

Dearborn Life Insurance Company

Administrative Office:
701 E. 22nd Street
Lombard IL 60148

(A stock life insurance company, herein called "We" "Us" or "Our")

Policyholder: TOWN OF ELIZABETHTOWN
Policy Number: F014267-0001
Policy Effective Date: July 1, 2015 - Revised: September 1, 2024
Anniversary Date: January 1

We agree with the *Policyholder* to insure certain eligible *Employees* of the *Policyholder*. We promise to pay benefits for loss covered by the *Policy* in accordance with its provisions.

POLICY EFFECTIVE DATE AND TERM

The *Policy* takes effect on the *Policy Effective Date* stated above subject to any participation requirement stated in the *Policy*. All insurance periods will be computed from that date. The *Policy* remains in force for the period for which premium has been paid. It may be renewed for further successive periods by payment of premium as stated in the *Policy*.

THIS POLICY IS RENEWABLE AT THE OPTION OF DEARBORN LIFE INSURANCE COMPANY

All periods of insurance begin and end at 12:01 A.M., Standard Time, at the *Policyholder's* address as stated in the *Policy*, and on the *Application*.

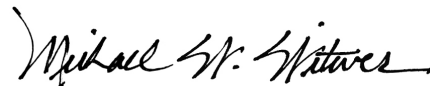
Important Cancellation Information: This *Policy* may be terminated by Dearborn Life Insurance Company under certain conditions. Please Read The Provision Entitled, ***POLICY TERMINATION***, Found On Page 4.

NOTICE: These forms contain a pre-existing condition exclusion which may allow Dearborn Life Insurance Company to deny coverage for certain disabilities. Consult your *Policy* for details.

Signed for Dearborn Life Insurance Company



Secretary



President

Group Short Term Disability Policy

Non-Participating

**THIS POLICY IS A LEGAL CONTRACT BETWEEN THE POLICYHOLDER AND
DEARBORN LIFE INSURANCE COMPANY. PLEASE READ THIS POLICY CAREFULLY.**

THIS IS NOT A WORKERS' COMPENSATION POLICY

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ATTACHMENTS:

- Master Application
- Certificate of Insurance

DEFINITIONS

Policyholder means the *Employer* to whom the *Policy* is issued and who sponsored the coverage for its *Employees*. If the *Policyholder* is an *Organization*, the term *Participating Employer* shall be substituted for *Policyholder*.

Participating Employer means a person, firm or institution who is a member of the *Organization* in good standing and whose *Application* for insurance coverage has been approved by *Us*, an *Employer* who:

1. is a *Member* of the *Organization*; and
2. who has elected to participate in the insurance program offered through the *Organization*.

Participation Agreement means the document showing the eligible classes, the amounts of insurance, and other relevant information pertaining to the Plan of Insurance for which the *Participating Employer* applied.

Employer means the *Policyholder* and includes any division, subsidiary, or affiliated company named in the *Policy*.

Employee means a person who is a citizen or legal resident of the United States and *Actively at Work* with the *Employer*.

PREMIUM

How is the initial premium calculated?

Initial Premium is calculated at a rate of \$0.393 per \$10 of benefit.

When is premium paid?

The *Policy* is issued in consideration of the payment in advance of premium on the premium due date indicated on the *Application*. The initial premium is calculated at the premium rate stated above. Payment must be made by the premium due date as shown on the *Application*.

If an addition, termination or change in insurance takes place other than on a regular due date, any premium adjustment will take effect on the next due date.

Is premium payable while an Insured receives benefits?

We will waive premium for an *Insured Employee* during the period of *Disability* for which the *STD Weekly Benefit* is payable under the *Policy*. Premium payment is required during the *Insured Employee's* Elimination Period. During this period, the *Insured Employee's* insurance will remain in force.

Is there a grace period for premium payment?

We will allow a grace period of 31 days for the payment of any premiums due except the first. Insurance coverage shall continue in force during the grace period unless the *Policyholder* has given *Us* advance written notice of cancellation in accordance with the terms of this *Policy*. If premium is not received by the end of the grace period, this *Policy* will terminate as of the last date for which premium was paid.

The *Policyholder* is liable for premium due on coverage provided during the grace period.

If *We* receive written notice during the grace period that the *Policy* is to be canceled, *We* will cancel it as of the later of:

1. the date requested in the cancellation notice; or
2. the date *We* receive such notice. The *Policyholder* must pay a pro rata premium for any coverage provided during the grace period.

PREMIUM RATE GUARANTEE

What is the initial premium rate guarantee?

A change in premium rates will not take effect before January 1, 2026. Following the first *Policy* Anniversary, *We* may change the rates on any premium due date, but not more than once in any 12 month period; however, *We* may change premium rates if the risk assumed changes. Premium rates may change if the following occurs:

1. a change in the *Policy* design;
2. a change in the terms of the *Policy*;
3. addition or deletion of a division, subsidiary or affiliated company;
4. a change in the number of *Insureds* by 10% or more from the number of *Insureds* on the initial Effective Date;
5. a change in the laws or regulations or other government action which applies to the *Policy*;
6. for reasons other than 1-5 above such as but not limited to a change in factors bearing on the risk assumed.

The *Policyholder* must furnish notice and documentation satisfactory to *Us* within 31 days of the occurrence of any event which would cause a change in rates as described above. If the *Policyholder* fails to provide such timely notice, *We* will apply new rates retroactively to the date of the event.

We will notify the *Policyholder* in writing at least 45 days in advance of any premium rate changes. A change may take effect on an earlier date if both the *Policyholder* and *We* agree.

POLICY TERMINATION

Who may cancel the Policy or a plan under the Policy?

The *Policy* or a plan under the *Policy* can be canceled by the *Policyholder* with 31 days written notice delivered to *Us*. This *Policy* will terminate for any of the following reasons:

1. If the *Policyholder* fails to pay any premium within the 31-day grace period, this *Policy* will terminate in accordance with the terms set forth in the grace period provision.
2. *We* may terminate this *Policy* on any premium due date if:
 - a. coverage is *Noncontributory* and less than 100% of the eligible *Employees* participate; or
 - b. the *Policyholder* fails to perform any of its obligations that relate to the *Policy*; or
 - c. the *Policyholder* does not promptly provide *Us* with information that is reasonably required; or
 - d. fewer than 10 *Employees* are *Insured* under the *Policy*; or

If *We* cancel the *Policy*, for reasons other than the *Policyholder's* failure to pay premium, a written notice will be delivered to the *Policyholder* at least 45 days prior to the cancellation date.

ADDITIONAL PROVISIONS

What happens if an inadvertent error occurs?

Clerical error or omission by *Us* to the *Policyholder* will not:

1. Prevent an *Employee* from receiving coverage, if he is entitled to coverage under the terms of the *Policy*; or
2. Cause coverage to begin or coverage to continue for an *Employee* when the coverage would not otherwise be effective.

If the *Policyholder* gives *Us* information about an *Employee* that is incorrect, *We* will:

1. Use the facts to decide whether the *Employee* has coverage under the *Policy* and in what amounts; and
2. Make a fair adjustment of the premium.

Will certificates be issued?

We will deliver certificates of insurance to the *Policyholder* for issuance to each *Insured Employee*. The certificates will describe the benefits, to whom they are payable, the *Policy* limitations and where the *Policy* may be inspected.

What is considered to be the entire contract?

This entire *Policy* consists of:

1. all *Policy* provisions and any amendments and/or attachments issued;
2. the Certificate of Coverage; and
3. the *Policyholder's* signed *Application*.

STATE SUPPLEMENT

The following policies apply only to those individuals in your group insurance program who reside in the referenced states.

Arizona and Maine

Except as otherwise permitted by law, we will not disclose collected personal information about an individual to a nonaffiliated third party with whom we jointly offer products without giving the individual an opportunity to tell us that he or she does not want us to share his or her personal information.

Minnesota and Montana

Except as otherwise permitted by law, we will not disclose collected personal information about an individual to a nonaffiliated third party with whom we jointly offer products without obtaining the individual's written authorization.

Montana

Upon written request, an individual who has authorized the collection of health information is entitled to receive a record of *Our* disclosure of any of his medical record information made within the preceding 3 years.

Oregon

An individual has the right to authorize disclosure of his or her personal information to an insurance company. An Oregon resident can exercise this right by requesting an authorization form in writing. *Our* address is:

Dearborn Life Insurance Company
701 E. 22nd Street
Lombard, IL 60148

<p style="text-align: center;">NOTICE REQUIRED BY NORTH CAROLINA INSURANCE LAW</p>

Willful Failure by Fiduciary to Pay Group Insurance Premiums

Under North Carolina General Statute Section 58-50-40 no person, employer, principal, agent, trustee, or third party administrator, who is responsible for the payment of group health or life insurance or health plan premiums shall:

1. cause the cancellation or non-renewal of group health or life insurance, hospital, medical, or dental service corporation plan, multiple employer welfare arrangement, or group health plan coverages and the consequential loss of the coverages of the persons insured, by willfully failing to pay those premiums in accordance with the terms of the insurance or plan contract, and
2. willfully fail to deliver, at least 45 days before the termination of those coverages, to all persons covered by the group policy a written notice of the person's intention to stop payment of premiums. This written notice must also contain a notice to all persons covered by the group policy of their rights to health insurance conversion policies under Article 53 of Chapter 58 of the General Statutes and their rights to purchase individual policies under the Federal Health Insurance Portability and Accountability Act and under Article 68 of Chapter 58 of the General Statutes.

Violation of this law is a felony. Any person violating this law is also subject to a court order requiring the person to compensate persons insured for expenses or losses incurred as a result of the termination of the insurance.

NOTICE CONCERNING COVERAGE
LIMITATIONS AND EXCLUSIONS UNDER THE NORTH CAROLINA
LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health insurance should know that the insurance companies and Health Maintenance Organizations (HMOs) licensed in this state to write these types of insurance are members of the North Carolina Life and Health Insurance Guaranty Association. The purpose of this association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer or HMO becomes financially unable to meet its obligations. If this should happen, the guaranty association will assess its other member insurance companies for the money to pay the claims of the insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the guaranty association is not unlimited, however. And, as noted *in the box* below, this protection is not a substitute for consumers' care in selecting companies that are well-managed and financially stable.

The North Carolina Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in North Carolina. You should not rely on coverage by the North Carolina Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy.

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus.

Insurance companies or their agents are required by law to give or send you this notice. However, insurance companies and their agents are prohibited by law from using the existence of the guaranty association to induce you to purchase any kind of insurance policy.

North Carolina Life and Health Insurance Guaranty Association
4441 Six Forks Rd Ste 106-153
Raleigh, North Carolina 27609-5729
<https://www.nclifega.org/>

North Carolina Department of Insurance, Consumer Services Division
1201 Mail Service Center
Raleigh, North Carolina 27699-1201

The state law that provides for this safety-net coverage is called the North Carolina Life and Health Insurance Guaranty Association Act. Following is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations under the act or the rights or obligations of the guaranty association.

COVERAGE

Generally, individuals will be protected by the life and health guaranty association if they live in this state and hold a life or health insurance contract, or an annuity, or if they are insured under a group insurance contract, issued by a member insurer or HMO. The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons holding such policies are not protected by this association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy was issued by a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policyholder is subject to future assessments, or by an insurance exchange;
- They acquired rights to receive payments through a structured settlement factoring transaction.

The association also does not provide coverage for:

- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed the average rate specified in the law;
- Dividends;
- Experience or other credits given in connection with the administration of a policy for a group contractholder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals), unless they fund a government lottery or a benefit plan of an employer, association or union, except that unallocated annuities issued to employee benefit plans protected by the Federal Pension Benefit Guaranty Corporation are not covered;
- A policy or contract commonly known as Medicare Part C, Medicare Part D, Medicaid or any regulations issued pursuant thereto.

LIMITS ON AMOUNT OF COVERAGE

The act also limits the amount the association is obligated to pay out as follows:

- (1) The guaranty association cannot pay out more than the insurance company would owe under the policy or contract.
- (2) Except as provided in (3), (4) and (5) below, the guaranty association will pay a maximum of \$300,000 per individual, per insolvency, no matter how many policies or types of policies issued by the insolvent company.
- (3) The guaranty association will pay a maximum of \$500,000 with respect to a health benefit plan.
- (4) The guaranty association will pay a maximum of \$1,000,000 with respect to the payee of a structured settlement annuity.
- (5) The guaranty association will pay a maximum of \$5,000,000 to any one unallocated annuity contract holder.

Dearborn Life Insurance Company

FACTS	WHAT DOES DEARBORN LIFE INSURANCE COMPANY DO WITH YOUR PERSONAL INFORMATION?		
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none">■ Social Security number and payment history■ Transaction history and employment information■ Medical information and insurance claim history <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>		
How?	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons Dearborn Life Insurance Company chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information		Does Dearborn Life Insurance Company share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus		Yes	No
For our marketing purposes— to offer our products and services to you		Yes	No
For joint marketing with other financial companies		No	We don’t share
For our affiliates’ everyday business purposes— information about your transactions and experiences		Yes	No
For our affiliates’ everyday business purposes— information about your creditworthiness		No	We don’t share
For our affiliates to market to you		No	We don’t share
For nonaffiliates to market to you		No	We don’t share
Who we are			
Who is providing this notice?			
■ Dearborn Life Insurance Company marketing products and services as Dearborn Group			
Questions	Go to www.mydearborngroup.com		

Insurance products and services provided by Dearborn Life Insurance Company, 701 E. 22nd St., Lombard, IL 60148

D800008.1220

What we do

How does Dearborn Life Insurance Company protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Dearborn Life Insurance Company collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> ■ apply for insurance or pay insurance premiums ■ file an insurance claim or provide employment information ■ give us your contact information <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> ■ sharing for affiliates' everyday business purposes—information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>

Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ■ Our affiliates include Health Care Service Corporation, a Mutual Legal Reserve Company; DenteMax[®], LLC; Dental Network of America, LLC
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ■ We do not share with nonaffiliates so they can market to you
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Other important information

For Insurance Customers in AZ, CA, CT, GA, IL, ME, MA, MN, MT, NC, NJ, NV, OH, OR and VA only: The term “information” as used in this part means personal information that is obtained in an insurance transaction. We may give your information to government officials, including insurance officials, law enforcement, and to group policy holders about claim experience, or to auditors, or as you may authorize, or as the law allows or requires. We may give your information to insurance support entities that may keep it or give it to others. We may share medical information and other information so we can learn if you qualify for coverage, to process claims, or to prevent fraud, or if you authorize us to do so.

To see your information, write to Dearborn Life Insurance Company, Administrative Office, 701 E. 22nd St., Lombard, IL 60148. You must state your full name, address, the name of the insurance company, policy number (if applicable), and the information you want. If you think any information we have is wrong, you may ask us to correct it. We then will let you know what actions we will take. If you do not agree with the actions we take, you may send us a concise statement explaining the basis for your concern or dispute about the information, and we will place that statement in our file with the information.

Additional California Consumers only: "Personal Information" can include information that can identify, relate to, describe, be associated with, or be reasonably capable of being associated with a particular consumer or household. We will share information about you only as permitted by California law. We do not sell your Personal Information. We will only use your Personal Information as is necessary to effectuate the purpose for which it was collected.

For MA Insurance Customers only: You may ask in writing for the specific reasons we made an adverse underwriting decision.

For VT Insurance Customers only: We will share information about you only as permitted by Vermont law. We will not share personal information we collect about you with affiliated or nonaffiliated third parties except if permitted by law, or with your consent, or to the extent necessary to administer your insurance coverage.