



Individual Disability Insurance

Understand Your Benefit
Protect your income & lifestyle

2021

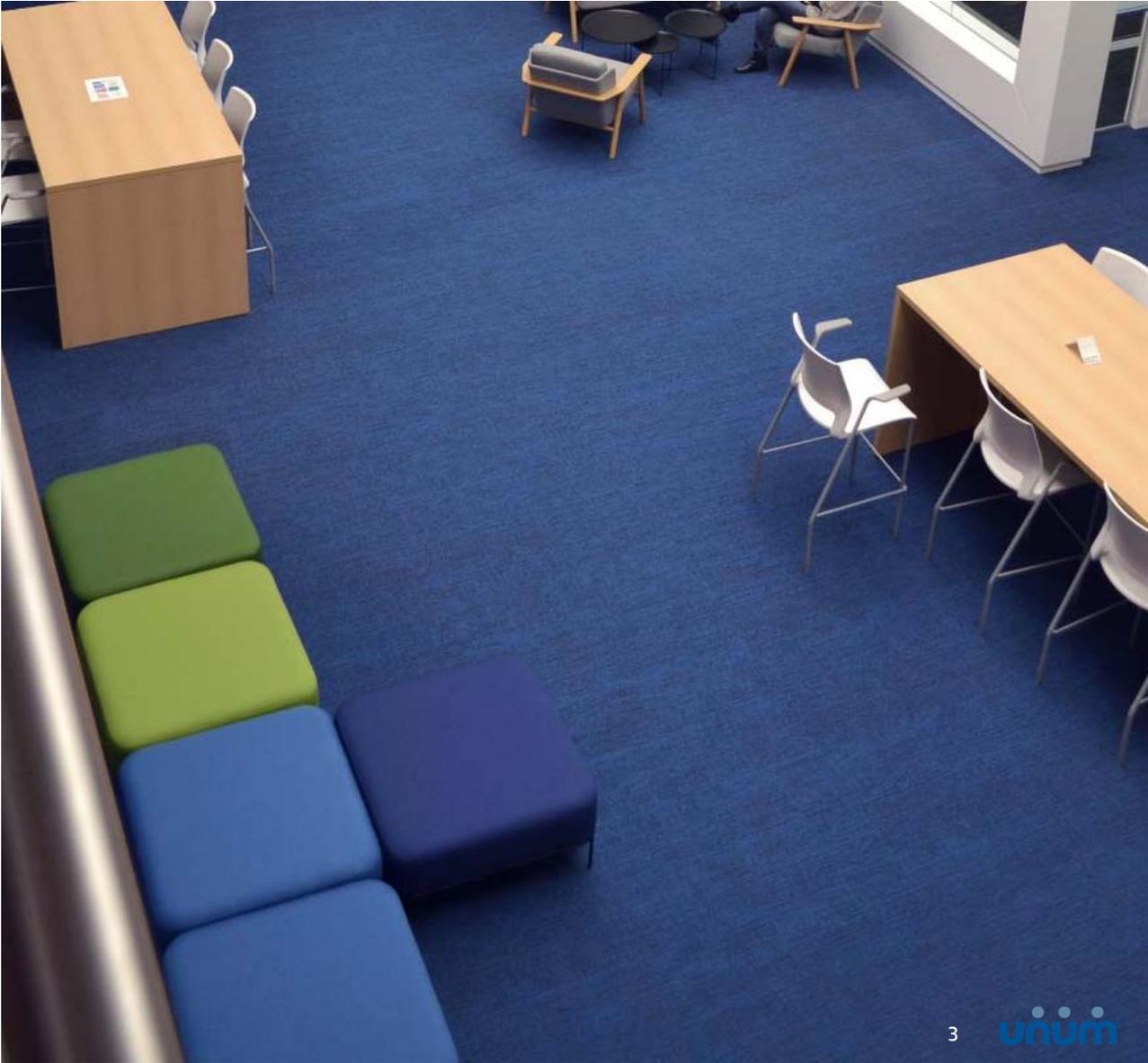


Agenda

- Disability Statistics
- About Individual Disability Insurance (IDI)
- Marsh McLennan Group Long Term Disability (LTD) Plans & IDI
- IDI Plan Highlights
- How to Enroll



DISABILITY STATISTICS



Disability Can Happen

Leading causes of Individual Disability claims ¹	
Neurological	18%
Cancer	14%
Muscular/Skeletal	11%
Psych/Substance Abuse	12%
Cardiac	10%
Back	9%

WHEN EMPLOYEES CAN'T WORK,
BUSINESSES LOSE, TOO.



380 million days of production
time lost in 2017 due to off-the-
job injuries²

Cost: \$441.7 billion



More than 1 in 4 of today's 20-year-olds
can expect to be out of work for at least
a year because of a disabling condition
before they reach the normal retirement
age.³

1. Unum Internal Data (2019) 2. National Safety Council, "Injury Facts" (2017). 3. Council for Disability Awareness, "The Crisis of Disability Coverage in America" (2018).

The Need for Disability Insurance



74% of Americans would find it somewhat or very difficult to meet current financial obligations if their paycheck were delayed by one week.¹

4 out of **5** working Americans have less than one year's income saved in retirement accounts.²

Only **48%** of American adults say they have enough savings to cover three months of living expenses in the event they're not earning any income.³

At least **51 million** working adults in the United States are without disability insurance other than the basic coverage available through Social Security.⁴

1. American Payroll Association, "2019 National Payroll Week: Getting Paid in America" (2019); 2. National Institute on Retirement Security, "Retirement in America: Out of Reach for Working Americans?" (2018); 3, 4. Council for Disability Awareness, [Disability Statistics](#) (2018).

ABOUT INDIVIDUAL DISABILITY INSURANCE (IDI)



You can't plan for an unexpected injury or illness...

Your Work Calendar				
M	T	W	T	F

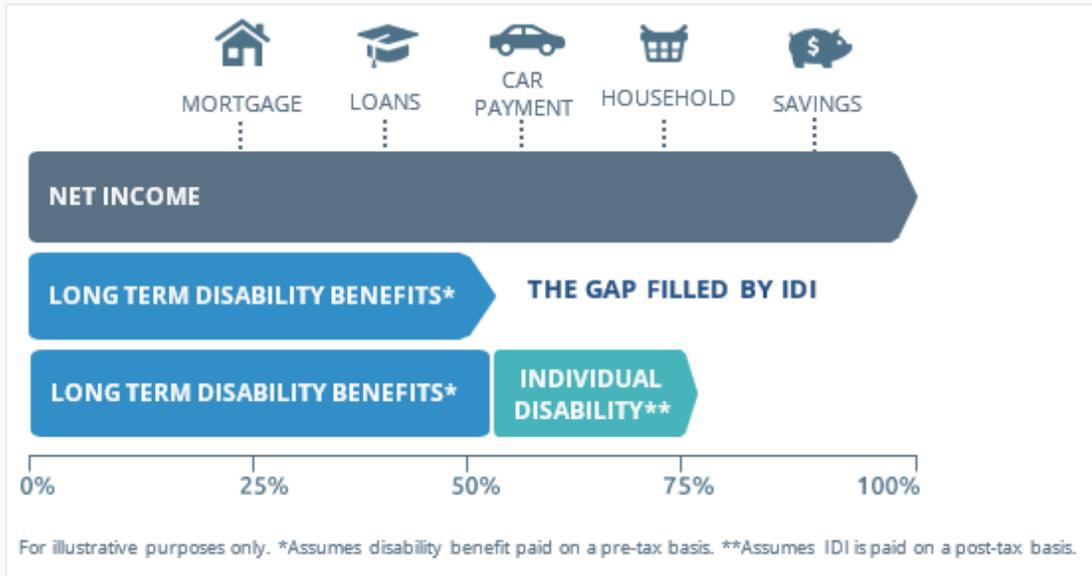
But you can prepare

A disability could disrupt your daily life. Even worse, it could interfere with your ability to earn an income and pay for the things that matter to you and your family.

Closing the Income Gap

How Individual Disability Insurance can help cover expenses

This graphic shows how Individual Disability Insurance (IDI) helps close the gap left by the Group Long Term Disability Insurance (LTD) plans. You may have earnings that aren't covered by Group LTD Insurance, requiring you to dip into savings or rely on loved ones. IDI can provide an additional monthly benefit to help you cover your bills and day-to-day expenses without causing long-term damage to your financial health.



**MARSH MCLENNAN GROUP LONG
TERM DISABILITY PLANS & IDI**



Marsh McLennan Group Long Term Disability (LTD) Plans

Basic LTD

- Provides you with income in case you cannot work for an extended period of time due to injury or illness.
- Provides 40% of pre-disability earnings*, up to a maximum monthly benefit of \$17,333.
- Company paid.

Optional LTD

- Supplements Basic LTD coverage.
- Provides 20% of pre-disability earnings*, up to a maximum monthly benefit of \$8,667.
- Employee paid on an after-tax basis.

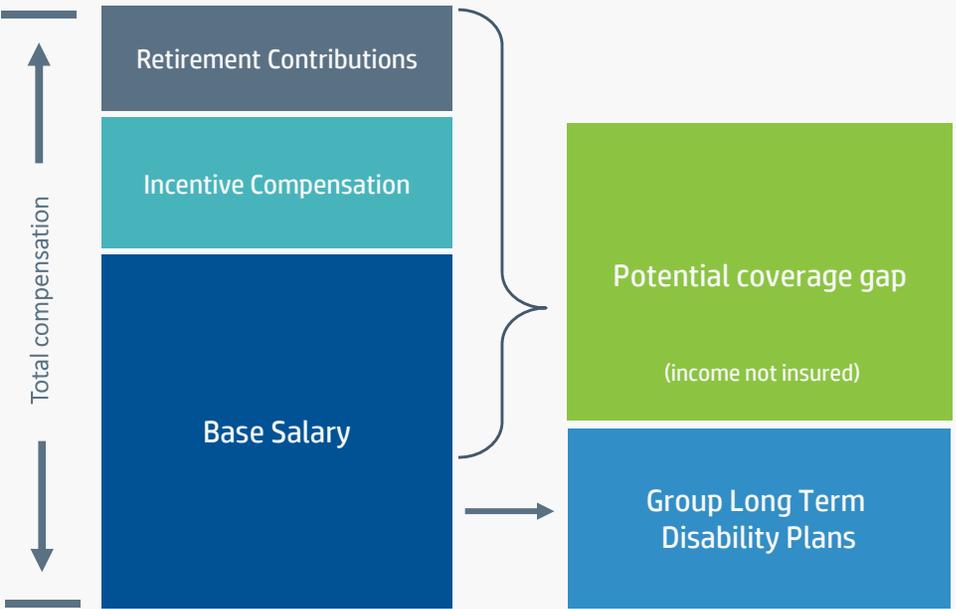
LTD Bonus Income Plan

- Supplements Basic and Optional LTD coverage.
- Provides 60% of your covered benefit amount**, up to a maximum monthly benefit of \$15,000.
- Employee paid on an after-tax basis.

*Annual base salary, excluding overtime, bonuses, commissions and other extra compensation.

**Covered benefit amount under the LTD Bonus Income Plan is determined by applying the coverage option percentage elected to eligible bonus granted through the Company's incentive compensation plans.

If you earn a higher salary, or rely on bonus or commissions, you may want additional income protection while on leave from work due to a covered illness or injury. Long Term Disability (LTD) is an excellent foundation for income protection; but **uncovered compensation, benefit maximums**, and **taxable benefits** may leave certain individuals with a gap in coverage.

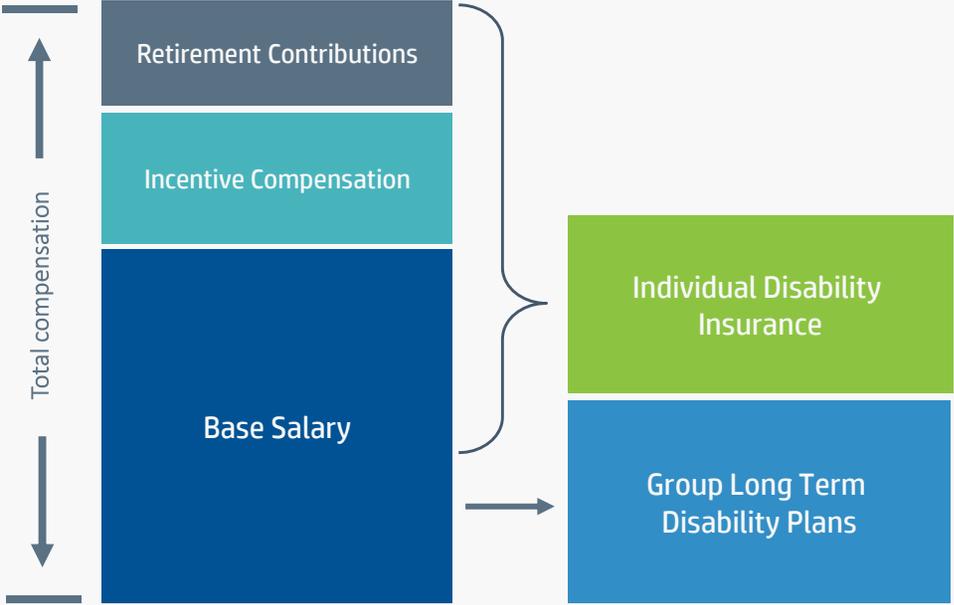


For illustrative purposes only. Assumes disability payment pays on a pre-tax basis. Assumes IDI pays on post-tax basis.

For details and full descriptions of the Marsh McLennan group LTD plans, refer to the Marsh & McLennan Companies Benefits Handbook for details. Go to Connect (<https://connect.mmc.com>). Select a region (United States) and click Benefits Handbook.

Group Long Term Disability & IDI Work Together

Here's how LTD and IDI benefits work together to provide a more complete income protection solution.



IDI PLAN HIGHLIGHTS

- Income replacement, up to **60%** of your total eligible compensation* to a maximum of **\$15,000 per month***
- Benefit period: **To age 65****
- Elimination period: **180 days**
- Discounted premiums: **25 percent**
- Guaranteed Coverage Increases
- Premiums paid through convenient payroll deduction
- Premiums are determined by age, benefit amount you qualify for based on your eligible insurable income, occupation and tobacco use
- Additional catastrophic disability benefit pays up to \$10,000
- Tax free benefits
- IDI benefits are not offset by Social Security or Workers' Compensation⁺
- Coverage is portable – you can take it with you if you change jobs
- Non-cancellable coverage – Unum cannot cancel the coverage or change any of the policy provisions
- Two Benefit Options
 1. **Maximum coverage option:** 60% of monthly insurable income, reduced by the value of benefits offered by Marsh McLennan Group LTD benefit plans (Basic, Optional and Bonus), up to a monthly maximum of \$15,000.
 2. **Reduced coverage option:** 50% of monthly maximum IDI benefit.

**Total eligible compensation includes annual salary of \$520,000 or more, bonus as defined by Marsh & McLennan Companies Long Term Disability Bonus Income Plan of \$300,000 or more, and/or commissions of \$10,000 or more as of December 31, 2020.*

***Benefit period may end prior to age 65. Refer to the Benefit Period for details.*

+The calculation of your IDI benefit is automatically reduced by the value of benefits offered under Marsh McLennan group LTD benefit plans regardless of whether you participate in those plans.

GUARANTEED COVERAGE INCREASE HIGHLIGHTS

What is a Guaranteed Coverage Increase (GCI)?

- It is an increase to your IDI benefit, based on an increase in your eligible compensation, without answering any health questions.

When do the Guaranteed Coverage Increases take effect?

- During the annual enrollment period. If eligible for an increase, you will receive a notification from Unum in the mail that details the amount of the increase for which you are eligible.

What do I do if I want the Guaranteed Coverage Increase?

- No action is required. If you do nothing, the increase will be administered automatically, and effective September 1, 2021, both your coverage and premium will increase to reflect the change in your compensation.

What do I do if I do not want the Guaranteed Coverage Increase?

- Please sign and date the declination page from your informational packet and return it to Unum.
 - Please note, if you choose to decline an increase, you may not have the opportunity to take advantage of future GCI increases without answering health questions or taking a medical exam.
- There are two ways to return the declination form to Unum:
 - Fax to Unum at + 1 423 294 8839, or
 - Email to Unum at idiadministration@unum.com

What happens if my income decreases?

- Your original IDI monthly benefit and premium will not change.

HOW TO ENROLL



Enrollment Period is
July 12 – July 23, 2021

Enrollment Options



ONLINE

To access the enrollment site and complete your application electronically, go to the Mercer Voluntary Benefits website via Colleague Connect (<https://colleagueconnect.mmc.com>), click Career & Rewards and select Voluntary Benefits website under Tools.



PHONE

Want to call instead?

You can enroll by phone by calling Unum's dedicated enrollment support line at + 1 866-604-3146, any business day, Monday to Friday, 9:00 am to 6:00 pm ET.



MAIL

Did you check your mail?

You can enroll by completing the Guaranteed Standard Application and Premium Payment Authorization Form included in your enrollment kit mailed by Unum to your home. Please return your completed application and forms to Unum via secure email at IDIAdministration@unum.com.

Coverage Effective Date:
September 1, 2021

This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Department of Financial Services. The expected benefit ratio for this policy is 60 percent. This ratio is the portion of future premiums that the company expects to return as benefits, when averaged over all people with this policy.

Employees must be a U.S. citizen or legally authorized to work in the U.S. to receive coverage.

Individual Disability Insurance (IDI) is underwritten by Provident Life and Accident Insurance Company, Chattanooga, TN. In New York, IDI is underwritten by Provident Life and Casualty Insurance Company, Chattanooga, TN.

The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. See the actual policy or your Unum representative for specific provisions and details of availability.

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