

Policyholder: THERAPY STAFF, INC.
Effective Date: 9/1/2007

Short-Term Disability (STD) Insurance

This is a summary of your short-term disability insurance from Principal Life Insurance Company. Short-Term disability insurance provides you with weekly income if you are disabled because of injury or illness.

Your Benefits at a Glance	
Qualifying as Disabled	<p>You may qualify as disabled during the elimination period and benefit payment period if because of sickness, injury or pregnancy, one of the following applies:</p> <ul style="list-style-type: none"> • You cannot perform the majority of the substantial and material duties of your own occupation. • You are performing the duties of your own occupation on a modified basis and lose at least 20% of the income you earned before becoming disabled. • You are performing the duties of any other occupation and lose at least 20% of the income you earned before becoming disabled. <p>The income you earned before becoming disabled is referred to as predisability earnings.</p>
When Benefits Begin	<p>STD benefits begin on the 8th day of disability when your disability is due to injury. Benefits begin on the 8th day of disability when your disability is due to sickness. The amount of time you must be disabled before receiving benefits is called the elimination period. It can be satisfied with days of total or partial disability.</p>
Benefits if Not Working	<p>When you are unable to work in any capacity during the benefit payment period, your weekly benefit equals your primary weekly benefit less income from other sources.</p> <p>Your primary weekly benefit is equal to 60% of your earnings before becoming disabled, but will not exceed \$600.</p> <p>Your weekly benefit will not be less than the minimum benefit of \$15.</p>
Benefits if Working	<p>If you are able to work while disabled, you may still be eligible to receive a disability benefit.</p> <p>If you are working during the benefit payment period, your weekly benefit is the lesser of:</p> <ul style="list-style-type: none"> • 100% of the earnings you received before becoming disabled, less income from other sources, less current earnings; or • Your primary weekly benefit, less income from other sources, multiplied by your income loss percentage.
Maternity	<p>Treated same as any other disability.</p>
Your Benefit Duration	<p>You are eligible to receive STD benefits for 25 weeks after the benefit payment period begins.</p> <p>However, your disability benefits will end when you:</p> <ul style="list-style-type: none"> • Recover • Cease to be under the regular and appropriate care of a physician • Fail to provide any required proof of disability



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	<ul style="list-style-type: none"> • Fail to submit to a required medical examination • Fail to report income from other sources, or any other required earnings information • Fail to pursue Social Security disability benefits or Workers' Compensation benefits • Die <p>If you recover and return to work for 30 days or less during the benefit duration and then again become disabled from the same or related cause, you are not required to complete a new elimination period.</p>
Survivor Benefit	A survivor benefit is a lump sum payment issued to your survivors, should you die while receiving disability benefits. The benefit payment is equal to three times your primary weekly benefit.

Rehabilitation Services and Benefits	
Rehabilitation Services	<p>While disabled, you may qualify to participate in a rehabilitation plan. Our rehabilitation staff works with you, your physician(s) and your employer to create an individual rehabilitation plan to assist you in returning to work.</p> <p>If you are not disabled, but have a condition that could prevent you from performing the substantial and material duties of your own occupation, preventive rehabilitation services may be offered.</p>
Mandatory Rehabilitation	This provision indicates that, if appropriate, you may be required to participate in an individual rehabilitation plan. Any expenses associated with the rehabilitation plan will be paid for by Principal Life. If you do not comply with the rehabilitation plan without good cause, your disability benefits may cease.

Limitations of Benefits	
Limitations	<p>No benefits will be paid for disabilities resulting from:</p> <ul style="list-style-type: none"> • Willful self injury, while sane or insane • War or an act of war • Participation in an assault or felony • A new or continuing disability that begins after your benefit payment period has ended, but you have not returned to active work • Sickness or injury arising out of or in the course of employment for wage or profit

Terms to Know

Income from Other Sources – Income you receive from other sources can be deducted from your primary monthly benefit amount. Other sources include:

- All retirement or disability benefits that you and your dependents receive or could have received, from Social Security or other government agencies
- Salary continuance, personal time off or sick pay
- Workers' Compensation benefits
- Income from state disability plans
- Payments from policies that provide coverage for time away from work, if paid in part by or deducted from payroll by the policyholder



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- Income from other group disability insurance policies
- Disability or retirement benefits paid by pension plans sponsored by the policyholder
- Income received from no-fault auto laws
- Renewal commissions received from the policyholder
- Severance pay

Other income sources do not include:

- Individual disability insurance
- Profit sharing plans
- Thrift savings plans
- Nonqualified deferred compensation plans
- 401(k) plans
- Individual retirement accounts (IRA)
- Stock ownership plans
- Keogh (HR-10) plans
- Any cost of living increases paid in connection with other sources of income
- Social Security or pension plan payments that were being received prior to the current disability

Modified Basis – You are considered to be working on a modified basis if you are working on either a part-time basis or you are able to perform some, but not all, of the substantial and material duties of an occupation on a full-time basis.

Own Occupation – The occupation you are routinely performing at the time of disability.

Predisability Earnings – The weekly earnings you receive before becoming disabled.

Your weekly earnings are based on your basic wage, which includes:

- Earnings under a qualified deferred compensation plan
- Voluntary earnings reduction under a Section 125 plan

Your basic wage does not include:

- Commissions
- Bonuses
- Overtime pay
- Tips
- Differential Pay
- Housing or car allowances

Primary Weekly Benefit – Your primary weekly benefit is equal to 60% of your earnings before becoming disabled, but will not exceed the maximum weekly benefit of \$600.

Substantial and Material Duties – The essential tasks, which cannot be modified or omitted, that you are required to perform in any given occupation.

Weekly Payment Limit – The benefits paid to you are reduced if your total income exceeds 100% if your predisability earnings. Total income includes:

- Your normal benefit payable
- Additional benefits payable under your policy
- Return to work earnings
- Other Income Sources defined in the policy
- PTO, sick pay, and salary continuance payments (if these income sources are not considered Other Income Sources)
- Payments attributable to individual disability insurance policies (if not already considered an Other Income Source)



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