

/NEXCOM

MISSION:YOU

SHORT-TERM / LONG-TERM
**DISABILITY
HANDBOOK**



DEAR ASSOCIATE

One of the benefits you receive as an associate of the NEXCOM Enterprise is our robust compensation and benefits package. Our comprehensive benefits package includes medical, dental, vision, life and disability plans along with our outstanding pension and 401(k) programs.

This booklet gives you details on both the Short-Term and Long-Term Disability programs. Facilitated by Metropolitan Life Insurance Company (MetLife), the disability programs offer a measure of protection should you be unable to work for an extended period of time due to illness or injury. I encourage you to read this booklet carefully to become familiar with the benefits that you are offered as part of your employment.

Contact your local NEXCOM Human Resources representative with any questions regarding your benefits.

*Robert J. Bianchi
Rear Admiral, Supply Corps, USN (Ret.)
Chief Executive Officer
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*Thank you for all
that you do!
Keep Charging!
RJ Bianchi*

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SHORT-TERM DISABILITY

TO OUR ASSOCIATES

To help attract and retain qualified, productive employees, the Heads of the DoD Components shall provide eligible employee's benefit programs that shall meet the requirements of applicable laws, Executive orders, and regulations. Regular full-time (RFT) employees shall be eligible to participate in the Short & Long-Term Disability Plans:

- Employed on the U.S. payroll, have a Social Security Number or Individual Tax Identification Number, and are subject to U.S. income tax; and
- not subject to a Status of Forces Agreement provision that precludes eligibility.

This section of the Summary Plan Description describes the benefits available to you under the self-funded Short-Term Disability Plan of NEXCOM. Our objective is to offer you a high level quality of protection. Please read this section of the booklet carefully to become familiar with your benefits which describes the features of the Short-Term Disability Plan available to you.

The Short-Term Disability Plan is provided by the company, NEXCOM. Claims are paid from the general assets of the company and Metropolitan Life Insurance Company (MetLife) does not insure the benefits described in this section of the booklet.

AT A GLANCE

Short-Term Disability insurance is designed to partially replace your income in the event that you become physically unable to work due to a non-occupational illness or accidental injury. You must be totally disabled in order to be eligible for the Short-Term Disability benefit. Totally disabled is defined as being unable to perform the duties of your occupation.

Associates that are filing a Short-Term Disability claim and do not have adequate Sick/Annual Leave to satisfy the two-month waiting period are eligible to participate in the Leave Share Program (i.e., donated leave). Leave Share donations are to end upon satisfying the two-month waiting period. For eligibility requirements please contact your local Human Resources Office.

ELIGIBILITY	Active regular full-time civilian associates
DEFINITION OF SHORT-TERM DISABILITY	Short-Term Disability is defined as a non-occupational illness or accidental injury that prevents you from working for a short period of time.
BENEFIT WAITING PERIOD	2 consecutive months of total disability.
BENEFITS BECOME PAYABLE	Beginning the 3rd consecutive month of total disability.
PAYMENT PERIOD	Up to 4 months of payments of unused Sick Leave and/or Short-Term Disability benefits.

PAYMENTS END

Payments end when the maximum number of payments has been reached, when you recover, or when you retire under NEXCOM's Retirement Plan, whichever happens first.

WEEKLY BENEFIT

60% of your weekly basic earnings, rounded to the nearest \$1, reduced by any other income you receive on account of the disability up to the maximum allowable amount.

EXCLUSIONS

MetLife/NEXCOM will not pay for any disability caused or contributed to by:

- war, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act;
- your active participation in a riot;
- intentionally self-inflicted injury;
- attempted suicide;
- commission of or attempt to commit a felony; or
- any injury for which you are entitled to benefits under worker's compensation or a similar law.

ELIGIBILITY

Eligibility requirements are that you are to be employed on the U.S. payroll as an active regular full-time civilian associate, have a Social Security Number or Individual Tax Identification Number, and are subject to U.S. income tax and not subject to a Status of Forces Agreement provision that precludes eligibility.

ENROLLMENT/EFFECTIVE DATE OF COVERAGE

The Short-Term Disability Plan will become effective on the day you begin work or employment category has changed to regular full-time.

Regular part-time and flex associates are not eligible for Short-Term Disability

COST OF SHORT-TERM DISABILITY PLAN

Short-Term Disability is a self-funded disability coverage offered by NEXCOM. This coverage is automatically provided to eligible associates at no cost.

DEFINITION OF SHORT-TERM DISABILITY INSURANCE

Short-Term Disability is defined as an injury or illness that prevents you from working for a short period of time. This coverage is designed to provide partial wages during your time of injury or illness (that is not work related) for up to four months.

For the purpose of this coverage, disability caused by pregnancy will be considered disability caused by sickness.

DOCTOR'S CARE DEFINED

TOTAL DISABILITY

You must be unable to perform the duties of your occupation (i.e., useful and efficient service in your position of the same grade or class).

It is not necessary to be confined in a hospital to receive payment, but you must be under a doctor's care and satisfactory evidence of total disability must be presented.

DOCTOR'S CARE

Defined as medical care and treatment that is received from a doctor whose medical training and clinical experience are suitable for treating your disability; is essential in meeting your basic health needs and is of evident medical value; is consistent in type, frequency and duration of treatment with relevant guidelines of national medical, research and health care coverage organizations and governmental agencies; is consistent with the diagnosis of your condition; and its purpose is maximizing your medical improvement.

BENEFIT WAITING PERIOD

Benefits are not payable until you are disabled for two consecutive months or longer and have exhausted your Sick Leave, whichever is later. Thereafter, you will receive a weekly income benefit that will begin with the first day after you have satisfied your waiting period, for any remaining period of disability entitlement.

CHANGE IN EMPLOYMENT STATUS

If you are a regular full-time associate and are involuntarily changed to regular part-time status, you will automatically continue to be covered for Short-Term Disability.

In addition, you will be allowed to continue to participate in the Long-Term Disability Plan if you are currently enrolled.

FILING A CLAIM

Report absence to employer. Contact your direct report (Director, Supervisor, or Manager) on your first day of absence that you will be out of work due to illness/injury and advise if the absence is expected to last more than **two consecutive months**.

Discuss Family Medical and Leave Act (FMLA) with your local Human Resources Office.

REQUEST FOR CLAIM

A claim can be initiated quickly and efficiently by requesting a Short-Term Disability claim packet in person or via phone from your local HR.

If you are unable to report an absence or request a claim due to disability, you may have another person act on your behalf.

You have ninety days from the date your illness/injury has occurred to submit a claim under Short-term disability.

Note: *If you are intending to file a disability claim, NEXCOM recommends that you initiate the claim as soon as possible, in the event of a scheduled leave of absence or no later than 12 weeks from the date of illness/injury. Do not send claims directly to MetLife to prevent any delays in claim review or benefit payments.*



Once you have completed the Short-Term Disability claim packet, gathered the required documentation and obtained your provider's completed form, please mail claims to:

NEXCOM
Attn: Insurance Claims Technician/HB
3280 Virginia Beach Boulevard
Virginia Beach, VA 23452-5724

MetLife will contact you if there are any questions in regards to your claim. While you are on disability you are required to continue contributions to the plans you are currently enrolled. **You have the option of utilizing 17.5 hours a week of your Annual Leave for a total of 35 hours per pay period to cover your benefit plans. If Annual Leave has been exhausted, payments can be made using a Visa/MasterCard, debit or credit card by contacting the Benefits Accounting Technician via email hbbenefitpayments@nexweb.org.**

Leave Share (donated leave) cannot be used beyond the two-month waiting period.

INITIAL DECISION

After your short-term disability claim is received from your local Human Resources office, it is reviewed and submitted by the Insurance Claims Technician to MetLife. The assigned case manager at MetLife will review your claim and notify you of their decision to approve or deny your claim. You may track the process of your claim as well as upload medical documents by enrolling at mybenefits.metlife.com.

To login and create a new account, visit mybenefits.metlife.com. Under the "Metlife Benefits Login" section, where it asks for "Employer or Association," type "Navy Exchange Service Command" and click "Next." On the next page at the top right, click the lock icon to "Login" and/or create a new account.

DISABILITY DETERMINATION

MetLife will make the final determination should any questions arise of whether or not an associate is disabled and eligible for benefits.

MINIMUM BENEFIT

Beginning with the 3rd consecutive month in which you are unable to perform the duties of your job and after your Sick Leave has been exhausted, you will receive weekly payments up to four months of Short-Term Disability. Payments will be discontinued when you recover, and/or retire under NEXCOM's Retirement Plan, whichever happens first.

Associates with more than six months of Sick Leave are not eligible to file a claim under Short-Term Disability. However, they are required to file for a disability income insurance claim as describe under Filing a Claim. If applicable, the claim will be submitted as a Long-Term Disability claim.

BENEFIT PAYABLE

Your benefit will be equal to 60% of your current *basic earnings up to the maximum allowable amount, rounded to the nearest \$1 reduced by any other income you receive on account of the disability.

DEFINITION OF BASIC EARNINGS

*Basic earnings mean your base rate of pay, excluding overtime, bonus or additional compensation, for your normal work week, but in no event for a work week of more than 40 hours. If you are an associate paid on a commission basis, the term *basic earnings means your total earnings for the previous calendar year.

OTHER INCOME BENEFITS

The benefit payable will be reduced by any other income you receive on account of disability from:

- Social Security benefits, including benefits payable to your dependents on account of your disability.
- mandatory automobile no-fault benefits
- any plan of insurance or other arrangement of coverage toward which your employer contributes or makes payroll deductions
- by any state or federal government retirement plan

FOR OCCUPATIONAL DISABILITIES

MetLife will not pay benefits for any disability:

- which happens in the course of any work performed by you for wage or profit; or
- for which you are eligible to receive worker's compensation or benefits under a similar law.

RECURRING DISABILITIES

A recurring disability is a disability from the same or related cause that occurs within one month of returning to work. Recurring disability does not require you to satisfy the two month benefit waiting period and you may receive any unused benefit for recurring disabilities.

SUCCESSIVE DISABILITIES

Benefits will be paid for each successive disability resulting from an unrelated cause when the disabilities are separated by your return to full-time active work.

EXAMPLE

- If an associate is on disability for a broken leg and returned to work from that disability, but later went on disability for a hernia, both would be covered given the associate meets the definition of disability.

Benefits will be paid for each successive disability resulting from the same or related cause when the disabilities are separated by your return to work for at least three months.

EXAMPLE

- If an associate went out on disability for low back pain and returned to work for less than the recurrent or successive period (3 months), they would not have to satisfy a new Elimination Period if they went back out for the same or related condition.

Benefits will be paid for only one disability when more than one disability exists at the same time or when a disability results from two or more causes.

EXAMPLE

- If an associate has a primary diagnosis of Osteoarthritis with multiple diagnoses of anxiety, hypertension, low back pain. Regardless of the number of diagnoses, they will receive payment for only one disability.

OVERPAYMENTS FOR DISABILITY INCOME INSURANCE RECOVERY OF OVERPAYMENTS

MetLife/NEXCOM has the right to recover any amount that is determined to be an overpayment.

An overpayment occurs if MetLife/NEXCOM determines that:

- the total amount paid by MetLife/NEXCOM on your claim is more than the total of the benefits due to you under this plan
- payment paid should have been made by another group plan
- donated leave received beyond the waiting period of claim submission
- this confirms that you will reimburse the plan for all overpayments; and if such overpayment occurs, you have an obligation to reimburse and authorize MetLife/NEXCOM to obtain any information relating to sources of other income. MetLife/NEXCOM rights and your obligations in this regard are described in the reimbursement agreement that you are required to sign when you submit a claim for benefits

HOW METLIFE/NEXCOM RECOVERS OVERPAYMENTS

MetLife/NEXCOM may recover the overpayment from you by:

- stopping or reducing any future disability benefits payable to you or any other payee under the disability sections of this plan
- demanding an immediate refund of the overpayment from you
- taking legal action

If the overpayment results from MetLife/NEXCOM having made a payment to you that should have been paid under another group plan, MetLife/NEXCOM may recover such overpayment from one or more of the following:

- any other insurance company
- any other organization
- any person to or for whom payment was made

EXCLUSIONS

MetLife/NEXCOM will not pay for any disability caused or contributed to by:

- war, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act
- your active participation in a riot
- intentionally self-inflicted injury
- attempted suicide
- commission of or attempt to commit a felony
- any injury for which you are entitled to benefits under worker's compensation or a similar law

BENEFITS NOT ASSIGNABLE

Your benefits are not assignable, which means that you may not transfer your benefits to anyone else.

TERMINATION OF COVERAGE

Your disability coverage will terminate on the earliest of the following dates, if you are not disabled:

- The date your employment terminates.
- The date you cease to be an eligible associate.
- The date the plan(s) terminate.

In addition to the above, your Short-Term Disability Plan coverage will terminate in accordance with the provisions discussed under payment period and date monthly payments cease.

BENEFITS AFTER TERMINATION OF EMPLOYMENT

If you should become disabled and are receiving monthly income payments on the date your employment ceases, other than for retirement, payments will continue until you have received the maximum benefits to which you are entitled under this plan.

DISCLAIMER

While this information is believed to be accurate as of the print date, it is subject to change. This booklet summarizes the major and current provisions of the Short-Term Disability Plan. However, in the event of any discrepancy between this booklet and the official contract the contract will prevail. NEXCOM reserves the right to change or discontinue the plan at any time.



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LONG-TERM DISABILITY

TO OUR ASSOCIATES

This second half of the Summary Plan Description (SPD) describes the benefits available to you under the shared cost Long-Term Disability Plan. The Long-Term Disability Plan is an optional benefit to assist you in the event you experience a long lasting non-occupational illness or accidental injury that last longer than 180 consecutive days (six months), and prevents you from meeting your financial responsibilities.

AT A GLANCE

Long-Term Disability insurance is designed to partially replace your income in the event that you become physically unable to work due to a non-occupational illness or accidental injury for an extended period of time. Returning to work is in your best interest and in some cases NEXCOM offers financial incentives for you to return to work.

ELIGIBILITY	Active regular full-time civilian associates
BENEFIT WAITING PERIOD	180 days (6 months) of continuous disability.
MONTHLY BENEFIT	60% of your pre-disability base monthly earnings, less income you receive from other sources up to the maximum monthly benefit of \$10,500. Minimum Monthly Benefit is \$100.
DISABILITY DEFINITION	<p>Due to sickness or as a direct result of accidental injury:</p> <ul style="list-style-type: none"> • you are receiving appropriate care and treatment and complying with requirements of such treatment, and • you are unable to earn: • during the Elimination Period and the next 24 months of sickness or accidental injury, more than 80% of your pre-disability earnings at your own occupation from any employer in your local economy, and • after such period, more than 60% of your pre-disability earnings from any employer in your local economy at any gainful occupation for which you are reasonably qualified taking into account your training, education and experience.
LIMITATIONS DUE TO PARTICULAR CONDITIONS	Limited to 24 months during your lifetime for mental or nervous disorders or diseases; neuromusculoskeletal and soft tissue disorder, chronic fatigue syndrome; and, limited to no more than one lifetime period of disability due to drug, alcohol or substance abuse or dependency.

PRE-EXISTING CONDITION LIMITATION

No monthly income payments will be made for any period of total disability which results, directly or indirectly, from an injury or illness for which you, during the 180 days (6 months) prior to the effective date of your Long-Term Disability Benefits:

- incurred expenses
- received medical treatment
- took prescribed drugs or medicines
- consulted a physician

This limitation will not apply to a period of total disability which begins more than 12 months after the effective date of your Long-Term Disability Benefits.

FINANCIAL INCENTIVES TO RETURN TO WORK

Rehabilitation Incentive:

May receive up to a 10% increase in your monthly benefit.

Family Care Incentive:

May receive monthly reimbursement for eligible family care expenses (e.g., child care under the age of 13).

Work Incentive:

This feature encourages you to participate in rehabilitative employment.

EARLY RETIREMENT VS LONG-TERM DISABILITY BENEFIT

If you are eligible for early retirement benefits and you are a disability recipient under the age of 62 being separated from employment, you may not collect disability benefits and early retirement benefits at the same time.

EXCLUSIONS

We will not pay for any disability caused or contributed to by:

- war, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act
- your active participation in a riot
- intentionally self-inflicted injury,
- attempted suicide
- commission of or attempt to commit a felony
- any injury for which you are entitled to
- benefits under worker's compensation or a similar law

ELIGIBILITY

You will become eligible to participate in the Long-Term Disability Plan upon employment as a regular full-time civilian associate or during an employment category change to regular full-time status. At that time, you will have the opportunity to enroll in the Long-Term Disability Plan, if you request.

ENROLLMENT/EFFECTIVE DATE OF COVERAGE

Coverage will become effective on the date you complete and sign the enrollment form electing coverage, provided you complete the enrollment form within 31 days of becoming eligible.

On the effective date of coverage, the associate must be either actively at work or in an approved leave status other than for disability; otherwise the benefit(s) will begin on the first day of your return to work.



COST OF LONG-TERM DISABILITY PLAN

The Long-Term Disability Plan is a shared cost plan. NEXCOM and the employee who elects to participate, share a 50/50 contribution towards an employee's plan participation

DEFINITION FOR DISABLED & ELIMINATION PERIOD

Disabled or disability means that due to sickness, or as a direct result of accidental injury:

- you are receiving appropriate care and treatment and complying with the requirements of such treatment
- you are unable to earn
- during the 180 days (6 months) elimination period and the next 24-months of sickness or accidental injury, you are unable to earn more than 80% of your pre-disability earnings at your own occupation from any employer in your local economy
- after the 24 month period, you are unable to earn more than 60% of your pre-disability earnings from any employer in your local economy at any gainful occupation for which you are reasonably qualified taking into account your training, education and experience

Elimination Period means the length of time between when an illness or injury begins and receiving benefit payments from MetLife; also known as the "waiting" period.

LATE ENTRANT/BIENNIAL ENROLLMENT PERIOD

If you do not elect to enroll in the Long-Term Disability Plan within the 31 day period when you are initially eligible, you will be given another opportunity to enroll during the Biennial Enrollment Period. The 31-day Biennial Enrollment Period will begin on or around November 1st of every other year. If you enroll during the Biennial Enrollment Period, you will be required to provide evidence of good health by completing a Statement of Health (SOH) form. The effective date of coverage will be the date on which the insurance company agrees, in writing, to cover you.

FILING A CLAIM

If a disability extends beyond the six month Short-Term Disability benefit period and Long-Term Disability coverage is in force, additional benefits may be available. If you are eligible for Long-Term Disability benefits, the following process applies.

MetLife mails an Long-Term Disability claim packet to you at approximately the 17-19 week point of Short-Term Disability.

Return the completed Long-Term Disability packet within 30 days to initiate a claim

- if not returned within 30 days, the claim may be closed or could result in adverse benefit payment
- provide additional information that could influence such as worker's compensation, Social Security, or pension payments must also be shared with MetLife

MetLife notifies you of the claim decision and begins monthly benefit payments

- Long-Term Disability monthly benefit payments are adjusted for applicable offsets, i.e. if you are receiving payments through another source
- premiums for your Long-Term Disability coverage are waived if you are approved for an Long-Term Disability
- if your disability claim is not approved, in whole or in part, your case manager contacts you to explain why and you are sent a formal letter stating the reasons for the denial and explaining the appeal procedure

NEXCOM will continue to monitor your claim status with notification from MetLife in the form of an email of the claim decision.

NEXCOM will coordinate your return to work efforts with MetLife.

BENEFIT WAITING PERIOD

Benefits are not payable until you are disabled for 180 consecutive days (6 months) or longer or have exhausted your Sick Leave, whichever is later. Thereafter, you will receive a monthly income benefit for any remaining period of disability entitlement.

Upon approval, Long-Term Disability contributions are waived during the time that monthly benefits are payable. While you are out on disability you are required to continue contributions to the plans you are currently enrolled. **Payments can be made using Visa/MasterCard debit or credit card by contacting the Benefits Accounting Technician via email at hbbenefitpayments@nexweb.org. Leave Share (donated leave) cannot be used beyond the two-month waiting period.**

***Pre-disability** earnings are the amount of your gross salary or wages as of the day before your disability began. Pre-disability earnings do not include awards and bonuses, overtime pay or any other compensation.

BENEFIT PAYABLE

While you are disabled you will receive monthly income payments. Your benefit will be 60% of your *pre-disability earnings rounded to the nearest \$1, reduced by any other income you receive. The maximum benefit is \$10,500 per month. The minimum benefit is \$100 per month. The minimum benefit will not apply if you are in an overpayment situation or are receiving income from employment.

OVERPAYMENTS FOR DISABILITY INCOME INSURANCE

Recovery of overpayments:

MetLife/NEXCOM has the right to recover any amount that is determined to be an overpayment.

An overpayment occurs if MetLife/NEXCOM determines that:

- the total amount paid by MetLife/NEXCOM on your claim is more than the total of the benefits due to you under this plan
- payment MetLife/NEXCOM paid should have been made by another group plan.
- donated leave received beyond the waiting period of claim approval

This confirms that you will reimburse MetLife/NEXCOM for all overpayments; and if such overpayment occurs, you have an obligation to reimburse and authorize MetLife/NEXCOM to obtain any information relating to sources of other income. MetLife/NEXCOM rights and your obligations in this regard are described in the reimbursement agreement that you are required to sign when you submit a claim for benefits.

HOW METLIFE/NEXCOM RECOVERS OVERPAYMENTS

We may recover the overpayment from you by:

- stopping or reducing any future disability benefits payable to you or any other payee under the disability sections of this plan
- demanding an immediate refund of the overpayment from you
- taking legal action

If the overpayment results from MetLife/NEXCOM having paid a payment to you that should have been made under another group plan, MetLife/NEXCOM may recover such overpayment from one or more of the following:

- any other insurance company
- any other organization
- any person to or for whom payment was made

PREMIUM WAIVER

Premium Waiver is the eligibility to continue your life insurance while you are totally disabled. If you become totally and permanently disabled while insured and before age 60, your Basic and Optional Life Insurance (but not your Accidental Death & Dismemberment (AD&D) Insurance or Dependent Group Life) Benefit will remain in force as long as you meet the following:

- remain disabled
- proof of disability is furnished as required
- benefit premiums are paid current up to the approval of the Premium Waiver

The Premium Waiver statement will be filed by NEXCOM within three months after total disability has lasted nine months. To verify that you continue to be totally disabled without interruption, MetLife may periodically require you to provide proof that you continue to be totally disabled. MetLife will not ask for proof more than once each year.

The full amount of your Basic and Optional Life Insurance will be continued – at no cost to you – until you recover or fail to furnish proof of disability. The amount of insurance continued will be based on plan participation and amounts reduced at retirement age.

DISABILITY INCOME INSURANCE LIMITED DISABILITY BENEFITS FOR OCCUPATIONAL DISABILITIES

Benefits will not be paid for any disability which happens in the course of work performed by you for wage or profit or for which you are eligible to receive payment for worker's compensation or a similar law.

LIMITATION FOR PRE-EXISTING CONDITION

No monthly income payments will be made for any period of total disability which results, directly or indirectly, from a non-occupational injury or illness for which you, during the 180 days (6 months) prior to the effective date of your Long-Term Disability Benefits:

- incurred expenses; received medical treatment, consultation, care, or services
- received medical treatment
- took prescribed drugs or medicines
- consulted a physician

Benefits will not be paid for a disability that results from a pre-existing condition; if you have been ***actively at work** for less than 12 consecutive months after the date your disability insurance takes effect under this certificate.

*Actively at work or active work means that you are performing all of the usual and customary duties of your job on a full-time basis.

This must be done at:

- associate's place of business
- an alternate place approved by the policyholder
- a place to which NEXCOM's requires you to travel

You will be deemed to be **actively at work** during weekends or policyholder approved vacations, holidays or business closures if you were **actively at work** on the last scheduled work day preceding such time off.

LIMITATION FOR DISABILITIES DUE TO PARTICULAR CONDITIONS

Monthly income payments will be made for no more than 24-months during your lifetime if you are disabled due to a mental or nervous disorder or disease, unless the disability results from schizophrenia, bipolar disorder, dementia or organic brain disease.

Monthly income payments are limited to 24-months during your lifetime if you are disabled due to neuromusculoskeletal and soft tissue disorder including, but not limited to, any disease or disorder of the spine or extremities and their surrounding soft tissue; including sprains and strains of joints and adjacent muscles, unless the disability has objective evidence of certain diseases outlined in the Certificate of Insurance.

Monthly income payments are limited to 24-months during your lifetime if you are disabled due to chronic fatigue syndrome and related conditions.

In no event will monthly income payments be payable longer than the time frames outlined in the payment period and date monthly benefits cease.



LIMITATION FOR ALCOHOL, DRUG OR SUBSTANCE ABUSE OR DEPENDENCY

If you are disabled due to alcohol, drug or substance abuse or dependency, monthly income payments are limited to one period of disability during your lifetime. You must be participating in an available rehabilitative program recommended by a doctor. In no event will monthly income payments be made beyond the earlier of:

- the date 24 monthly income payments have been made
- the date you are no longer participating in the rehabilitative program
- the date you refuse to participate in an available rehabilitative program
- the date you complete the rehabilitative program

TEMPORARY RECOVERY DURING YOUR WAITING PERIOD

If you return to work for 30 days or less during your waiting period, those days will count towards your waiting period. However, if you return to work for more than 30 days before satisfying your waiting period, you will have to begin a new waiting period.

PAYMENT PERIOD

You will receive Long-Term Disability monthly income payments until the earlier of:

- the date you cease to be disabled
- the end of the period specified in the limitation for disabilities due to particular conditions and the limitation for alcohol, drug or substance abuse or dependency

- The date you cease or refuse to participate in a rehabilitation program as described in Work Incentive.
- The date you fail to provide documentation requested by the insurance company (e.g., proof of disability, evidence of continuing disability, proof that you are under the care of a doctor, information about other income you are receiving).

Note: Initial submission of these documents should be made no later than six months following your original date of disability.

- The date you retire under NEXCOM's retirement plan.
- Your normal retirement age as defined by the Social Security Administration on the date your disability starts or whichever of the following dates below is applicable to you:

DATE MONTHLY BENEFITS CEASE

AGE WHEN DISABILITY BEGAN	Date Monthly Benefits Cease
LESS THAN 60	Your 65th birthday
60	The date the 60th monthly benefit is payable;
61	The date the 48th monthly benefit is payable
62	The date the 42nd monthly benefit is payable
63	The date the 36th monthly benefit is payable
64	The date the 30th monthly benefit is payable
65	The date the 24th monthly benefit is payable
66	The date the 21st monthly benefit is payable
67	The date the 18th monthly benefit is payable
68	The date the 15th monthly benefit is payable
69 AND OVER	The date the 12th monthly benefit is payable

DISABILITY BENEFITS VS. EARLY RETIREMENT

If you are a disability recipient being separated from employment and are eligible for early retirement, you have several options available regarding your disability and retirement benefits. It is important that you contact your local Human Resource representative for information applicable to your individual case.

SOCIAL SECURITY DISABILITY BENEFIT

You, the employee, and your employer, NEXCOM, contribute payroll taxes to Social Security. A portion of those tax dollars are used to finance Social Security's program of disability protection. Since your tax dollars help fund this program, it is in your best interest to apply for any benefits to which you may be entitled. Your spouse and children may also be eligible to receive Social Security disability benefits due to your disability.

MetLife will reduce the amount of your disability, after you have received 24-months of disability payments by the estimated amount of Social Security benefits that you, your spouse or child (ren) are eligible to receive because of your disability or retirement, unless MetLife has received:

- approval of your claim for Social Security benefits
- a notice of denial of such benefits indicating that all levels of appeal have been exhausted
- However, within six months following the date you became disabled, you must:
 - send MetLife proof that you have applied for Social Security benefits
 - sign a reimbursement agreement in which you agree to repay MetLife for any overpayments they may make to you under this insurance
 - sign a release that authorizes the Social Security Administration to provide information directly to MetLife concerning your Social Security benefits eligibility

MetLife Disability employs a Social Security Advocacy Program whereby MetLife will utilize the expertise of Social Security Specialist to provide guidance and assistance to the employee, when appropriate, during the Social Security application and appeal process. The services include:

- assistance throughout the application process
- guidance through appeal process by a Social Security Specialist
- you are guided through each stage of the appeal process. These stages may include:
 - reconsideration by the Social Security Administration
 - hearing before a administrative law judge review by an Appeals Council established within the Social Security Administrations in Washington, D.C.
 - a civil suit federal court.
- Social Security attorneys.

OTHER INCOME BENEFITS

These benefits will be reduced by any other income you receive shown below:

Social Security benefits; including benefits payable to your dependents on account of your disability (*Note: if you are divorced or legally separated, benefits paid directly to your dependents and not taken into constructive receipt by you will not be counted*). MetLife reserves the right to reduce your monthly benefit:

- by estimating the Social Security disability benefits you may be eligible to receive.
- any sick pay or other salary continuation, other than vacation pay
- worker's compensation
- any plan of insurance toward which your employer contributes or makes payroll deductions.
- by any state or federal government retirement plan
- work earnings, rehabilitation incentive, and family care expenses (will not be used to reduce your monthly benefit except as described in the Work Incentive section of this booklet)
- claim information will be exchanged among these programs and excess payments, if any, will be recovered from the associate.

DISABILITY DETERMINATION

MetLife will make the final determination should any questions arise of whether or not an associate is disabled and eligible for benefits.

EXCLUSIONS

No payment will be made for any disability which results from or is caused by or contributed to:

- war, insurrection, or rebellion
- active participation in a riot
- intentionally self-inflicted injury or attempted suicide
- any injury for which you are entitled benefits under worker's compensation or a similar law.
- committing a felony
- while you engage in any work for profit.
- violation of local, state or federal law

SUCCESSIVE DISABILITY

A Successive Disability is a disability from the same or related cause that occurs within a defined time period since returning to work. If you return to active work after completing your Elimination Period of 180 days (6 months) or less, and then become disabled again due to the same or related non-occupational illness or accidental injury, you will not be required to complete a new Elimination Period.

For the purpose of determining your benefits, NEXCOM will consider such disability to be a part of the original disability and will use the same pre-disability earnings and apply the same terms, provisions and conditions that were used for the original disability.

DEFINITION OF PRE-DISABILITY EARNINGS

The term pre-disability earnings means your basic earnings as of the day before your disability began, excluding overtime, bonus or additional compensation for your normal work week, but in no event for a work week of more than 40 hours.

If you are an associate paid on a commission basis, the term pre-disability earnings means your total earnings for the previous calendar year.

DEFINITION OF INDEXED PRE-DISABILITY EARNINGS

MetLife will add to pre-disability earnings an amount equal to the product of your pre-disability earnings times the lesser of 7% or the annual rate of increase in the Consumer Price Index for the prior calendar year. This is used to determine your benefit entitlement. It is not an increase to your salary or wage.

The first increase will take place on the date the 13th monthly benefit is payable. Subsequent increases will utilize the same methodology of calculation stated above and take effect annually on each anniversary of the first increase. You must have been continually receiving monthly benefits under this plan.

CHANGES IN AMOUNT OF BENEFITS PAYABLE

An increase in earnings occurring between successive periods of disability, which qualifies as one period of disability, will not be considered effective on that claim.



REHABILITATION INCENTIVE

While disabled, your monthly benefit, before reduction for other income benefits, is increased by 10% when you participate in a rehabilitation plan approved by MetLife.

FAMILY CARE INCENTIVE

This provision applies during the first 24-months following the date you have satisfied your waiting period.

While disabled, when you work or participate in an approved rehabilitation program, you will be reimbursed for eligible family care expenses incurred with respect to each eligible family member.

An eligible family member is a person who is living with you as part of your household and is chiefly dependent on you for support.

Eligible family care expenses mean the monthly expenses you incur for you to participate in a rehabilitation program, up to \$400 for each eligible family member. These expenses are incurred to provide childcare for your eligible family members under age 13 or for an eligible family member who is incapable of taking care of him/her due to a mental or physical impairment.

The childcare must be provided by a licensed child care facility or other qualified childcare provider. The childcare provider may not be a member of your immediate family or living in your residence. Proof of incurred expenses is required.

Note: Eligible Family Care Incentives do not include expenses for which you are eligible for reimbursement under any other group plan or from any other source.

WORK INCENTIVE

While you are disabled, you are encouraged to work or participate in a rehabilitation program during your waiting period or while monthly benefits are being paid to you. Reimbursement for eligible family care expenses is also available when you work or participate in an approved rehabilitation program while disabled.

A rehabilitation program means a return to active employment by you on either a part-time or full-time basis in an attempt to enable you to resume gainful employment or service in an occupation for which you are reasonably qualified taking into account your training, education, experience and past earnings or participating in vocational training or physical therapy.

There is no offset for employment earnings during the first 24 months after you have satisfied your waiting period. However, your monthly benefit may be reduced if the total income you are receiving (including Rehabilitation and Family Care Incentives) exceeds 100% of your pre-disability earnings or indexed pre-disability earnings.

LIMIT ON WORK INCENTIVE

After the first 24-months following your Elimination Period MetLife/NEXCOM will reduce your monthly disability benefit by 50% of the amount you earn from working while disabled. An Long-Term Disability claimant can receive up to 100% of their pre-disability earnings up to 24-months following the Elimination Period. After that if they continue to work while disabled, 50% is offset; the minimum monthly benefit does not apply.

RE-EMPLOYMENT

If your employment is terminated after completing the eligibility requirements, and you are subsequently re-employed as a regular full-time associate within 12 months, or return from military service with re-employment rights, you will be immediately eligible. If you did not previously satisfy the eligibility requirements, you will be eligible when your prior periods of service and subsequent period of service meet the eligibility requirements.

RIGHT TO EMPLOYMENT

The establishment of an employee benefit plan does not imply that employment is guaranteed for any period of time or that any employee receives any non-forfeitable right to continued participation in any benefit plan.

BENEFITS NOT ASSIGNABLE

Your benefits are not assignable, which means that you may not transfer your benefits to anyone else.

BENEFITS AFTER TERMINATION OF EMPLOYMENT

If you should be totally disabled and are receiving monthly income payments on the date your employment ceases, other than for retirement, payments will continue until you have received the maximum benefits to which you are entitled under this Plan.

EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)

This plan is not subject to the laws of ERISA.



DISCLAIMER

While this information is believed to be accurate as of the print date, it is subject to change. This booklet summarizes the major and current provisions of the Long Term Disability Plan in the Certificate. However, in the event of any discrepancy between this booklet and the official Certificate the Certificate will prevail. NEXCOM reserves the right to change or discontinue the plan at any time.



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