CITY OF LINCOLN

LONG TERM DISABILITY PLAN

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TO ALL ELIGIBLE EMPLOYEES:

When a non-work related accident or illness occurs, you are concerned about daily living and medical expenses. Moreover, you can suffer the loss of your future ability to earn a living if you become totally disabled.

Recognizing this need, the City of Lincoln has instituted this Long Term Disability (LTD) Plan to protect you against the loss of income caused by an extended disability.

BENEFITS AT A GLANCE
This LTD plan provides financial protection for you by paying a portion of your income while you are disabled. The amount you receive is based on the amount you earned before your disability began.

ELIGIBLE EMPLOYEE
Means any person who completed their new hire probationary period and who customarily works at least 30 hours per week, except those employees who are covered by the Police and Fire Pension Plan, are not eligible.

MINIMUM HOURS REQUIREMENT
Employees must be working at least 30 hours per week.

NEW HIRE PROBATIONARY PERIOD
Employee's become eligible for this Long Term Disability Plan the 1st day of the next month following the date you complete 180 days of service with the City of Lincoln, and have worked at least 30 hours per week.

ELIMINATION PERIOD
Long Term Disability benefits begin at the end of the first month following a 180 day period, or the exhaustion of accumulated sick leave, whichever is longer.

MONTHLY BENEFIT
Long Term Disability benefits are 50% of your Basic Monthly Wage, to a maximum of $3,000 per month; however, your payment will be reduced by any Other Income Benefits available to you for any monthly period.

MAXIMUM PERIOD OF PAYMENT
Benefits will continue until Total Disability ceases or as limited in the following schedule:

DISABILITY COMMENCEMENT	BENEFIT DURATION
Prior to Age 60	To Age 65
Age 60 to 69	5 Years
Age 70 to 74	12 Months
Age 74 and Older	6 Months

OTHER FEATURES
Mental or Nervous
Limit: 2 Years

Pre-Existing Condition
Limit: 6 Months

Survivor Benefit: 3 times last Monthly Benefit

SECTION I.
USING THE PLAN DOCUMENT

1. PLAN DOCUMENT

This is not a summary of your Plan, but the actual plan document written so that it may be used by you, the City of Lincoln and its appointed representative(s) in administering the Plan. In addition to this section, which explains how to use the plan document, the Plan has six other sections. A brief summary of what you will find in each is listed below.

2. HOW TO FILE A CLAIM

We have tried to streamline the claim filing procedure as much as possible. Your cooperation in filling out the forms completely will help us administer the Plan and will avoid delays in paying your benefits.

3. COVERAGE

In this section we explain the coverage and contribution rules of the Plan.

4. BENEFITS

In this section we describe the benefits provided by the Plan. The “Benefits At A Glance” page provides a summary of Plan benefits for quick reference.

5. EXCLUSIONS

There are a number of exclusions which apply to Plan benefits. We have listed them in the exclusions section of the Plan.

6. GENERAL PROVISIONS

This section sets forth general provisions important to the administration of the Plan, including information the federal government requires to be included in this document.

7. DEFINITIONS

Many of the terms used throughout this Plan are defined in the definitions section. Note that some very commonly used terms such as "we" and "you" are specifically defined in this section.

SECTION II.
HOW TO FILE A CLAIM - INSTRUCTIONS

1. When you are totally disabled due to a non-work related accident or illness, please contact the City of Lincoln, Personnel Department, Benefits Area for the LTD claim forms. These include the following:

- Employee's LTD Statement
- Physician's LTD Report
- LTD Authorization for Disclosure of Health Information, and
- Employer's LTD Statement *(to be completed by the City of Lincoln, Personnel Department, Benefits Area)*

2. Upon receipt of the claim forms, you shall complete the Employee's LTD Statement in detail, answering all questions including your signature.

3. The written notice of claim *(Employee's LTD Statement)* must be provided as soon as possible before leaving active employment with the City of Lincoln. It is your responsibility to ensure that the completed Employee's LTD Statement is sent to the City of Lincoln, Personnel Department, Benefits Area.

4. To determine compensability, we may require additional information as follows:

- Proof of Other Income, and
- Proof that you have applied for Other Income, and that you have furnished the proof required.

5. You are responsible for forwarding the Physician's LTD Report to your doctor for completion. It is the your responsibility to ensure this form is returned to the City of Lincoln, Personnel Department, Benefits Area.

6. You must furnish all items we decide are necessary to document your claim. You must authorize the source of medical services to release all requested medical information. If you do not furnish the required information or authorize its release (LTD Authorization for Disclosure of Health Information), we may not be able to determine compensability. It is your responsibility to ensure that the LTD Authorization for Disclosure of Health Information is provided to the City of Lincoln, Personnel Department, Benefits Area.

SECTION II.
HOW TO FILE A CLAIM - INSTRUCTIONS continued

7. You will receive written notice from the City of Lincoln or their representatives regarding how benefits are calculated.

8. Claims will be approved or denied by the City of Lincoln or their representatives by the end of the elimination period or within a reasonable amount of time, thereafter.

9. We may ask you to be examined by a physician, physical therapist or vocational counselor of our choice as deemed necessary by the City of Lincoln. The City of Lincoln will pay for any exam we require.

10. No action at law or in equity may be brought against the plan until at least 180 days after you file proof of loss. No action can be brought after the statute of limitations has expired, but, in any case, not after four years.

11. In the event your claim is denied, the written notice you receive will tell why it was denied and will refer to the Plan provisions upon which the decision was based. The notice will also tell you about any additional information that may be necessary for your claim to be approved.

12. You may appeal the denial of a claim in writing to the Personnel Director. In order to be considered, your appeal must be received within 90 days after you are notified of the denial. You should include any issues, comments, and documents you think will allow the Personnel Director to decide your appeal favorably. You may also have someone you designate represent you before the Personnel Director. If you decide to make a personal appearance or have another person represent you, it must be done at your own expense. You or your representative may review any documents that relate to the appeal. The documents can be reviewed at the City of Lincoln, Personnel Department, Benefits Area during regular business hours.

13. If you file an appeal, the Personnel Director will review your claim and any additional information you furnish. A decision will be rendered within 60 days after it is received.

SECTION III.
COVERAGE

1. Commencement of Coverage of Eligible Employees. Coverage under this plan will begin at 12:01 a.m. on the first day of the month following the date you complete 180 days of service with the City of Lincoln.

Your coverage cannot begin while you are away from work due to a disability. In that event you will not be covered until the first day after you have been back to work on a full-time basis that completes your new hire probationary period. For this purpose you will be deemed to be actively at work if you are working at the Employer's usual place of business on a regularly scheduled basis performing every duty pertaining to your job, not taking into account periods of absence from work due solely to vacation, holidays or days off. Coverage for benefit changes will also not apply until you have returned to active work on a full-time basis.

2. Termination of Coverage of Eligible Employees. Your coverage under this Plan will terminate at 12:01 a.m. on whichever of the following days occurs first:

(a) the day you cease to be an eligible employee;

(b) the date the Plan is terminated; or

(c) the date you enter the armed forces on active duty.

SECTION IV. BENEFITS

(Refer to applicable Plan Provisions for eligibility and other requirements regarding these benefits.)

1. BENEFITS

If you become totally disabled by a non-work related accident or illness and remain under the care of a doctor, you will receive 50% of your Basic Monthly Wage (see Definitions), reduced by the amount of any Other Income Benefits available to you for any monthly period. This benefit will be paid to you only if you have been totally disabled for 180 consecutive days. Persons receiving long term disability benefits will not be eligible for any improvement in disability benefits until they have returned to active work on a full-time basis.

2. OTHER INCOME BENEFITS

means those benefits shown below:

A. Any temporary or permanent benefits or awards for which the Insured Employee is eligible under:

   1. Worker's Compensation Law for which you are eligible from another employer;
   2. Occupational disease law; or
   3. Any other act or law of like intent.
   4. Lump Sum Benefit. If you receive a lump sum payment for any other Income Benefits, the City of Lincoln will prorate the lump sum on a monthly basis over the time period specified for the lump sum payment. If no time period is stated, the lump sum payment will be prorated on a monthly basis over your expected lifetime as determined by the City of Lincoln.

B. Any disability income benefits for which the Insured Employee is eligible under a compulsory benefit act or law.

C. Any disability income benefits for which the Insured Employee is eligible under:

   1. any other group plan, sick leave or salary continuance plan of the City of Lincoln; or
   2. any governmental retirement system as a result of the Insured Employee's job with a prior Employer; or
   3. any automobile liability insurance policy.

D. Any Disability Benefits or Retirement Benefits the Insured Employee receives under a prior Employer Retirement Plan.

E. Benefits under the United States Social Security Act or any similar plan or act as follows:
   1. disability or unreduced retirement benefits for which the Insured Employee is eligible because of the Insured Employee's Disability or eligibility for unreduced retirement benefits; or
   2. reduced retirement benefits received by the Insured Employee.

F. Earnings the Insured Employee earns or receives from any form of employment.

G. Veterans' Disability benefits related to your total disability covered by this plan while employed at the City of Lincoln.

These Other Income Benefits, except Retirement Benefits, are benefits resulting from the same Disability for which a Monthly Benefit is payable under this Plan.

An eligible Employee who may be entitled to some Other Income Benefit is required to actively pursue it; if he or she does not, these Plan benefits may be denied or suspended.

3. ESTIMATE OF BENEFITS

The City encourages you to apply for all Other Income Benefits you may qualify for in a timely manner. If at the time of claim you have not applied for the Other Income Benefits, the City may estimate the amount of such benefits. The City may reduce Your Monthly Benefits by such estimated amounts, as follows:

1. have not yet been awarded or denied; or
2. have been denied, if the denial is being appealed.

If Your Monthly Benefit has been reduced by an estimated amount; then such payments will be adjusted when the City receives proof of the following:

1. of the amount actually awarded; or
2. that benefits have been denied, and that any appeal the City deems necessary has been completed.

We Require Proof of Other Income:

A. If you are required to apply for other income benefits that you may be eligible to receive because of your disability, and have appealed any denial of benefits through the highest administrative level.
B. That the person applying for other income benefits has furnished the necessary proof needed to obtain other income benefits, which include, but are not limited to, workers' compensation benefits;
C. That the person has not waived (given up his or her right to) any other income benefits without the City's written consent;
D. That the person has sent the City copies of documents showing the effective dates and amounts of other income benefits.
E. Of income you receive from any work for pay or profit.

If you apply for Social Security benefits and are denied, you must request reconsideration within 60 days after the denial. If the reconsideration is denied, you must apply for a hearing before an administrative law judge within 60 days of the denial, unless We waive this requirement.

Other Income Benefits That Do Not Reduce Monthly Benefits.

Your benefits under the long term disability coverage will not be reduced by the amount of benefits you were receiving from the following sources, if you were receiving the income before you became disabled:

A. Military and other government service pensions;
B. Retirement benefits from a former employer;
C. Veteran's benefits for service-related disabilities;
D. Individual disability income policies;
E. Retirement under the Federal Social Security Act; and City of Lincoln Employee, or Directors, Retirement Plan.

The amount of income or other benefits from the following sources will not reduce your disability benefits:

A. Profit sharing plans;
B. Thrift or savings plans;
C. 401(k) plans;
D. Keogh plans;
E. Employee stock option plans;

F. 403(b) Tax-sheltered annuity plans;
G. 457 deferred compensation plans;
H. Severance pay;
I. Individual disability income policies; or Individual retirement accounts (IRAs)

4. ADJUSTMENT OF BENEFITS

If we find that the amount of benefits from any source should be different from the amount we used to figure your monthly benefit, we will adjust it. If we paid you less than we should have, we will pay you the difference. If we paid you more than we should have, you must pay us the difference. We may reduce your benefit or stop paying benefits until the overpayment is recovered.

5. WHEN PAYABLE

Benefits will be paid starting at the end of the first month following the qualifying six month period provided you have furnished the City of Lincoln with the required proof of loss as described in the claim provisions. Benefits will continue until Total Disability ceases or as limited in the following schedule:

DISABILITY COMMENCEMENT	BENEFIT DURATION
Prior to Age 60	To Age 65
Age 60 to 69	5 Years
Age 70 to 74	12 Months
Age 74 and Older	6 Months

6. MENTAL OR NERVOUS DISORDERS

If Total Disability is due to Mental or Nervous Disorders *(see Definitions)* or substance abuse, the benefit is payable during the first two years of disability. At the end of two years of such disability, payment will continue only if you are confined in a hospital or other institution qualified to provide care and treatment for the disability.

SECTION IV.
BENEFITS continued

7. PRE-EXISTING CONDITIONS

A pre-existing condition is any sickness or injury for which you have received medical care, treatment or services or taken drugs or medicines prescribed by a doctor during the 90 day period prior to the date you become covered. In the event of a pre-existing condition, coverage will be postponed for that condition until you have been actively at work for 180 consecutive days.

8. SUCCESSIVE DISABILITIES

Successive periods of disability from the same cause separated by less than six months of active full-time work are considered as one period of disability.

9. MAXIMUM INTERRUPTION PERIOD DURING QUALIFYING PERIOD

If Total Disability is interrupted for less than fifteen (15) days, then it will be considered one qualifying period.

10. SURVIVOR BENEFIT

If you die while receiving a Monthly Benefit from this Plan, we will pay to your estate, in a lump sum, an amount equal to three times the last Monthly Benefit. "Last Monthly Benefit" means the amount to which you were last entitled after reduction of other income benefits.

SECTION V.
EXCLUSIONS

In spite of other provisions of this Plan to the contrary, no payment shall be made under this Plan with respect to any disability caused by:

(a) war or any act of war;

(b) committing or attempting to commit a felony;

(c) an intentionally self-inflicted injury;

(d) a pre-existing condition;

(e) participation in a riot; or

(f) a disability beyond 24 months after the Elimination Period if it is due to a Mental or Nervous Disorder of any type. Confinement in a hospital or institution licensed to provide care and treatment for mental or nervous disorders will not be counted as part of the 24 month limit.

SECTION VI.
GENERAL PROVISIONS

1. GOVERNING LAW
The Plan is established in the State of Nebraska. To the extent federal law does not apply, any questions arising under the Plan shall be determined under the laws of the State of Nebraska.

2. INTERPRETATION
We have the authority to construe the Plan and to determine all questions that arise under it. Such power includes, for example, the administrative discretion necessary to determine whether an individual meets the Plan's written eligibility requirements, or to interpret any other term contained in this Plan document. Further, to the extent that any Plan benefit is subject to a determination of medical necessity, reasonableness or the like, we will make that factual determination. Our interpretations and determinations are binding on all employees, retired employees, dependents and their beneficiaries.

3. ASSIGNMENT
The rights and benefits under this Long Term Disability Plan may not be assigned.

4. TERMINATION AND AMENDMENT
Although we intend to continue the Plan indefinitely, we reserve the right to amend or even terminate the Plan. Any amendment or modification will be in writing.

5. GENERAL INFORMATION
The Plan is funded through City of Lincoln contributions. Funds are held internally until they are disbursed.

6. AGENT FOR SERVICE OF PROCESS
The City of Lincoln is the agent for service of process for the plan.

7. GENDER AND NUMBER
In the construction of this Plan the masculine shall include the feminine and the singular the plural in all cases where those meanings would be appropriate.

SECTION VI.
GENERAL PROVISIONS continued

8. PLAN NOT IN PLACE OF WORKERS' COMPENSATION

The Plan is not in lieu of and does not affect any requirements for coverage by Workers' Compensation Insurance.

9. EFFECTIVE DATE

The effective date of this Plan is May 1, 1985. No benefits will be paid under this Plan for disabilities beginning before the effective date. The Plan was amended effective September 1, 1990. Plan revisions were effective November 1, 1992, January 1, 2000 and May 1, 2011.

SECTION VII.
DEFINITIONS

1. BASIC MONTHLY WAGE
means your monthly base wage during the month you worked immediately prior to your disability, but excluding overtime pay, longevity pay, other bonuses or special compensation.

2. DOCTOR
means an individual who is a licensed physician operating within the scope of his license and is authorized to prescribe and administer drugs or to perform medical services.

3. ELIGIBLE EMPLOYEE
means any person who completed their new hire probationary period and who customarily works at least 30 hours per week, except those employees who are covered by the Police and Fire Pension Plan, are not eligible.

4. MENTAL OR NERVOUS DISORDER
means any neurosis, psychoneurosis, or mental or emotional disease or disorder of any kind, including substance abuse.

5. PLAN
means the City of Lincoln Long Term Disability Plan, as herein set forth and as from time to time amended.

6. PLAN ADMINISTRATOR
means the City of Lincoln or its representative(s).

7. SICKNESS
means sickness, disease or pregnancy causing loss commencing while you are covered under the Plan.

8. INJURY
means sickness, disease or pregnancy causing loss commencing while you are covered under the Plan.

9. TOTAL DISABILITY
means:

(a) During the six months qualifying period and during the first 24 months in which benefits are payable, a disability which prevents you from performing the essential functions of your regular occupation;

SECTION VII.
DEFINITIONS continued

(b) After this 24 month period, a disability which prevents you from performing the essential functions of any Gainful Occupation.

10. WE
means the City of Lincoln

11. YOU, YOUR
means any eligible employee of the Employer, as defined in item 3 of this section.

12. GAINFUL OCCUPATION
means any occupation in which the Insured Employee:

a) is or could reasonably become qualified, considering his or her education, training, experience, mental and physical abilities;

b) could reasonably find employment, considering the demand in the national labor force; and

c) could earn (or reasonably expect to earn) a before-tax income at least equal to 50% of his or her Basic Monthly Wage, within 12 months of returning to work.

13. REGULAR OCCUPATION
means the occupation you are routinely performing when your disability begins.

14. ESSENTIAL FUNCTIONS
means duties that are normally required for the performance of your Regular Occupation or a Gainful Occupation and cannot be reasonably omitted or modified.

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