



The Lincoln National Life Insurance Company  
A Stock Company Home Office Location: Fort Wayne, Indiana  
Group Insurance Service Office: 8801 Indian Hills Drive, Omaha, NE 68114-4066  
(800) 423-2765 Online: [www.LincolnFinancial.com](http://www.LincolnFinancial.com)

Group Policyholder: The County of Granville  
Group Policy No: LTD-0000202031  
Group Policy Delivered In: North Carolina

In Consideration of the Group Policyholder's application for the Policy and payment of all premiums when due, The Lincoln National Life Insurance Company agrees to make the payments provided in the Policy to the persons entitled to them.

The provisions and conditions set forth on the following pages are a part of the Policy, as fully as if recited over the signatures below. The Policy replaces any other policy for the benefits described inside.

The Lincoln National Life Insurance Company has executed the Policy at its Group Insurance Service Office in Omaha, Nebraska.

**THIS POLICY IS RENEWABLE AT THE COMPANY'S OPTION. IMPORTANT CANCELLATION INFORMATION - PLEASE READ THE PROVISION ENTITLED "POLICY TERMINATION," FOUND ON PAGE 9**

**ANY PERIOD OF DISABILITY WHICH BEGINS IN THE FIRST 12 MONTHS AFTER THE INSURED PERSON'S EFFECTIVE DATE, WHICH IS CAUSED OR CONTRIBUTED TO BY, OR RESULTS FROM A PRE-EXISTING CONDITION, WILL NOT BE COVERED BY THE POLICY.**

**THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare, which is available from the Company, or by calling 1-800-MEDICARE (1-800-633-4227), or online at [www.medicare.gov/Publications](http://www.medicare.gov/Publications).**

SECRETARY

PRESIDENT

**THIS IS A LEGAL CONTRACT BETWEEN THE GROUP POLICYHOLDER AND THE COMPANY.  
READ YOUR POLICY CAREFULLY.**

**Insurance benefits may be subject to certain requirements, reductions, limitations, and exclusions.**

**GROUP LONG-TERM DISABILITY INSURANCE POLICY**

**The Certificate(s), and any amendments which may be attached to it,  
contains the main provisions of the Policy.**

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**The County of Granville  
LTD-0000202031**

**SCHEDULE OF BENEFITS**

Benefit details are shown in the Certificate. The information provided in this Policy Schedule of Benefits pertains to the Group Policyholder.

**Group Policy Effective Date:** July 1, 2022

**Reissued Policy Effective Date:** July 1, 2023

**Eligible Class:**

Plan 1 - Long Term Disability  
Class 1 - All Full-Time Employees

**First Premium Due:** Group Policy Effective Date

**Subsequent Premiums Due:** 1<sup>st</sup> Day of Insurance Month

**Insurance Month Period:** A period beginning on the first Day of any calendar month and ending on the last Day of the same calendar month.

**Policy Anniversary:** July 1<sup>st</sup>

**Premium/Billing Mode:** Monthly

**Grace Period:** 60 Days

**Rate Change Notice:** 45 Days

**Minimum Number of Insureds:** 10

**Minimum Participation:**

**Employee Paid Benefits** - At least 15% of those eligible for insurance must be insured.

**Policy Termination Notice:** 45 Days

The Company may offer noninsurance benefits and services to Insured Employees in connection with the sale of the Policy.

**The County of Granville  
LTD-0000202031**

**PREMIUM RATE SCHEDULE**

Monthly Long-Term Disability Insurance Rates

**Long-Term Disability Rates**

Class: 1 - All Full-Time Employees

**Plan: 1**

Monthly Long-Term Disability Insurance Rate

<b>Age</b>	<b>Monthly Premium Rate</b>
0-19	\$0.253 per \$100 of Monthly Benefits
20-24	\$0.253 per \$100 of Monthly Benefits
25-29	\$0.312 per \$100 of Monthly Benefits
30-34	\$0.491 per \$100 of Monthly Benefits
35-39	\$0.847 per \$100 of Monthly Benefits
40-44	\$1.472 per \$100 of Monthly Benefits
45-49	\$2.156 per \$100 of Monthly Benefits
50-54	\$3.062 per \$100 of Monthly Benefits
55-59	\$4.341 per \$100 of Monthly Benefits
60-64	\$5.143 per \$100 of Monthly Benefits
65-69	\$4.400 per \$100 of Monthly Benefits
70-200	\$2.825 per \$100 of Monthly Benefits

Premium will be calculated as of the Insured's age on each Policy anniversary.

Provided insurance is in effect, the above rates are guaranteed until July 1, 2024, unless an exception listed in the Premium Rate Change section applies. After that, any premium rate increase will be provided in a renewal notice.

**DEFINITIONS  
For  
Group Policyholder**

**As used throughout the Policy, the following terms shall have the meanings indicated below. Other parts of the Policy contain definitions specific to those provisions.**

**CERTIFICATE** means the Group Long-Term Disability Insurance Certificate which contains the main provisions of the Policy. The Certificate includes any amendments which may be attached to it.

**COMPANY** means The Lincoln National Life Insurance Company, an Indiana corporation. Its Group Insurance Service Office address is 8801 Indian Hills Drive, Omaha, Nebraska 68114-4066.

**DAY, DAYS OR DATE** means the period of time that begins at 12:01 a.m. and ends at 12:00 midnight when used with regard to eligibility dates and effective dates. When used with regard to termination dates, it means 12:00 midnight. Day or Date is based on the time at the Group Policyholder's place of business.

**EMPLOYER** means the Group Policyholder. It includes any division, subsidiary or affiliated company named in the Application or Participation Agreement.

**GROUP POLICYHOLDER or POLICYHOLDER** means the person, partnership, corporation, trustee, or other organization, as shown on the Title Page of the Policy.

**INSURANCE MONTH** means that period of time shown in the Schedule of Benefits:

1. beginning at 12:01 a.m.; and
2. ending at 12:00 midnight;

at the Group Policyholder's primary place of business.

**INSURED EMPLOYEE** means an Employee for whom Policy insurance is in effect.

**LONG-TERM DISABILITY INSURANCE** means the group long-term disability income insurance provided by the Policy for Employees.

**POLICY** means the group Long-Term Disability Insurance Policy issued by the Company to the Group Policyholder. The Certificate(s), and any amendments which may be attached to it, contains the main provisions of the Policy.

**PREMIUM** means the amount charged for the insurance provided by the Policy.

**WORKERS' COMPENSATION OR SIMILAR COVERAGE** means coverage under a law that compensates for job related Injury or Sickness. It includes (but is not limited to):

1. coverage under any Workers' Compensation or occupational disease law;
2. coverage under the Jones Act; the Federal Employers Liability Act (FELA); the Longshoreman's and Harbor Worker's Act; the Maritime Doctrine of Maintenance, Wages or Cure; or
3. any plan provided in place of one of those plans.

**GENERAL PROVISIONS**  
**For**  
**Group Policyholder**

**ENTIRE CONTRACT.** The entire contract between the parties shall consist of:

1. the Policy and any amendments to it;
2. the Group Policyholder's application, if any;
3. any individual applications of the Insured Employees; and
4. the Certificate for each class of Insured Employees and any amendments to it.

If there is a conflict between the Policy and the Certificate, the Policy will control.

**AUTHORITY TO MAKE OR AMEND CONTRACT.** Only a Company officer located in the Company's Group Insurance Service Office has the authority to:

1. determine the insurability of a group or any individual within a group;
2. make a contract in the Company's name;
3. amend or waive any provision of the Policy; or
4. extend the time for payment of any Premium.

No change in the Policy will be valid, unless it is made in writing and signed by such Company officer.

**INCONTESTABILITY.** Except for the non-payment of Premiums, the Company will not contest the validity of the Policy after it has been in force for two years from its date of issue; and as to any Insured Employee, after his or her coverage has been in force for two years during his or her lifetime. This clause does not preclude, at any time, the assertion of defenses based upon:

1. the Policy's eligibility requirements, exclusions and limitations; and
2. other Policy provisions unrelated to the validity of coverage.

In the absence of fraud, all statements made by the Group Policyholder are representations and not warranties.

**RESCISSION.** The Company has the right to rescind (cancel insurance back to its effective Date) any insurance for which Evidence of Insurability was required, if:

1. an Insured Employee incurs a claim during the first two years of coverage; and
2. the Company discovers that the Insured Employee made an incomplete or untrue statement on an application that caused the Company to issue insurance that it would have disapproved, had it known the truth.

The Company will refund all Premium paid for the rescinded insurance, less any benefits paid for the Insured Employee's claims. The Company reserves the right to recover any claims paid in excess of such Premiums.

**NONPARTICIPATION.** The Policy is a non-participating Policy. It will not share in the divisible surplus of the Company.

**GENERAL PROVISIONS**  
**For**  
**Group Policyholder**  
**(Continued)**

**INFORMATION TO BE FURNISHED.** The Employer is required to furnish any information needed to administer the Policy, including:

1. information about Employees:
  - a. who become eligible for insurance;
  - b. whose amounts of coverage change; or
  - c. whose eligibility or coverage ends;
2. occupational information and other facts that may be needed to manage a claim; and
3. any other information that the Company may reasonably require.

The Company may inspect any of the Employer's records that relate to the Policy, at any reasonable time.

Clerical error by the Employer:

1. will not void or terminate insurance that otherwise would be in effect;
2. will not result in insurance coverage that otherwise would not be in effect; and
3. will not continue insurance that otherwise would be terminated.

Once an error is discovered, a fair adjustment in Premium will be made. If a Premium adjustment involves the return of unearned Premium, the amount of the return will be limited to the 12-month period that precedes the date the Company receives proof that such an adjustment should be made.

**NEW EMPLOYEES.** Employees who become eligible after the Policy takes effect may be enrolled, in accord with the terms of the Certificate. (See the Eligibility and Effective Dates section of the Certificate.)

**MISSTATEMENTS OF FACTS.** If relevant facts about any person were misstated:

1. a fair adjustment of the Premium will be made; and
2. the true facts will decide if and in what amount insurance is valid under the Policy.

If an Insured Employee's age has been misstated, any benefits shall be in the amount the paid Premium would have purchased at the correct age.

**ACTS OF THE GROUP POLICYHOLDER.** In administering the Policy, the Group Policyholder must:

1. treat Employees the same in like situations; and
2. allow the Company, without inquiry, to rely on its acts.

**GROUP POLICYHOLDER'S AGENCY.** For all purposes of the Policy, the Group Policyholder acts on its own behalf or as the Employee's agent. Under no circumstances will the Group Policyholder be deemed the Company's agent.

**CERTIFICATES.** The Group Policyholder will be furnished with individual Certificates for delivery to each Insured Employee. The Group Policyholder is responsible for distributing a Certificate to each Insured Employee. The Certificate for each class of Insured Employees is incorporated into and made a part of the Policy. The Certificate provisions will apply as fully as if they were included in the Policy.

**CONFORMITY WITH STATE STATUTES.** If, on its effective date, any provision of the Policy conflicts with any applicable law, the provision will be deemed to conform to the minimum requirements of the law.

**CURRENCY.** In administering the Policy:

1. all Predisability Income will be expressed in U.S. dollars; and
2. all Premium and benefit amounts must be paid in U.S. dollars.

**WORKERS' COMPENSATION OR STATE DISABILITY INSURANCE.** The Policy does not replace or provide benefits required by:

1. Workers' Compensation laws; or
2. any state disability insurance plan laws.

**GENERAL PROVISIONS**  
**For**  
**Group Policyholder**  
**(Continued)**

**ASSIGNMENT.** The rights and benefits under the Policy may not be assigned.

## **POLICY TERMINATION**

**TERMINATION BY THE COMPANY.** The Company may terminate the Policy on the due Date of any Premium if:

1. the number of Insured Employees totals is less than the minimum number of Insured Employees shown in the Schedule of Benefits;
2. part of the Premium is paid by Insured Employees and the minimum participation is less than what is shown in the Schedule of Benefits (this part 2 will not apply to any voluntary, optional or supplemental insurance provided under the Policy);
3. the Group Policyholder, without good cause, fails to:
  - a. promptly furnish any information which the Company reasonably requires;
  - b. perform its duties pertaining to the Policy in good faith;
4. the Group Policyholder ceases to be covered under the state Workers' Compensation program or any other program of like intent;
5. the Company terminates all policies that provide Long-term Disability Insurance in the same state in which the Policy was issued; or
6. federal, state, or local law otherwise requires the Policy to be terminated.

To terminate the Policy, the Company must give the Group Policyholder advance written notice of its intent to do so. The Policy termination notice period is shown in the Schedule of Benefits.

**TERMINATION BY THE GROUP POLICYHOLDER.** The Group Policyholder may terminate the Policy at any time by giving the Company advance written notice. Insurance will then terminate:

1. on the Date the Company receives the notice; or
2. any later Date the Company and the Group Policyholder have agreed upon.

The Group Policyholder remains liable for the payment of Premiums to the Date of termination.

**AUTOMATIC TERMINATION.** If any Premium remains unpaid at the end of the Grace Period, the Policy will automatically terminate, without any action on the Company's part, on the last Day of the Grace Period. The Group Policyholder remains responsible for the payment of Premiums to the last Day of the Grace Period.

**EFFECT OF POLICY TERMINATION ON INCURRED CLAIMS.** Termination of the Policy will not affect benefits otherwise payable for a claim incurred while the Policy is in force.

## PREMIUMS AND PREMIUM RATES

**PAYMENT OF PREMIUMS.** The Group Policyholder is responsible for paying all Premiums as they become due. Payment of any Premium will not keep insurance in effect beyond the due date of the next Premium, except as stated in the Grace Period.

**GRACE PERIOD.** A Grace Period will be allowed for the payment of each Premium after the first. The Grace Period is shown on the Schedule of Benefits. The Policy will remain in effect during the Grace Period, unless the Group Policyholder gives the Company advance written notice of termination. The Group Policyholder will remain liable for payment of the pro rata Premium for the time the Policy remained in force during the Grace Period.

**PREMIUM RATE CHANGE.** The Company may change any Premium rate on any of the following Dates:

1. the Date the Policy's terms are changed;
2. the Date the Company's liability is changed due to a change in federal, state, or local law, regulation, or administration of such law or regulation;
3. the Date the Company's liability is changed because the Group Policyholder (or any covered division, subsidiary or affiliated company):
  - a. relocates, dissolves or merges, or is added to or removed from the Policy; or
  - b. ceases to be covered by the state Workers' Compensation program or any other program of like intent; or
  - c. ceases to provide or reduces Sick Leave or Salary Continuance Plan benefits;
4. the Date any insurance for one or more classes ceases to be provided under the Policy;
5. the Date the number of Insured Employees changes by 15% or more from the enrollment on the Date the Policy took effect, or the most recent Rate Guarantee Date expired, if later;
6. on any Premium due Date on or after the Policy's first anniversary, or any later rate guarantee Date agreed upon by the Company, provided such rate change is based upon at least 12 months of experience and is not made more often than once every 6 months.

We will apply any experience rating refund payable under the Policy to reduce the Group Policyholder's contribution to Premium, and will pay any excess amount to the Group Policyholder. The Group Policyholder will apply the excess amount for the sole benefit of Insured Persons.

The Company will give the Group Policyholder advance written notice of any increase in Premium rates. The rate change notice period is shown on the Schedule of Benefits. The notice period will apply unless the Company and the Group Policyholder agree otherwise.

**PREMIUM AMOUNT.** The amount of Premium due on each due Date will be the sum of the products obtained by multiplying each rate shown in the Premium Rate Schedule by the amount of insurance to which the rate applies.

Premium adjustments will not be pro-rated daily. Instead, Premium will be adjusted as follows.

1. When an Insured Employee's insurance (or increased amount of insurance) takes effect, Premium will be charged from the monthly due Date coinciding with or next following that change.
2. When all or part of an Insured Employee's insurance terminates, the applicable Premium will cease on the monthly due Date coinciding with or next following that termination.
3. When Premiums are paid other than monthly, increases or decreases will result in adjustment from the Premium due Date coinciding with or next following that change.

The above manner of charging Premium is for accounting purposes only. It will not extend insurance beyond a Date it would have otherwise terminated. Each Premium payment will include any adjustments in past Premiums, which are needed due to changes that have not yet been taken into account. If a Premium adjustment involves a return of unearned Premium, the amount of the return will be limited to the prior 12-month period.

**NOTICE CONCERNING COVERAGE  
LIMITATIONS AND EXCLUSIONS UNDER THE NORTH CAROLINA  
LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health insurance should know that the insurance companies and Health Maintenance Organizations (HMOs) licensed in this state to write these types of insurance are members of the North Carolina Life and Health Insurance Guaranty Association. The purpose of this association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer or HMO becomes financially unable to meet its obligations. If this should happen, the guaranty association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the guaranty association is not unlimited, however. And, as noted *in the box* below, this protection is not a substitute for consumers' care in selecting companies that are well-managed and financially stable.

**The North Carolina Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in North Carolina. You should not rely on coverage by the North Carolina Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy.**

**Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus.**

**Insurance companies or their agents are required by law to give or send you this notice. However, insurance companies and their agents are prohibited by law from using the existence of the guaranty association to induce you to purchase any kind of insurance policy.**

The North Carolina Life and Health Insurance Guaranty Association  
Post Office Box #10218  
Raleigh, North Carolina 27605-0218

North Carolina Department of Insurance  
Consumer Services Division  
1201 Mail Service Center  
Raleigh, North Carolina 27699-1201

The state law that provides for this safety-net coverage is called the North Carolina Life and Health Insurance Guaranty Association Act. *On the back of this page* is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations under the act or the rights or obligations of the guaranty association.

## Coverage

Generally, individuals will be protected by the life and health insurance guaranty association if they live in this state and hold a life or health insurance contract, or an annuity, or if they are insured under a group insurance contract, issued by a member insurer or HMO. The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

## Exclusions From Coverage

**However, persons holding such policies are not protected by this association if:**

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy was issued by a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policyholder is subject to future assessments, or by an insurance exchange;
- They acquired rights to receive payments through a structured settlement factoring transaction.

**The association also does not provide coverage for:**

- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed the average rate specified in the law;
- Dividends;
- Experience or other credits given in connection with the administration of a policy for a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contract holders, not individuals), unless they fund a government lottery or a benefit plan of an employer, association or union, except that unallocated annuities issued to employee benefit plans protected by the Federal Pension Benefit Guaranty Corporation are not covered; or
- A policy or contract commonly known as Medicare Part C, Medicare Part D, Medicaid or any regulations issued pursuant thereto.

## Limits On Amount Of Coverage

The act also limits the amount the association is obligated to pay out as follows:

- (1) The guaranty association cannot pay more than what the insurance company would owe under the policy or contract.
- (2) Except as provided in (3), (4) and (5) below, the guaranty association will pay a maximum of \$300,000 per individual, per insolvency, no matter how many policies or types of policies issued by the insolvent company.
- (3) The guaranty association will pay a maximum of \$500,000 with respect to a health benefit plan.
- (4) The guaranty association will pay a maximum of \$1,000,000 with respect to the payee of a structured settlement annuity.
- (5) The guaranty association will pay a maximum of \$5,000,000 to any one unallocated annuity contract holder.