimination Periods	All

Cost of Living Adjustment (COLA)

Four-Year Delayed

Issue Ages	18 – 60
Benefit Periods	10 Year, to Age 65 / 67 / 70
Elimination Periods	All

3% Compound

Issue Ages	18 – 62
Benefit Periods	All – Except 2 Year
Elimination Periods	All

6% Maximum

Issue Ages	18 – 62
Benefit Periods	All – Except 2 Year
Elimination Periods	All

Available Riders/Endorsements (Provider Choice 18GI) (continued)

Partial Disability

Basic Partial

Issue Ages	18 – 60 for to Age 65
	18 – 64 for to Age 67
Benefit Periods	All
Elimination Periods	All

Enhanced Partial

Issue Ages	18 – 64
Benefit Periods	All
Elimination Periods	All

Retirement Protection Plus (RPP)

Issue Ages	18 – 62 for Rider
	18 – 60 for Stand-Alone
Benefit Periods	to Age 65 Only
Elimination Periods	180 or 360 Day — Rider EP cannot be Less Than base Policy EP.

Short-Term Residual

Issue Ages	18 – 60
Benefit Periods	2 / 5 / 10 Year, to Age 65
Elimination Periods	All

Student Loan Protection (SLP) — Not Available in FL and NY

Issue Ages	Benefit Terms	Elimination Periods		
18 – 45	10 Year	90 or 180 Day	Minimum:	$250
18 – 40	10 / 15 Year	(Base EP cannot exceed rider EP)	Maximum:	$1,000 for Undergraduate Degree
				$2,000 for Advanced Degree
				$2,500 for MD or DO

Supplement Benefit Term — Only Available in FL and NY

Issue Ages	Benefit Terms	Elimination Periods		
18 – 45	10 Year	90 or 180 Day	Minimum:	$250
18 - 40	10 / 15 Year	(Base EP cannot exceed rider EP)	Maximum:	$2,000 for Insured

Unemployment Waiver of Premium (UWP) * — Not Available in NY

Issue Ages	18 – 55
Benefit Periods	All
Elimination Periods	All
Pre-Existing Conditional Limitations	Default: No Pre-X Others: 3/12, 6/12, 12/12

* Not available to self-employed business owners, shareholders, etc.

For more information on the availability of combinations of product features, see Product Manual (Pub7493BL).

Catastrophic Disability Benefit (CAT) rider

Issue limits are outside of normal individual disability income issue and participation limits. Coverage may be up to, but not more than, 100% of income from all sources, and the CAT rider cannot exceed 40% of insurable income.

Minimum: $100

Maximum: Up to $12,500 per month of Catastrophic Coverage from all sources.

Age calculation

The method used to calculate the age of the applicant is:

Age last birthday – Current age as of last birthday

Example: Applicant's Date of Birth is 11/1/1970

Today's date is 8/15/2017

Applicant's age (actual) is 47

Enhanced Portability Option (Increase option after policyowner leaves the employer)

This is a standard provision within the policy which enables the policyowner a one-time opportunity to purchase additional coverage under the GSI offer if he or she leaves the employer where the policy was purchased.

- It is to be applied for within 90 days of leaving the employer that sponsored the GSI program.
- This can be applied for using the applicable policy change form.
- The application for this feature will be underwritten to determine the total amount of allowable maximum benefit, if any, based on our underwriting rules then in use, or those in effect on the Effective Date of the policy, whichever are more favorable.
- Maximum benefit means the total amount of "unused" GSI on the date the policyowner left the former employer.
- We learn of the policyowner's departure through requests for a billing change or from the policyowner or producer directly.
- The policyowner does not have to provide evidence of medical insurability but must provide documentation of income and any/all other disability insurance with any other insurer that is in force, eligible for, or applied for, including Group LTD.
- Financial Requirements:
  - Employment Letter; or
  - Copy of contract; or
  - Payroll stub.
- Benefits issued under this provision have the same discount as the original coverage.
- Benefits issued under this provision will be added via an Additional Monthly Benefit rider instead of a new policy. However, policyowners exercising an Income ProVider (1200) Enhanced Portability Option will be issued a Provider Choice (18GI) policy for the increased amount and will apply using the Company's policy change form.
- Insureds who are self-employed are not eligible for this option, as they cannot provide accurate net income figures to financially underwrite and insure.

Occupational underwriting

Multi-Life occupation classing is SIC Code and income based to provide increased case level consistency for all participants with like titles, duties, and/or incomes. Determination of all classifications is the final decision of the Multi-Life Underwriter.

SIC Code and income-based occupation classing guidelines:

- Applies to Non-Medical Occupations only
- Subject to underwriting of company information and stability
- Job/Occupation Titles still required on Census

Part-time occupations

All applicants must be employed on a full-time basis year-round. Thirty hours per week is the accepted minimum standard for full-time employment.

Financial underwriting

Income means the compensation that the proposed Eligibles receive for work or personal services, after business expenses, but before any other deductions. Income may include salaries, wages, fees, commissions, bonuses, pension and profit-sharing contributions.

Our philosophy is that the plan design and corresponding GSI only be specific to the income received from the sponsoring Employer, as our plan designs do not take into consideration benefits received outside of that firm and usually would not be consistent among eligible employee participants.

Accurate income information is critical to the success of a case from making the offer to a smooth enrollment. The employer census with salary and additional income history, if applicable, should be submitted with the request for a GSI offer.

When insuring bonus or other earned variable income, we generally calculate insurable income based on the following:

- Two years of variable income submitted – consider average of the two figures
- One-year variable income submitted – consider 75% of that figure

When the underlying LTD covers 100% of variable income, we may also align accordingly. However, there may be times that due to the prospect, Underwriting decides our usual calculation above better manages the risk.

Determination of all insurable income is the final decision of the Multi-Life Underwriter.

Minimal insurable income

Below are general guidelines for minimal insurable incomes. Determination of the minimal insurable income is the final decision of the Multi-Life Underwriter.

- Employer Paid: $40,000 Annually
- Voluntary: $75,000 Annually

Although the general guidelines for minimal insurable income on a voluntary basis is $75,000, additional considerations at the case level may increase this threshold. An employer's LTD plan benefit maximum, percentage and covered earnings, will impact which employees are fully insured within the program and which others will have income that is not included or are limited to less than the intended income replacement. Supplemental Income Protection is intended to fill those gaps, bringing an employee population into better alignment of benefits.

$300 entry level policies

For Employer Paid cases, Eligibles at the LTD Cap but not yet financially generating the $300 minimal policy size, will be eligible for a $300 entry level policy to get the eligible employee into the plan.

Issue and participation for Multi-Life

Once income is determined, the next step is to determine the amount of coverage participants are eligible for. For Multi-Life GSI, this is done by applying the replacement ratio as shown in examples outlined in the following pages.

We will consider issuing a disability policy when the participant's total disability income coverage, both in-force and applied-for in all companies (including Berkshire Life and Guardian), does not exceed the limits given in the Issue and Participation table below, set at the case level.

Issue means the maximum amount of monthly benefit which we will consider issuing, including any individual disability already in-force with Berkshire Life and Guardian or other carriers.

Participation means the maximum amount of monthly benefit applied for, eligible for and in-force with all companies, including LTD.

Issue and Participation for Multi-Life

Occupation Classification	States	Maximum IDI Issue Limit	Maximum Participation with LTD
6, 6M, 5, 5M, 4, 4M, 3, 3M	All States	$20,000	$42,000

Calculating the Multi-Life issue amount – replacement ratios

For Multi-Life GSI, all benefit amounts are typically calculated using replacement ratios, most commonly 60%, 75%, or 80% of gross monthly eligible income. First one must determine the taxation of any LTD benefit and the Multi-Life GSI benefit being calculated.

Calculating the Multi-Life Issue Amount – Replacement Ratios

GLTD	Multi-Life GSI	Replacement Ratio	Additional Guidelines
Taxable	Taxable	Up to 80%	Supplemental Employer Paid cases greater than 5 Eligible lives
Taxable	Non-Taxable	Up to 75%	
Non-Taxable	Taxable	Up to 75%	
Non-Taxable	Non-Taxable	Up to 65%	All Supplemental Mandatory Plans For Supplemental Voluntary cases greater than 75 Eligibles. Favorable Considerations: ▪ Uncovered Variable Compensation ▪ Underlying LTD Tax Choice ▪ Experienced Multi-Life Producer Ineligible: Underlying Voluntary LTD
None	Taxable or Non-Taxable	Up to 60%	

Tax treatment of Multi-Life disability income policies

See Tax treatment of disability insurance products.

Employer Paid vs. Employee Paid terminology

For Multi-Life, Employer Paid vs Employee Paid is often not the best indicator of premium payer and/or taxability. Additionally, the terminology tends to be different from LTD terminology.

Employer Paid

- For Multi-Life, this indicates the plan will be Mandatory/100% Participation.
- These Multi-Life plans are often taxable, unless the following:
  - Owners of S-Corp, LLC, LLP and Partners
  - Premiums are “Bonused Back / Grossed Up” into employee’s taxable income

Employee Paid

- For Multi-Life, this indicates the plan will be Voluntary
- These Multi-Life plans are always non-taxable

LTD

- Non-Contributory means the employee does not contribute to the cost of their LTD coverage, resulting in taxable benefits
- Contributory means the employee does contribute to the cost of their LTD coverage, resulting in non-taxable benefits

Key questions in determining taxability

- Is the plan Mandatory/100% Participation (Employer Paid) or Voluntary (Employee Paid)?
- If Mandatory/100% Participation, will the benefits be Taxable or Non-Taxable?
- What is the taxability of the underlying LTD?

Business entity, taxability and replacement ratios

Business entity needs to be determined to evaluate how the LTD and IDI benefits may be paid. By determining the entity this may tell you the owners currently have Taxable or Non-Taxable LTD benefits and determine the plan design you'll be able to offer. Owners of S-Corp, LLC, LLP and Partners will have Non-Taxable LTD and IDI benefits.

Corporate names can include P.A., P.C., Inc., or L.T.D., and do not signify a business entity. We would need confirmation the business entity is either C-Corp or S-Corp.

There are different ways an employer could pay benefit to their employees regardless of the entity and you will want to verify if the LTD benefit is Taxable (non-contributory) or Non-Taxable (contributory).

Bonused back / gross up

In some cases, the employer will "bonus back" or "gross up" premiums resulting in a Non-Taxable benefit which could potentially limit the replacement percentage we are able to offer. The employer typically will include the premiums in the employee's W-2 wages at year-end, making this a non-taxable benefit at time of claim.

"Stacking"

"Stacking" is a term often used to describe two potential scenarios:

- Stacking a GSI offer on top of another carrier's active GSI program
- Stacking a GSI policy on top of another carrier's in force GSI policy, with an active GSI program no longer in force.

Stacking a GSI offer

Requests for stacking of GSI offers with another carrier's active GSI program should be declined. The unfavorable nature of such requests includes:

- Lack of coordination between IDI carriers. Either carrier's plan design and/or GSI can be increased easily, creating an over insurance scenario. The first IDI carrier is not likely going to check with the second IDI carrier who layered coverage on top to discuss the over insurance potential should they decide to increase their GSI cap.
- If first IDI carrier decides to discontinue their program, potential for second carrier to assume the "gap" in coverage left.
- With risk and administrative issues inherent in such layered IDI carrier plans, would be difficult to manage for even experienced Multi-Life producers.

Stacking GSI policies

Stacking GSI policies refers to issuing coverage under a GSI Offer to an employee/company that has instituted a GSI program with another carrier in the past that has since been discontinued. Risk considerations:

- Stacking results in an individual building a higher monthly benefit without providing evidence of insurability (full underwriting with exam, labs, etc.) than any single carrier would be willing to take on. This practice is also known as "loading up" on GSI benefit and increases risk issued by carriers.
- Additionally, people most interested in additional GSI coverage, especially if voluntary, may well indicate an increased risk of anti-selection.

Offsetting and programming

The Multi-Life GSI benefit should program around any IDI coverage already in-force or applied for so that the total coverage to be in-force would not exceed the plan design or Issue and Participation limits.

The Multi-Life GSI benefit should be offset dollar for dollar by any in-force individual coverage that was issued on a GSI basis as to not exceed the GSI Maximum offered.

LTD

Tax choice LTD plans

Tax Choice LTD Plans are becoming increasingly popular. Whenever the LTD Plan is Tax Choice, the GSI Offer Plan Design will assume all Eligibles have a Non-Taxable LTD benefit.

Core LTD plans with voluntary buy up

Some LTD Plans have an Employer Paid core benefit and the ability for employees to voluntarily purchase additional LTD benefits via an increased income replacement and/or benefit cap. In such cases, the GSI Offer Plan Design will assume all Eligibles participation in the Voluntary LTD Buy Up.

LTD experience

LTD experience will be required for cases with 1,000 or more eligible lives and for risk transfers.

Corporate situs

Corporate situs is the term used to indicate that the contract state for all employees is the state where the business maintains its headquarters. The same contract state leads to consistency in policy language and provisions for employers with employees located in multiple states as these can vary from state to state. The Corporate Situs state dictates the application and policy forms that clients will receive.

Applications solicited via internet, mail or phone

Producers may solicit applications via internet, mail or phone, subject to the following conditions:

- The producer must be licensed (and appointed if required) in both the producer's resident state and the state in which the application is solicited/signed.
- The contract state will be the Corporate Situs state (explained above) – the application and all relevant forms must reflect this contract state.
- The Agent Certification must be completed and signed by the producer prior to enrollment beginning.
- The producer may not accept money and may not issue a conditional receipt.

Appointment and licensing requirements

For the company to accept and process an application for insurance, all producers involved with the solicitation and sale (and as listed on the Producers Certification) must be licensed in both the selected contract state and in the state where the application was solicited and signed, if different than the contract state. An application cannot be accepted or processed if any soliciting producer is not properly licensed.

Additionally, a policy cannot be issued if all producers (soliciting and commissionable) do not hold an active license and appointment in both the contract state and solicitation state. License and appointment verification is checked against the date the application was signed and the policy issue date.

Guardian also verifies license and appointment at the time the commission is scheduled to be paid.

Note: Approved state appointments are required prior to solicitation of an application in Pennsylvania. This means that the company will not be able to process applications solicited in Pennsylvania by a producer not yet appointed.

Temporary coverage

Traditional Enrollments (online and paper)

- Berkshire will provide conditional, temporary coverage up to the GSI amount beginning at 12:01 A.M. on the day after the application date for employees who meet the eligibility requirements for this Offer.
- Temporary coverage will end 70 calendar days after the policy effective date, should premiums and/or policy delivery requirements not be received at Berkshire by then, or the date the policy premiums are received at Berkshire, whichever occurs earlier.
- The temporary coverage has the same terms as the policy applied for up to the GSI amount.
- If a policy is not issued, temporary coverage is not applicable and was never in force.

One Step Enrollments

- Berkshire will provide conditional, temporary coverage up to the GSI amount beginning on the date and time the policy is electronically signed and accepted for employees who meet the eligibility requirements for this Offer.
- Temporary coverage will end 70 calendar days after the policy effective date, should premiums and/or policy delivery requirements not be received at Berkshire by then, or the date the policy premiums are received at Berkshire, whichever occurs earlier.
- The temporary coverage has the same terms as the policy applied for up to the GSI amount.
- If a policy is not issued, temporary coverage is not applicable and was never in force.

Direct Coverage

- Berkshire will provide conditional, temporary coverage up to the GSI amount beginning on the date and time the policy is electronically generated.
- Temporary coverage will end at the earlier of the following:
  - 70 calendar days after the date and time it begins;
  - or the date the policy becomes effective.
- The temporary coverage has the same terms as the policy applied for up to the GSI amount.
- If a policy is not issued or accepted, temporary coverage is not applicable and was never in force.

Retirement Protection Plus (RPP) program

The RPP program provides disability insurance protection for retirement plan contributions. This program is to help protect both employee and employer contributions. At the time of total disability, benefits are paid into an irrevocable trust. The trustee invests the funds at the direction of the insured and distributes them to the insured at age 65. Coverage is available as a rider on the policy or as a stand-alone policy.

Retirement Protection Plus Program	
Issue Ages	18 – 62
Occupation Classes	6/6M, 5/5M, 4/4M, 3/3M
Definition of Disability	Modified Own Occupation Two-Year True Own Occupation (Modified Thereafter) – 18GI only
Elimination Periods	180 Days or 360 Days
Benefit Periods	Stand-Alone Policy: To Age 65 As a rider: To Age 65 or To Age 67
Riders Available[32]	▪ Four-Year Delayed – 18GI Only ▪ 3% Compound ▪ 6% Maximum
Eligible Retirement Plans	Money Purchase Plans, Profit Sharing Plans, Simplified Employee Pensions (SEPs), Employee Stock Ownership Plans (ESOPs), 401(k), 457 and 403(b) Plans, SARSEP Plans, IRAs and Roth IRAs, SIMPLE Plans, Keogh Plans
Discounts	All current discounts allowable for the appropriate base policy form apply to policies issued through the RPP program.

Retirement Protection Plus is not a pension plan, qualified retirement plan or qualified individual retirement account or a substitute for one.

Non-Qualified Deferred Compensation Agreements may be considered on a case-by-case basis. A copy of such agreement is required for consideration.

RPP program issue limits

Maximum issue limits under the Retirement Protection Plus program may change from year to year as the federal annual defined benefit contribution limits are adjusted.

- Minimum policy size: $500
- Minimal rider benefit: $250

RPP Program 2026 Issue Limits			
Issue Age	**Premium Payor**	**% of Contributions**	**Maximum Issue Limit**
18 – 49	Employee/Employer	100%	6,000
50 – 62	Employee/Employer	100%	$6,660

[32] Including a COLA rider can help ensure the RPP benefit increases with inflation during a period of total disability.

For Employer Paid/100% participation plans

- Up to 15% of annual earned income can be assumed with Employer's confirmation of Eligible Retirement Plan in effect and funded for at least one year. Not to exceed above stated Maximum Issue Limits.
- Up to 19% of annual earned income can be applied subject to actual contribution/match figures and proof of existence of a qualified plan. Required prior to enrollment. Not to exceed above stated Maximum Issue Limits.

For Voluntary plans

- Up to 15% of annual earned income can be applied subject to actual contribution/match figures and proof of existence of a qualified plan. Required prior to enrollment. Not to exceed above stated Maximum Issue Limits.
- Target Participation is 15%.
- Paper enrollment with 1/1 meetings recommended.

For applicants who are over insured by replacement ratio, RPP may not be available and will be considered on a case level basis.

Multi-life medical market program

While many physicians and personnel in the medical market practice within firms as small businesses, a growing number of professionals are working within a large group practice or health care organization that provides a steady salary and predictable work schedules. Unlike physicians in small firms whose incomes are closely integrated with changeable business P&Ls, irregular work hours, and stress, these W-2 physicians are intentionally seeking work/life balance in their careers and appreciate an income that is more conventional. Trends suggest that the next generation physician currently getting out of residency is more likely going to work in a hospital/healthcare system than join a private practice.

Multi-Life Medical Market Program Guidelines		
	Employer Paid Only	**Voluntary (Including Employer Paid with VGSI Buy Up Plan Designs)**
Eligibles	Physicians (MD & DO), who are full-time non-owner W-2 employees. Physician Assistants, OD's, NP's and CRNA's not to exceed 20% of the group. We will review all M occ class non-Physician titles to determine eligibility. We will consider Private Practice Groups when Physician ownership is 10% or less. • Excludes anesthesiology, emergency room, and OB/GYN private practices unless there are at least 20 lives (maximum of 50 lives).	Physicians (MD& DO), who are full-time non-owner W-2 employees. Physician Assistants, OD's, NP's and CRNA's not to exceed 20% of the group. We will review all M occ class non- Physician titles to determine eligibility.
Minimal Number of Eligibles Lives	At least 10 Eligible Lives (Financially Eligible)	At least 100 Eligibles (Financially Eligible)

Stand-Alone Retirement Protection Plus (RPP) can be considered as an alternative to declining to quote on all Employer Paid opportunities with at least 5 Eligibles.

Not available

- Dental Groups
- Group Conversions
- Part Time Employees (less than 30 hours per week)
- RNs, LPNs, Midwives or Technicians
- Students/Residents
- Therapists
- Chiropractors

Healthcare executive carve outs

"True" Executive Carve Outs would be considered C-Suite and other Non-Physician Executives (VPs Administration, etc.). These carve outs should exclude Physician Administration such as Department Heads, Medical Directors, Nursing Officers, etc.

True Executives can be classed out from the Physician population and considered with the same Discount as Executives in other Industries.

Voluntary program

Overview

The rate of participation achieved on a Voluntary GSI (VGSI) case has a significant impact on the performance of that case over time as well as our overall Multi-Life block profitability. Initial Participation required is 30%.

The level of VGSI supported is based on anticipated participation driven by predictive factors such as industry, occupation mix, average age, and income levels. Factors that go outside these parameters may directly impact the ability to meet participation and are factored into VGSI consideration.

When underwriting Voluntary opportunities, the following general guidelines should be considered:

- At least 75 Eligibles
- No "Entry Level Policies"

Minimum income

Defining an appropriate carve out population is a key factor in designing a successful VGSI program. Income level is a critical aspect of this determination as this plays a large role in affordability and the level of disposable income. Our target population for VGSI offers is those earning $75,000 and above. Depending upon the underlying Group LTD Plan, higher earnings for Eligibility may be required.

Requests to include those earning below $75,000 should consider percentage to overall population and/or any uncovered variable compensation to drive perceived need. Often, increasing the eligible population size by lowering the income threshold below $75,000 does not enhance the overall risk, rather it increases concerns over participation and may negatively affect the level of VGSI supported.

If participation is achieved among the higher income earners during the 1st enrollment, a 2nd enrollment may be extended to those in a lower income threshold.

Application Review

Multi-life GSI eligibility factors

- All applicants must be employed on a full-time basis year-round.
- Employees are eligible for coverage if they are working continuously full-time (minimum of thirty hours per week) for 90 days prior to the application date. (90 Day Active at Work Requirement.) The intent of our 90 Day Active at Work requirement is to identify risk associated with those who could not perform their duties due to injury/sickness vs. a waiting period for newly eligible employees.
- Eligibles must not be currently disabled and/or collecting disability benefits from any source.
- Employees must be citizens of the United States or hold a permanent U.S. resident visa and must work and reside in the United States.

Expatriates ("Expats")

On a case-by-case basis we will support U.S. Citizens going on temporary assignment overseas (e.g. Expats). Direction should be established at the case level for consistency among the eligible population. Considerations should include:

- Premium payor
- Overall risk profile
- Number of Expats comprising the risk
- Applications required to be signed in the U.S. Using e-enrollment to give the appearance of being signed in the U.S. is not supported.
- Expats unable to sign the application in the U.S. will be treated as newly eligible employees once they return to the U.S.

Previous Guardian/Berkshire declines

As stated in our Offer Letters, we reserve the right to decline GSI coverage to any employee who has been previously declined for disability insurance by The Guardian Life Insurance Company of America (Guardian) or Berkshire Life Insurance Company of America (Berkshire Life). This includes Group LTD.

Reissues

Reissue requests can be submitted up to six months after the policy is issued. Thereafter, an in-force policy change request must be submitted through Guardian Contact Center at 1-888-GUARDIAN.

Policy delivery requirements

A delivery requirement is any requirement, including amendments, that is communicated at issue and must be received by the Multi-Life Team to place the policy in force and pay commissions.

Renewals and re-enrollments

Offer Renewals

All GSI offers are subject to underwriting review on an annual basis aligned with the enrollment time-period in order to continue to submit applications under the program.

During the annual review, Underwriting will proactively review the Maximum GSI amount to determine if enhancements in the offer can be made based on current guidelines.

Re-enrollment

On an annual basis, we may implement a formal re-enrollment to include:

- newly eligible employees,
- employees who may have previously declined the enrollment, and
- employees who qualify for a coverage increase based upon their original purchase amount and/or income increases.

Generally, employees who may have previously declined to participate in annual enrollment may be solicited up to a maximum of 3 times, subject to a 12/12 Pre-Existing Conditions Limitation.

Unless the employee (policyowner) declines the automatic increase for coverage, the company will automatically institute the increase. To be considered for an automatic increase in coverage, a Census must be supplied by the Employer to identify individuals who are actively at work.

Individual disability income products underwritten and issued by Berkshire Life Insurance Company of America (BLICOA), Pittsfield, MA. BLICOA is a wholly owned stock subsidiary of and administrator for The Guardian Life Insurance Company of America (Guardian), New York, NY. Product provisions and availability may vary by state.

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