



Zara USA, Inc. - Full-time

Benefit Election Period: **09/04/2016 to 09/17/2016**

Summary of Long-Term Disability (LTD) Benefits

Coverage Effective Date: **10/01/2016**

Your Group Long-Term Disability Benefits

Steady income for longer-lasting disabilities

Coverage Basics

Am I eligible for coverage? You qualify if you are an active full time employee working **at least 20 hours a week**. If you are a new hire, coverage will not start until the 1st of the month following date of hire.

When does coverage become effective? Your Long-Term Disability coverage will begin on **10/01/2016**, if you are actively at work.

How much Long-Term Disability can I buy through my employer? A plan that pays a monthly benefit based on a percentage of your Pre-disability Earnings* for a covered disability. You must submit a claim and be approved by Aetna to receive benefits:

*Generally, Pre-disability Earnings include your total income before taxes and any deductions for pre-tax contributions. Please consult your Policy Documents available through your employer for additional information, including definition of Pre-disability Earnings.

Long-Term Disability	Percentage of monthly income replacement:	Maximum monthly benefit:	Benefits begin after a covered Injury or illness:	Benefits end at recovery or: whichever comes first
Employee-paid Plan	60%	\$5,000	180 days	5 years

Are all types of illnesses and injuries covered? Long-Term Disability (LTD) covers injuries and illnesses that are both work-related and non-work-related.

When am I considered to be disabled? You are considered to be totally disabled after a significant mental or physical change resulting from a disease, or injury, causes you to be unable to perform the substantial and material acts necessary for your **own occupation**. Also, as a result, your earnings are **80%**, or less, than your adjusted Pre-disability Earnings.

Your benefit will extend beyond **24** months only if you cannot perform the material duties of **any reasonable occupation** that you could be expected to perform satisfactorily in light of your age, education, training, experience, station in life, and physical and mental capacity. Also, as a result of your continued disability, your earnings are **60%**, or less, than your adjusted Pre-disability Earnings.

If your occupation requires a professional license or certification, you will not be considered disabled solely because you lose your license or certification.

Your Summary of Long-Term Disability (LTD) Benefits

Are there any offsets that may reduce Long-Term Disability?

Offsets

Your benefits may be reduced if you are receiving income from other sources. Examples include:

Employer sources:

- Any disability or retirement benefit received under a retirement plan
- Disability benefits received from any statutory disability plan
- Payments received from accumulated sick time or salary continuation program related to your current employer

Government sources:

- Temporary disability benefits received under any state or federal workers' compensation law
- Any benefit from Social Security or similar plan or act
- Any governmental retirement system earned as a result of working for your current employer

Are there any exclusions that apply to Long-Term Disability?

Exclusions

You will not receive benefits under certain circumstances. Examples include:

- Your disability results from an intentional self-inflicted injury; or you became injured while committing a criminal act or driving under the influence of alcohol/drugs.
- You are not under the regular care of a doctor when requesting disability benefits.
- You are receiving payment under a salary continuance or retirement plan sponsored by your employer.

Pre-existing Conditions

Pre-existing Conditions may affect the benefits paid by your Long-Term Disability policy:

- A pre-existing condition is an illness, injury or pregnancy-related condition for which you were diagnosed, received medical treatment, or prescribed medications during the **3** month period before your coverage effective date.
- No benefit will be paid during the first **12** consecutive months after your coverage effective date for a disability related to a pre-existing condition.
- Benefits will be paid for covered disabilities not related to a pre-existing condition.

Please refer to your policy documents for a complete list of income sources that will reduce your benefits, as well as a complete list of exclusions and limitations.

Are there any limitations that apply to Long-Term Disability?

Limitations

- You can receive benefit payments for Long-Term Disabilities resulting from mental illness, alcoholism and substance abuse for a total of **24** months per occurrence. This time period may be extended if you are confined to a hospital.

Is there anything else I should know about my plan?

Recurring disabilities

If you return to work and become disabled again from the same illness or injury, it may be considered the same disability. You will only have to satisfy one elimination period and may be eligible to begin receiving benefits immediately if:

The disability recurs during the elimination period and within **30** consecutive days of work or the disability recurs after the elimination period and within **6** consecutive months of work.



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Partial disabilities

Partial disability benefits allow you to work, earn income and continue receiving benefits so you can receive up to **100%** of your income during the first **12** months of your disability. You are considered partially disabled if, due to an injury or illness:

- You are unable to perform the main duties of your own occupation
- And you are earning **80%** or less than your Pre-disability Earnings

After the first **12** months, partial disability benefits can continue based on a formula that you will find in your policy documents.

Vocational Rehabilitation and Return to Work

Our goal is to help you return to gainful employment. Consultants will review each claim to determine if rehabilitation services would be appropriate and effective. We will work with your employer to provide reasonable accommodations to help you return to work. You may even qualify for an increase in your benefits by participating in a rehabilitation program.

What additional features should I know about?

Premium Waiver

If you have satisfied your elimination period and you qualify to receive disability benefits, your coverage may continue without premium payments being required during the time you are in claim.

Survivor Benefit

If you die during a period when you qualify for disability benefits your eligible survivor will receive a lump sum equal to **3** months of your gross disability benefit.

Employee Assistance Program (EAP), Aetna Resources for LivingSM

24/7 confidential support and resources online or by phone, for issues with parenting, troubled relationships, substance abuse, etc. Members and their family members also have access to up to three face-to-face counseling sessions per year with an EAP network provider.

Call: 1-855-283-1915 or Visit: www.mylifevalues.com/ (password "resources")

How do I file a Long-Term Disability claim?

To file a Long-Term Disability claim

Customer Service

Toll-free Number: 866-326-1379

Hours: 8 a.m. to 8 p.m., EST Monday through Friday

Claim Filing Website: www.aetnadisability.com

How much does Long-Term Disability cost?

Monthly Rates per \$100 of Covered Monthly Payroll: Rates will increase as you move from one age band to another.

Age Bands	<20	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80+
Rate	\$0.180	\$0.180	\$0.240	\$0.360	\$0.540	\$0.780	\$1.090	\$1.470	\$1.640	\$1.720	\$1.740	\$1.960	\$1.960	\$1.960

Life, AD&PL, STD and LTD policies have limitations and exclusions. The purpose of this Benefit Summary and any additional enrollment materials or brochures is to give a general overview of the policies. Complete coverage information can be found in the policy documents issued by Aetna to your employer. Please review the policy documents to familiarize yourself with the terms of coverage. If there is a discrepancy between the policy documents and these materials, the terms of the policy documents will apply.



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Your Summary of Long-Term Disability (LTD)Benefits

Premium calculation

Calculation:	
Step 1:	Annual Salary _____ / 12 = _____ Covered Monthly Payroll
Step 2:	Covered Monthly Payroll _____ x _____ % Percentage of Benefit = _____ Monthly Benefit*
Step 3:	Covered Monthly Payroll _____ / 100 = _____ # Units
Step 4:	# Units _____ x _____ Rate = \$ _____ Premium Per Month
Step 5:	Monthly Premium _____ x 12 = _____ Annual Premium / _____ # Pay Periods = \$ _____ Payroll Deduction

*Please note: Step 2 calculates monthly benefit and is not necessary for premium calculation. Subject to \$5,000.000 maximum monthly benefit.

Example: 40 year old, \$45,000 annual salary	
Step 1:	\$45,000.000 / 12 = \$3,750.000 Covered Monthly Payroll
Step 2:	\$3,750.000 x .60 = \$2,250.000 Monthly Benefit
Step 3:	\$3,750.000 / 100 = 37.500 # Units
Step 4:	37.500 x 0.780 (Rate) = \$29.25 Premium Per Month

Sample Employee-paid Plan Monthly Premiums

Annual Earnings	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000	\$55,000	\$60,000	\$65,000	\$70,000
Monthly Benefit	\$1,250	\$1,500	\$1,750	\$2,000	\$2,250	\$2,500	\$2,750	\$3,000	\$3,250	\$3,500
<20	\$3.75	\$4.50	\$5.25	\$6.00	\$6.75	\$7.50	\$8.25	\$9.00	\$9.75	\$10.50
20-24	\$3.75	\$4.50	\$5.25	\$6.00	\$6.75	\$7.50	\$8.25	\$9.00	\$9.75	\$10.50
25-29	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00
30-34	\$7.50	\$9.00	\$10.50	\$12.00	\$13.50	\$15.00	\$16.50	\$18.00	\$19.50	\$21.00
35-39	\$11.25	\$13.50	\$15.75	\$18.00	\$20.25	\$22.50	\$24.75	\$27.00	\$29.25	\$31.50
40-44	\$16.25	\$19.50	\$22.75	\$26.00	\$29.25	\$32.50	\$35.75	\$39.00	\$42.25	\$45.50
45-49	\$22.71	\$27.25	\$31.79	\$36.33	\$40.88	\$45.42	\$49.96	\$54.50	\$59.04	\$63.58
50-54	\$30.63	\$36.75	\$42.88	\$49.00	\$55.13	\$61.25	\$67.38	\$73.50	\$79.63	\$85.75
55-59	\$30.63	\$36.75	\$42.88	\$49.00	\$55.13	\$61.25	\$67.38	\$73.50	\$79.63	\$85.75
60-64	\$35.83	\$43.00	\$50.17	\$57.33	\$64.50	\$71.67	\$78.83	\$86.00	\$93.17	\$100.33
65-69	\$36.25	\$43.50	\$50.75	\$58.00	\$65.25	\$72.50	\$79.75	\$87.00	\$94.25	\$101.50
70-74	\$40.83	\$49.00	\$57.17	\$65.33	\$73.50	\$81.67	\$89.83	\$98.00	\$106.17	\$114.33
75-79	\$40.83	\$49.00	\$57.17	\$65.33	\$73.50	\$81.67	\$89.83	\$98.00	\$106.17	\$114.33
80+	\$40.83	\$49.00	\$57.17	\$65.33	\$73.50	\$81.67	\$89.83	\$98.00	\$106.17	\$114.33

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Sample Employee-paid Plan Monthly Premiums

Annual Earnings	\$75,000	\$80,000	\$85,000	\$90,000	\$95,000	\$100,000
Monthly Benefit	\$3,750	\$4,000	\$4,250	\$4,500	\$4,750	\$5,000
<20	\$11.25	\$12.00	\$12.75	\$13.50	\$14.25	\$15.00
20-24	\$11.25	\$12.00	\$12.75	\$13.50	\$14.25	\$15.00
25-29	\$15.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00
30-34	\$22.50	\$24.00	\$25.50	\$27.00	\$28.50	\$30.00
35-39	\$33.75	\$36.00	\$38.25	\$40.50	\$42.75	\$45.00
40-44	\$48.75	\$52.00	\$55.25	\$58.50	\$61.75	\$65.00
45-49	\$68.13	\$72.67	\$77.21	\$81.75	\$86.29	\$90.83
50-54	\$91.88	\$98.00	\$104.13	\$110.25	\$116.38	\$122.50
55-59	\$91.88	\$98.00	\$104.13	\$110.25	\$116.38	\$122.50
60-64	\$107.50	\$114.67	\$121.83	\$129.00	\$136.17	\$143.33
65-69	\$108.75	\$116.00	\$123.25	\$130.50	\$137.75	\$145.00
70-74	\$122.50	\$130.67	\$138.83	\$147.00	\$155.17	\$163.33
75-79	\$122.50	\$130.67	\$138.83	\$147.00	\$155.17	\$163.33
80+	\$122.50	\$130.67	\$138.83	\$147.00	\$155.17	\$163.33

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