

**LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)**

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BorgWarner Inc.
(herein called the Policyholder)

Policy No.: LK - 030479

PLEASE READ

IMPORTANT: The attached amendment to your policy has been made at your request, and will be effective on the date shown within the amendment. Please review this amendment immediately and confirm that it accurately reflects your request and is consistent with your intentions. If amended certificates have been provided, please review these as well. If there are any errors or discrepancies, please notify your account manager or account service representative immediately. If you have not notified your account manager or account service representative of any errors or concerns, continued payment of premium more than 31 days after delivery of this amendment will be deemed acceptance of this amendment.

LIFE INSURANCE COMPANY OF NORTH AMERICA
(herein called the Company)

Amendment to be attached to and made a part of the Group Policy
A Contract between the Company and

BorgWarner Inc.
(herein called the Policyholder)

Policy No.: LK - 030479

This Amendment will be in effect on the Effective Date(s) shown below only for insured Employees in Active Service on that date. If an Employee is not in Active Service on the date his insurance would otherwise become effective, it will be effective on the date he returns to Active Service.

Effective January 1, 2019, the Company and the Policyholder hereby agree that the Policy is amended as follows:

1. The Classes of Eligible Employees section under the heading **SCHEDULE OF BENEFITS** is hereby amended as follows:

Eligible Employee Groups

On the pages following the definition of eligible employees there is a Schedule of Benefits for each Eligible Employee Groups listed below. For an explanation of these benefits, please see the Description of Benefits provision.

If an Employee is eligible under one Employee Group and later becomes eligible under a different Employee Group, changes in his or her insurance due to the Employee Group change will be effective on the date of the change in the Employee Group.

Employee Group 1	All active, Full-time Salary and Hourly Non-union Employees regularly working a minimum of 30 hours per week, excluding Employees who are residing in Canada and regularly working in the United States.
Employee Group 4	All active, Full-time Ithaca, NY hourly Employees of the Employer regularly working a minimum of 30 hours per week.
Employee Group 6	All active, Full-time Salary and Hourly Non-union Employees regularly working a minimum of 30 hours per week who are residing in Canada and regularly working in the United States.

2. The **Schedule of Benefits for Employee Group 1** is deleted in its entirety and is replaced by the attached revised **Schedule of Benefits for Employee Group 1**.

3. The following rates will be in force **Employee Group 1** for coverage under the Policy:

Initial Premium Rates

For Employees at Corporate / Headquarters / PTC Shared Services (including Wilsonville/Hood River, OR and Southborough, MA)	\$0.096
For Employees at Asheville	\$0.185
For Employees at Bellwood/Melrose Park	\$0.579
For Employees at Cadillac	\$0.247
For Employees at Dixon	\$0.550
For Employees at Fletcher	\$0.483
For Employees at Frankfort	\$0.481
For Employees at Ithaca Salaried	\$0.127
For Employees at Livonia	\$0.192
For Employees at Marshall	\$0.115
For Employees at PTC Emissions	\$0.236
For Employees at PTC TS	\$0.236
For Employees at PTC PDS	\$0.236
For Employees at Seneca	\$0.203
For Employees at Water Valley	\$0.236
PTC Turbo	\$0.236
Noblesville, IN	\$0.330
Laredo, TX	\$0.330
Anderson, IN	\$0.330
Taylorsville, MS	\$0.330

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$24,000.

Optional Benefit:

The Monthly Premium for each Employee is based on the Employee's Age and amount of Covered Payroll. The Monthly Rates per \$100 of Covered Payroll are listed below.

Under Age 20	\$.237	Age 45 - 49	\$.469
Age 20 - 24	\$.237	Age 50 - 54	\$.469
Age 25 - 29	\$.237	Age 55 - 59	\$.528
Age 30 - 34	\$.287	Age 60 - 64	\$.578
Age 35 - 39	\$.326	Age 65 - 69	\$.633
Age 40 - 44	\$.410	Age 70 or over	\$.701

A change in rates due to a change in the Employee's age will become effective on the Policy Anniversary coinciding with or next following the Employee's birthday.

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$24,000.

No change in rates will be made until 36 months after the effective date of this Amendment. However, the Company reserves the right to change the rates at any time during a period for which the rates are guaranteed if the conditions described in the Changes in Premium Rates provision under the Administrative Provisions section of the Policy apply.

4. The following rates will be in force **Employee Group 4** for coverage under the Policy:

Initial Premium Rates

Core Benefit: \$.355 per \$100 of Covered Payroll

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$8,333.

Optional Benefit:

The Monthly Premium for each Employee is based on the Employee's Age and amount of Covered Payroll. The Monthly Rates per \$100 of Covered Payroll are listed below.

Under Age 20	\$.237	Age 45 - 49	\$.469
Age 20 - 24	\$.237	Age 50 - 54	\$.469
Age 25 - 29	\$.237	Age 55 - 59	\$.528
Age 30 - 34	\$.287	Age 60 - 64	\$.578
Age 35 - 39	\$.326	Age 65 - 69	\$.633
Age 40 - 44	\$.410	Age 70 or over	\$.701

A change in rates due to a change in the Employee's age will become effective on the Policy Anniversary coinciding with or next following the Employee's birthday.

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$7,143.

No change in rates will be made until 36 months after the effective date of this Amendment. However, the Company reserves the right to change the rates at any time during a period for which the rates are guaranteed if the conditions described in the Changes in Premium Rates provision under the Administrative Provisions section of the Policy apply.

5. The attached **Schedule of Benefits for Employee Group 6** is hereby added to the Policy.
6. The attached **IMPORTANT CHANGES FOR STATE REQUIREMENTS** is hereby added to the Policy.

Except for the above, this Amendment does not change the Policy in any way.

FOR THE COMPANY



William J. Smith, President

Date: December 19, 2019 (Revised)

Amendment No. 10ri0110

TL-004780

SCHEDULE OF BENEFITS FOR EMPLOYEE GROUP 1

Eligibility Waiting Period

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability/Disabled

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

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

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

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

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

Definition of Optimum Ability

1. for the first 24 months that benefits are payable, the greatest extent of work the Employee is able to do in his or her Regular Occupation;
2. after 24 months, the greatest extent of work the Employee is able to do in any occupation based on education, training or experience.

The Employee's ability to work is based on the following:

1. medical evidence submitted by the Employee;
2. consultation with the Employee's Physician;
3. evaluation of the Employee's ability to work by not more than three independent experts if required by the Insurance Company; and
4. an offer of employment that meets the Employee's capacity to do the work is made by an employer.

There is no cost to the Employee for evaluation by an independent expert when required by the Insurance Company to determine Optimum Ability.

The independent expert must be:

1. licensed, registered or certified as required by the laws of the state in which the evaluation is made; and
2. acting within the scope of that license, registration or certificate.

Definition of Covered Earnings

For Salaried Employees:

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. It includes earnings received from commissions but not bonuses, overtime pay and other extra compensation. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

Commissions will be averaged for the 24 months just prior to the date Disability begins, or the months employed, if less than 24 months.

For Hourly Employees:

Covered Earnings means an Employee's base hourly wage multiplied by 173.33 hours per month as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

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

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

For Employees participating in the Optional Benefit:

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. It includes earnings received from annual bonuses but not commissions, overtime pay and other extra compensation. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

Annual bonuses will be averaged for the 36 months just prior to the date Disability begins, or the months employed, if less than 36 months.

Elimination Period

Core Benefit:	6 months
Optional Benefit:	6 months

Gross Disability Benefit

Core Benefit:
The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Optional Benefit:
The lesser of 70% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit:	\$12,000 per month
Optional Benefit:	\$16,800 per month

Minimum Disability Benefit

Core Benefit:	\$100 per month
Optional Benefit:	\$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee’s status and will require satisfactory proof of earnings and continued Disability.

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

Maximum Benefit Period

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

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

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

Premium Rates

For Employees at Corporate / Headquarters / PTC Shared Services (including Wilsonville/Hood River, OR and Southborough, MA)	\$0.096
For Employees at Asheville	\$0.185
For Employees at Bellwood	\$0.579
For Employees at Cadillac	\$0.247
For Employees at Dixon	\$0.550
For Employees at Fletcher	\$0.483
For Employees at Frankfort	\$0.481
For Employees at Ithaca Salaried	\$0.127
For Employees at Livonia	\$0.192
For Employees at Marshall	\$0.115
For Employees at PTC Emissions	\$0.236
For Employees at PTC TS	\$0.236
For Employees at PTC PDS	\$0.236
For Employees at Seneca	\$0.203
For Employees at Water Valley	\$0.236
PTC Turbo	\$0.236
Noblesville, IN	\$0.330
Laredo, TX	\$0.330
Anderson, IN	\$0.330
Taylorsville, MS	\$0.330

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$24,000.

Optional Benefit:

The Monthly Premium for each Employee is based on the Employee's Age and amount of Covered Payroll. The Monthly Rates per \$100 of Covered Payroll are listed below.

Under Age 20	\$.237	Age 45 - 49	\$.469
Age 20 - 24	\$.237	Age 50 - 54	\$.469
Age 25 - 29	\$.237	Age 55 - 59	\$.528
Age 30 - 34	\$.287	Age 60 - 64	\$.578
Age 35 - 39	\$.326	Age 65 - 69	\$.633
Age 40 - 44	\$.410	Age 70 or over	\$.701

A change in rates due to a change in the Employee's age will become effective on the Policy Anniversary coinciding with or next following the Employee's birthday.

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$24,000.

SCHEDULE OF BENEFITS FOR EMPLOYEE GROUP 6

Eligibility Waiting Period

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

Definition of Disability/Disabled

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

1. unable to perform all the material duties of his or her Regular Occupation or a Qualified Alternative; or
2. unable to earn 80% or more of his or her Indexed Covered Earnings.

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

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

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

Definition of Optimum Ability

1. for the first 24 months that benefits are payable, the greatest extent of work the Employee is able to do in his or her Regular Occupation;
2. after 24 months, the greatest extent of work the Employee is able to do in any occupation based on education, training or experience.

The Employee's ability to work is based on the following:

1. medical evidence submitted by the Employee;
2. consultation with the Employee's Physician;
3. evaluation of the Employee's ability to work by not more than three independent experts if required by the Insurance Company; and
4. an offer of employment that meets the Employee's capacity to do the work is made by an employer.

There is no cost to the Employee for evaluation by an independent expert when required by the Insurance Company to determine Optimum Ability.

The independent expert must be:

1. licensed, registered or certified as required by the laws of the state in which the evaluation is made; and
2. acting within the scope of that license, registration or certificate.

Definition of Covered Earnings

For Salaried Employees:

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. It includes earnings received from commissions but not bonuses, overtime pay and other extra compensation. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

Commissions will be averaged for the 24 months just prior to the date Disability begins, or the months employed, if less than 24 months.

However, if the Gross Disability Benefit is less than what an Employee would qualify for under the Employment Insurance Program (EI), it will be increased to account for any bonus, commission, overtime pay or other extra compensation that would be considered insurable earnings under EI. The adjusted Gross Disability Benefit will not exceed the benefit the Employee would qualify for under EI.

For Hourly Employees:

Covered Earnings means an Employee's base hourly wage multiplied by 173.33 hours per month as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

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

However, if the Gross Disability Benefit is less than what an Employee would qualify for under the Employment Insurance Program (EI), it will be increased to account for any bonus, commission, overtime pay or other extra compensation that would be considered insurable earnings under EI. The adjusted Gross Disability Benefit will not exceed the benefit the Employee would qualify for under EI.

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

For Employees participating in the Optional Benefit:

Covered Earnings means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as in effect just prior to the date Disability begins. It includes earnings received from annual bonuses but not commissions, overtime pay and other extra compensation. Covered Earnings are determined initially on the date an Employee applies for coverage. A change in the amount of Covered Earnings is effective on the first of the month following the change, if the Employer gives us written notice of the change and the required premium is paid.

Annual bonuses will be averaged for the 36 months just prior to the date Disability begins, or the months employed, if less than 36 months.

However, if the Gross Disability Benefit is less than what an Employee would qualify for under the Employment Insurance Program (EI), it will be increased to account for any bonus, commission, overtime pay or other extra compensation that would be considered insurable earnings under EI. The adjusted Gross Disability Benefit will not exceed the benefit the Employee would qualify for under EI.

Elimination Period

Core Benefit:	6 months
Optional Benefit:	6 months

Gross Disability Benefit

Core Benefit:

The lesser of 50% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Optional Benefit:

The lesser of 70% of an Employee's monthly Covered Earnings rounded to the nearest dollar or the Maximum Disability Benefit.

Maximum Disability Benefit

Core Benefit:	\$12,000 per month
Optional Benefit:	\$16,800 per month

Minimum Disability Benefit

Core Benefit: \$100 per month
Optional Benefit: \$100 per month

Disability Benefit Calculation

The Monthly Disability Benefit for any month the Employee is Disabled is the Gross Disability Benefit minus Other Income Benefits and the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings the Employee could earn if working at Optimum Ability, minus Disability Earnings.

"Other Income Benefits" means any benefits listed in the Other Income Benefits provision that an Employee receives on his or her own behalf.

Work Incentive Benefit Calculation

An Employee may work for wage or profit while Disabled. In any month in which the Employee works and a Disability Benefit is payable, the Work Incentive Benefit Calculation applies. It is determined as follows:

1. For each month during the first 24 months that Disability Benefits are payable, the amount of the Work Incentive Benefit equals (a) minus (b).
 - (a) equals (i) minus (ii), but not more than the Gross Disability Benefit shown in the Schedule of Benefits.
 - (i) is 100% of Indexed Covered Earnings.
 - (ii) is the sum of Other Income Benefits, including Disability Earnings.
 - (b) equals the Calculation for Optimum Ability.

The Calculation for Optimum Ability is the earnings an Employee could earn if working at Optimum Ability, minus Disability Earnings.

2. After those first 24 months, the amount of benefit to be paid equals (c) minus (d).
 - (c) equals the Gross Disability Benefit minus the sum of 50% of Disability Earnings and 100% of the remaining Other Income Benefits.
 - (d) equals the Calculation for Optimum Ability.

The Insurance Company will, from time to time, review the Employee's status and will require satisfactory proof of earnings and continued Disability.

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

Maximum Benefit Period

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

Initial Premium Rates

For Employees at Corporate / Headquarters / PTC Shared Services (including Wilsonville/Hood River, OR and Southborough, MA)	\$0.096
For Employees at Asheville	\$0.185
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Laredo, TX	\$0.330
Anderson, IN	\$0.330
Taylorsville, MS	\$0.330

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$24,000.

Optional Benefit:

The Monthly Premium for each Employee is based on the Employee's Age and amount of Covered Payroll. The Monthly Rates per \$100 of Covered Payroll are listed below.

Under Age 20	\$.237	Age 45 - 49	\$.469
Age 20 - 24	\$.237	Age 50 - 54	\$.469
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Age 35 - 39	\$.326	Age 65 - 69	\$.633
Age 40 - 44	\$.410	Age 70 or over	\$.701

A change in rates due to a change in the Employee's age will become effective on the Policy Anniversary coinciding with or next following the Employee's birthday.

Covered Payroll for an Employee will mean his or her Covered Earnings for the insurance month prior to the date the determination is made. However, an Employee's Covered Payroll will not include any part of his or her monthly Covered Earnings which exceed \$24,000.

IMPORTANT CHANGES FOR STATE REQUIREMENTS

If an Employee resides in one of the following states, the provisions of the certificate are modified for residents of the following states. The modifications listed apply only to residents of that state.

California residents:

If the Policy provides coverage/benefits to a Spouse, a *Domestic Partner* will be afforded the same coverage/benefits provided to a Spouse.

1. Domestic Partner means any of the following:

A person with whom the Employee has a registered domestic partnership under state law which imposes legal obligations on the parties substantially similar to marriage. Such person will continue to be recognized as a Domestic Partner unless and until: (1) the domestic partnership is dissolved under applicable law; or (2) either the Employee or the Domestic Partner marries another person.

2. All references in the policy to "Spouse" shall be changed to read "Spouse and Domestic Partner" except as follows:

1. A Domestic Partner shall be deemed eligible to be enrolled for insurance or eligible for Additional Benefits on the latest of:
 - a. the date of registration under Item 1 of the definition of Domestic Partner;
 - b. the date that the Employee is eligible for insurance under the Policy; or;
 - c. the effective date of the Rider.

3. The Spouse Rehabilitation Benefit and Survivor Benefit (if any) are modified in the Policy and Certificate as follows:

1. All references to the term "Spouse" are replaced by "Spouse or Domestic Partner" except for the following references:
 - a. The first reference to "Spouse" in the Survivor Benefit text is changed to "Spouse or Domestic Partner" if there is no Spouse".
 - b. The text pertaining to the definition of "Spouse" remains unchanged.

4. Survivor benefits (if any) will be payable as follows: (1) to the Employee's spouse or Domestic Partner; (2) if there is none, in equal shares to the Employee's surviving Children; or (3) if there is none, to the Employee's estate.

5. A child of a Domestic Partner may only be eligible for benefits if:
 - a. the child is primarily dependent on the Employee for financial support;
 - b. the Employee has a legal obligation of support of the child; or
 - c. the Employee is the child's legal guardian.

Louisiana residents:

The percentage of Covered Earnings, if any, that qualifies an insured to meet the definition of Disability/Disabled may not be less than 80%.

Massachusetts residents:

Continuation of Insurance after leaving the group

If an Employee leaves the group covered under the Policy, insurance for such Employee will be continued until the earliest of the following dates:

1. 31 days from the date the Employee leaves the group;
2. The date the Employee becomes eligible for similar benefits.

Continuation of Insurance due to a Plant Closing or Partial Closing

If an Employee leaves the group due to termination of employment resulting from a Plant Closing or Partial Closing, insurance for such Employee will be continued until the earliest of the following dates:

1. 90 days from the date of the Plant Closing or Partial Closing;
2. The date the Employee becomes eligible for similar benefits.

Definitions: For purposes of this provision:

Plant Closing means a permanent cessation or reduction of business at a facility which results or will result as determined by the director in the permanent separation of at least 90% of the employees of said facility within a period of six months prior to the date of certification or with such other period as the director shall prescribe, provided that such period shall fall within the six month period prior to the date of certification.

Partial Closing means a permanent cessation of a major discrete portion of the business conducted at a facility which results in the termination of a significant number of the employees of said facility and which affects workers and communities in a manner similar to that of Plant Closings.

Minnesota residents:

The Pre-existing Condition Limitation, if any, may not be longer than 24 months from the insured's most recent effective date of insurance.

Oregon residents:

If the Policy provides coverage/benefits to a Spouse, a *Domestic Partner* will be afforded the same coverage/benefits provided to a Spouse.

1. Domestic Partner means any of the following:

A person with whom the Employee has a registered domestic partnership under state law which imposes legal obligations on the parties substantially similar to marriage. Such person will continue to be recognized as a Domestic Partner unless and until: (1) the domestic partnership is dissolved under applicable law; or (2) either the Employee or the Domestic Partner marries another person.

2. All references in the policy to "Spouse" shall be changed to read "Spouse and Domestic Partner" except as follows:

1. A Domestic Partner shall be deemed eligible to be enrolled for insurance or eligible for Additional Benefits on the latest of:
 - a. the date of registration under Item 1 of the definition of Domestic Partner;
 - b. the date that the Employee is eligible for insurance under the Policy; or;
 - c. the effective date of the Rider.

3. The Spouse Rehabilitation Benefit and Survivor Benefit (if any) are modified in the Policy and Certificate as follows:
 1. All references to the term "Spouse" are replaced by "Spouse or Domestic Partner" except for the following references:
 - a. The first reference to "Spouse" in the Survivor Benefit text is changed to "Spouse or Domestic Partner" if there is no Spouse".
 - b. The text pertaining to the definition of "Spouse" remains unchanged.
 4. Survivor benefits (if any) will be payable as follows: (1) to the Employee's spouse or Domestic Partner; (2) if there is none, in equal shares to the Employee's surviving Children; or (3) if there is none, to the Employee's estate.
 5. A child of a Domestic Partner may only be eligible for benefits if:
 - a. the child is primarily dependent on the Employee for financial support;
 - b. the Employee has a legal obligation of support of the child; or
 - c. the Employee is the child's legal guardian.

Texas residents:

Any provision offsetting or otherwise reducing any benefit by an amount payable under an individual or franchise policy will not apply.

Washington residents:

1. The following definition of "Children" as stated under the Survivor Benefit is applicable to Washington residents.

"Children" means an Employee's children under age 26 who are chiefly dependent upon the Employee for support and maintenance.

2. If the Policy provides coverage/benefits to a Spouse, a *Domestic Partner* will be afforded the same coverage/benefits provided to a Spouse.

Domestic Partner means any of the following:

A person with whom the Employee has a registered domestic partnership under state law which imposes legal obligations on the parties substantially similar to marriage. Such person will continue to be recognized as a Domestic Partner unless and until: (1) the domestic partnership is dissolved under applicable law; or (2) either the Employee or the Domestic Partner marries another person.

3. All references in the policy to "Spouse" shall be changed to read "Spouse and Domestic Partner" except as follows:
 1. A Domestic Partner shall be deemed eligible to be enrolled for insurance or eligible for Additional Benefits on the latest of:
 - a. the date of registration under Item 1 of the definition of Domestic Partner;
 - b. the date that the Employee is eligible for insurance under the Policy; or;
 - c. the effective date of the Rider
4. The Spouse Rehabilitation Benefit and Survivor Benefit (if any) are modified in the Policy and Certificate as follows:
 1. All references to the term "Spouse" are replaced by "Spouse or Domestic Partner" except for the following references:
 - a. The first reference to "Spouse" in the Survivor Benefit text is changed to "Spouse, or Domestic Partner" if there is no Spouse".
 - b. The text pertaining to the definition of "Spouse" remains unchanged.

5. Survivor benefits (if any) will be payable as follows: (1) to the Employee's spouse or Domestic Partner; (2) if there is none, in equal shares to the Employee's surviving Children; or (3) if there is none, to the Employee's estate.
6. A child of a Domestic Partner may only be eligible for benefits if:
 - a. the child is primarily dependent on the Employee for financial support;
 - b. the Employee has a legal obligation of support of the child; or
 - c. the Employee is the child's legal guardian.

Canadian residents:

The modifications listed apply only to residents of Canada.

1. The *Assignment of Benefits* provision under the **General Provisions** does not apply to residents of Canada.
2. The *Continuation of Insurance* provision is replaced as follows:

CONTINUATION OF INSURANCE

If an Employee's Active Service ends due to the following types of approved leave of absences, layoff, severance or termination of employment, insurance coverage will continue for the periods specified below, provided the required premium contributions are paid when due:

- Leave of absence approved by the Employer, insurance coverage will continue for up to 1 month.
- Receiving benefits under an Employer-sponsored severance plan, insurance coverage will continue for up to 1 month.
- Temporary Layoff, insurance coverage will continue for up to 1 month.
- Termination of Employment, insurance coverage will continue during the period of advanced notice required under applicable provincial legislation.
- Pregnancy Leave approved by the Employer, insurance coverage will continue for up to 17 weeks.
- New Parent Leave approved by the Employer, insurance coverage will continue for up to 63 weeks.
- Personal Emergency Leave approved by the Employer, insurance coverage will continue for up to 10 full days in each calendar year, regardless of date of hire.
- Family Caregiver Leave approved by the Employer, insurance coverage will continue for up to 8 weeks per calendar year.
- Family Medical Leave approved by the Employer, insurance coverage will continue for up to 8 weeks within a 26 week period.
- Critical Illness Leave approved by the Employer, insurance coverage will continue for up to 37 weeks within a 52 week period to care for a child and continue for up to 17 weeks within a 52 week period to care for an adult.
- Organ Donor Leave approved by the Employer, insurance coverage will continue for up to 13 weeks and can be extended for an additional 13 weeks upon submission of a certificate from a legally qualified medical practitioner stating that the Employee is not yet able to perform the duties of his or her position due to the organ donation, and will not be able to do so for a specified period of time, not to exceed 13 weeks.
- Child Crime Death/Disappearance Leave approved by the Employer, insurance coverage will continue for up to 104 weeks for the crime related death of a dependent child and 52 weeks for the disappearance of a dependent child.

3. The *Legal Actions* provision under **Claims Provisions** is replaced by the following::

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the *Insurance Act* (for actions or proceedings governed by the laws of Alberta and British Columbia), *The Insurance Act* (for actions or proceedings governed by the laws of Manitoba), the *Limitations Act, 2002* (for actions or proceedings governed by the laws of Ontario), or other applicable legislation.

4. The *Income Benefits* provision is replaced as follows:

Other Income Benefits

An Employee for whom Disability Benefits are payable under this Policy may be eligible for benefits from Other Income Benefits. If so, the Insurance Company may reduce the Disability Benefits by the amount of such Other Income Benefits.

Direct Sources of Other Income Benefits:

1. any amounts received (or assumed to be received*) by the Employee under:
 - the Canada and Quebec Pension Plans;
 - any local, state provincial or federal government disability or retirement plan or law, excluding Employment Insurance Benefits, payable for Injury or Sickness provided as a result of employment with the Employer;
 - any workers' compensation, occupational disease, unemployment compensation law or similar provincial law payable for Injury or Sickness arising out of work with the Employer, including all permanent and temporary disability benefits. This includes any damages, compromises or settlement paid in place of such benefits, whether or not liability is admitted.

Indirect Sources of Other Income Benefits:

1. any sick leave or salary continuation plan of the Employer;
2. any work loss provision in mandatory "No-Fault" auto insurance that does not take Employment Insurance (EI) benefits payable into account when paying benefits.
3. any Retirement Plan benefits funded by the Employer. "Retirement Plan" means any defined benefit or defined contribution plan sponsored or funded by the Employer. It does not include an individual deferred compensation agreement; a profit sharing or any other retirement or savings plan maintained in addition to a defined benefit or other defined contribution pension plan, or any employee savings plan including a Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), stock option, stock bonus plan, or other individual retirement account.
4. any proceeds payable under any franchise or group insurance or similar plan. If other insurance applies to the same claim for Disability, and contains the same or similar provision for reduction because of other insurance, the Insurance Company will pay for its pro rata share of the total claim. "Pro rata share" means the proportion of the total benefit that the amount payable under one policy, without other insurance, bears to the total benefits under all such policies.
5. any amounts paid because of past or future loss of earnings or earning capacity through settlement, judgment, arbitration or otherwise, where a third party may be liable, regardless of whether liability is determined.

*See the Assumed Receipt of Benefits provision.

Increases in Other Income Benefits

Any increase in Other Income Benefits during a period of Disability due to a cost of living adjustment will not be considered in calculating the Employee's Disability Benefits after the first reduction is made for any Other Income Benefits. This section does not apply to any cost of living adjustment for Disability Earnings.

Lump Sum Payments

Other Income Benefits or earnings paid in a lump sum will be prorated over the period for which the sum is given. If no time is stated, the lump sum will be prorated over five years.

If no specific allocation of a lump sum payment is made, then the total payment will be an Other Income Benefit.

Assumed Receipt of Benefits

The Insurance Company will assume the Employee is receiving benefits for which they are eligible from Other Income Benefits. The Insurance Company will reduce the Employee's Disability Benefits by the amount from Other Income Benefits it estimates are payable to the Employee.

The Insurance Company will waive Assumed Receipt of Benefits, except for Disability Earnings for work the Employee performs while Disability Benefits are payable, if the Employee:

1. provides satisfactory proof of application for Other Income Benefits;
2. signs a Reimbursement Agreement;
3. provides satisfactory proof that all appeals for Other Income Benefits have been made unless the Insurance Company determines that further appeals are not likely to succeed; and
4. submits satisfactory proof that Other Income Benefits were denied.

The Insurance Company will not assume receipt of any pension or retirement benefits that are actuarially reduced according to applicable law, until the Employee actually receives them.

Canadian Pension Plan Assistance

The Insurance Company may help the Employee in applying for Canadian Pension Plan Benefits and may require the Employee to file an appeal if it believes a reversal of a prior decision is possible.

The Insurance Company will reduce Disability Benefits by amounts it estimates the Employee will receive, if the Employee refuses to cooperate with or participate in the Canadian Pension Plan Assistance Program.

5. The Exclusion for "commission of a felony" is replaced by the following:

- committing and being charged with an indictable offence.

6. The definition of *Good Cause* in the Definitions section is removed:

Good Cause

A medical reason preventing participation in the Rehabilitation Plan. Satisfactory proof of Good Cause must be provided to the Insurance Company.

7. *Limited Benefit Periods for Mental or Nervous Disorders and Alcoholism and Drug Addiction or Abuse* is replaced as follows:

Limited Benefit Periods for Mental or Nervous Disorders

The Insurance Company will not pay Disability Benefits for a Disability caused by, or contributed to by, any one or more of the following conditions, unless the Employee is participating or cooperating in a reasonable and customary treatment program or is receiving uninterrupted medical care as part of a detoxification treatment or rehabilitation in a facility established for this purpose.

- 1) Anxiety disorders
- 2) Delusional (paranoid) disorders
- 3) Depressive disorders
- 4) Eating disorders
- 5) Mental illness
- 6) Somatoform disorders (psychosomatic illness)

Treatment must be prescribed by a licensed Physician or certified specialist for the condition involved and must be of the nature and frequency usually required for the condition involved.

Limited Benefit Periods for Alcoholism and Drug Addiction or Abuse

The Insurance Company will not pay Disability Benefits for a Disability caused by, or contributed to by, any one or more of the following conditions, unless the Employee is participating or cooperating in a reasonable and customary treatment program or is receiving uninterrupted medical care as part of a detoxification treatment or rehabilitation in a facility established for this purpose.

- 1) Alcoholism
- 2) Drug addiction or abuse

Treatment must be prescribed by a licensed Physician or certified specialist for the condition involved and must be of the nature and frequency usually required for the condition involved.

8. The definition of "Spouse" in the *Survivor Benefit* is replaced as follows:

"Spouse" means an Employee's lawful spouse. In the event the Employee is not legally married, it may also mean the person who has been cohabiting and residing with the Employee in a conjugal relationship for an immediately preceding continuous period of at least one year and has been publicly represented by the Employee as his or her spouse.