

PLAN HIGHLIGHTS**...Provide Coverage at No Cost to the Employee**

Coverage under the Short Term Disability Plan¹ and Long Term Disability Plan¹ is provided automatically, at no cost to you. USW Local 689 members should refer to the Collective Bargaining Agreement for non-occupational disability coverage and Long Term Disability information.

...Continue 100% of Pay for up to Six Months

The Short Term Disability Plan¹ continues all your pay for up to six months of disability, based on your length of service.

...Replace Part of Your Pay for Disabilities that Continue Past Six Months

The Long Term Disability Plan¹ continues part of your pay after you have been disabled for six months with benefits payable until you reach age 65 or until your disability ends, if earlier. If you become disabled on or after reaching age 60, benefits may continue for five years or until you reach age 70, whichever comes first. If you become disabled on or after reaching age 70, benefits may continue for 12 months.

...Are Coordinated with Other Disability Income

Your Short Term Disability¹ and Long Term Disability¹ benefits may be reduced by other income benefits, such as workers' compensation and Social Security, that you receive while disabled.

SHORT TERM DISABILITY PLAN¹

The Short Term Disability Plan is designed to protect your income if you are unable to work due to illness, injury or pregnancy.

Your short-term disability benefits are a form of salary continuation and, as such, are not subject to governmental regulatory requirements that apply for other USEC benefit plans. If you have a question about how your short-term disability plan benefits work, contact your local Human Resources office.

Benefit Amount

If you are unable to work due to illness, injury or pregnancy, the Short Term Disability Plan¹ continues 100% of your pay for up to six months of disability.

“Pay” is defined in the Glossary.

The benefit amount you receive depends on your length of service, as follows:

- If you have six months or more of service - 100% of pay for six months
- If you have between one and six months of service - 100% of pay for each completed month of service.

Plan benefits will be reduced by income benefits you are eligible to receive from other sources because of your disability, such as workers' compensation, the Occupational Disease Act or the disability laws of any state.

If your absence extends beyond six months, benefits may become payable from the Company's Long Term Disability Plan¹.

Successive Disabilities

Periods of disability are treated as separate periods if they are:

- Due to unrelated causes and are separated by your return to active work for at least eight consecutive hours

or

- Due to related causes and are separated by a return to active work of at least 520 hours or three calendar months, whichever is longer.

An "hour of work" is defined in the Glossary.

Claiming Short Term Disability Benefits¹

If you are unable to come to work because of a qualifying absence, in order to receive benefits, you must furnish periodic medical evidence of your illness or injury if requested by the Company.

The Company reserves the right to confirm your disability with a physician and/or require a written statement from your attending physician at any time during your absence. Upon return to work, the Company may require a physician's statement indicating your fitness to resume normal work duties.

In addition, during your disability, you may be required to undergo periodic evaluations by your site's Health Services Organization in order for the Company to determine if you are able to return to light duty. If the Health Services Organization and your physician determine that you are able to return to light duty, and you do not return to work for light duty, benefits for Short-Term Disability will end.

When Short Term Disability Benefits¹ End

Benefits for any absence will end on the first of the following days:

- When you return to work
- When you do not provide requested satisfactory evidence of your continuing illness or injury
- When you do not return to work for light duty if you are able
- When you have received the maximum number of benefit payments.

LONG TERM DISABILITY PLAN¹

Your Long Term Disability benefits are designed to provide continuing income if you become ill or injured and are unable to work. You become eligible for benefits after you have been totally disabled, as defined in the Glossary, for six months. Long Term Disability benefits pick up where Short Term Disability benefits leave off, provided you have at least six months of service.

Benefit Amount

Your monthly Long Term Disability Plan benefit equals 60% of your monthly pay, up to a maximum monthly benefit of \$5,000, reduced by income benefits you are eligible to receive from other sources, as described under “Reduction of Benefits.” The insurance company will instruct you on how to apply for Social Security benefits.

“Pay” is defined in the Glossary.

Duration of Benefits

Benefits under the Long Term Disability Plan are payable to you once you have been totally disabled, as defined in the Glossary, for six months.

Under the Long Term Disability Plan, you are considered totally disabled during your first 24 months of Long Term disability if you are unable to perform the duties of your regular job with the Company due to illness or injury and are under the regular care of a licensed practicing physician.

During this 24-month period, you may be required to undergo periodic evaluations at your site’s Health Service Organization in order for the Company to determine whether you are able to return to work. The results of any evaluation will be discussed with you and your physician.

Should you recover from your illness/injury during the first 24 months of Long Term Disability leave, you may contact Human Resources to request a return to work medical evaluation. The decision on whether you return to work will be based on the results of this medical evaluation and the availability of a position for which you qualify. Human Resources will verify if the company has a position available for you. If a position is available, a return to work medical evaluation will be completed by your site’s Health Services Organization.

After you have received Long Term Disability benefits for 24 months, you are considered totally disabled if you remain under the regular care of a licensed practicing physician and you are unable to work at any job for which you might be qualified based on your education, training and experience. In order to continue receiving benefits, you must furnish periodic medical evidence of your illness or injury if requested by the Company.

Normally, if you qualify for benefits under the provisions of the plan as stated above, Long Term Disability benefits are payable until you recover or until you reach age 65, if earlier. However, special provisions apply if you are age 60 or older when you become totally disabled. If you become totally disabled:

- Between ages 60 and 69, benefits are payable for up to five years or until age 70, whichever comes first
- At or after age 69, benefits are payable for up to 12 months.

Duration of Benefits for Salaried, SPFPA Local 66 and SPFPA Local 111 Employees with a Disability Due to Alcohol, Drug, or Substance Abuse or Addiction

If you are Disabled due to alcohol, drug, or substance abuse or addiction, your Disability benefits will be limited to one period of Disability related to alcohol, drug, or substance abuse or addiction during your lifetime. During your Disability, you will be required to participate in an alcohol, drug, or substance abuse or addiction recovery program recommended by a Physician.

Your Disability benefit payments will end at the earliest of:

- The date you receive 24 months of Disability benefit payments;
- The date you reach age 65;
- The date you cease or refuse to participate in the recovery program referred to above; or
- The date you complete such recovery program.

Duration of Benefits for Salaried, SPFPA Local 66 and SPFPA Local 111 Employees with a Disability Due to Mental or Nervous Disorders or Diseases, Neuromusculoskeletal and Soft Tissue Disorder, Chronic Fatigue Syndrome and Related Conditions

If you are Disabled due to one or more of the reasons listed below, your Disability benefits will be limited to a lifetime maximum of 24 months of Disability benefit payments, or if less, the number of monthly Disability benefit payments until you reach age 65.

Your Disability benefits will be limited as stated above for:

1. Mental or Nervous Disorder or Disease except for:
 - Schizophrenia;
 - Dementia; or
 - Organic Brain Disease;

or
2. 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:
 - Seropositive Arthritis;
 - Spinal Tumors, Malignancy, or Vascular Malformations;
 - Radiculopathies;
 - Myelopathies;
 - Traumatic Spinal Cord Necrosis; or
 - Musculopathies;

or
3. Chronic Fatigue Syndrome and Related Conditions.

Mental or Nervous Disorder or Disease means a medical condition which meets the diagnostic criteria set forth in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders as of the date of your Disability. A condition may be classified as a Mental or Nervous Disorder or Disease regardless of its cause.

Seropositive Arthritis means an inflammatory disease of the joints supported by clinical findings of arthritis.

Vascular Malformations means abnormal development of blood vessels.

Radiculopathies means disease of the peripheral nerve roots supported by objective clinical findings of nerve pathology.

Myelopathies means disease of the spinal cord supported by objective clinical findings of spinal cord pathology.

Traumatic Spinal Cord Necrosis means injury or disease of the spinal cord resulting from traumatic injury with resultant paralysis.

Musculopathies means disease of muscle fibers, supported by pathological findings on biopsy or electromyography (EMG).

Reduction of Benefits

Your Long Term Disability benefits are reduced by other sources of income that are payable to you because of your disability. Income that will reduce your Long Term Disability benefits includes:

- Workers' compensation benefits or benefits provided under a similar law, state disability benefits and other statutory benefits for disability, retirement or unemployment
 - Benefits provided through Company benefit plans, including the Pension and Business Travel Accident Insurance Plans
- and*
- Any Social Security benefits (see the chart that follows).

If any of these benefits are payable as a lump sum, your Long Term Disability benefit will be calculated as if these benefits are paid monthly.

Your Long Term Disability benefit will not be reduced by any private disability coverage that you have purchased.

Determining Your Long Term Disability Benefit¹

To calculate the amount you are eligible to receive under the Long Term Disability Plan, follow these steps:

Step 1: Multiply your monthly pay by 60% to determine your maximum monthly benefit from the plan up to \$5,000

Step 2: Subtract other income you are eligible to receive, except for family Social Security, to find your adjusted monthly benefit from the plan. Continue on to Step 3 only if you are eligible to receive family Social Security.

Step 3: Add your adjusted monthly benefit (from Step 2) to all other income you are eligible to receive, including family Social Security. If the resulting total of all income benefits you are eligible to receive is

more than 75% of your monthly pay, your monthly Long Term Disability benefit will be reduced to bring your total disability income to 75% of monthly pay.

Taking a Job While Disabled

If you return to work at the Company on a reduced-hour basis, you may be eligible to continue receiving up to 30% of your Long Term Disability benefit.

If you participate in a rehabilitative employment program outside the Company that is approved by both the Company and the insurance company, you may continue to receive part of your Long Term Disability income for up to 12 months. Your monthly Long Term Disability benefits will be reduced by 70% of any money received from your rehabilitative earnings.

For a definition of “approved rehabilitative employment program,” see the Glossary.

Disability Example

For Example...

Assume you earn \$3,000 a month:

Monthly pay	\$3,000
Long Term disability benefit percentage	<u>x 60%</u>
Maximum monthly Long Term Disability benefit	\$1,800

Assume you are eligible for primary Social Security of \$800 a month:

Maximum monthly Long Term Disability benefit	\$1,800
Primary Social Security	<u>-800</u>
Adjusted monthly Long Term Disability benefit	\$1,000

Assume you are eligible for family Social Security of \$500 a month:

Adjusted monthly Long Term Disability benefit	\$1,000
Primary Social Security	+800
Family Social Security	<u>+500</u>
Total disability income	\$2,300
75% of monthly pay	<u>- 2,250</u>
Benefit reduction	50
Final monthly Long Term Disability benefit	\$ 950

Social Security and Long Term Disability Benefits

<p>You should apply for Social Security disability benefits as soon as possible.</p> <p>If you have not received a benefit determination from Social Security after you have been receiving Long Term disability benefits for 12 months, or if your original claim is denied and you do not file a timely appeal, then your Long Term Disability benefits will be reduced by your estimated Social Security benefits.</p>	
If . . .	Then . . .
You later complete the Social Security appeals process and are denied benefits	Your Long Term benefits will be retroactively reinstated, and you will receive a “catch-up” payment
You receive a cost-of-living increase to your Social Security disability income after your Long Term Disability benefit has been calculated	Your Long Term benefits will not change
Your disability makes you eligible to receive family Social Security benefits	Your total disability income from all sources may not exceed 75% of your monthly pay

Successive Disabilities

If you receive Long Term Disability benefits, return to work for less than 520 hours or three calendar months (whichever is longer) and again become disabled due to the same illness or injury, Long Term Disability income will resume without a six-month waiting period. However, if you have been working for at least 520 hours, or more than three months (if longer), you will need to satisfy the waiting period before benefits begin.

An “hour of work” is defined in the Glossary.

Disabilities due to unrelated causes will be treated as separate disabilities requiring satisfaction of separate waiting periods if the disabilities are separated by your return to work for eight consecutive hours.

Exclusions

Long Term Disability benefits are not payable for disabilities:

- Occurring during the first 12 months that your plan coverage is in effect if caused by any condition for which you received treatment during the three-month period before your plan coverage became effective
 - If you are not under the care of a licensed practicing physician
 - Due to an intentional self-inflicted injury
 - Resulting from your commission of a felony
- or*
- Due to war, declared or undeclared.

Claiming Long Term Disability Benefits

Within 90 days after your disability begins, contact Human Resources to obtain the forms you must file in order to receive any benefit payable from the plan.

Long Term disability benefits cannot begin until the claim forms have been satisfactorily completed by you and your physician and accepted by the Company and the insurance company. The insurance company and Human Resources will assist you in filing your claim.

You are required to apply for Social Security and any other income you may be eligible to receive as a result of your disability. If your initial application for Social Security is denied, you are required to pursue the entire Social Security benefits appeals process through the Social Security Office.

If you fail to complete the appeals process, your Long Term Disability benefit will be reduced by the estimated Social Security benefit that might have been available.

Medicare and Long Term Disability Benefits

Under the Omnibus Budget Reconciliation Act (OBRA) of 1993, Medicare becomes your primary payer of health care benefits after twenty-four (24) months of disability, with the exception of End Stage Renal Disease (ERSD) which is thirty (30) months. Medicare will automatically enroll you for Medicare Parts A & B coverage. You must not decline Medicare Parts A or B coverage.

As a secondary payer, the Company's health care provider will only pay that portion of service costs left after what Medicare would have paid as the responsible primary payer of claims after twenty-four (24) months, thirty (30) for ERSD. Without Medicare Part B, you become the primary payer for all Part B medical claims and will be responsible for out-of-pocket costs for doctor's services and other medical care (with limited exceptions) that Medicare would pay as primary payer of claims.



WHEN YOU RETIRE . . .

Your disability coverage ends when you retire.

¹Portsmouth USW employees should refer to their Collective Bargaining Agreement for benefit information.