

May 14, 2019

Re: Open Enrollment for New Voluntary Disability Plan (VDP)

Dear Member,

We are pleased to announce that SMART TD is offering a new Voluntary Disability Plan (VDP) to all actively working, dues paying members. Protecting your income by participating in this plan may be the most important financial decision you make. Did you know that RRB occupational disability approvals are now taking 15 to 18 months and FELA cases can take 2-3 years to resolve? Could you get by with little to no income for this amount of time? This NEW disability plan provides you with the financial safety net that you need. Also, this plan will pay benefits **in addition** to any other disability benefit, has no subrogation for FELA or Personal Injury Settlements, and the plan is portable so you may keep it if furloughed or suspended.

IMPORTANT: It is your responsibility to enroll in the new Voluntary Disability Plan. **If you do not enroll you will not be covered by this plan.** You have to act! While Open Enrollment ends on November 30th, 2019, the date your coverage becomes effective is determined by the date you enroll...the sooner you enroll the sooner you will be covered. Enrolling is simple, and due to simplified underwriting a decision on your application typically takes one week. Call **224-770-5328** or visit www.smart-vltd.com to enroll.

Below is an overview of the new Voluntary Disability Plan (VDP):

- Benefit does not offset and pays in addition to all other benefits you receive (SMART TD VSTD, RRB, etc.) to provide you with the most comprehensive coverage
- You can enroll in **\$100** benefit increments, ranging from **\$300** to **\$5,000** per month (not to exceed 60% of earnings).
- Benefits start paying after 180 days (6 months)
 - **For members with less than 20 years of service, Railroad Retirement Board Sickness Benefits typically end after 6 months, so this Voluntary Disability Plan (VDP) is designed to start when your RRB Sickness Benefits end**
 - **For members with 20 years or more of service, this Voluntary Disability Plan (VDP) pays in addition to your RRB Long-Term Disability Annuity**
- You can choose to have benefits pay for a maximum of up to either 2 or 5 years
- **24 Hour Coverage** - this benefit covers you on and off the job
- The Plan is portable, so you won't lose it if you are furloughed or suspended
- Benefits are not subject to repayment upon your receipt of a FELA or personal injury settlement
- Simple and convenient payroll deduction

Your ability to earn an income and provide for your family is your most important asset. This plan helps protect that asset if you cannot work due to a disability. While we have reviewed the policy and believe it to be the best coverage for our membership, the decision to take advantage of this benefit is your responsibility. We encourage you to study the enclosed information and select the benefit that best fits the needs of your family.

IMPORTANT NOTE ABOUT MEMBER PARTICIPATION: Once 20% of members enroll in the new Voluntary Disability Plan (VDP), then all coverage amounts up to \$3,000 per month (not to exceed 60% of earnings) will be Guaranteed Approved for all members, except for any member that had a policy previously issued for a smaller amount. If less than 20% of members enroll, then members' elections will be accepted or rejected based on their answers to the medical questions on the application. Regardless of participation, members choosing benefit amounts over \$3,000 per month (not to exceed 60% of earnings) will be accepted or rejected based on their answers to the medical questions on the application. Within the VDP, Bus members and Rail members are separated into two groups, each with their own 20% participation requirement.

Enclosed is a *Summary of Benefits and Rates* for the new Voluntary Disability Plan. To enroll or learn more, please call the SMART TD VDP Enrollment Center at **224-770-5328** or visit www.smart-vltd.com. You are encouraged to call the SMART TD VDP Enrollment Center to discuss your options with a Benefit Specialist.

SMART Transportation Division
Enrollment Center

Benefit specialists are standing by to assist you.

SUMMARY OF BENEFITS AND RATES

Voluntary Disability Plan - **RAIL**

Call to Enroll: 224-770-5328

www.smart-vltd.com

VOLUNTARY DISABILITY PLAN

- You may elect benefits in **\$100 increments**, from **\$300** to **\$5,000** per month (not to exceed 60% of earnings)
 - Benefits are subject to participation requirements and/or simplified medical underwriting (See back for more details)
- Benefit pays **in addition** to all other benefits (SMART VSTD, RRB, FELA Payments, etc.)
- Benefit Duration: **2** or **5 years**
- Elimination Period: **180 Days**
- Members can retain coverage even if they are furloughed or suspended
- Pre-existing conditions are covered after 12 months on the plan
- 24 Hour Coverage** - covers you on-and-off the job
- Simple and convenient payroll deductions

SEE BELOW CHART TO FIND THE RATES FOR YOUR CURRENT AGE

MEMBER MONTHLY PREMIUM 2 Year Duration			
Monthly Benefit	Age 18 - 49	Age 50 - 59	Age 60 - 65
\$500	\$10.32	\$21.94	\$36.07
\$1,000	\$20.64	\$43.89	\$72.15
\$1,500	\$30.96	\$65.83	\$108.22
\$2,000	\$41.28	\$87.77	\$144.29
\$2,500	\$51.60	\$109.71	\$180.36
\$3,000	\$61.92	\$131.66	\$216.44
\$3,500	\$72.24	\$153.60	\$252.51
\$4,000	\$82.56	\$175.54	\$288.58
\$4,500	\$92.88	\$197.49	\$324.65
\$5,000	\$103.20	\$219.43	\$360.73

MEMBER MONTHLY PREMIUM 5 Year Duration			
Monthly Benefit	Age 18 - 49	Age 50 - 59	Age 60 - 65
\$500	\$15.79	\$38.64	\$56.92
\$1,000	\$31.58	\$77.27	\$113.85
\$1,500	\$47.37	\$115.91	\$170.77
\$2,000	\$63.16	\$154.54	\$227.69
\$2,500	\$78.95	\$193.18	\$284.62
\$3,000	\$94.74	\$231.81	\$341.54
\$3,500	\$110.53	\$270.45	\$398.46
\$4,000	\$126.32	\$309.08	\$455.39
\$4,500	\$142.11	\$347.72	\$512.31
\$5,000	\$157.90	\$386.36	\$569.23

ENROLL NOW to lock in your premium at your current age and avoid higher premiums in the future.

For questions, or to enroll, please call 224-770-5328.

Members over 65, please call for the rates

IMPORTANT INFORMATION

SIMPLIFIED MEDICAL UNDERWRITING: With simplified medical underwriting, there is no medical exam, only a few medical questions on the application. If you elect a benefit up to \$3,000 and are not approved, then your application will be in suspense, "parked," until 20% participation is achieved. If 20% participation is achieved, then any election up to \$3,000 will be approved. Benefit elections higher than \$3,000 per month will always require approval by simplified underwriting.

PARTICIPATION REQUIREMENTS: Once 20% of members enroll in the new Voluntary Disability Plan (VDP), then all coverage amounts up to \$3,000 per month (not to exceed 60% of earnings) will be Guaranteed Approved for all members, except for any member that had a policy previously issued for a smaller amount. If less than 20% of members enroll, then members' elections will be accepted or rejected based on their answers to the medical questions on the application. Regardless of participation, members choosing benefit amounts over \$3,000 per month (not to exceed 60% of earnings) will be accepted or rejected based on their answers to the medical questions on the application. Within the VDP, Bus members and Rail members are separated into two groups, each with their own 20% participation requirement.

POLICY INFORMATION

Please note that coverage is for SMART TD members only. If you leave the union, you must port your policy in order to maintain coverage. It is your responsibility to contact the SMART TD VDP Enrollment Center immediately at **(224) 770-5328** or **info@smart-vltd.com**.

Benefit includes 24 months of own occupation coverage.

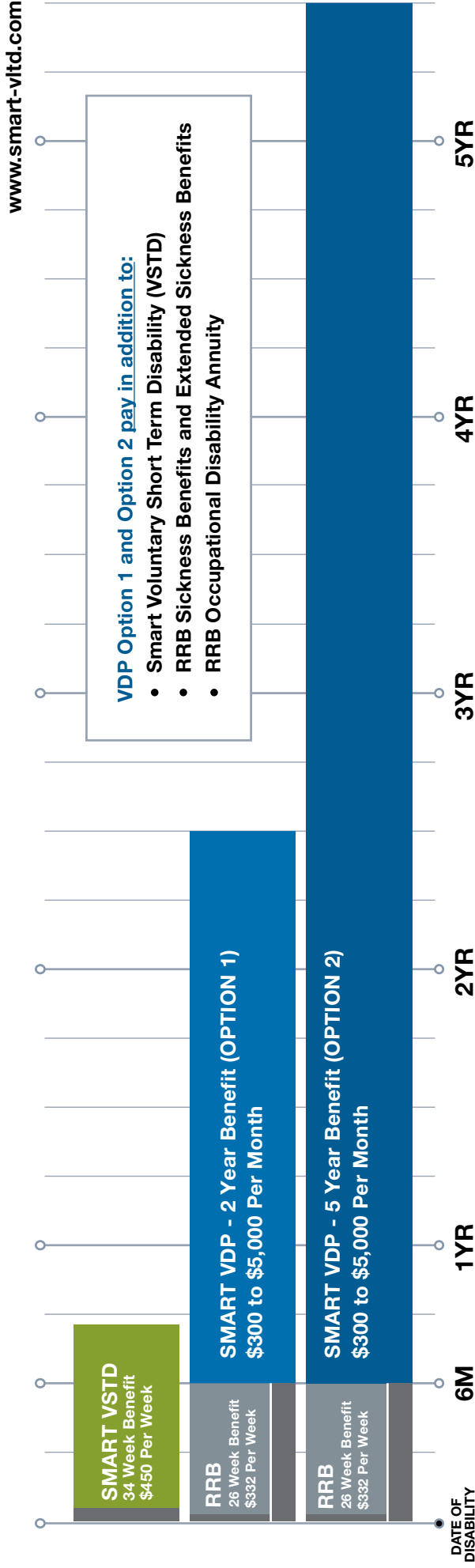
Your premium is determined by your age on the effective date of coverage.

SMART TD does not make any endorsement or recommendations regarding these benefits. It is solely the members' decision to enroll. This program is completely voluntary. This is a basic summary of benefits and makes no guarantee or warranty on the processing of claims. To obtain a sample copy of the policy, please contact the SMART TD VDP Enrollment center at **(224) 770-5328** or **info@smart-vltd.com**. It is the responsibility of the member to read and understand all policy documents.



Voluntary Disability Plan (VDP)

A new way to Enhance and Extend income replacement benefits



- WAITING PERIOD** - 1 Week RRB, 3 Weeks VSTD, 26 Weeks VDP
- RRB Sickness Benefits** - 26 Week Benefit ²
- SMART VSTD** - 34 Week Benefit
- SMART VDP** - 2 Year Benefit Option ¹
- SMART VDP** - 5 Year Benefit Option ¹



What if you were burdened with a serious INJURY?

Or developed a debilitating ILLNESS?

What if that disability lasted a year or longer?

Bills add up... Are you prepared?

The time to learn and enroll is now. To enroll, call 224-770-5328

¹**SMART VDP:** SMART VDP benefits amounts may require simplified medical underwriting to be approved. This is a basic illustration of benefits and makes no guarantee or warranty on the processing of claims. It is recommended that each member with coverage read their entire policy booklet once received. For more information about SMART VDP offered by Amagamatated Life Insurance Company, please visit www.smart-vltd.com or contact the **Enrollment Center at (224) 770-5328**.

²**RRB:** You may or may not be eligible for Railroad Retirement Board (RRB) sickness or disability benefits after 26 weeks. RRB benefit amount is for illustrative purposes only; actual amounts may vary. More information is available by calling an RRB office toll-free at 877-772-5772.

Enroll Now!!!

You have to act! While Open Enrollment ends on November 30th, 2019, the date your coverage becomes effective is determined by the date you enroll...the sooner you enroll the sooner you will be covered. Don't miss an opportunity to get valuable disability coverage. Enrolling is simple using one of two options.

How to enroll:



Preferred Method: You can call the SMART TD Voluntary Disability Plan (VDP) Enrollment Center at **224-770-5328**. A Benefit Specialist will help you enroll. It only takes a few minutes.



You can also visit the SMART TD Voluntary Disability Plan (VDP) website at **www.smart-vltd.com**, and fill out an online enrollment form.