

Short-Term Disability Benefits

Employee Summary Plan Description (SPD)

WARTBURG COLLEGE

Plan Number: M902024-0001

SUMMARY PLAN DESCRIPTION

Wartburg College (referred to as the Employer) establishes this Short Term Disability Plan (referred to as The Plan) for certain employees (referred to as Plan Associates) for injury and sickness while the employee is covered under the Plan. The Employer has full responsibility for payment of any benefits due according to the terms and conditions of the Plan.

Fort Dearborn Life Insurance Company (Fort Dearborn Life) is the Claims Administrator under this arrangement. As the Claims Administrator, Fort Dearborn Life administers the claim payments under the Plan. The claims office address is:

Fort Dearborn Life Insurance Company
20445 Emerald Parkway, Suite 400
Cleveland, Ohio 44135
(800) 782-8524

PLEASE READ CAREFULLY

If you have any questions about your Plan, you should contact the Plan Administrator.

<p>Summary Plan Description Short Term Disability Benefits</p>

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SCHEDULE OF BENEFITS

EMPLOYER: WARTBURG COLLEGE
PLAN EFFECTIVE DATE: June 1, 2005
PLAN NUMBER: M902024-0001
PLAN: Short Term Disability Plan
ELIGIBLE CLASS: All eligible employees*

*All active full-time employees are eligible for coverage. Full-time means that the employee is actively employed as shown below on a regularly scheduled basis for the employer as of the effective date.

Eligible Class:

Staff Members hired prior to June 1, 2003 shall be eligible if they work a minimum of 910 hours per year.

Staff Members hired June 1, 2003 and thereafter shall be eligible if they work a minimum of 1,486 hours per year.

Faculty Members are eligible if they work at least 5 out of 7 slots per academic year.

Short Term Disability Plan: 66.67% of your Basic Weekly Wage rounded to the nearest dollar to a maximum of \$1,000.

Day Benefits Begin: Injury: 31st Day
Sickness: 31st Day
Hospital Confined: 31st Day

Maximum Benefit Period: 13 Weeks

DEFINITIONS

This section tells You the meaning of special words and phrases used in this booklet. To help You recognize these special words and phrases, the first letter of each word, or each word in the phrase, is capitalized wherever it appears.

Accident or **Accidental** means a sudden, unexpected event that was not reasonably foreseeable.

Actively at Work or **Active Work** means that you are:

1. performing the normal duties of your occupation; and
2. working the number of hours set forth by your Employer as defined in the Schedule of Benefits.

Basic Weekly Wage means the gross weekly compensation prior to before-tax payroll deductions, if any, which you earn from your occupation with the Employer.

It does not include compensation from overtime, bonuses or any other form of extra pay. However, if your compensation is based in whole or in part on commissions, Basic Weekly Wage will include the weekly average paid in commissions during the preceding twelve-month calendar period. Your deferred contributions to a 401K plan or salary reduction contributions to a cafeteria plan which are maintained by the Employer will not be deducted when calculating gross weekly compensation.

No benefits are payable when any of the above calculations result in an amount less than zero.

Employee means an Actively at Work full-time employee whose principal employment is with the Employer, at the Employer's usual place of business or such place(s) that the Employer's normal course of business may require, who is Actively at Work for the minimum hours per week as stated in the Schedule of Benefits and is reported on the Employer's records for Social Security and withholding tax purposes.

Injury means bodily injury resulting directly from an Accident and independently of all other causes.

Male Pronoun whenever used includes the female.

Medical Provider means a medical practitioner licensed to treat illness and acting within the scope of that license. Medical Provider shall include the following practitioners:

- Medical Doctor, M.D.
- Osteopath, D.O.
- Doctor of Dentistry, D.D.S., D.M.D.
- Chiropractor
- Podiatrist, D.P.M.
- Optometrist
- Clinical Psychologist, Ph.D.

Employer means the person, firm, or institution named in the Schedule of Benefit, including any covered subsidiaries or affiliates named in the Schedule of Benefits.

Sickness means illness, disease, pregnancy or complications of pregnancy.

Total Disability or **Totally Disabled** means:

1. you are unable to perform the material and substantial duties of your occupation on a full-time or a part-time basis; and
2. you are not receiving any earnings for performing any work or service.

You or Your means the Employee to whom this booklet has been issued.

ELIGIBILITY AND EFFECTIVE DATE PROVISIONS

ELIGIBILITY

All Employees who belong to an eligible class and work the minimum number of hours as set forth in the Schedule of Benefits in this booklet are eligible. An Employee must be **Actively at Work** to be eligible

DEFERRED EFFECTIVE DATE

You must be Actively at Work on the date your initial benefit or any increases in benefit are scheduled to begin. If:

1. you are absent from Active Work on the date such benefit would otherwise become effective; and
2. your absence is caused by an injury, illness or layoff,

the effective date of any initial benefit or increased benefit will be deferred until the first day you return to Active Work. You will be considered Actively at Work if you were actually at work on the day immediately preceding:

1. a weekend (except for one or both of these days if they are scheduled work days);
2. a holiday (except when such holiday is a scheduled work day);
3. a paid vacation;
4. any nonscheduled workday.

EFFECTIVE DATE OF CHANGES IN AMOUNT OF BENEFIT

Any change in the amount of your benefits caused by a change in class, change in salary, age reduction or amendment to the Plan will become effective on the effective date of the change. If the change results in an increase in the amount of benefit, you must be Actively at Work on that date. If you are not Actively at Work, the increase will take effect on the day you are again Actively at Work.

ELIGIBILITY AFTER TERMINATION OF EMPLOYMENT

If your benefit ends due to termination of employment and you are rehired at a later date, you must meet all the requirements of a new Employee.

THE BENEFIT PROVISIONS

TOTAL DISABILITY BENEFIT

We will pay benefits to you if you become Totally Disabled due to an Accidental Injury or Sickness while covered under the Plan and you are under the regular care of a Medical Provider.

The amount of benefit, the day benefits begin, and the maximum benefit period are set forth in the Schedule of Benefits, with the following exception: Any disability which begins more than 60 days after an Injury will be considered a Sickness for the purpose of determining benefits under the Plan.

Unless periods of Total Disability are separated by your return to Active Work for at least two consecutive weeks, successive periods of Total Disability resulting from injuries received in any one Accident or from any one Sickness or related Sicknesses will be considered one period of Total Disability.

WORKING PARTIAL DISABILITY BENEFIT

We will pay a Partial Disability Benefit if we receive proof that an Employee, while covered under the Plan, is Partially Disabled due to an Accidental Injury or Sickness and is under the regular care of a Medical Provider.

The amount of benefit, the day benefits begin, and the maximum benefit period are set forth in the Schedule of Benefits in this Document. Receipt of a Partial Disability Benefit will not extend the Maximum Benefit Period shown in the Schedule of Benefits.

Partial Disability or **Partially Disabled** means the Employee is working, but as a result of Injury or Sickness, the Employee is:

1. able to perform one or more, but not all, of the material and substantial duties of his occupation on a full time or part time basis; or
2. able to perform all of the material and substantial duties of his occupation on a part time basis; and
3. is earning less than 80% of his Pre-disability Earnings at the time the Partial Disability employment begins.

The Employee will no longer be considered Partially Disabled under the Plan when he is able to increase his current earnings by increasing the number of hours he works or the number of duties he performs in his occupation but he does not do so.

Pre-Disability Earnings means the Employee's Basic Weekly Wage in effect immediately prior to the date Disability begins.

The Partial Disability Benefit will be the lesser of:

1. the Maximum Weekly Benefit shown in the Schedule of Benefits; or
2. the Employee's Pre-disability Earnings minus his Partial Disability income.

Partial Disability Benefits will cease on the earliest of:

1. the date the Employee's earnings exceed 80% of his Pre-disability Earnings; or
2. the date the Employee is no longer Partially Disabled; or
3. the end of the Maximum Benefit Period; or
4. the date on which the Employee begins to receive benefits under any retirement plan sponsored by the Employer or
5. the date the Employee dies.

WAIVER OF PREMIUM

Premium payments for an employee who is totally or partially disabled are waived during any period for which benefits are payable. If coverage is to be continued, premium payments may be resumed following a period during which they were waived.

LIMITATIONS

We will not pay benefits for any Disability which is caused by or connected with:

1. Injury arising out of or in the course of any employment for wage or profit; or
2. Intentionally self-inflicted injury; or
3. Injury occurring while serving in the armed forces
4. Sickness for which you are entitled to benefits under any Workers' Compensation or similar law.

PAYMENT OF BENEFITS

We will make benefit payments at regular intervals occurring at least as often as once every two weeks. If benefits are due for a period of less than one (1) week, payments will be made at a daily rate of 1/7th the weekly benefit.

If you are receiving any compensation from the Employer, including, but not limited to:

1. vacation pay;
2. salary continuation; or
3. sick leave benefits.

We will not begin payment of short-term disability benefits until such compensation payments cease.

Short term disability benefits will cease on the earliest of:

1. the date this Plan terminates;
2. the date this Plan no longer provides coverage for your class;
3. the end of the maximum benefit period;
4. the date on which you return to work for the Employer in any capacity; unless as part of the Partial Disability benefit.
5. the date on which you begin to receive benefits under any retirement plan sponsored by the Employer; or
6. the date you die.

NOTICE OF CLAIM

If you incur a loss that may result in a claim for benefits under the Plan, you must give us written notice at our administrative office. This must be done within 20 days after the covered loss occurs. If notice cannot be given within that time, it must be given as soon as reasonably possible. This notice must contain enough information to identify the claimant.

CLAIM FORMS

When We receive written notice of a claim, We will send you forms with which to file proof of loss. If these forms are not given to you within 15 days, you will be excused from filing the forms provided you send Us written proof of loss detailing the occurrence, the character and extent of the loss for which claim is made.

PROOF OF LOSS

We must receive written proof of loss within 90 days after the date of the loss for which claim was made. If it can be shown that it was not reasonably possible to furnish such proof and that such proof was furnished as soon as reasonably possible, failure to furnish proof of loss within 90 days will not invalidate or reduce any claim. However, except in the absence of legal capacity, proof of loss must be furnished no later than one (1) year from the date such proof is required.

PHYSICAL EXAMINATION/AUTOPSY

Upon receipt of a claim, We may examine you, at Our expense, at any reasonable time. We reserve the right to perform an autopsy, at Our expense, if it is not prohibited by any applicable local law(s).

LEGAL ACTION

No action at law or in equity may begin prior to 60 days after We receive valid written proof of loss. No such action may begin after 3 years from the day written proof of loss was required.

WORKERS' COMPENSATION

Coverage under the Plan does not replace or change any requirement for coverage under any Workers' Compensation or similar law.

TERMINATION PROVISIONS

Termination of the Plan under any conditions will not prejudice any claim which is incurred while the Plan is in force.

Your benefits will end on the earliest of:

1. the date you are no longer a member of a covered class; or
2. the date the Plan is canceled or, if applicable, the Participating Employer's participation terminates; or
3. the effective date of an amendment to the Plan which terminates benefits for the class to which you belong; or
4. the date you stop making any required contribution, if applicable; or the date you are no longer Actively at Work; however,

if you are no longer Actively at Work as a result of layoff or leave of absence and you are Totally Disabled on the date layoff or leave of absence begins, We will pay disability benefits up to the maximum period set forth in the Schedule of Benefits.

Termination of the Plan under any conditions will not prejudice any claim which is incurred while the Plan is in force.

GENERAL PROVISIONS

STATEMENTS

We consider any statements made by You, in the absence of fraud, to be representations and not warranties. No such statement shall be used in defense to a claim under the Plan unless it is contained in a written application.

***ERISA INFORMATION STATEMENT**

The benefits described in your booklet and this ERISA Information Statement (collectively the "Summary Plan Description" a/k/a the SPD). This SPD describes the provisions of the Plan in effect as of the Effective Date of the Plan. It is not the intention of the SPD to cover all situations that may arise, but to provide you with a general understanding of your benefits. In the case of any item not covered by the SPD, or in the event of any conflict between the SPD and the Plan, the Plan will always control. You should not rely on any oral explanation, description, or interpretation of the Plan because the written terms of the Plan will govern. Your right to any benefit depends on the actual facts and terms and conditions of the particular Plan; no rights accrue by reason of or arising out of any statement shown in or omitted from, this SPD.

A. ADMINISTRATION OF THE PLAN

The Plan Administrator is responsible for the administration of the Plan. The Plan Administrator has full discretionary authority and control over the Plan. This authority provides the Plan Administrator with the power necessary to operate, manage and administer the Plan. This authority includes, but is not limited to, the power to interpret the Plan and determine who is eligible to participate, to determine the amount of benefits that may be paid to a participant or his or her beneficiary, and the status and rights of participants and beneficiaries. The Plan Administrator also has the authority to prescribe the rules and procedures under which the Plan shall operate, to request information, and to employ or appoint persons to aid the Plan Administrator in the administration of the Plan.

Failure by the Plan or the Plan Administrator to insist upon compliance with any provisions of the Plans at any time or under any set of circumstances shall not operate to waive or modify the provision or in any manner render it unenforceable as to any other time or as to any other occurrence, whether the circumstances are or are not the same. No waiver of any term or condition of the Plan shall be valid unless contained in a written memorandum expressing the waiver and signed by the person authorized by the Plan Administrator to sign the waiver.

The Plan may be amended, terminated or suspended in whole or in part, at any time without the consent of the employees or beneficiaries. Any amendment, termination or suspension shall be in writing, and attached to the Plan. Any amendment, termination or suspension shall be executed according to the Employer's authorized procedures. Any such authorization may be specific to the Plan or persons authorized to act on behalf of the Employer or may be general as to duties of such person. Except for termination or suspensions, any amendments affecting the Plan must also be approved in writing by an officer of Fort Dearborn Life Insurance Company ("Claims Administrator") and shall be effective as of the date agreed to, in writing by the Plan Sponsor and the Claims Administrator. Notwithstanding anything to the contrary in this document, the Plan shall terminate according to the provisions in the Plan.

The Plan has other fiduciaries, advisors and service providers. The Plan Administrator may allocate fiduciary responsibility among the Plan's fiduciaries and may delegate responsibilities to others. Any allocation or delegation must be done in writing and kept with the records of the Plan. The Claims Administrator services shall be limited to, and the Plan Administrator has the full discretionary and final authority to:

- resolve all matters when a review pursuant to the claims procedures has been requested;
- interpret, establish and enforce rules and procedures for the administration of the Plan and any claim under it; and
- determine eligibility of Employees and Dependents for benefits and their entitlement to and the amount of benefits.

Each fiduciary is solely responsible for its own improper acts or omissions. Except to the extent required by ERISA, no fiduciary has the duty to question whether any other fiduciary is fulfilling all of the responsibilities imposed upon the other fiduciary by law. Nor is a fiduciary liable for a breach of fiduciary duty committed before it became, or

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after it stopped being, a fiduciary. However, a fiduciary may be liable for a breach of fiduciary responsibility of any Plan fiduciary, to the extent provided in ERISA Section 405(a).

The Employer makes no promise to continue these benefits in the future and rights to future benefits will never vest. Retirement does not give any retiree any vested right to continue to participate or receive Plan benefits.

B. CLAIMS PROCEDURE: Disability Benefit Plans

When you or your Beneficiary are eligible to receive benefits, you or your Beneficiary, or your authorized representative (collectively, "you") must notify the Plan Administrator by submitting the proper form. You may do this by sending notice of your claim to the Plan Administrator who has been appointed to assist Fort Dearborn Life in the claims processing for this Plan or by contacting Fort Dearborn Life directly at:

Claims Department
Fort Dearborn Life Insurance Company
20445 Emerald Parkway, Suite 400
Cleveland, OH 44135
1-800-782-8533

Fort Dearborn Life will give you a written response to your claim, usually within 45 days. The time for decision may be extended for two additional 30 day periods provided that, prior to any extension period, Fort Dearborn Life notifies you in writing that an extension is necessary due to matters beyond the control of the Plan, identifies those matters and gives the date by which it expects to render its decision. If the extension is due to your failure to submit information necessary to decide your claim, the time for decision shall be tolled from the date on which we send you notice of the extension until the date we receive your response to our request. This period will be no longer than 45 days after we have requested the information. At that time we will decide your claim based on the information we have at that time.

If the claim is denied, in whole or in part, you will receive a written notice giving the following:

- the reason for the denial;
- the Plan provisions on which the denial is based;
- an explanation of what other information, if any, may be needed to process the claim and why it is needed;
- the steps that you have to follow to have the claim reviewed;
- a statement that you have the right to bring a civil action under section 502(a) of ERISA after you appeal our decision and after you receive a written denial on appeal; and
- if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the denial, either (i) the specific rule, guideline, protocol or other similar criterion; or (ii) a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the denial and that a copy will be provided free of charge to you upon request; and
- if denial is based on medical judgement, either (i) an explanation of the scientific or clinical judgement for the determination, applying the terms of the Plan to your medical circumstances, or (ii) a statement that such explanation will be provided to you free of charge upon request.

If the claim has been denied, in whole or in part, you can appeal the denial to us for a full and fair review. You have at least 180 days to appeal from the claim denial.

You may:

- a) request a review upon written application within 180 days of the claim denial;

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- b) request, free of charge, copies of all documents, records and other information relevant to your claim; and
- c) submit written comments, documents, records and other information relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

Fort Dearborn Life will make a decision no more than 45 days after we receive your appeal. The time for decision may be extended for one additional 45 day period provided that, prior to the extension, Fort Dearborn Life notifies you in writing that an extension is necessary due to special circumstances, identifies those circumstances and gives the date by which it expects to render its decision. If your claim is extended due to your failure to submit information necessary to decide your claim on appeal, the time for your decision shall be tolled from the date on which the notification of the extension is sent to you until the date we receive your response to the request. The written decision will include specific references to the Plan provisions on which the decision is based and any other notice(s), statement(s) or information required by applicable law.

C. ERISA NOTICE OF YOUR RIGHTS

As a participant in the Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan participants shall be entitled to:

Examine, without charge, at the Plan Administrator's office and at other locations, such as work sites and union halls, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions.

Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies. Receive a summary of the Plan's annual financial report. The Plan Administrator is required to furnish each participant with a copy of this summary annual report.

In addition to creating rights for the Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including your employers, your union, or any other persons, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce your rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file a suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. The court will decide who should pay costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, United States Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefit Security Administration, United States Department of Labor, 200 Constitution Avenue, NW Washington DC 20210.

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D. PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute a contract between the Company and any participant or to be consideration or an inducement for the employment of any participant or employee. Nothing contained in this Plan shall be deemed to give any participant or employee the right to be retained in the service of the Company or to interfere with the right of the Company to discharge any participant or employee at any time regardless of the effect which such discharge shall have upon him or her as a participant of this Plan.