GROUP BOOKLET-CERTIFICATE FOR MEMBERS OF

UNIVERSITY OF IOWA

ALL MEMBERS
Group Long Term Disability Insurance
Your Group Long Term Disability Insurance has been designed to provide financial help for you when a covered loss occurs. This plan has chosen benefits provided by a Group Policy issued by Us, Principal Life Insurance Company. To the extent that benefits are provided by the Group Policy, the administration and payment of claims will be done by Us as an insurer.

Members rights and benefits are determined by the provisions of the Group Policy. This booklet briefly describes those rights and benefits. It outlines what you must do to be insured. It explains how to file claims. It is your certificate while you are insured.

The effective date of your insurance is as shown on your enrollment form.

THIS BOOKLET REPLACES ANY PRIOR BOOKLET THAT YOU MAY HAVE RECEIVED. If you have any questions about this new booklet, please contact your employer. In the event of future plan changes, you will be provided with a new booklet-certificate or a booklet-certificate rider.

If you have an electronic booklet, paper copies of this booklet-certificate are also available. Please contact your employer if you would like to request a paper copy.

PLEASE READ YOUR BOOKLET CAREFULLY. We suggest that you start with a review of the terms listed in the DEFINITIONS Section (at the back of the booklet). The meanings of these terms will help you understand the insurance.

The group insurance policy and your coverage under the Group Policy may be discontinued or altered by the Policyholder or Us at any time without your consent.

In administering the benefits provided under the Group Policy, all Predisability Earnings and Current Earnings will be expressed in U.S. dollars and all premium and benefit amounts must be paid in U.S. dollars.

We reserve discretion to construe or interpret the provisions of the Group Policy, to determine eligibility for benefits, and to determine the type and extent of benefits, if any, to be provided. Our decisions in such matters will be controlling, binding, and final as between Us and persons covered by this group insurance, subject to the Claim Procedures shown on page GH 823 of this booklet.

The insurance provided in this booklet is subject to the laws of the state of IOWA.

PRINCIPAL LIFE
INSURANCE COMPANY
Des Moines, IA  50392-0002
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DEFINITIONS
# LONG TERM DISABILITY INSURANCE SUMMARY

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<td>You are not required to pay a part of the premium for insurance under the Group Policy.</td>
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<td>The later of:</td>
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<td>70-71</td>
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<td>72 and over</td>
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<td>24 months</td>
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<td>18 months</td>
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<td>15 months</td>
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<td>Included</td>
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</tbody>
</table>
NOTE:

No premiums are required during a Long Term Disability Benefit Payment Period.

Benefits may be reduced by other sources of income and disability earnings.

Some disabilities may not be covered or may be limited under this insurance.

This summary provides only highlights of the Group Policy. The entire Group Policy determines all rights, benefits, exclusions and limitations of the insurance described above.
Eligibility

You will be eligible for insurance on the first of the Insurance Month that next follows the date you complete Active Work and hold a regular appointment of 50% time or more.

However, any person who becomes a Member by transferring from another state agency or state university to this policy, shall be given credit for prior time employed at the other such agency or university for the purpose of determining eligibility.

Individual Incontestability

All statements made by any person insured will be representations and not warranties. In the absence of fraud, these statements may not be used to contest the insured person's coverage unless:

a. the insurance has been in force for less than two years during the insured person's lifetime; and

b. the statement is in Written form Signed by the insured person; and

c. a copy of the form which contains the statement is given to the insured person or the insured person's beneficiary at the time insurance is contested.

However, the above will not preclude the assertion at any time of defenses based upon the person's not being eligible for insurance under the Group Policy or upon other provisions of the Group Policy.

In addition, if a person's age is misstated, We may, at any time, adjust premiums and benefits to reflect the correct age.

We may, at any time, terminate a Member's eligibility under the Group Policy in Writing and with 31 day notice:

a. if the individual submits any claim that contains false or fraudulent elements under state or federal law;

b. upon finding in a civil or criminal case that a Member has submitted claims that contain false or fraudulent elements under state or federal law;

c. when a Member has submitted a claim which, in good faith judgment and investigation, a Member knew or should have known, contains false or fraudulent elements under state or federal law.
HOW TO BE INSURED
LONG TERM DISABILITY INSURANCE

Effective Dates

Actively at Work

Your effective date for Long Term Disability Insurance will be as explained in this booklet, if you are Actively at Work on that date. If you are not Actively at Work on the date insurance would otherwise be effective, such insurance will not be in force until the day of return to Active Work.

Effective Date for Noncontributory Insurance

Insurance for which you contribute no part of premium will be in force on the date you are eligible.

Effective Date for Benefit Changes Due to a Change in Status

a. For Faculty, Professional, Scientific, and Supervisory Exempt Staff Members; A change in your Benefit Payable amount because of a change in your status (Monthly Budgeted Salary or benefit option) will be effective on the January 1 of the next calendar year.

b. For Merit Staff and House Staff Members; A change in your Benefit Payable because of a change in your status (Monthly Budgeted Salary) will be effective on the first of the Insurance Month that next follows the date of the change in status.

However, if you are not Actively at Work on the date a Benefit Payable change would otherwise be effective, the Benefit Payable change will not be in force until the date you return to Active Work.

Effective Date for Benefit Changes - Change by Policy Amendment

A change in amount of your Benefit Payable because of a change in the Benefit Payable by amendment to the Group Policy will be effective on the date of change. However, if you are not Actively at Work on the date a Benefit Payable change would otherwise be effective, the Benefit Payable change will not be in force until the date you return to Active Work.
Termination of Insurance

Your insurance will terminate on the earliest of:

a. the date the Group Policy is terminated; or

b. the end of the Insurance Month for which the last premium is paid for your insurance; or

c. the end of the Insurance Month in which you cease to be a Member as defined; or

d. the end of the Insurance Month in which you cease to be in a class for which Member Insurance is provided; or

e. the end of the Insurance Month in which you cease Active Work except as provided below.

Termination of insurance for any reason described above will not affect your rights to benefits, if any, for a Disability that begins while your insurance is in force under the Group Policy. You are considered to be continuously Disabled if you are Disabled from one condition and, while still Disabled from that condition, incur another condition that causes Disability.

Continuation

You may qualify to have your insurance continued under one or more of the continuation provisions below. If you qualify for continuation under more than one provision, the longest period of continuation will be applied, and all periods of continuation will run concurrently.

Continuation and Reinstatement - Sickness, Injury, or Pregnancy

If you cease Active Work due to sickness, injury, or pregnancy, your insurance can be continued subject to payment of premium, until the earliest of:

a. the date insurance would otherwise terminate as provided in items a. through e. above; or

b. the end of the Insurance Month in which you recover; or

c. the later of:

   - the date Disability has been continuous for 90 working days after Active Work ends; or
   - the expiration of all accrued sick leave and vacation time (if elected).

If a Benefit Payment Period is established, your insurance will be reinstated if you return to Active Work for the Policyholder within three months of the date the Benefit Payment Period ends. Your reinstated insurance will be in force on the date of return to Active Work.
If you do not qualify to have a Benefit Payment Period begin, insurance will be reinstated if you return to Active Work for the Policyholder within three months of the date insurance ceased. Your reinstated insurance will be in force on the date of return to Active Work.

**Continuation and Reinstatement - Layoff or Authorized Leave of Absence**

If you cease Active Work due to layoff or leave of absence authorized by the Policyholder or the State Board of Regents, your insurance can be continued, subject to premium payment, until the earlier of:

a. the date insurance would otherwise terminate as provided in items a. through e. above; or

b. the end of the Insurance Month in which Active Work ends.

Your reinstated insurance will be in force on the date you receive compensation from the University if you are a twelve month faculty or staff Member or at the beginning of the next academic year if you are a nine month faculty or staff Member. However, you must be Actively at Work.

Only the period of time during which you are actually insured will be included in determining the length of your continuous coverage under the Group Policy. For this purpose, the period of time during which your reinstated insurance was not in force:

a. will not be considered an interruption of continuous coverage; and

b. will not be used to satisfy any provision of the Group Policy which pertains to a period of continuous coverage.

A longer reinstatement period may be allowed for an approved leave of absence taken in accordance with the provisions of the federal law regarding Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA).

**Continuation and Reinstatement - Family and Medical Leave Act (FMLA)**

If you cease Active Work due to an approved leave of absence under FMLA, the Policyholder may choose to continue your insurance, subject to premium payment, until the date either 12 weeks or 26 weeks, as determined by law, after the end of the Insurance Month in which Active Work ends.

Your terminated insurance may be reinstated in accordance with the provisions of FMLA.
DESCRIPTION OF BENEFITS

Benefit Qualification

You will qualify for Disability benefits, if all of the following apply:

a. You are Disabled under the terms of the Group Policy.
b. Your Disability begins while you are insured under the Group Policy.
c. Your Disability is not subject to any of the Limitations listed in this booklet.
d. An Elimination Period of 90 working days is completed or until expiration of all accrued sick leave and vacation time (if elected).
e. A Benefit Payment Period is established.
f. You are under the Regular and Appropriate Care of a Physician.
g. The claim requirements listed in the CLAIM PROCEDURES Section are satisfied.

A Benefit Payment Period will be established on the latest of:

a. the date you complete an Elimination Period; or
b. the date six months before We receive Written proof of your Disability.

NOTE: No premiums are required during a Long Term Disability Benefit Payment Period.
DESCRIPTION OF BENEFITS

Benefits Payable

If you are not working during a period of Disability

Your Benefit Payable for each full month of a Benefit Payment Period will be your Primary Monthly Benefit less Other Income Sources.

If you are working during a period of Disability

Your work incentive Benefit Payable for each full month of a Benefit Payment Period will be:

a. For the first 12 months, the lesser of:
   (1) 100% of Indexed Predisability Earnings less Other Income Sources, less Current Earnings from your Own Job or any occupation; or
   (2) the Primary Monthly Benefit less Other Income Sources; and

b. Thereafter, your Primary Monthly Benefit less Other Income Sources, multiplied by your Income Loss Percentage.

On each March 1, following the date you become Disabled, your Predisability Earnings will be increased by the average rate of increase in the Consumer Price Index during the preceding calendar year, subject to an annual maximum of 10%.

If you have been Disabled for less than one year as of March 1, the amount of the increase will be multiplied by the ratio of:

a. the number of completed months of Disability as of March 1;

b. divided by 12 months.

Consumer Price Index means the U.S. City Average for Urban Consumers, All Items, as published in the Consumer Price Index by the United States Department of Labor for the preceding calendar year.

Minimum Monthly Benefit

In no event will the Monthly Budgeted Salary (after application of any annual Disability Escalator) be less than $50 for each full month of a Benefit Payment Period, except that We will have the right to reduce the Minimum Monthly Benefit by any prior benefit overpayment. The Benefit Payable for each day of any part of a Benefit Payment Period that is less than a full month will be the monthly benefit divided by 30.
DESCRIPTION OF BENEFITS

Rehabilitation Services and Benefits

Rehabilitation Services and Benefits

While you are Disabled and covered under the Group Policy, you may qualify to participate in a rehabilitation plan and receive Rehabilitation Services and Benefits. We will work with you and others as appropriate, to develop an individualized rehabilitation plan intended to assist you in returning to work.

Rehabilitation Services

While you are Disabled under the terms of the Group Policy, you may qualify for Rehabilitation Services. If you, the Policyholder, and We agree in Writing on a rehabilitation plan in advance, We may pay a portion of reasonable expenses. The goal of the plan will be to return you to work.

Any rehabilitation assistance must be approved in advance by Us and outlined in a rehabilitation plan. The Benefit Payable as described in the booklet (subject to the terms and conditions of the Group Policy) will continue, unless modified by the rehabilitation plan. Rehabilitation assistance may include, but is not limited to:

a. coordination of medical services;

b. vocational and employment assessment;

c. purchasing adaptive equipment;

d. business/financial planning;

e. retraining for a new occupation;

f. education expenses.

We will periodically review the rehabilitation plan and your progress and We will continue to pay for the agreed upon expenses as long as We determine that the rehabilitation plan is providing the necessary action to return you to work.

Predisability Intervention Services

Rehabilitation Services may be offered if you have not yet become Disabled under the terms of the Group Policy, provided you have a condition which has the potential of resulting in the inability to perform the Substantial and Material Duties of your Own Job.
DESCRIPTION OF BENEFITS

Survivor Benefit and Accelerated Survivor Benefit

**Survivor Benefit**

In the event a Benefit Payment Period ends because of your death, a Survivor Benefit will be payable. This Survivor Benefit will be three times your Benefit Payable as described on GH 808 that would have been payable had you not died.

We will pay the Survivor Benefit to your spouse, child, parent, or estate as described in the CLAIM PROCEDURES Section on GH 823.

**Accelerated Survivor Benefit**

**Definition of Terminally Ill**

You will be considered Terminally Ill under the Group Policy if you are expected to die within 12 months of the date you request payment of the Accelerated Survivor Benefit.

**Eligibility**

We will pay you an Accelerated Survivor Benefit if you request such payment and meet the following requirements. You must:

a. satisfy the Benefit Qualifications listed in this booklet; and

b. provide proof that you are Terminally Ill by submitting to Us:
   (1) a statement from your Physician; and
   (2) any other medical information that We believe necessary to confirm your status; and

c. be living on the date of payment of the Accelerated Survivor Benefit.

**Benefit**

If you qualify, We will pay an Accelerated Survivor Benefit. This benefit will be equal to three times your Benefit Payable as described on GH 808 and will be paid to you in a single lump sum. This benefit is paid in addition to your regular Benefit Payable as described on GH 808.

**Effect on Survivor Benefit**

If an Accelerated Survivor Benefit is paid, no Survivor Benefit will be payable.
DESCRIPTION OF BENEFITS

Disability Escalator

The Disability Escalator will be administered as follows:

a. **Eligibility**

   The Disability Escalator will only apply to you if you have been Disabled for at least one year and approved for Disability benefits, as defined in this booklet-certificate, on or prior to July 1 of each year.

b. **Determination of Amount of the Disability Escalator**

   The amount of the Disability Escalator is determined by increases in the Consumer Price Index for Wage Earners and Clerical Workers (called CPI), prepared by the United States Department of Labor. The amount of any increase in the CPI will be determined by dividing the arithmetic mean of the CPI for January, February and March of the current year from the arithmetic mean of the CPI for January, February and March of the prior year. The amount so determined is the Disability Escalator per year and the application of the Accumulation Reserve.

c. **Maximum Disability Escalator Per Year**

   The increase in the Disability benefit produced under the Disability Escalator may be no more than 5% per year.

d. **Accumulation Reserve**

   In those years when the rate of increase indicated by the Disability Escalator computation is more than 5%, the excess percentage will be added to an accumulation reserve for you then eligible for the Escalator provision. In any subsequent year when the Disability Escalator is less than 5%, an amount will be withdrawn from your accumulation reserve to allow up to a 5% Disability Escalator to be applied for any insured who is then receiving disability benefits. Remaining amounts in the accumulation reserve for each individual will continue to be carried forward, and used in the same fashion in subsequent years until the individual's reserve is exhausted.

e. **Increase in Disability Benefits**

   The increase, if any, in the Disability benefits produced under the Escalator will be effective on July 1 of each year.

f. **Termination of Disability Escalator**

   The Disability Escalator will not be applied to increase benefit payments after the termination of the Group Policy, even though Disability benefit payments continue to be made to persons following the time of such a termination.
DESCRIPTION OF BENEFITS

Retirement Annuity Protection Plan Benefit

Eligibility

Qualified Faculty and Staff Members will be eligible for this benefit if you:

a. hold a permanent appointment of 50% time or more; and

b. have completed at least 12 months of employment, within the preceding 24 month period; and

c. have selected TIAA/CREF as your Retirement Annuity Insurance; and

d. have satisfied the Benefit Qualifications described in this booklet on GH 807.

Benefit

You will receive Retirement Annuity Protection Benefits in addition to the Benefit Payable described in this booklet on GH 808.

Qualified Faculty and Staff Members participating in TIAA/CREF who become Disabled, will have monthly payments made by Us for the explicit purpose of paying both your contribution and the University's contribution to the TIAA/CREF retirement program.

The amount paid to TIAA/CREF for a Qualified Faculty or Staff Member who has been employed by the University less than five years will be 15% of your Monthly Budgeted Salary minus $20 multiplied by the factor obtained from the following table:

<table>
<thead>
<tr>
<th>Completed Years of Continuous Service</th>
<th>Factor</th>
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<tbody>
<tr>
<td>One year but less than two years</td>
<td>20%</td>
</tr>
<tr>
<td>Two years but less than three years</td>
<td>40%</td>
</tr>
<tr>
<td>Three years but less than four years</td>
<td>60%</td>
</tr>
<tr>
<td>Four years but less than five years</td>
<td>80%</td>
</tr>
</tbody>
</table>

The amount paid to TIAA/CREF for a Qualified Faculty or Staff Member who has been employed by the University five years or more will be 15% of your Monthly Budgeted Salary.

NOTE: For all active Qualified Faculty and Staff Members or those who become insured under the Early Retirement Program, benefits will be reduced by any contribution made by the University.

Facility of Payment

We will normally apply the Retirement Annuity Protection Benefit to the TIAA/CREF retirement program. However, if you are eligible to receive less than 12 Retirement Annuity Protection Benefit payments, the Retirement Annuity Protection Benefits may be paid in a lump sum to you on the date the Benefit Payment Period terminates. All payments so made will discharge Us to the full extent of those payments.
Termination

The Retirement Annuity Protection Benefit will be paid during your Benefit Payment Period and will terminate on the earliest of:

(1) the date benefits would otherwise terminate as described in this booklet; or
(2) the end of the calendar month in which you cease to be a participant under the TIAA/CREF retirement plan.
DESCRIPTION OF BENEFITS

Monthly Payment Limit

In no event will the sum of amounts payable for:

a. Benefits Payable as described in this booklet;

b. income from Other Income Sources;

c. Current Earnings from your Own Job or any occupation;

exceed 100% of Predisability Earnings. If you are eligible for a work incentive Benefit Payable, the Monthly Payment Limit will be increased to 100% of Indexed Predisability Earnings for the first 12 months.

In the event your total income from all sources listed above exceeds 100% of Predisability Earnings, the benefits as described in this booklet will be reduced by the amount in excess of 100% of Predisability Earnings.
DESCRIPTION OF BENEFITS

Benefit Payment Period and Recurring Disability

Benefit Payment Period

Benefits are payable:

a. if your Disability begins before you are age 65, until the later of the date 36 months after your Benefit Payment Period begins, or the date you attain Social Security Normal Retirement Age; or

b. if your Disability begins on or after you are age 65, until the later of the date of Social Security Normal Retirement Age, or the date of completion of the number of months shown below after your Benefit Payment Period begins:

<table>
<thead>
<tr>
<th>Your Age on the Date Disability Begins</th>
<th>Months of the Benefit Payment Period (Beginning with the date the Benefit Payment Period begins)</th>
</tr>
</thead>
<tbody>
<tr>
<td>65, 66, 67</td>
<td>24</td>
</tr>
<tr>
<td>68, 69</td>
<td>18</td>
</tr>
<tr>
<td>70, 71</td>
<td>15</td>
</tr>
<tr>
<td>72 and over</td>
<td>12</td>
</tr>
</tbody>
</table>

However, in no event, will benefits continue beyond:

a. the date of your death; or

b. the date your Disability ends, unless a Recurring Disability exists as explained in this booklet; or

c. the date you fail to provide any required proof of Disability; or

d. the date you fail to submit to any required medical examination or evaluation; or

e. the date you fail to report any required Current Earnings information; or

f. the date you fail to report income from Other Income Sources; or

g. the date ten days after receipt of notice from Us if you fail to pursue Social Security Benefits or benefits under a Workers' Compensation Act or similar law as described in this booklet; or

h. the date you cease to be under the Regular and Appropriate Care of a Physician.

Recurring Disability

A Recurring Disability will exist under the Group Policy if:

a. after you have completed an Elimination Period and during a Benefit Payment Period, you cease to be Disabled; and
b. you then return to Active Work; and

c. while insured under the Group Policy but before completing six continuous months of Active Work, you are again Disabled; and

d. your current Disability and the Disability for which you completed the Elimination Period result from the same or a related cause.

A Recurring Disability will be treated as if the initial Disability had not ended, except that no benefits will be payable for the time between Disabilities. You will not be required to complete a new Elimination Period. Benefits will be payable from the first day of each Recurring Disability, but only for the remainder, if any, of the Benefit Payment Period established for the initial Disability. The effective date of any salary increase received during your return to Active Work as stated in this booklet on GH 805 which would otherwise be effective, will not apply to any benefit payable under this Recurring Disability provision.
DESCRIPTION OF BENEFITS

Limitations

No benefits will be paid for any Disability that:

a. results from willful self-injury or self-destruction, while sane or insane; or

b. results from war or act of war; or

c. results from voluntary participation in an assault, felony, criminal activity, insurrection, or riot; or

d. is a new Disability that begins after a prior Benefit Payment Period has ended or a claim for benefits has been denied and you have not returned to Active Work; or

e. is a continuation of a Disability for which a Benefit Payment Period has ended or a claim for benefits has been denied and you have not returned to Active Work (except as provided for a Recurring Disability in this booklet); or

f. is caused by, a complication of, or resulting from a Preexisting Condition as described in this booklet.

Preexisting Conditions Exclusion for Initial Insurance

A Preexisting Condition is any sickness or injury, including all related conditions and complications, or pregnancy, for which you:

a. received medical treatment, consultation, care, or services; or

b. were prescribed or took prescription medications;

in the three month period before you became insured under the Group Policy.

No benefits will be paid for a Disability that results from a Preexisting Condition unless, on the date you become Disabled, you have been Actively at Work for one full day after completing 12 consecutive months during which you were insured under the Group Policy.

If you transfer to this Group Policy from another state agency or state university, you shall have the time spent at the other such agency or university apply towards satisfaction of the Preexisting Condition Restrictions requirements.

Preexisting Conditions Exclusion for Benefit Increases

A Preexisting Condition is any sickness or injury, including all related conditions and complications, or pregnancy, for which you:

a. received medical treatment, consultation, care, or services; or

b. were prescribed or took prescription medications;

in the three month period prior to an increase in benefits or change in the Group Policy, including increases in benefits due to a change in Monthly Budgeted Salary of 25% or greater.
The benefits and the Group Policy provisions in force immediately prior to the increase or change will be payable for the duration of a Disability that:

a. results from a Preexisting Condition; and

b. begins within 12 months after the effective date of the increase in benefits or change in the Group Policy provisions.
CLAIM PROCEDURES

Notice of Claim

Written notice of claim must be given to Us within 20 calendar days after the date of loss for which claim is being made. Failure to give notice within the time specified will not invalidate or reduce any claim if notice is given as soon as reasonably possible.

Claim Forms

Claim forms and other information needed must be filed with Us in order to make a claim determination. The Policyholder will provide forms to assist you in filing claims. If notice is given and the completed forms are not provided within 15 days after We receive such notice, you will be considered to have complied with the requirements of the Group Policy upon submitting, within the time specified below for filing proof of Disability, Written proof covering the occurrence, character and extent of the loss.

Proof of Disability

Completed claim forms and other information needed to prove Disability should be filed promptly. Written proof that Disability exists and has been continuous should be sent to Us within six months after the date you complete an Elimination Period. Proof required includes the date, nature, and extent of the loss. Further proof that Disability has not ended must be sent when requested by Us. We may request additional information to substantiate your loss or require a Signed unaltered authorization to obtain that information from the provider, Internal Revenue Service, Social Security Administration or any other entity required for Proof of Disability or Earnings Documentation. We reserve the right to determine when these conditions are met. Your failure to comply with such request could result in declination of the claim. Receipt of claim will be considered met when the Elimination Period has been completed and the appropriate completed claim form is received by Us.

Documentation of Loss

We must receive satisfactory Written proof of loss. Until We receive the proof of loss requested, benefits will not be paid. Proof of loss may include:

a. Any requested claim form including claim forms from you or your Physician.

b. Documentation that you are under Regular and Appropriate Care by a Physician.

c. Copies of medical records, test results and/or Physician's progress notes.

d. Occupation information, such as documentation of work duties and activities. This may include your job description or appointment calendar from the Policyholder or your current employer.

e. Independent medical examination(s) (see Examinations and Evaluations in this section).

f. Any Written authorizations necessary, signed by you, on a form supplied by Us, to obtain medical and financial records and information needed to determine your eligibility for benefits.

g. Earnings Documentation.

h. Other proof of loss as required by Us.
Earnings Documentation

We may require proof to determine your Predisability Earnings and Current Earnings. A company representative has the right to examine your financial and business records, including your individual and business Federal income tax returns and supporting documentation, as often as We may require. In addition, We reserve the right to request such documentation to verify benefits were paid appropriately during the year. In the event benefits have not been paid appropriately, any overpayment of benefits determined would be recovered as outlined in Right to Recover Overpayments.

Investigation of Your Claim

We may conduct an investigation of your claim at any time, which may include a personal interview with a company representative and/or an examination under oath. Benefits may not be payable until We have had a reasonable time to conduct an investigation of your claim and determine that benefits are payable.

Any costs involved in submission of proof of loss or earnings documentation are your responsibility to pay, except for costs incurred by Us for copies of medical records, test results and/or Physician's progress notes and independent medical examination(s) as shown under Documentation of Loss above or personal interview or financial examination.

Once your claim is approved, no benefits will be continued beyond the end of the period for which you have provided Us with satisfactory proof of loss. We will require you to provide additional documentation of your claim, at your expense, at reasonable intervals while you are claiming Disability.

If you provide false, incomplete, or misleading information including omissions on any statement you make to obtain coverage, an increase in coverage, or when filing a claim, We will deny the claim. If you knowingly and with intent to injure, defraud, or deceive provided or omitted information, you will be subject to prosecution and punishment to the fullest extent under state and/or federal law.

Proof of Disability while outside the United States

If during a period of Disability, you are residing or staying outside the United States, the following will apply:

a. You must provide proof that the Physician is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction.

b. You may be required to return to the United States at a frequency We deem necessary to substantiate your claim for Disability. All expenses incurred by you for returning to the United States will be your responsibility.

c. You must notify Us in advance of any return to the United States and your change of address.

Your failure to comply with such request could result in declination of the claim. For purposes of satisfying the claims processing timing requirements, receipt of claim will be considered met when the Elimination Period has been completed and the appropriate claim form is received by Us.

In administering the benefits provided under the Group Policy, all Predisability Earnings and Current Earnings will be expressed in U.S. dollars and all premium and benefit amounts must be paid in U.S. dollars.

Payment, Denial, and Review

Claims will normally be processed within 45 days from receipt of the claim. If a claim cannot be processed due to incomplete information, We will send a Written explanation prior to the expiration of the 45 days. The claimant is then allowed 45 days to provide all additional information requested. We are permitted two 30-day extensions for processing an incomplete claim. Written notification will be sent to the claimant regarding the extension.
In actual practice, benefits under the Group Policy will be payable sooner, provided We receive complete and proper proof of Disability. Further, if a claim is not payable or cannot be processed, We will submit a detailed explanation of the basis for the denial.

The claimant may request an appeal of a claim denial by Written request to Us within 180 days of receipt of notice of the denial. We will make a full and fair review of the claim. We may require additional information to make the review. We will notify the claimant in Writing of the appeal decision within 45 days after receipt of the appeal request. If the appeal cannot be processed within the 45-day period because We did not receive the requested additional information, We will send a Written explanation prior to the expiration of the 45 days. The claimant is then allowed 45 days to provide all additional information requested. We are permitted a 45-day extension for the review. Written notification will be sent to the claimant regarding the extension.

For purposes of this section, "claimant" means Member.

**Proof of Payments from Other Income Sources**

When asked, you must give Us:

a. proof of all payments from Other Income Sources; and
b. proof of application for all such income for which you and your Dependents are eligible; and
c. proof that any application for such income has been rejected; and
d. authorizations for any entity from which you may be receiving income.

**Lump Sum Payments from Other Income Sources**

If any income from Other Income Sources are payable in a lump sum (except as described below), the lump sum will be deemed to be paid in monthly amounts prorated over the time stated. If no such time is stated, the lump sum will be prorated monthly over the lesser of:

a. 60 months; or
b. the expected remaining number of months for which you would be entitled to benefits from the Group Policy based on the proof of loss submitted to Us.

Lump Sum Payments under:

a. a retirement plan will be deemed to be paid in the monthly amount which:

   (1) is provided by the standard annuity option under the plan as identified by the Policyholder; or
   (2) is prorated under a standard annuity table over the lesser of the Benefit Payment Period or your expected life span (if the plan does not have a standard annuity option);

b. a Workers' Compensation Act or other similar law (which includes benefits paid under an award or a settlement) will be deemed to be paid monthly starting from the date of the last Workers' Compensation payment issued to you, or if no previous payments were issued, starting from the onset of the Benefit Payment Period:

   (1) at the rate stated in the award or settlement; or
   (2) at the rate paid prior to the lump sum (if no rate is stated in the award or settlement); or
   (3) at the maximum rate set by law (if no rate is stated and you did not receive a periodic award).
c. salary continuance or sick leave program for Members whose annual contract salary is issued on a 12 month basis will be deemed to be paid in a monthly amount which is equal to 1/12 of your annual contract salary in effect prior to the date Disability begins.

Any lump sum payment for Other Income Sources due prior to the date of the award will be treated as an overpayment. See Right to Recover Overpayments section below.

Social Security Estimates

Until exact amounts are known, We may estimate the Social Security benefits for which you and your Dependents are eligible and may include those estimates in your Other Income Sources.

If it is reasonable that you would be entitled to disability benefits under the Federal Social Security Act, We will require that you:

a. apply for disability benefits within 10 days after receipt of Written notice from Us requesting you to apply for such benefits; and

b. give satisfactory proof within 30 days after receipt of Written notice from Us that you have applied for these benefits within the 10-day period; and

c. request reconsideration of the application for Social Security benefits if the original application is denied, and appeal any denial or reconsideration if an appeal appears reasonable.

If you have reached Social Security Normal Retirement Age, We will:

a. request that you apply for retirement benefits within 10 days after receipt of Written notice from Us; or

b. if you prefer not to apply for retirement benefits, estimate the Social Security benefits for which you are eligible and include those estimates in your Other Income Sources.

Other Disability Coverage Estimates

Until exact amounts are known, We may estimate benefits from Workers' Compensation, any other occupational disease law or similar act, Canadian pension Plan, Quebec pension Plan, Railroad Retirement Act or other similar plan or act, Jones Act, or state compulsory/statutory benefit law for which you are eligible and may include those estimates in your Other Income Sources.

If it is reasonable that you would be entitled to benefits under the sources listed above, We will require that you:

a. apply for benefits within 10 days after receipt of Written notice from Us requesting you to apply for such benefits; and

b. give satisfactory proof within 30 days after receipt of Written notice from Us that you have applied for these benefits within the 10-day period.

Payments for Less Than a Full Month

The Benefit Payable for each day of any part of a Benefit Payment Period that is less than a full month will be the monthly benefit divided by 30.

Right to Recover Overpayments
If an overpayment of benefits occurs under the Group Policy, We will have the option to:

a. reduce or withhold any future benefits We determine to be due, including the Minimum Monthly Benefit; or

b. recover the overpayment directly from you; or

c. take any other legal action.

Facility of Payment

Benefits under the Group Policy will be payable each month of a Benefit Payment Period, provided complete and proper proof of Disability has been received by Us.

We reserve the right to make a lump sum payment in lieu of continued monthly payments where liability has been established for a Benefit Payment Period.

Any unpaid balance that remains after a Benefit Payment Period ceases will be immediately payable.

We will normally pay benefits directly to you. However, in the special instances listed below, payment will be as indicated. All payments so made will discharge Us to the full extent of those payments.

a. If payment amounts remain due upon your death, those amounts may, at Our option, be paid to your spouse, child, or parent.

b. If We believe a person is not legally able to give a valid receipt for a benefit payment, and no guardian has been appointed, We may, at Our discretion, pay whoever has assumed the care and support of the person.

If you have no eligible survivors, payment will be made to your estate, unless there is none. In this case, no benefit will be payable.

Examinations and Evaluations

We have the right to require you to undergo medical evaluations, including but not limited to, functional capacity evaluations, vocational evaluations, home visits, and/or psychiatric evaluations during the course of a claim or claim appeal. The examinations or evaluations will be performed by a Physician or evaluator We choose as appropriate for the condition and will be conducted at the time, place and frequency We reasonably requires. We will pay for these examinations and evaluations and will choose the Physician or evaluator to perform them. Failure to attend and fully complete a medical examination or cooperate with the Physician may be cause for suspension or denial of your benefits. Failure to attend and fully complete an evaluation or to cooperate with the evaluator may also be cause for suspension or denial of your benefits. If you fail to attend and fully complete an examination or an evaluation, any charges incurred for not attending an appointment as scheduled will be your responsibility and deducted from future benefits.

Legal Action

Legal action to recover benefits under the Group Policy may not be started earlier than 90 days after proof of Disability has been filed. Further, no legal action may be started later than three years after that proof is required to be filed.

If your claim is subject to ERISA (Employee Retirement Income Security Act of 1974), before bringing a civil legal action under the federal labor law known as ERISA, you must exhaust available administrative remedies. Under the Group Policy, you must first exhaust the appeal procedures listed above. After the required reviews:

a. you or your beneficiary may bring legal action under Section 502(a) of ERISA; and
b. We will waive any right to assert that you failed to exhaust administrative remedies.

**Time Limits**

Any time limits listed in this section will be adjusted as required by law.
DEFINITIONS

Several words and phrases used to describe your insurance are capitalized whenever they are used in this booklet. These words and phrases have special meanings as explained in this section.

**Active Work; Actively at Work**

You are considered Actively at Work if you are able and available for active performance of all a faculty or staff member's normal job duties at the University of Iowa.

For the purposes of insurance, facility or staff members who are on an academic year appointment will be considered to be Actively at Work throughout the calendar year.

**Annual Budgeted Salary**

a. for a Merit Staff Member or House Staff Member, the current salary amount specified on your most recent Notice of Appointment.

b. for a Faculty, Professional and Scientific, or Supervisory Exempt Staff Member, the current salary amount specified on his or her most recent Benefits Enrollment Form.

c. for those electing phased and early retirement through the Board of Regents State of Iowa, in the first year of a two year phasing period, salary reflecting the reduced responsibilities plus, at the discretion of the institution, up to an additional 10% of the budgeted salary, had you worked full time. In the only or last year following the initiation of phased retirement the staff member’s appointment will be no greater than 50%, and the salary will be proportional to the budgeted salary had you worked full-time.

Annual Budgeted Salary does not include either compensation for correspondence study courses, grants, fellowships, or other irregular service, or compensation in the form of noncash items such as board, room, laundry, or premiums paid by The University of Iowa for the benefit of any Member.

**Benefit Payment Period**

The period of time during which benefits are payable.

**Current Earnings**

Your Monthly Budgeted Salary for each month that you are Disabled. This includes all sources of income from the Policyholder that comprised earnings prior to Disability such as Personal Time Off (PTO), sick pay, vacation pay, and holiday pay. Earnings from Secondary Employment are not considered Current Earnings except as identified in Secondary Employment. While Disabled, your Monthly Budgeted Salary may result from working for the Policyholder or any other employer.

**Dependent**

Any person who qualifies for benefits as a dependent under the Federal Social Security Act as a result of your Disability or retirement, whether or not residing in your home.
**Disability: Disabled**

You will be considered Disabled if, solely and directly because of sickness, injury, or pregnancy:

During the Own Job Period, one of the following applies:

a. You cannot perform the majority of the Substantial and Material Duties of your Own Job.

b. You are performing the duties of your Own Job on a Modified Basis or any occupation and are unable to earn more than 80% of your Indexed Predisability Earnings.

After completing the Own Job Period, one of the following applies:

a. You cannot perform the majority of the Substantial and Material Duties of any occupation for which you are or may reasonably become qualified based on education, training, or experience.

b. You are performing the Substantial and Material Duties of your Own Job or any occupation on a Modified Basis and are unable to earn more than 60% of your Indexed Predisability Earnings.

The loss of a professional or occupational license or certification does not, in itself, constitute a Disability.

**Elimination Period**

The period of time you must be Disabled before benefits begin to accrue. An Elimination Period starts on the date you are Disabled and must be satisfied for each period of Disability. If you are in the process of satisfying the Elimination Period, you may recover from the Disability for a period of time and then again become Disabled from the same or a different cause. A recovery will not require you to start a new Elimination Period as long as the Elimination Period is satisfied by the required number of days of Disability during a period that is twice as long as the Elimination Period. The periods of Disability will be combined to satisfy the Elimination Period. You cannot satisfy any part of the Elimination Period with any period of Disability that results from a cause for which We do not pay benefits.

**Employee**

A person who is employed by and receives a W-2 from the Policyholder or has a direct ownership interest in the Policyholder.

**Generally Accepted**

Treatment, service, or medication that:

a. has been accepted as the standard of practice according to the prevailing opinion among experts as shown by (or in) articles published in authoritative, peer-reviewed medical, and scientific literature; and

b. is in general use in the medical community; and

c. is not under continued scientific testing or research as a therapy for the particular sickness or injury which is the subject of the claim.

**Group Policy**

The policy of group insurance issued to the Policyholder by Us which describes benefits and provisions for insured Members.
Hospital
An institution that is licensed as a Hospital by the proper authority of the state in which it is located, but not including any institution, or part thereof, that is used primarily as a clinic, convalescent home, rest home, home for the aged, nursing home, custodial care facility, or training center.

Income Loss Percentage
Your Income Loss Percentage is equal to:

a. your Indexed Predisability Earnings less any Current Earnings from your Own Job or any occupation; divided by

b. your Indexed Predisability Earnings.

Indexed Predisability Earnings
Your Predisability Earnings adjusted for increases in the Consumer Price Index.

Insurance Month
Calendar month.

Maximum Monthly Benefit
$25,000

Member
who is:

a. a Faculty, Professional, Scientific or Supervisory Exempt Staff Member; or
b. a Merit Staff Member; or

a. a House Staff Member;

who holds a regular appointment of 50% time or more.

Mental Health Condition
Any condition which is:

a. manifested by a psychiatric disturbance including, but not limited to, a biologically or chemically based disorder; and

b. categorized in the current edition of the American Psychiatric Associations Diagnostic and Statistical Manual of Mental Disorders or its successor.

Conditions not considered a Mental Health Condition include:

a. dementia that is the result of any of the following conditions:

   (1) stroke;
   (2) head injury;
   (3) viral infection; or
(4) Alzheimer's disease; and
b. organic brain syndrome; and
c. delirium; and
d. organic amnesia syndromes; and
e. organic delusional or organic hallucinogenic syndromes.

Modified Basis

You will be considered working on a Modified Basis if you are working on either a part-time basis or performing some but not all of the Substantial and Material Duties of the occupation on a full-time basis.

Monthly Budgeted Salary

The amount which is one-twelfth of your Annual Budgeted Salary in effect on the date Disability begins. The Monthly Budgeted Salary for you shall not exceed $41,666.66.

Other Income Sources

a. all disability payments for the month that you and your Dependents receive (or would have received if complete and timely application had been made) under the Federal Social Security Act, Railroad Retirement Act, or any similar act of any federal, state, provincial, municipal, or other governmental agency; and
b. if you have reached Social Security Normal Retirement Age or older, all retirement payments for the month that you and your Dependents receive (or would have received if complete and timely application had been made) under the Federal Social Security Act, Railroad Retirement Act, or any similar act of any federal, state, provincial, municipal, or other governmental agency; and
c. if you are less than Social Security Normal Retirement Age, all retirement payments for the month that you and your Dependents receive under the Federal Social Security Act, Railroad Retirement Act, or any similar act of any federal, state, provincial, municipal, or other governmental agency; and
d. all payments for the month that you receive from a permanent or temporary award or settlement under a Workers' Compensation Act, or other similar law, whether or not liability is admitted. Payments that are specifically set out in an award or settlement as medical benefits, rehabilitation benefits, income benefits for fatal injuries or income benefits for scheduled injuries involving loss or loss of use of specific body members will not be considered an Other Income Source; and
e. all payments for the month that you receive (or would have received if complete and timely application had been made) under a policy that provides benefits for loss of time from work, if the Policyholder pays a part of the cost or makes payroll deductions for that coverage; and
f. all payments for the month that you receive or are eligible to receive under another group disability insurance policy; and
g. all payments for the month that you receive under any state disability plan; and
h. all sick pay, salary continuance payments, personal time off, severance pay, for the month that you receive from the Policyholder; and
i. all retirement payments attributable to employer contributions and all disability payments attributable to employer contributions for the month that you receive under a pension plan sponsored by the Policyholder. A pension plan is a defined benefit plan or defined contribution plan providing disability or retirement benefits for employees; and

j. all payments for the month that you receive for loss of income under no-fault auto laws. Supplemental disability benefits purchased under a no-fault law will not be counted; and

k. all renewal commissions for the month that you receive from the Policyholder; and

l. all payments for the month that you receive under state unemployment laws.

NOTE:
If any sick pay, salary continuance payments, personal time off, severance pay, or loss of time from work payments specified above are attributable to individual disability insurance policies, the payments will not be considered an Other Income Source.

Any retirement payments you receive under the Federal Social Security Act or a pension plan which you had been receiving in addition to your Monthly Budgeted Salary prior to a claim for Disability, will not be considered an Other Income Source.

Military or Veterans Administration disability or retirement payments will not be considered an Other Income Source.

After the initial deduction for each of the Other Income Sources, benefits will not be further reduced due to any cost of living increases payable under the above stated sources.

Withdrawal of pension plan benefits by you for the purpose of placing the benefits in a subsequent pension plan or a deferred compensation plan will not be considered an Other Income Source unless you withdraw pension benefits from the subsequent pension plan or defined compensation plan due to disability or retirement.

Any income you receive for services rendered prior to your date of Disability will not be considered Other Income Sources.

Own Job
The job you are routinely performing when Disability begins.

Own Job Period
The first two year(s) immediately following the date of Disability.

Physician
a. A licensed Doctor of Medicine (M.D.) or Osteopathy (D.O.); or

b. any other licensed health care practitioner that state law requires be recognized as a Physician under the Group Policy.

The term Physician does not include you, one of your employees, your business or professional partner or associate, any person who has a financial affiliation or business interest with you, anyone related to you by blood or marriage, or anyone living in your household.
Policyholder

UNIVERSITY OF IOWA.

Predisability Earnings

Your Monthly Budgeted Salary in effect on the date Disability begins.

Primary Monthly Benefit

60% of your Predisability Earnings. The Primary Monthly Benefit will not exceed the Maximum Monthly Benefit of $25,000.

Regular and Appropriate Care

You will be considered to be receiving Regular and Appropriate Care if you:

a. are evaluated in person by a Physician; and
b. receive treatment appropriate for the condition causing the Disability; and
c. undergo evaluations and treatment that is provided by a Physician whose specialty is appropriate for the condition causing the Disability; and
d. undergo evaluations and treatment at a frequency intended to return you to full-time work; and
e. pursue reasonable treatment options or recommendations to achieve maximum medical improvement.

We may require you to have your Physician provide Us with a Written evaluation and treatment plan for the condition causing the Disability, which meets Generally Accepted medical standards and is satisfactory to Us.

We may waive in Writing to you, the Regular and Appropriate Care requirement if it is determined by Us that continued care would be of no benefit to you.

Secondary Employment

Employment you are engaged in with an employer, other than the Policyholder, prior to the date Disability begins. Earnings from Secondary Employment will be determined by using the average monthly earnings over the six calendar months just prior to the date of Disability. Any post disability increase above the average monthly earnings will be considered Current Earnings.

Signed or Signature

Any symbol or method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper or electronic media, and which is consistent with applicable law and is agreed to by Us.

Social Security Normal Retirement Age (SSNRA)

Social Security Normal Retirement Age as defined by the Social Security Administration on the date Disabled.
<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Normal Retirement Age</th>
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<tbody>
<tr>
<td>Before 1938</td>
<td>65</td>
</tr>
<tr>
<td>1938</td>
<td>65 and 2 months</td>
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<td>1939</td>
<td>65 and 4 months</td>
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<td>1940</td>
<td>65 and 6 months</td>
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<td>1941</td>
<td>65 and 8 months</td>
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<td>1942</td>
<td>65 and 10 months</td>
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<td>1958</td>
<td>66 and 8 months</td>
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<tr>
<td>1959</td>
<td>66 and 10 months</td>
</tr>
<tr>
<td>After 1959</td>
<td>67</td>
</tr>
</tbody>
</table>

**Substantial and Material Duties**

The essential tasks generally required by employers from those engaged in a particular occupation that cannot be modified or omitted.

**We, Us, and Our**

Principal Life Insurance Company, Des Moines, Iowa.

**Written or Writing**

A record which is on or transmitted by paper or electronic media, and which is consistent with applicable law.
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