AMERICAN UNITED LIFE INSURANCE COMPANY®
INDIANAPOLIS, INDIANA 46206-0368

SHORT TERM DISABILITY INCOME PLAN
SUMMARY PLAN DESCRIPTION

PLAN CHANGE EFFECTIVE DATE: March 1, 2019

PLAN NAME: Canal Insurance Company (Employer)
PLAN ADMINISTRATOR: Canal Insurance Company
PLAN SPONSOR: Canal Insurance Company

ADDRESS OF EMPLOYER / PLAN ADMINISTRATOR
400 E Stone Ave.
Greenville, SC 29601

TELEPHONE NUMBER: (864) 527-6678

Employer Tax Identification Number: 57-0133332

American United Life Insurance Company's System Plan Number: 614540-0000-000

The Employer self-insures the Short Term Disability Income Plan on the Plan Effective Date above.

The Plan is set forth within this Summary Plan Description and applies to all employees who are Actively At Work on or after the Plan Change Effective Date.

American United Life Insurance Company® (AUL) and/ or its third party claims administrator is the claims administrator for the Plan, and does not underwrite or insure the Plan.

AUL will administer claims in accordance with the agreement between Canal Insurance Company and AUL.

READ YOUR PLAN CAREFULLY

SUMMARY PLAN DESCRIPTION

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SECTION 1 – SCHEDULE OF BENEFITS

ELIGIBLE CLASS	All Eligible Full-Time Employees
CLASS NUMBER	001
REQUIREMENT FOR FULL-TIME EMPLOYEES	30 hours or more per week. See Section 3.
BASIC WEEKLY EARNINGS DESCRIPTION	Basic Weekly Earnings Including Plan Contributions, but not commissions, bonuses, overtime, or expense accounts. See Section 2.
CONTINUATION OF PLAN PARTICIPATION UNDER FAMILY AND MEDICAL LEAVE ACT	This benefit is included for this class. See Section 5B.
CONTINUATION OF PLAN PARTICIPATION DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY DUTY	This benefit is included for this class. See Section 5D.
ELIMINATION PERIOD	
INJURY	14 calendar days. See Section 2.
SICKNESS	14 calendar days. See Section 2.
EMPLOYEE CONTRIBUTIONS	Contributions Are Not Required.
INDIVIDUAL EFFECTIVE DATE EMPLOYEES	Employer Plan Effective Date if the Employee has satisfied his Waiting Period on or before said date, otherwise the first day of the Plan Month following the Waiting Period See Section 3.
MAXIMUM BENEFIT DURATION	11 weeks. See Section 2.
INJURY	11 weeks. See Section 2.
MAXIMUM WEEKLY BENEFIT	100% of the Employee's Basic Weekly Earnings
MINIMUM WEEKLY BENEFIT	$0.00. See Section 8.
OCCUPATIONAL INJURY OR SICKNESS	Non-Occupational. See Section 9.
ORGAN DONOR TRANSPLANT BENEFIT	This benefit is included for this class. See Section 8.
RECURRENT DISABILITY	10 consecutive days. See Section 8.
TOTAL DISABILITY DEFINITION	Regular Job. See Section 2
WAITING PERIOD	
Employees hired prior to Plan Effective Date	0 Days.
Employees hired after Plan Effective Date	365 Days. See Section 2.

WEEKLY BENEFIT	100% of Basic Weekly Earnings for 8 weeks, then 60% of Basic Weekly Earnings for 3 weeks not to exceed Maximum Weekly Benefit. See Section 2 & 8.

ACTIVE WORK and ACTIVELY AT WORK means the use of time and energy in the services of the Employer at the regular place of employment, or an alternative worksite as approved by the Employer, by an Employee who is physically and mentally capable of performing each of the Material and Substantial duties of his Regular Job and who is a Full-Time Employee. If the alternative worksite is located outside of the United States or Canada, the Employee will be considered to be Actively at Work unless the Employee is outside of the United States or Canada for more than 6 months in any 12 month period. Active Work does not include periods of time when an Employee is not Actively at Work following an Injury, accidental bodily injury, Sickness, strike, lock-out, or Temporary Layoff.

This includes time off for vacation, jury duty, paid holidays, and funeral leave, where the Employee could have been Actively at Work on that day.

BASIC WEEKLY EARNINGS means an Employee's gross weekly income in U.S. dollars, before taxes, received from the Employer not to exceed a maximum workweek of 40 hours. Gross weekly income includes pre-tax contributions to an employer sponsored defined contribution plan and a cafeteria plan, if any, received before the Date of Disability. Earnings do not include income received from commissions, bonuses, overtime, or expense accounts.

If the Employee is paid his annual gross income in less than 52 weeks, the Basic Weekly Earnings shall equal 1/52 of the annual gross income.

COSMETIC SURGERY means surgery that is performed to change the texture, shape or structure of any part of the human body for the purpose of creating a different visual appearance.

CURRENT WEEKLY INCOME means the income an Employee receives while Disabled. Income does not include income from vacation pay, sick leave pay, and/or paid time off pay, holiday pay and a documented formal salary continuance plan for Sickness or Injury received by the Employee after the Date of Disability.

DATE OF DISABILITY means the first date the Employee is Totally Disabled.

DATE OF HIRE means the first day the Employee is Actively at Work in an eligible class for the Employer.

DISABILITY and DISABLED mean both Total Disability and Totally Disabled and Partial Disability and Partially Disabled.

ELIGIBILITY DATE means the date that an Employee in an eligible class has satisfied his Waiting Period

ELIMINATION PERIOD means a period of consecutive days of Disability for which no benefit is payable. The Elimination Period is set forth on the Schedule of Benefits and begins on the first day of Disability.

EMPLOYEE means any individual who is a full-time Employee of the Employer whose employment with the Employer constitutes his principal occupation;

1) whose employment with the Employer constitutes his principle occupation.
2) who works at that occupation a minimum number of hours as stated by the Employer;
3) who is working at the Employer's regular place of business which may include an alternative worksite if approved by the Employer;
4) who is not a part-time, temporary or seasonal Employee;
5) who is covered under an Eligible Class stated in the Schedule of Benefits and
6) who is authorized to work in the United States under applicable state and federal laws; or
7) if approved by the Employer:
    a) who legally works and resides in Canada;
    b) who legally works in the United States and resides in Canada; or
    c) who legally works in Canada and resides in the United States.

SECTION 2 – DEFINITIONS

EMPLOYER means Canal Insurance Company, the Plan Administrator, and its affiliates, subsidiaries, and wholly owned companies provided such companies are part of the same control group, for which the Employee performs his occupation/services and which has the right to control what will be done and how it will be done and is required to withhold and pay income, social security, and Medicare taxes on wages. An entity that is a subsidiary to or affiliated with the Employer is eligible for coverage under this Plan.

GROSS WEEKLY BENEFIT means an Employee's Weekly Benefit.

HOSPITAL means an accredited facility licensed by the proper authority of the area in which it is located to provide care and treatment for the condition causing Disability. A hospital does not include a facility or institution or part of a facility or institution which is licensed or used principally as a clinic, convalescent home, rest home, nursing home or home for the aged, halfway house or board and care facilities.

INJURY means a sudden, unforeseen and unexpected event that occurs independently of all other causes and causes physical harm to the Employee. This includes all other conditions related to the same Injury

MALE PRONOUN whenever used includes the female.

MATERIAL AND SUBSTANTIAL DUTIES mean duties that:
1) are normally required for the performance of an occupation; and
2) cannot be reasonably omitted or modified.

MAXIMUM BENEFIT DURATION means the maximum amount of time that benefits will be payable for Disability. This amount of time is stated on the Schedule of Benefits.

MAXIMUM WEEKLY BENEFIT means the maximum amount of benefit payable to an Employee on a weekly basis as stated on the Schedule of Benefits.

MEDICALLY NECESSARY means health care services that a Physician, exercising prudent clinical judgment, would provide to an Employee for the purpose of evaluating, diagnosing or treating a Sickness or Injury, or its symptoms, and that are:
1) in accordance with the generally accepted standards of medical practice;
2) clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the Employee's Sickness or Injury; and
3) not primarily for the convenience of the Employee or Physician, or other Physician, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that Employee’s Sickness or Injury.

MENTAL ILLNESS means a psychiatric or psychological condition classified in the *Diagnostic and Statistical Manual of Mental Health Disorders (DSM)*, published by the American Psychiatric Association, most current as of the start of a Disability. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance abuse or dependency. If the *DSM* is discontinued or replaced, these disorders will be those classified in the diagnostic manual then used by the American Psychiatric Association as of the start of a Disability.

NON-DISABLING means no other benefits are payable under this Plan as a result of the condition for which the treatment was rendered.

SECTION 2 – DEFINITIONS

PHYSICIAN means a qualified, state licensed doctor of medicine or osteopathy, and any other licensed health care provider that state law requires to be recognized as a Physician, practicing within the scope of his license and applicable law. Physician does not include a Physician employed by the Employer, an Employee or anyone related to an Employee by blood, marriage, civil union, or domestic partnership.

PLAN: Refers to the short- term disability benefits provided by the Plan Administrator.

PLAN ADMINISTRATOR is Canal Insurance Company or it is the person or entity chosen by the Plan to act as the Administrator of the Plan. AUL is not the Plan Administrator.

PLAN MONTH means that period of time beginning on the Employee's Individual Effective Date and continuing from the first day and ending on the last day of each succeeding month.

PRE-DISABILITY EARNINGS means the Employee's Basic Weekly Earnings in effect immediately prior to his Date of Disability.

REGULAR ATTENDANCE means that an Employee:
1) personally visits a Physician as medically required according to standard medical practice, to effectively manage and treat the Employee's Disability;
2) is receiving the most appropriate treatment and care that will maximize his medical improvement and aid in his return to work; and
3) is receiving care by a Physician whose specialty or clinical experience is appropriate for the Disability."

REGULAR JOB means the job an Employee was performing for the Employer immediately prior to the Date of Disability.

SICKNESS means illness, bodily disorder or disease, Mental Illness, normal pregnancy and Complications of Pregnancy. Complications of Pregnancy is defined as a concurrent disease or abnormal conditions significantly affecting the usual medical management of pregnancy.

TOTAL DISABILITY and TOTALLY DISABLED mean that because of Injury or Sickness:
1) an Employee cannot perform the Material and Substantial Duties of his Regular Job;
2) an Employee is not working in any occupation; and
3) an Employee is under the Regular Attendance of a Physician for that Injury or Sickness.

Loss of occupational license for any reason does not in itself constitute Total Disability.

WAITING PERIOD means the period of time, starting on the Date of Hire, that an Employee must be continuously Actively at Work in an Eligible Class as stated on the Schedule of Benefits. Employees will be given credit for time served under the Employer's prior short term disability plan of coverage that has been replaced with this Plan Change, if any. The Waiting Period is stated in the Schedule of Benefits.

WEEKLY BENEFIT means the amount payable weekly to the Disabled Employee.

SECTION 3 – EFFECTIVE DATE FOR PLAN PARTICIPATION

INDIVIDUAL EFFECTIVE DATE: An Employee who is in an Eligible Class as stated in the Schedule of Benefits and has satisfied his Waiting Period, becomes eligible to participate under the Plan on the later of:

1) the Plan Effective Date;
2) the first day of the Plan Month following the Waiting Period.

Employees must be Actively At Work to be eligible for Plan Participation. If the Employee is not Actively At Work on the date participation under the Plan would otherwise become effective, the Individual Effective Date is the date the Employee returns to full-time Active Work

If the Employee is not Actively at Work on the approved Plan Change Effective Date, any Plan change takes effect on the date the Employee returns to Active Work.

SECTION 5 – TERMINATION OF PLAN PARTICIPATION

INDIVIDUAL TERMINATIONS: An Employee will cease to be a Plan participant on the EARLIEST of the following dates:

1) the date the Employee's employment with the Employer terminates;
2) the date the Employee retires;
3) the date the Plan terminates or ceases to exist;
4) the date the Employee is laid off.
5) the date the Employee is no longer in an Eligible Class;
6) the date the Employee's class, as stated on the Schedule of Benefits, is no longer covered under this Plan;
7) the date the Employee ceases Active Work. However, Plan participation will be continued for an Employee during any approved Leave of Absence according to the appropriate Continuation of Plan Participation benefit, if the benefit is shown on the Schedule of Benefits;
8) the date the Employee leaves the United States or Canada and establishes his residence in any other country. An Employee will be considered to reside outside these countries when the Employee has been outside the United States or Canada for a total period of 6 months or more during any 12 consecutive months of benefits.

If an Employee's Plan participation is terminated due to the termination of this Plan, the Employee's rights under this Plan are terminated on the date that this Plan terminated."

SECTION 5B - CONTINUATION OF PLAN PARTICIPATION UNDER THE FAMILY AND MEDICAL LEAVE ACT

CONTINUATION OF PLAN PARTICIPATION UNDER THE FAMILY AND MEDICAL LEAVE ACT. If the Employer approves a leave of absence under the Federal Family and Medical Leave Act (FMLA), an Employee's participation under this Plan will be continued as stated in this Section. Plan Participation will continue while an Employee's leave is covered under FMLA, until the end of the later of:

1) the leave period permitted under FMLA or
2) the leave period permitted by applicable state law.

Coverage continued under this Section is subject to the following requirements:

1) the Employer has approved an Employee's leave in writing as a leave taken under FMLA;
2) Basic Weekly Earnings will be the amount the Employee's Basic Weekly Earnings in effect prior to the date the Employee's family or medical leave began.

Continuation of Plan Participation under this provision will cease on the earliest of the following:

1) the date an Employee dies;
2) the date an Employee begins full or part-time employment with another employer;
3) the date this Plan terminates or ceases to exist;
4) the date an Employee's class is no longer offered under this Plan;
5) the date an Employee no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits; or
6) the date an Employee enters active military service for any country, except for temporary duty of 30 days or less.

All terms and conditions of this Plan will apply during the approved continuation period provided under this Section, unless otherwise stated. While Plan Participation is being continued under this Section, the Employee will be considered exempt from the requirements listed below:

1) the Actively at Work definition; and
2) the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Schedule of Benefits.

SECTION 5D - CONTINUATION OF PLAN PARTICIPATION DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE

LEAVE OF ABSENCE means the Employee is absent from Active Work for a temporary period of time that has been agreed to in advance in writing by the Employer.

CONTINUATION OF PLAN PARTICIPATION DURING A LEAVE OF ABSENCE FOR ACTIVE MILITARY SERVICE: If the Employee is on a leave of absence for active military service as described under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and applicable state law, the Employee's Plan participation may be continued for the same period as allowed for an approved Family or Medical Leave and in accordance with the Employer's procedures for Leave of Absence for Active Military Service.

Plan participation continued under this Section is subject to the following requirements:

1) Basic Weekly Earnings will be the amount of the Employee's Basic Weekly Earnings in effect prior in effect prior to the date the Employee's Leave of Absence for active military service began.

Continuation of Plan Participation under this provision will cease on the earliest of the following:

1) the date an Employee dies;
2) the date an Employee begins full or part-time employment with another employer;
3) the date this Plan terminates or ceases to exist;
4) the date an Employee notifies the Employer that he will not be returning to Active Work;
5) the date an Employee's class is no longer offered under this Plan;
6) the date an Employee no longer qualifies for a Leave of Absence or participation in an eligible class, as stated in the Schedule of Benefits;

All terms and conditions of this Plan will apply during the approved continuation period provided under this Section, unless otherwise stated. While Plan Participation is being continued under this Section, the Employee will be considered exempt from the requirements listed below:

1) the Actively at Work definition; and

the applicable number of hours needed to meet the requirement for Full-Time Employee, as stated in the Schedule of Benefits.

SECTION 7 - GENERAL PLAN PROVISIONS

AGENCY: For all purposes of this Plan, the Employer acts on behalf of itself or as agent for the Employee. Under no circumstances will the Employer be deemed the agent of AUL.

AMENDMENT AND CHANGES: This Plan may be amended in writing by mutual agreement between the Employer and AUL, but without prejudice to any loss incurred prior to the effective date of the amendment. No agent has the authority to approve coverage, change this Plan or waive any of its provisions.

ASSIGNMENT: No assignment of any present or future right or benefit under this Plan will bind AUL or the Employer without prior written consent and when permitted under applicable laws.

CLERICAL ERROR: If a clerical error is made in keeping records on the coverage under this Plan, it will not affect otherwise valid coverage. A clerical error does not continue Plan Participation which is otherwise terminated, make Plan participation effective when it should not have been or change the amount of coverage provided by the provisions of this Plan.

CONFORMITY WITH STATE LAWS: Any provision of this Plan in conflict with the laws of the state in which it is delivered, is amended to conform to the minimum requirements of those laws.

RELATIONSHIP: AUL and the Employer are, and will remain, independent contractors. Nothing in this Plan or the Administrative Services Agreement shall be construed as making the parties joint venturers or as creating a relationship of employer and employee, master and servant or principal and agent. Neither party has any power, right or authority to bind the other or to assume or create any obligation or responsibility on behalf of the other. AUL and the Employer each retain exclusive control of their time and methods to perform their respective duties. AUL and the Employer will employ, pay and supervise their own employees and pay their own expenses. The Employer is required to familiarize itself with all relevant state and federal laws including applicable banking, MEWA, Plan sponsor, Plan Administrator, and fiduciary laws. Any violation of federal or state law will require Employer to reimburse AUL for any and all damages or fines imposed on AUL as well as AUL’s reasonable attorney’s fees incurred due to Employer’s violations and/or any violations incurred by any representative of Employer, in which AUL is made party thereof.

WORKERS’ COMPENSATION AND WORKMEN'S COMPENSATION NOT AFFECTED: This Plan is not in lieu of, and does not affect any requirement for coverage by Workers’ or Workmen's Compensation.

SECTION 7A - CLAIM PROCEDURES

INITIAL NOTICE OF DISABILITY: Written notice of Disability must be given to Plan or its claims administrator during the Elimination Period. If written notice cannot be made during the Elimination Period without the fault of the Employee, the Plan must be notified as soon as it is reasonably possible to do so. Written notice should contain sufficient information to identify the Employee. Notices are not considered given until received by the Plan, its claims administrator, or any authorized agent of the Plan or AUL.

CLAIM FORMS FOR PROOF OF LOSS: Upon receipt of the Initial Notice of Disability, the Plan, or its claims administrator will furnish the Employee with any necessary claim forms. These forms must be properly, accurately and truthfully completed and returned to the Plan or its claims administrator. If, for any reason, the Employee does not receive a claim form within 15 days of request, the Employee should submit written proof of Disability.

PROOF OF LOSS: The initial claim form or proof of Disability must show:
1) the claimant's name;
2) the Employer's name and address;
3) the Plan number;
4) the date Disability started;
5) the cause of Disability;
6) the nature and extent of the Disability;
7) that the claimant is under the appropriate care of a doctor;
8) the appropriate documentation of the claimant’s earnings and activities; and
9) the name and address of any hospital, health provider, health facility or institution where the claimant has received treatment, including the names of all attending and treating doctors.

The initial claim form or proof of Disability must be signed by a Physician and sent to the Plan, or its claims administrator within 90 calendar days of the end of the Elimination Period. If it is not possible to give proof within these limits, it must be given as soon as reasonably possible. Proof of claim may not be given later than one year after the time proof is otherwise required, except in the absence of legal capacity.

The Plan, or its claims administrator will also periodically send the Employee additional claim forms or requests for information necessary to determine eligibility for benefits under this Plan. These subsequent completed claim forms and requests for information must be returned to the Plan or its claims administrator within 30 days after the Employee receives them. If requested forms and/or information are not received from the Employee, the Plan reserves the right to deny continued benefits for failure to provide proof of continuous disability as required by this Plan.

PHYSICAL EXAMINATION: The Plan, at its own expense, has the right to have an Employee examined, hospitalized and/or tested to determine the existence of any Disability that is the basis for a claim. This right may be exercised as often as is reasonably necessary, as determined by the Plan, and must be performed by a Physician of the Plan’s, or its claims administrator’s choice. If the Employee fails to comply with the Plan’s requests for Physical Examination, the Employer reserves the right to deny benefits.

LEGAL ACTION: No legal action may be brought to obtain benefits under this Plan:
1) for at least 60 days after proof of loss has been furnished; or
2) beyond the expiration of the applicable statute of limitations from the time proof of loss or entitlement to a premium refund is required to be given. If no statute of limitations is given, then after 3 years following the expiration of the time within which proof of loss or entitlement to a premium refund is required by the Employer.

TIME OF PAYMENT OF CLAIMS: When the Employer or its claims administrator receives a claim form or proof of Disability, benefits payable under this Plan will be paid weekly during any period for which the Plan is liable.

SECTION 7A - CLAIM PROCEDURES

PAYMENT OF CLAIMS: All benefits are payable to an Employee. If an Employee dies before a benefit to which he was entitled is paid, the Plan has the right to pay up to $10,000 to any of the Employee's living relatives to whom the Employer or its claims administrator considers entitled to such benefits. If the Plan pays benefits in good faith to a living relative who it considers entitled to such benefits, then the Plan will have no obligation to pay such benefits again. The Weekly Benefit will be calculated and paid in United States dollars, and when necessary, it will be based on the exchange rate effective on the first day of the Elimination Period.

RIGHT TO APPEAL: When this Plan is governed by ERISA, if an Employee wishes to appeal the decision made by the Plan or its claims administrator, Employees are allowed 180 days following receipt of a notification of an adverse benefit determination within which to appeal the determination. Employees are allowed the opportunity to submit written comments, documents, records and other information relating to the claim for benefits. The Employee is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the Employee's claim for benefits. Whether a document, record or other information is relevant to a claim for benefits shall be determined by reference to paragraph (m)(8) of 29 C.F.R. § 2560.503-1. The Employer's or its claims administrator's review will take into account all written comments, documents, records and other information submitted by the Employee relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. An Employee has a right to obtain the information about any voluntary appeal procedures offered by the Plan described in paragraph (c)(3)(iv) of 29 C.F.R. § 2560.503-1 and has a right to bring an action under section 502(a) of ERISA. A final determination will be provided pursuant to 29 C.F.R. § 2560.503-1.

RIGHT OF RECOVERY: If benefits have been received for which the Employee was not entitled to receive under this Plan, then full reimbursement to the Plan is required. Such reimbursement is required whether the overpayment is due to intentional or innocent misrepresentations by the Employee, intentional or innocent misrepresentations by an entity supplying the Plan or its claims administrator with information, a claims processing error or miscalculation or for any other reason. If reimbursement is not made, then the Plan has the right, as allowed under law to:

1) reduce future benefits payable to Employee or any other payee, until full reimbursement is made;
2) recover such overpayments from the Employee or his estate; and
3) take legal action.

If the Plan chooses not to use benefit payments towards the reimbursement, this will not constitute a waiver of the Plan's rights to reimbursement. This provision will be in addition to, and not in lieu of, any other compensation available to the Plan by law.

Claim Denial Procedure:

a. An adverse benefit determination includes a denial, reduction, or termination of, or a failure to provide or make payment for (in whole or in part) a benefit.
b. If a claim for benefits is denied in whole or in part, the Employee or claimant will receive a written denial that will include the following:

   i. the specific reason(s) for the denial;
   ii. the specific reference to the Plan provision on which the denial was based;
   iii. a description of any additional material or information which he might be required to furnish and an explanation of why it is needed;
   iv. information on how to submit a claim for review, review procedures and time limits, and a statement of his right to bring a civil action under ERISA section 502(a) if applicable; and
   v. if an adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination will be provided free of charge upon request.

vi. a statement that you have the right to obtain upon request a copy of any internal rule, guideline, protocol or other criteria relied upon in making the denial, upon his request and free of charge.

c. The Employee, his beneficiary, or authorized representative may appeal any denial of a claim for benefits under the Plan by submitting a written request for review to the Employer or its claims administrator. The Employee's request for review must be filed within 180 days for disability claims after written notice is given of denial of the claim. As part of the review process, the Employee, his beneficiary, or authorized representative may: (i) submit written comments, documents, records, and other information relating to the claim; and (ii) upon request and free of charge, have reasonable access to and copies of all documents, records, and other information relevant to the claim for benefits.

d. A written decision on the appeal will be rendered by the Employer or its claims administrator within 45 days after the receipt of your request for review. An additional 45 days may be required in special cases, and you will be notified of the need for additional time and be given an explanation as to why more time is needed. The final decision may not be delayed beyond 90 days following the date of your written request for review.

e. If the Employee or claimant's appeal for benefits is denied, he will receive a written notice of denial, which will include the following in a manner calculated to be understood by you:

i. the specific reason(s) for the adverse determination;
ii. the specific reference to the Plan provision(s) on which the benefit determination was based;
iii. a statement that he is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to his claim for benefits;
iv. a statement describing any voluntary appeal procedures offered by the Plan. The notice will also describe the Plan's review procedures and his right to obtain the information about such procedures free of charge, related time limits and a statement of his right to bring a civil action under Section 502(a) of ERISA, if applicable;
v. a statement that you have the right to a copy of any internal rule, guideline, protocol or other criteria relied upon by the Plan in making the adverse determination, upon his request and free of charge.

To the extent not preempted by ERISA, the Plan will be construed in accordance with the laws of the state of North Carolina.

Statement of ERISA Rights

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

Receive Information About the Employee's Plan and Benefits

a. Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all Plan documents including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
b. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary Plan description. The administrator may make a reasonable charge for the copies.
c. Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

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

No one, including your Employer, your union, or any other person, may fire the Employee or otherwise discriminate against the Employee in any way to prevent the Employee from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps the Employee can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and does not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the Plan administrator to provide the materials and pay the Employee up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits that 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 a federal court.

The court will decide who should pay court 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.

Assistance with Employee Questions

If you have any questions about his Plan, you should contact the Plan Administrator. If the you have any questions about this statement or about his rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest area office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, EBSA, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the EBSA publications hotline 1-866-444-3272 or viewing its website at www.dol.gov/ebsa.

GOVERNING LAW: The Plan is primarily subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), as well as other various federal laws.

SECTION 8 – BENEFIT PROVISIONS

WEEKLY BENEFIT PAYMENTS: Disability benefits will be paid, according to this Plan, if an Employee becomes Disabled while an eligible Employee in the Plan. The Plan Administrator or its claims administrator must receive proof that an Employee is Disabled due to Sickness or Injury and requires the Regular Attendance of a legally qualified Physician. A Weekly Benefit will be paid after the Employee satisfies the Elimination Period. The Elimination Period must be satisfied by Disability.

The Weekly Benefit will be paid as long as Disability continues; provided that proof of continued Disability is submitted to the Employer or its claims administrator upon request and the Employee is under the Regular Attendance and care of a Physician. The proof must be submitted at the Employee's expense. Weekly Benefits will not be paid during any period that an Employee is incarcerated in a penal or correctional institution.

The Weekly Benefit will not exceed the Employee's Maximum Weekly Benefit, nor will it be payable for longer than the Maximum Benefit Duration. The Maximum Weekly Benefit and the Maximum Benefit Duration are stated in the Schedule of Benefits.

PRORATING OF THE WEEKLY BENEFIT: The eligible Weekly Benefit will be paid on a weekly basis. For any period of Disability less than one week, the Weekly Benefit payment will be paid on a pro-rata basis at the rate of 1/7 per day.

MINIMUM WEEKLY BENEFIT: While a Weekly Benefit is payable under this Plan, the Weekly Benefit shall not be reduced to an amount less than the Minimum Weekly Benefit indicated in the Schedule of Benefits.

TERMINATION OF THE WEEKLY BENEFIT: The Weekly Benefit will cease on the EARLIEST of the following:

1) the date Current Weekly Income equals or exceeds 80% of the Indexed Pre-Disability Earnings;
2) the date that the Employee ceases to be Disabled;
3) the date the Plan terminates or ceases to exist;
4) the date the Employee dies;
5) the date the Maximum Benefit Duration, shown on the Schedule of Benefits, is completed;
6) the date the Employee fails to give the claims administrator or the Employer required proof of Disability or information required by the Plan or its claims administrator to determine if any benefits are owed under this Plan;
7) the date the Employee refuses to allow an examination requested by the Plan's claims administrator or the Employer;
8) the date the Employee is no longer under the Regular Attendance and care of a Physician;
9) the date the Employee refuses to provide any evidence required by the Plan or its claims administrator to verify the Employee's Current Weekly Income; or
10) the date the Employee leaves the United States or Canada and establishes his residence in any other country. An Employee will be considered to reside outside these countries when the Employee has been outside the United States or Canada for a total period of 6 months or more during any 12 consecutive months of benefits.

RECURRENT DISABILITY: If, after a period of Disability for which benefits are payable, the Employee resumes his Regular Job as a Full-Time Employee and performs each Material and Substantial Duty of that Job for a continuous period of 10 consecutive days of full-time work, any Recurrent Disability will be part of a new period of Disability and a new Elimination Period must be completed before any further Weekly Benefits are payable.

If the Employee resumes his Regular Job as a Full-Time Employee and performs each Material and Substantial Duty of that Job for less than 10 consecutive days of full-time work, a Recurrent Disability will be part of the same period of Disability. The Recurrent Disability must be the direct result of the Injury or Sickness that caused the prior Disability. The Employee will not have to complete a new Elimination Period. Benefit payments will be subject to the terms of this Plan for the prior Disability. The benefit will be based on the amount of Basic Weekly Earnings in effect immediately prior to the original Elimination Period.

ORGAN TRANSPLANT PROCEDURE means the surgical removal of any one or more of an Employee's organs for the purpose of transplanting to another individual.

ORGAN DONOR TRANSPLANT BENEFIT: The Plan will pay a Weekly Benefit of an Employee's if an Employee becomes Disabled as a result of an Organ Transplant Procedure while covered under this Plan. Proof of the Disability must be received by the Plan for review.

TERMINATION: The Organ Donor Transplant Benefit will terminate the EARLIER of:

1) the date Current Weekly Income equals or exceeds 80% of the Indexed Pre-disability Earnings;
2) the date that the Employee ceases to be Disabled;
3) the date the Employee dies;
4) the date the Maximum Benefit Duration stated in the Schedule of Benefits is completed;
5) the date the Employee fails to give the Plan required proof of Disability or information required to determine if any benefits are owed under this Plan;
6) the date the Employee refuses to allow an examination requested by the Plan;
7) the date the Employee is no longer under the Regular Attendance and care of a Physician;
8) the date the Employee leaves the United States or Canada and establishes his residence in any other country. An Employee will be considered to reside outside these countries when the Employee has been outside the United States or Canada for a total period of 12 weeks or more during any 12 consecutive Weekly Benefit payments.

SECTION 9 - EXCLUSIONS

GENERAL EXCLUSIONS: This Plan does not cover any Disability caused by, contributed to by, or resulting from:

1) participation in war or any act of war, declared or undeclared;
2) active participation in a riot;
3) attempted suicide, regardless of mental capacity;
4) attempted or actual self-inflicted bodily injury or self-destruction, including but not limited to the voluntary inhaling or taking of:
   a) a prescription drug in a manner other than as prescribed by a Physician;
   b) any federal or state regulated substance in an unlawful manner;
   c) non-prescription medicine in a manner other than as indicated in the printed instructions;
   d) poison; and
   e) toxic fumes;
5) commission of or attempt to commit a criminal act under relevant state law;
6) Cosmetic Surgery. However, Cosmetic Surgery will be covered when it is due to:
   a) reconstructive surgery incidental to, or follows surgery resulting from, trauma, infection or other diseases of the involved part; or
   b) congenital disease or anomaly that has resulted in a functional defect;
7) an Employee being legally intoxicated as defined by the law of the jurisdiction in which the incident occurs;
8) any event that occurs while an Employee is incarcerated in a penal or correctional institution;
9) participation in any self asphyxiation method;
10) surgery that is not Medically Necessary to treat a Sickness or Injury;
11) traveling or flying on any aircraft operated by or under authority of military or any aircraft being used for experimental purposes;
12) engaging in any illegal or fraudulent occupation, work, or employment; or
13) any Injury or Sickness due to employment, and for which benefits are payable by any type of Workers' or Workmen's Compensation Law or any similar act or law.

SECTION 10 – MISCELLANEOUS

Effect on Employment: This Plan shall not confer upon any Employee any right to be continued in the employment of the Employer.

Alienation of Benefits: Except as provided by law, no benefit under this Plan may be voluntarily or involuntarily assigned or alienated.

Amendment, Suspension, or Termination of the Plan: The Employer reserves the right to alter, amend or modify the Plan and any such payments.

Exclusivity and Enforceability: The Plan is maintained for the exclusive benefits of participants. The rights conferred upon participants and their covered dependents under this Plan, including such materials as may be incorporated herein by reference, shall be legally enforceable.

PLAN ADMINISTRATION: The administration of the Plan shall be under the supervision of the Plan Administrator. It shall be a principal duty of the Plan Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of Employees entitled to participate in the Plan. The Plan Administrator will have sole power to administer the Plan in all of its details, except for matters covered by other provisions of this Section, subject to the applicable requirements of law. For this purpose, the Plan Administrator's powers will include, but will not be limited to, the following authority, in addition to all other powers provided by this Plan:

1) To make and enforce such rules and regulations as it deems necessary or proper or the efficient administration of the Plan, including the establishment of any claims procedures that may be required by applicable provisions of law;
2) To interpret the Plan, its interpretation thereof in good faith to be final and conclusive on all Employees claiming benefits under the Plan;
3) To decide all questions concerning the Plan and the eligibility of any Employee to participate in the Plan;
4) To appoint an actuary to perform an annual valuation of the benefits provided under the Plan;
5) To appoint such agents, counsel, accountants, consultants, claims administrator, and other persons as may be required to assist in administering the Plan;
6) To comply with all reporting and disclosure requirements of applicable laws and ERISA; and
7) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocation, delegation or designation to be in writing.

EXAMINATION OF RECORDS: The Plan Administrator will make available to each participant any records under the Plan that pertains to him, for examination at reasonable times during normal business hours.

SECTION 11 – SUMMARY PLAN DESCRIPTION SIGNATURE PAGE
CANAL INSURANCE COMPANY

Class 001 – All Eligible Full-Time Employees

Authorized Employee's signature below represents and warrants to AUL that, as of the date below it has all power and authority to execute and deliver this Agreement and perform its obligations hereunder, accepts and acknowledges reviewing the Summary Plan Description and the governing Terms and Conditions.

Canal Insurance Company

By: _____

Name: _____

Title: _____

Date: _____