Colonial Life℠

Making benefits count.

Short-Term Disability Insurance

If you were unable to work because of an illness or serious accident, how would you pay for what your health insurance won't?

coloniallife.com

Protect your income with
Short-Term Disability Protection from Colonial Life.

You and your family rely on your income. So what would happen if you became ill or suffered a serious accident and were unable to work? Could you still pay everyday living expenses?

Disability 1000 Insurance

Colonial Life's Short-Term Disability Income Protection insurance replaces a portion of your income if you become unable to work because of a covered illness or injury. This income can help you continue paying:

- Mortgage or rent payments.
- Utility bills and other household expenses.
- Food, clothing and other necessities.
- Co-payments.
- Medical costs not covered under other plans.
- Travel and lodging expenses for treatment.

With Colonial Life's
Short-Term Disability Income Protection Insurance:

1. You're paid regardless of any other insurance you may have with other insurance companies.
2. Benefits are paid directly to you unless you specify otherwise.
3. You may choose the amount of your disability benefits to meet your needs, subject to income.
4. Your coverage is guaranteed renewable to age 70.[1]
5. If you change jobs or leave your employer, you can take your coverage with you.
6. You're covered worldwide for up to 60 days.[2]
7. Waiver of Premium is included.

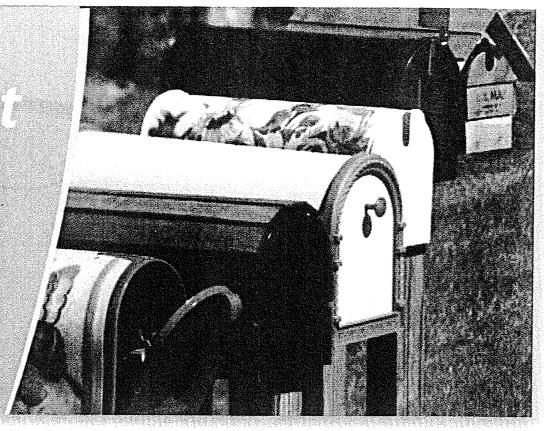
26.2 million disabling injuries were reported in 2006; **3.7 million** of those were **work related.**

Source: Injury Facts, National Safety Council, 2008 edition

[1] *Please refer to the "Renewability" section on the Disability Income Coverage Disclosure Statement included in this brochure.*

[2] *Please refer to the "Geographical Limitations" section of the Disability Income Coverage Disclosure Statement included in this brochure.*

You and your family rely on your income. So what would happen if you became ill or suffered a serious accident and were unable to work? Could you still pay everyday living expenses?



Total Disability Definition

- Unable to perform the material and substantial duties of your job;
- Not, in fact, working at any job; and
- Under the regular and appropriate care of a doctor.

A disabling injury occurs every second.

Source: Injury Facts, National Safety Council, 2008 edition

Partial Disability* Definition

- You are unable to perform the material and substantial duties of your job for 20 hours or more per week;
- You are able to work at your job or any other job for less than 20 hours per week;
- Your employer will allow you to work for less than 20 hours per week; and
- You are under the regular and appropriate care of a doctor.

** The total disability benefit must have been paid for at least one full month immediately prior to your being partially disabled.*

Pre-existing Condition

You have a pre-existing condition if you have a sickness or physical condition for which you were treated, received medical advice or had taken medication within 12 months before the effective date of your policy. If you become disabled because of a pre-exising condition, Colonial Life will not pay for any disability period if it begins during the first 12 months the policy is in force. Any recurrent disability caused by a pre-existing condition will not be covered if it is treated as a continuation of the previous disability.

Waiver of Premium

After you have been totally disabled or qualify for partial disability benefits as the result of a covered accident or covered sickness for more than 90 days while your policy is in effect, or after the elimination period, whichever is greater, we will waive the premium for this policy up to the maximum benefit period as long as you remain totally disabled.

Please refer to the "What is not Covered by This Policy" section of the Disclosure Statement in this brochure.

The cost of unintentional injuries in 2006 was $652.1 billion.

Source: Injury Facts, National Safety Council, 2008 edition

COLONIAL LIFE & ACCIDENT INSURANCE COMPANY

P.O. Box 1365, Columbia, South Carolina 29202 • (800) 325-4368

DISABILITY INCOME COVERAGE DISCLOSURE STATEMENT

(Applicable to Policy Form DIS 1000-AR)

Read your policy carefully. This disclosure provides a very brief description of the important features of your policy. This is not an insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of both you and us. It is, therefore, important that you **READ YOUR POLICY CAREFULLY**.

Renewability. Your policy is guaranteed renewable to the policy anniversary date on or next following your 70th birthday. Your premium can be changed only if we change it on all policies of this kind in force in the state where your policy was issued. *Policy anniversary date* occurs annually on the same date and in the same month as the date for which we first received premium.

Disability Income Coverage. Your policy is designed to provide coverage for disabilities that result from covered accidents or covered sicknesses subject to any limitations or exclusions. It does not provide coverage for basic hospital, basic medical-surgical or major medical expenses.

Coverage Provided by the Policy. We will pay the total disability benefit shown in the Policy Schedule if you become totally disabled and are totally disabled longer than the elimination period as the result of a covered accident or covered sickness while the policy is in force.

If benefits are payable for less than a full month, we will pay the appropriate benefits on a daily basis. A month is 30 days. The daily amount is 1/30th of the monthly amount.

If you do not have a job when you become totally disabled, we will pay the total disability benefit only as long as you are kept at home and cannot perform two of five Activities of Daily Living and you are under the regular and appropriate care of a doctor.

If you become partially disabled as a result of a covered accident or a covered sickness, we will pay up to the benefit period and in the amount shown for a partial disability in the Policy Schedule, except as described in the Geographical Limitations provision, for as long as this coverage is in force and you remain partially disabled, subject to the following conditions:

- the total disability benefit must have been paid for at least one full month immediately prior to your being partially disabled; and
- for a given period of disability, you may receive either a partial disability benefit or a total disability benefit, but not both.

Recurrent Disability: A recurrent disability will be treated as:

- a continuation of the previous disability, not a new disability, if you have returned to work for less than six months.
- a new disability, if you have returned to work for six months or more, working at least the same number of hours you were working before the previous disability began.
- a new disability, if you did not have a job before the previous disability began and you have ceased to be disabled for six months or more.
- a continuation of the previous disability for any circumstances not specifically listed above.

A new disability is subject to a new elimination period, and a new benefit period applies. A disability that is considered a continuation of a previous disability is not subject to a new elimination period, and a new benefit period does not apply.

Any recurrent disability caused by a pre-existing condition will not be covered if it is treated as a continuation of the previous disability.

If you become disabled because of a pre-existing condition, we will not pay for any disability period if it begins during the first 12 months the policy is in force.

Concurrent or Subsequent Disability: During any period in which you are disabled due to more than one condition, whether the conditions are related or unrelated, benefits will be paid as if you are disabled due to only one condition. In no event will your being disabled due to more than one condition extend the benefit period beyond the benefit period shown in the Policy Schedule. Separate periods of disability resulting from unrelated conditions are considered a continuation of the previous disability, not a new disability, unless:

- they are separated by a minimum of 10 calendar days;
- during such time you returned to work performing the material and substantial duties of your job; and
- during such time you are no longer qualified to receive total or partial disability benefits.

This coverage will end on the policy anniversary date on or next following your 70th birthday. Coverage ending at age 70 will not affect any disability that began while the policy was in force. The disability benefit will be limited to the payment of the applicable monthly benefit amount for the length of the applicable benefit period shown on the Policy Schedule.

Time Limits

After the policy has been in force for 12 months from the effective date of the policy, we will pay benefits for any pre-existing condition not excluded by name or specific description if the covered disability began 12 months after the effective date and the elimination period has been satisfied.

Geographical Limitations

If you become totally disabled as the result of a covered accident or a covered sickness while you are outside the covered geographical areas and you are totally disabled longer than the elimination period shown in the Policy Schedule, your maximum benefit period for total disability and partial disability combined while outside the covered geographical areas will be limited to 60 days. Covered geographical areas are less than 40 miles outside the territorial limits of the United States, Canada, Mexico, Puerto Rico, the Bahama Islands, the Virgin Islands, Bermuda or Jamaica.

After the 60-day period, benefits will not be paid until you return to the covered geographical areas.

If you are still totally or partially disabled as defined in the policy when you return from outside the covered geographical areas, we will determine your remaining applicable benefit period by subtracting the time period for which we have already paid you benefits from the benefit period shown in the Policy Schedule. We will pay the monthly benefit amount shown in the Policy Schedule for up to the remaining applicable benefit period.

Waiver of Premium Benefit

After you have been totally disabled or qualify for partial disability benefits as the result of a covered accident or a covered sickness for more than 90 consecutive days while the policy is in effect, or after the elimination period shown in the Policy Schedule, whichever is greater, we will waive the premium for the policy and any attached rider(s) for as long as you remain disabled, up to the benefit period shown in the Policy Schedule. You must pay all premiums to keep the policy and any attached rider(s) in force until you have been totally disabled or qualify for partial disability benefits for 90 consecutive days while the policy is in effect, or for the elimination period shown in the Policy Schedule, whichever is greater.

You must send us written notice as soon as you are no longer disabled. We will assume you are no longer disabled if:

- You do not send us satisfactory proof of loss when we request it; or
- You notify us that you are no longer disabled.

You must pay all premiums to keep the policy and any attached rider(s) in force beginning with the first premium due after you are no longer disabled.

The Waiver of Premium Benefit does not apply to any period that you are totally or partially disabled due to an accident or condition which is excluded by specific name or specific description in the policy.

There is no limit to the number of times you can receive the Waiver of Premium benefit.

Important Words in the Policy

Activities of Daily Living mean the following:

1. Dressing – the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn
2. Transferring – the ability to move in or out of a chair or bed
3. Eating – the ability to get nourishment into the body once it has been prepared
4. Preparing meals
5. Toileting – the ability to get on and off the toilet, to maintain a reasonable level of personal hygiene and to care for clothing

A *covered accident* is an accident which:

- occurs after the effective date of the policy;
- is of a type listed on the Policy Schedule;
- occurs while the policy is in force; and
- is not excluded by name or specific description in the policy.

A *covered sickness* means an illness, infection, disease or any other abnormal physical condition, not caused by an injury, which:

- occurs after the effective date of the policy;
- is of a type listed on the Policy Schedule;
- occurs while the policy is in force; and
- is not excluded by specific name or specific description in the policy.

A *doctor* means a person, other than you or a family member, who is licensed by the state to practice a healing art, and performs services for you which are allowed by his license. For the purposes of this definition, *family member* means your spouse, son, daughter, mother, father, sister or brother.

Elimination period means the period of time during which no benefits are payable, as shown in the Policy Schedule.

Material and substantial duties of your job are defined as those job duties which:

- are normally required to perform your regular job; and
- cannot be reasonably modified or omitted.

Performing your job at a particular work site or in a particular building is not a material and substantial duty of your job, provided that your employer will allow you to perform your job at a different work site or in a different building.

Off-job accident means an accident that occurs while you are not working at any job for pay or benefits.
Off-job sickness means a sickness that was not caused by or contributed to by your working at any job for pay or benefits.

On-job accident means an accident that occurs while you are working at any job for pay or benefits.

On-job sickness means a sickness that was caused by or contributed to by your working at any job for pay or benefits.

Partially disabled means:

- you are unable to perform the material and substantial duties of your job for 20 hours or more per week;
- you are able to work at your job or any other job for less than 20 hours per week;
- your employer will allow you to work for less than 20 hours per week; and
- you are under the regular and appropriate care of a doctor.

Pre-existing condition means your having a sickness or physical condition for which you were treated, received medical advice or had taken medication within 12 months before the effective date of the policy.

Recurrent disability means your becoming disabled, ceasing to be disabled, then becoming disabled again for the same or related condition. The latter disability will be considered a recurrent disability.

Totally disabled means you are:

- unable to perform the material and substantial duties of your job;
- not in fact, working at any job; and
- under the regular and appropriate care of a doctor.

Under the regular and appropriate care of a doctor means you are being cared for on a regular basis by a doctor and the care you are receiving is appropriate for the condition(s) which disable(s) you.

What Is Not Covered by the Policy

We will not pay benefits for losses that are caused by or are the result of your:

- addiction to alcohol or drugs, except for drugs taken as prescribed by your doctor;
- participating in aviation, except as a fare-paying passenger on a scheduled aircraft;
- giving birth within the first nine months after the effective date of the policy as the result of a normal pregnancy, including Cesarean. Complications of pregnancy will be covered to the same extent as any other covered sickness;
- participating or attempting to participate in an illegal activity and/or being incarcerated in a penal institution;
- having a pre-existing condition as described and limited by the policy;
- having a psychiatric or psychological condition including neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder of any kind. However, Alzheimer's Disease and other organic senile dementias are covered under the policy;
- practicing for or participating in any semi-professional or professional competitive athletic contest for which you receive any type of compensation or remuneration;
- committing or trying to commit suicide or your injuring yourself intentionally, whether you are sane or not; or
- being exposed to war or any act of war, declared or undeclared, or serving in the armed forces of any country or authority.

Benefit Worksheet

For use by Colonial Life Benefits Representative

○ Flexible Benefit

Monthly Benefit Amount

Total Disability

On-Job Accident and On-Job Sickness Amount $_____

Off-Job Accident and Off-Job Sickness Amount $_____

Partial Disability ***(50% of Total Disability Amount)***

Benefit Period Total Disability: _____ months

Partial Disability: 3 months

Elimination Period

Accident _____

Sickness _____

Premium Per Pay Period $_____ *The premium will vary based on benefits selected.*

Learn more about these and all of the benefits Colonial Life has to offer at coloniallife.com.

This coverage has exclusions and limitations that may affect benefits payable. Coverage type and benefits vary by state and may not be available in all states. See the Disclosure Statement within for complete details.

Applicable to policy form DIS1000. This brochure is not complete without the corresponding Disclosure Statement, including state variations where applicable.

Colonial Life
1200 Colonial Life Boulevard
Columbia, South Carolina 29210
coloniallife.com

06/08

Colonial Life℠

Making benefits count.

Colonial Life products are underwritten by Colonial Life & Accident Insurance Company, for which Colonial Life is the marketing brand.

59180-5