Unum Life Insurance Company of America
2211 Congress Street
Portland, Maine 04122
(207) 575-2211

QUALIFIED LONG TERM CARE INSURANCE
OUTLINE OF COVERAGE

FOR THE EMPLOYEES OF

OREGON EDUCATORS BENEFIT BOARD (OEBB) # 148198

Group Master Policy/Certificate Form Number GLTC04/CLTC04

Caution: If you must complete an Application for Long Term Care Insurance which includes evidence of insurability, the issuance of a long term care insurance certificate will be based on your responses to the questions on your application. You retained a copy of your Application for Long Term Care Insurance when you applied. If your answers are incorrect or untrue, the company may have the right to deny benefits or rescind your coverage. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your answers are incorrect, contact Unum at this address: Unum Life Insurance Company, 2211 Congress Street, Portland, Maine 04122.

NOTICE TO BUYER: This plan may not cover all of the costs associated with long term care which you may incur during the period of coverage. You are advised to review carefully all coverage limitations.

1. The policy is a group policy which is issued in the state of Oregon.

2. **PURPOSE OF OUTLINE OF COVERAGE**. This outline of coverage provides a very brief description of the important features of the policy. You should compare this outline of coverage to outlines of coverage for other policies available to you. **This is not an insurance contract, but only a summary of coverage. Only the group policy contains governing contractual provisions. This means that the group policy sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ YOUR CERTIFICATE CAREFULLY!**

3. **TERMS UNDER WHICH THE CERTIFICATE MAY BE RETURNED AND PREMIUM REFUNDED**.

   a. You may cancel your coverage for any reason within 30 days after it is delivered to you or your representative. Simply return your certificate, within 30 days of its receipt, to us. If this is done, your certificate will be canceled from the beginning and all premiums paid for your coverage will be refunded.

   b. If you die while insured under the policy, we will refund any pro rata portion of any premium paid covering the period after your death. We will make the refund within 30 days after we receive written notice of your death. Payment will be made to your estate.

4. **THIS IS NOT MEDICARE SUPPLEMENT COVERAGE**. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from the insurance company. Neither Unum nor its agents represent Medicare, the federal government or any state government.

5. **LONG TERM CARE COVERAGE**. Policies of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting other than an acute care unit of a hospital, such as in a nursing home, in the community or in the home.

   The policy provides coverage in the form of a fixed dollar indemnity benefit if you are Chronically Ill and you are receiving care while confined in a Long Term Care Facility. The policy includes coverage for home care. We will pay you a home care benefit if you choose to receive care at home or in the community. Coverage is subject to the policy limitations, benefit maximums and elimination period requirements.

6. **BENEFITS PROVIDED BY THE POLICY**. Refer to the attached **SUMMARY OF BENEFITS** for the benefits available under the Policyholder's plan.

   Eligibility for Benefits
   You will be eligible for a benefit if, on or after the effective date of your coverage and while your coverage is in effect, you become Chronically Ill.

   Conditions for Payment of Benefits

   To receive benefits under the policy, the following conditions must be met:
   - you must satisfy the Elimination Period, if applicable;
   - you must be receiving Qualified Long Term Care Services;
   - the treatment for your Chronic Illness must be provided pursuant to a written Plan of Care; and
   - we must approve your claim.

   You must also provide us with a Licensed Health Care Practitioner's Certification that you are unable to perform (without Substantial Assistance from another individual) two or more Activities of Daily Living for a period of at least 90 days, or that you require Substantial Supervision by another individual to protect you from threats to your health or safety due to Severe Cognitive Impairment. You will be required to submit a Licensed Health Care Practitioner's Certification every 12 months.

   Limitations on Payment of Benefits
   We will not pay benefits in excess of any coverage amounts you choose or for coverages that you have not elected. Benefits paid will reduce your Lifetime Maximum Benefit and will no longer be available once your Lifetime Maximum has been reached. We will not pay benefits for Qualified Long Term Care Services you receive during the Elimination Period, except as described in the Respite Care Benefit and the Additional Care Benefit provisions. The policy only pays benefits if you are receiving Qualified Long Term Care services.

LTC Facility Benefit Payment
You must give us proof that you are receiving Qualified Long Term Care Services in a LTC Facility before a LTC Facility Monthly Benefit is paid. If you are eligible for benefits for a period of less than one month, we will pay you 1/30th of the monthly benefit for each day that you are Chronically Ill and receiving Qualified Long Term Care Services in a LTC Facility. Refer to the Home Care section of this Outline of Coverage for information on benefit payments for home care.

Additional Care Benefit:
Once you are eligible for a benefit payment, you will have access to Additional Care designed to assist you in living at home or in other residential housing. You do not need to complete your Elimination Period for an Additional Care Benefit payment to begin. The Additional Care must be:

- appropriate for your Chronic Illness and conform with generally accepted medical standards;
- provided pursuant to a written Plan of Care;
- recommended by a Licensed Health Care Practitioner; and
- approved by us prior to receipt of Additional Care.

Bed Reservation Benefit
If you are receiving a LTC Facility Monthly Benefit and your stay in the facility is interrupted due to a stay in an acute care facility, or due to a temporary absence and a charge is made to reserve your LTC Facility accommodations, you will be eligible for a Bed Reservation Benefit. We will pay you 1/30th of the LTC Facility Monthly Benefit for each day you are absent from the LTC Facility:

- up to 90 days per calendar year if your absence is due to a stay in an acute care facility; or
- up to 30 days per calendar year for a temporary absence not related to a stay in an acute care facility.

In no event will the maximum number of Bed Reservation days exceed 90 days per calendar year. Bed Reservation Benefit payments will reduce your Lifetime Maximum Benefit and will no longer be available once your Lifetime Maximum Benefit has been reached. If your stay in a LTC Facility is interrupted while you are satisfying your Elimination Period, such days will be used to help satisfy your Elimination Period.

Respite Care Benefit
If you are Chronically Ill and receiving Respite Care but you are not receiving a LTC Facility Monthly Benefit or a Home Care Monthly Benefit, you will be eligible to receive a Respite Care Benefit. The Respite Care Benefit you will receive is equal to 1/30th of your LTC Facility Monthly Benefit for each day you have Respite Care for up to 21 days each calendar year. You do not need to complete your Elimination Period for Respite Care payments to begin and the days you are receiving Respite Care will count toward satisfying your Elimination Period.

Words That Have A Special Meaning

Activities of Daily Living (ADLs) are bathing, dressing, toileting, transferring, continence and eating.

Additional Care means special services; equipment or caregiver training designed to assist you in living at home or in other residential housing. Additional Care may include:

- assistance in locating long term care providers and caregivers in your area (this service is also available even if you are not eligible for benefits);
- a visit from a Licensed Health Care Practitioner who will develop your Plan of Care;
- a visit from a home safety expert who will assess your residence and offer suggestions for increased personal safety;
- purchase or rental of a medical alert service;
- purchase or rental of durable medical equipment;
- home modifications for your support; or
- caregiver training.

Chronic Illness and Chronically Ill means you are unable to perform, without Substantial Assistance from another individual, two or more Activities of Daily Living; or you require Substantial Supervision by another individual to protect you from threats to your health and safety due to Severe Cognitive Impairment.

Elimination Period means the number of days during which you are Chronically Ill and you are receiving services appropriate for your Chronic Illness, but no benefit is payable.

Lifetime Maximum Benefit means the total dollar amount of benefits that will be paid under the policy, excluding any Additional Care Benefit.

Long Term Care (LTC) Facility means a facility (such as a nursing facility, and Adult Foster Home, an assisted living facility, a hospice facility, a rehabilitation facility, an Alzheimer's facility or a residential care facility with an Alzheimer's Care Endorsement) that is licensed by the appropriate federal or state agency to engage primarily in providing care and services sufficient to support your needs resulting from Chronic Illness.

Plan of Care means a written plan prescribed by a Licensed Health Care Practitioner, based upon an assessment that evaluates your level of functional capacity.

Qualified Long Term Care Services means necessary diagnostic, preventive, therapeutic, curing, treating, mitigating and rehabilitative services and maintenance or personal care services that are required by you.

Respite Care means short-term or periodic Qualified Long Term Care Services which are required to maintain your health or safety and to give temporary relief to your primary caregiver from his or her caregiving duties.

Severe Cognitive Impairment means a severe deterioration or loss in your short or long term memory; your orientation as to person, place, or time; or your deductive or abstract reasoning as reliably measured by clinical evidence and standardized tests. Such loss can result from a sickness, injury, advanced age, Alzheimer's disease or similar form of dementia.

Substantial Assistance means stand-by or hands-on assistance without which you would not be able to safely and completely perform the ADL. Stand-by assistance means the presence of another person within arm's reach of you while you are performing the ADL. Hands-on assistance means physical assistance (minimal, moderate or maximal) without which you would not be able to perform the ADL.

Substantial Supervision means continual supervision (which may include cueing by verbal prompting, gestures or other demonstrations) by another individual for the purpose of protecting you from threats to your health or safety.

Home Care

Professional Home and Community Care Benefit:
If your coverage includes the Professional Home and Community Care Benefit, we will pay 1/30th of the Home Care Monthly Benefit you elected for each day you receive Professional Home and Community Care Services. Professional Home and Community Care Services may be provided anywhere other than a LTC Facility, an acute care facility or other location excluded by the policy. You must provide written proof indicating the number of days you received Professional Home and Community Care Services before a benefit is paid.

Professional Home and Community Care Services means Qualified Long Term Care Services provided to you for at least one hour or more per day by or through a Licensed Home Health Care Agency; Licensed Health Care Professional; in an Adult Foster Home; or in an Adult Day Care Facility. Professional Home and Community Care Services include nursing care; physical, respiratory, and occupational or speech therapy; homemaker services; hospice care; or other services pursuant to your Plan of Care.

Included in the Professional Home and Community Care Benefit is an International Benefit. You may be eligible to receive International Benefits if you become Chronically Ill and are receiving Qualified Long Term Care Services while traveling outside of the United States, its territories or possessions, or Canada. International Benefits will be paid on an indemnity basis.

Total Choice Home Care Benefit:
If your coverage includes the Total Choice Home Care Benefit, we will pay 1/30th of the Home Care Monthly Benefit you elected for each day you receive Total Choice Home Care Services. Total Choice Home Care Services may be provided anywhere other than a LTC Facility, an acute care facility or other location excluded by the policy.

Total Choice Home Care Services means Qualified Long Term Care Services provided to you by anyone, including a Family Member, by or through a Home Health Care Agency; by a Licensed Home Health Care Professional; in an Adult Day Care Facility; in an Adult Foster Home; or by an informal caregiver. Total Choice Home Care Services include nursing care; physical, respiratory, and occupational or speech therapy; homemaker services; hospice care; or other services pursuant to your Plan of Care.

Included in the Total Choice Home Care Benefit is an International Benefit. You may be eligible to receive International Benefits if you become Chronically Ill and are receiving Qualified Long Term Care Services while traveling outside of the United States, its territories or possessions, or Canada. International Benefits will be paid on an indemnity basis.

OPTIONAL BENEFITS PROVIDED BY THE POLICY -- EACH OF THE FOLLOWING OPTIONAL BENEFITS IS AVAILABLE UNDER THE POLICYHOLDER'S PLAN. OPTIONAL BENEFITS MAY BE AVAILABLE AT AN ADDITIONAL COST TO YOU. YOU MAY ALSO REFER TO THE ATTACHED SUMMARY OF BENEFITS TO DETERMINE AVAILABLE OPTIONAL BENEFITS.

Inflation Protection and Benefit Increase Options:

5% Simple Benefit Increase:
If your coverage includes this option, your LTC Facility Monthly Benefit will increase each year on the Coverage Effective Date by 5% of your original LTC Facility Monthly Benefit. Increases will be automatic and will occur regardless of your health and whether or not you are eligible for or are receiving benefit payments. Your premium will not increase due to automatic increases in your LTC Facility Monthly Benefit.

7. **LIMITATIONS AND EXCLUSIONS**

We will not provide benefits for:

- a Chronic Illness caused by war or any act of war, whether declared or undeclared, that occurs while your coverage is in force.
- a Chronic Illness caused by intentionally self-inflicted injuries or attempted suicide, while sane.
- a Chronic Illness caused by the commission of a crime for which you have been convicted under law, or caused by your attempt to commit a crime under law.
- a Chronic Illness caused by alcoholism, alcohol abuse, drug addiction or drug abuse.
- any period of time while you are Chronically Ill and you are confined in a hospital, other than if you are confined to a LTC Facility that is a distinctly separate part of a hospital. This exclusion does not apply to those periods covered under the Bed Reservation Benefit.
- any period of time that you are Chronically Ill and you are outside the United States, its territories or possessions or Canada for 30 consecutive days or longer if a home care benefit is not selected.

THE POLICY MAY NOT COVER ALL THE EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

8. **RELATIONSHIP OF COST OF CARE AND BENEFITS.** Because the cost of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted.

- If the plan provides an Inflation Protection or Benefit Increase Option and you have chosen the option, your LTC Facility Monthly Benefit will increase each year on the Coverage Effective Date. Increases will be automatic and will occur regardless of your health and whether or not you are Chronically Ill. Your premium will not increase due to the automatic increases in your LTC Facility Monthly Benefit.
- After your coverage is in force, you will be allowed to increase your coverage based on the benefits available under the Policyholder's plan. To do so, you must complete a new benefit election form and a Long Term Care Insurance Application. No increased or additional coverage will become effective unless we approve your Long Term Care Insurance Application for such change. Premiums for your coverage may be adjusted due to changes or increase in your coverage based on your age on the date you apply to change or increase your coverage.

9 TERMS UNDER WHICH THE CERTIFICATE MAY BE CONTINUED IN FORCE OR DISCONTINUED

a. **RENEWABILITY - THE CERTIFICATE IS GUARANTEED RENEWABLE FOR LIFE**. This means you have the right, subject to the terms of the policy to continue your coverage as long as premium for your coverage is paid on time. Unum cannot change any of the terms of the policy on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

b. **CONTINUATION OF COVERAGE**. If your group long term care coverage ends for reasons other than non-payment of premium or your choice to have premium payments stopped for your coverage, you may elect continuation of coverage. This means that the same coverage you had under this plan can continue on a direct billed basis. If you are already direct billed, your coverage will automatically transfer to continued coverage. Election for continued coverage must be made within 60 days of the date your group coverage would otherwise end. Any premium that applies must be paid directly to Unum by you for any coverage to be continued.

c. **WAIVER OF PREMIUM**. We will waive payment of premium for your coverage during any period of time that you are receiving benefits under the policy. However, premium payments will not be waived if you are only receiving Respite Care or Additional Care Benefits.

d. **TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS. WE HAVE A LIMITED RIGHT TO CHANGE PREMIUMS**. We reserve the right to change any and all premiums. Any change in premium must apply to all similar policies issued on this policy form and in the state in which the policy is sitused. Premiums cannot be increased because of any change in the age or health of the persons covered under the policy. We cannot discontinue the policy except where required by law or as a result of non-payment of premium.

10. ALZHEIMER'S DISEASE AND OTHER ORGANIC BRAIN DISORDERS.

The policy provides for coverage of Severe Cognitive Impairment. Severe Cognitive Impairment is not related to the inability to perform ADLs. Rather, Severe Cognitive Impairment means that you have lost the ability to reason and suffer a decrease in awareness, intuition and memory. Examples of Severe Cognitive Impairment are: Alzheimer's disease, multi-infarct dementia, brain injury, brain tumors or other such structural alterations of the brain.

11. PREMIUM

The initial premium charges will be figured at the premium rates as shown on the attached pages. Unum may change the premium rates when the terms of the policy are changed.

12. ADDITIONAL FEATURES

- Medical underwriting may be required.
- Eligibility and Participation
  You are eligible for the plan if you are: an Active or Retired Employee of the Policyholder and your Family Members.

13. **TERMS UNDER WHICH THE COMPANY MAY CHANGE PREMIUMS. WE HAVE A LIMITED RIGHT TO CHANGE PREMIUMS**. We reserve the right to change any and all premiums. Any change in premium must apply to all similar policies issued on this policy form and in the state in which the policy is sitused. Premiums cannot be increased because of any change in the age or health of the persons covered under the policy. We cannot discontinue the policy except where required by law or as a result of non-payment of premium

14. **FEDERAL TAX CONSEQUENCES**. The policy is intended to be a federally tax-qualified long term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986, as amended.

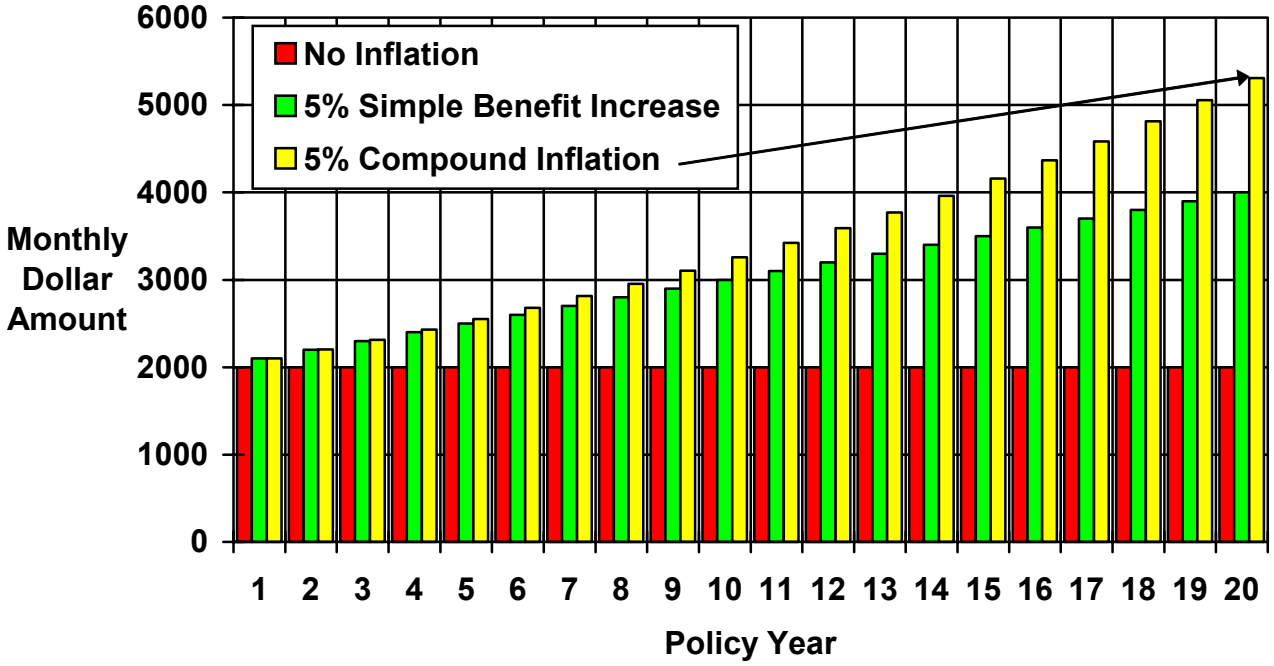
15 **SENIOR INSURANCE COUNSELING, ASSISTANCE AND OTHER INFORMATION IS AVAILABLE THROUGH:**

SENIOR HEALTH INSURANCE BENEFITS ASSISTANCE PROGRAM
250 Church Street S.E.
Suite 200
Salem, OR 97301
Telephone: 1-800-722-4134

CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG-TERM CARE INSURANCE POLICY.

Long Term Care

Comparison of Benefits for Simple and Compound Inflation Protection



Monthly Premium Based On the Following:

- Issue Age 65
- LTC Facility with Professional Home and Community Care (50%)
- 90 Day Elimination Period
- Lifetime Maximum Benefit Period

Monthly Premium Without Inflation Protection:	$253.12
Monthly Premium With 5% Simple Benefit Increase:	$379.67
Monthly Premium With 5% Compound Inflation Protection:	$440.42

Premium will remain level; it will not increase due to automatic increases in benefit amounts.