

GATES CORPORATION
2018

**Self-Funded Short-Term Disability
Summary Plan Description**

Union-Free Active Associates
and Active Associates of
Galesburg USWA Local #685

› What Your Plan Covers and
How Benefits are Paid



DRIVEN BY POSSIBILITY™



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Preface

Gates Corporation is pleased to provide you with this Summary Plan Description (*SPD*). Read this *SPD* carefully. The disability Plan described in this *SPD* is a summary of Gates Corporation Short Term Disability Plan (the "Plan"). Claims for these benefits are administered by the **Claims Administrator** on behalf of Gates Corporation. These benefits are not insured with the **Claims Administrator** and will be paid from Gates Corporation's general assets via regular payroll processing. This *SPD* does not replace the official documents that legally govern the Plan's terms and operations. If this *SPD* differs from the Plan's official documents, the official Plan documents always govern. Questions regarding your benefits should be addressed to the Plan Administrator. Questions regarding any claim for benefits should be addressed to the **Claims Administrator**.

The *SPD* describes rights and obligations under the Plan, what the Plan covers and how benefits are paid for that coverage. It is your responsibility to understand the terms and conditions in this *SPD*. Your *SPD* includes the *Schedule of Benefits*.

If you become covered, this SPD replaces and supersedes all SPDs describing similar coverage that Gates Corporation previously issued to you.

Plan Sponsor:	Gates Corporation
Issue Date:	January 1, 2014
SPD Number:	866232

Coverage for You

Short-Term Disability Coverage

The Plan pays you a portion of your income earnings as a weekly benefit for a period of short-term disability caused by a non-occupational **illness** or **injury** that occurs while your coverage is in effect and so long as you meet all requirements under the Plan for receipt of benefits.

Only **non-occupational injuries** and **non-occupational illnesses** are covered. Please refer to the *Short Term Disability* section for more details about your coverage.

Short Term Disability Schedule of Benefits

PLAN FEATURES	
Elimination Period	Benefits start on the 8th consecutive calendar day for a disability period due to illness , a disabling pregnancy-related condition or injury .
Schedule of Short Term Disability Income Benefits	
Weekly Benefit	66 2/3% of your predisability earnings calculated on a weekly basis
Maximum Weekly Benefit (combined total with all <i>Other Income Benefits</i>)	\$2,600
Maximum Weekly Benefit Period	25 weeks, unless it ends earlier for one or more of the reasons stated in your <i>SPD</i>
Benefits Actually Payable	Any weekly benefit actually payable to you will be reduced by <i>Other Income Benefits</i> .

Coverage for You

Who Can Be Covered

Employees

To be covered by this Plan, the following requirements must be met:

- You will need to be in an “eligible class,” as defined below; and
- You will need to meet the “eligibility date” criteria described below.

Determining if You Are in an Eligible Class

You are in an eligible class if:

- You are a regular US **Employee**, as defined by your **Employer**. In addition, to be in an eligible class you must:
 - Be scheduled to work on a regular basis at least 30 hours per week during your **Employer’s** work week;
 - Be on US payroll; and
 - Not be a temporary, leased, contract or seasonal employee; and
 - Not subject to a collective bargaining agreement.

OR

- An active, full-time benefits eligible employee of Galesburg USWA Local #685, regularly scheduled to work at least 30 hours per week.

Determining When You Become Eligible

You become eligible for the Plan on your eligibility date, which is determined as follows:

- **On the Effective Date of the Plan:** If you are in an eligible class on the effective date of this Plan, you are benefits eligible, and you are **actively at work**, your coverage eligibility date is the effective date of the Plan
- **After the Effective Date of the Plan:**
 - If you are in an eligible class and you are either hired after the effective date of this Plan or you were an active **employee** on the effective date, but did not satisfy the 30 days of employment requirement as of the effective date of the Plan and were not benefits eligible, and you are **actively at work**, your coverage eligibility date is the first day of the month following 30 days of employment.
 - If you enter an eligible class after the effective date of this Plan, your coverage eligibility date is the first day of the month following 30 days of employment as an **employee** in an eligible class. In other words, employment with Gates Corporation prior to your becoming a member of an eligible class does not count towards the 30 days of employment requirement.

Notwithstanding the preceding, you must be **actively at work** on your eligibility date in order to commence participation in the Plan (unless such date falls on a weekend or holiday, in which case you must have been **actively at work** on the work day immediately preceding such weekend or holiday); otherwise, you will commence participation on the first day after your eligibility date on which you return to **active work**.

Your Disability Plan

The disability Plan provides you with a source of income if you should become disabled because of a non-occupational illness, injury, or disabling pregnancy-related condition while covered under this Plan.

Short Term Disability Coverage

Short term disability coverage will pay a weekly benefit if you are disabled and unable to work because of:

- An **illness** that is a non-occupational **illness**;
- An **injury** that is a non-occupational **injury**; or
- A disabling pregnancy-related condition.

Short term disability coverage will only cover a disability caused by a non-occupational **illness** and **injury**. A non-occupational **illness** or **injury** is any **illness** or **injury** that is not an occupational illness or occupational injury.

An occupational illness or occupational injury means an illness or injury that:

- Arises out of (or in the course of) any activity in connection with employment or self-employment whether or not on a full time basis;

However, if proof is provided to the **Claims Administrator** that a claim has been made under any type of workers' compensation law and that no benefit, award, settlement or redemption has been or will be made under such law for that **illness** or **injury**, then that **illness** or **injury** will not be considered an occupational illness or an occupational injury.

For the purposes of all disability coverage included in this Plan, the term "**illness**" will mean:

- A pathological condition of the body that presents a group of clinical signs and symptoms and laboratory findings peculiar to it and that sets the condition apart as an abnormal condition differing from normal conditions or from other pathological body conditions.

Short Term Disability Benefit Eligibility

You will be considered disabled while covered under this short term disability Plan on the first day that you are disabled as a direct result of a significant change in your physical or mental condition caused by **illness** or **injury**, or because of a pregnancy-related condition, and you meet all of the following requirements:

- You must be actively employed and covered by this Plan at the time you become disabled;
- You must be under the regular care of a **physician**. You will be considered under the care of a **physician** up to 31 days before you have been seen and treated in person by a **physician** for the **illness**, **injury** or

Important!

As used in this section of the *SPD*, "you" and "your" refers to a covered **Employee** of the **Employer** sponsoring this Plan.

pregnancy-related condition that caused the disability; and You must meet the short term disability test of disability (see the *Test of Disability* section).

Test of Disability

You meet the **test of disability** if you are not able perform the **material duties** of your **own occupation** because of an **illness** or **injury**, or because of a pregnancy-related condition. You are not performing the **material duties** of your **own occupation** if:

- You are only performing some of the **material duties** of your **own occupation**; and
- Your income is 80% or less of your **predisability earnings** solely because of an **illness, injury** or a disabling pregnancy-related condition.

Important Note

The loss of a professional or occupational license or certification that is required by your **own occupation** does not mean you meet the test of disability. You must meet this Plan's test of disability to be considered disabled.

When Benefits are Payable

Once you meet the short term disability test of disability described above, your short term disability benefits will be payable after the Elimination Period is over. The Elimination Period is the amount of time you must be disabled before benefits start. No benefit is payable for or during the elimination period. Your short term disability benefits will be payable for as long as your disability benefit eligibility continues but not beyond the end of the maximum weekly benefit period. The Elimination Periods and the maximum weekly benefit period are shown in the *Schedule of Benefits*.

Benefits Payable

The weekly benefit is based on your **predisability earnings**, up to the maximum weekly benefit shown in the *Schedule of Benefits*. To calculate your weekly short term disability benefit, multiply:

- Your **predisability earnings**; times
- The weekly benefit percentage shown in the *Schedule of Benefits*.

The benefit payable will be the lesser of:

- The weekly benefit; and
- The maximum weekly benefit.

Any *Other Income Benefits* you are eligible for may affect your benefits from this Plan. The amount of the *Other Income Benefits* will be subtracted from your weekly short term disability benefit for which you are eligible. Please refer to the *Other Income Benefits* section of this *SPD* for details as to which *Other Income Benefits* may reduce your weekly benefit.

Adjustments to Your Benefits If You Work While Disabled

Your short term disability weekly benefit may be reduced if, while weekly benefits are payable, you earn income from:

- Your **Employer** or any other **Employer**, employment or self-employment; or
- Any occupation for compensation or profit.

This is more than 20% of your **predisability earnings**. The weekly benefit adjustment is calculated as follows: The weekly benefit will be reduced only to the extent the sum of the amount of that income and the weekly benefit payable, without any reduction for *Other Income Benefits*, exceeds 100% of your **predisability earnings**.

Income means income you earn, while disabled and working, from your **Employer** or any other **Employer**. However, any income earned by working for another **Employer** will be considered income only if you:

- Become employed after the date your disability started; or
- Increase the number of hours you work, or the number or type of duties you perform for another **Employer** after the date of your disability started. In that event, only the amount of the income increase will be taken into consideration for the benefit adjustment.

When Short Term Disability Benefit Eligibility Ends

You will no longer be considered disabled or eligible for weekly benefits when the first of the following occurs:

- The date you no longer meet the short term disability test of disability, as determined by the **Claims Administrator**.
- The date you are no longer under the regular care of a **physician**.
- The date you fail to provide proof that you meet the short term disability test of disability.
- The date you refuse to be examined by or cooperate with an independent **physician** or a licensed and certified health care practitioner, as requested. The **Claims Administrator** has the right to examine and evaluate you at any reasonable time while your claim is pending or payable. The examination or evaluation will be done at the expense of the Plan.
- The date an independent medical exam report or functional capacity evaluation does not, in the **Claims Administrator's** opinion, confirm that you are disabled.
- The date you reach the end of your maximum benefit period, as shown in the *Schedule of Benefits*.
- The date you are not receiving **effective treatment for alcoholism or drug abuse**, if alcoholism and drug abuse are the cause (or part of the cause) of your disability.

- The date you refuse to cooperate with or accept:
 - Changes to your work site or job process designed to suit identified medical limitations, or
 - Any adaptive equipment or devices designed to suit your identified medical limitations; that would allow you to perform your **own occupation**. This applies only if a **physician** agrees that such changes, adaptive devices or equipment suit your particular medical limitations.
- The date you refuse any treatment recommended by your attending **physician** that, in the **Claims Administrator's** opinion, would cure, correct or limit your disability.
- The date your work condition would permit you to:
 - Work; or
 - Increase the hours you work; or
 - Increase the number or type of duties you perform in your **own occupation**; but you refuse to do so.
- The date of your death.
- The date you are no longer employed by Gates
- The day after the **Claims Administrator** determines that you can participate in an **approved rehabilitation program** and you refuse to do so.

If You Become Disabled Again (Successive Disabilities)

Once you no longer meet the short term disability test of disability any new disability will be treated separately. However, two or more disabilities will be considered as the same disability if they are due to the same or related **illness, injury**, or pregnancy related condition; and

- The disabilities are separated by less than 30 consecutive calendar days upon return to work.

In this case only one Elimination Period will apply. The first disability will not be included if it began while you were not covered.

The **Claims Administrator** has the right to evaluate you for participation in an **approved rehabilitation program**.

If, in the **Claims Administrator's** judgment, you are able to participate, the **Claims Administrator** may, in its sole discretion require you to participate in an **approved rehabilitation program**.

Other Income Benefits

Other Income Benefits can affect the weekly benefit described in the short term disability coverage section. When calculating the benefit payable, *Other Income Benefits* that you, your spouse, your children or your dependents are **eligible** for because of your disability or retirement are taken into consideration. The *Other Income Benefits* considered when calculating your benefits payable are:

- Disability, retirement or unemployment benefits required or provided for by government law. This includes (but is not limited to):
 - Unemployment compensation benefits.
 - Temporary or permanent, partial or total, disability benefits under any workers' compensation law or similar law meant to compensate a worker for:
 - Loss of past and future wages;
 - Impaired earning capacity;
 - A lessened ability to compete for jobs;
 - Any permanent impairment; and
 - Any loss of bodily function or capacity.
 - Automobile no-fault wage replacement benefits required by law.
 - Benefits under the Federal Social Security Act, Railroad Retirement Act, Canada Pension Plan and Quebec
 - Pension Plan.
 - Veteran's benefits.
- Statutory or State disability benefits
- Disability or unemployment benefits payable by either insured and uninsured plans:
 - As a result of employment by or association with your **Employer**. This includes benefits under individual disability policies supplied or paid for in whole or in part by your **Employer**, except as noted below; or
 - As a result of your membership in, or association with, any group, association, union or other organization.
- Unreduced retirement benefits for which you are (or may become) eligible under a group pension plan at age 62 or the plan's normal retirement age, whichever comes later. This applies only to the amount of the benefit that was paid by the **Employer**.

Important Note

Please read this section carefully. It explains which *Other Income Benefits* reduce your weekly short term disability benefit. It is your responsibility to enroll or apply for benefits from other sources when you are eligible. See the *Required Proof of Other Income Under the Plan* section for more information.

- Retirement benefits you elect and receive under any group pension plan. This applies only to the amount of the benefit that was paid by an **employer**.
- 50% of any award given under The Jones Act or The Maritime Doctrine of Maintenance, Wages and Cure
- Disability payments from under insured motorist coverage (UIM), uninsured motorist coverage (UM), liability insurance or other sources for a disability caused by a third party. "Other sources" include (but are not limited to) damages received through legal action or through settlement or compromise of any claim.
- Disability benefits under any group mortgage or group credit disability plan.

Other Income Benefits That Do Not Reduce Weekly Benefits

Income from certain sources will not reduce your weekly disability benefits under this Plan.

Your benefits under the short term disability plan will not be reduced by the amount of benefits you were receiving from the following sources, before you become disabled:

- Military and other government service pensions;
- Retirement benefits from a former employer;
- Veteran's benefits for service-related disabilities;
- Individual disability income policies; and
- Retirement benefits from the Federal Social Security Act.

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

- Profit sharing plans;
- Thrift or savings plans;
- 401(k) plans;
- Keogh plans;
- Employee stock option plans;
- 403 (b) Tax-sheltered annuity plans;
- 457 deferred compensation plans;
- Tax-sheltered annuity plans;
- Severance pay;
- Salary continuation or accumulated sick leave plans;
- Individual disability income policies; or
- Individual retirement accounts (IRAs).



What Happens When Other Income Benefits Increase

An increase in *Other Income Benefits* that you are eligible for may affect your benefit payable under this coverage.

If your *Other Income Benefits* increase as the result of one of the following situations, the increased amount will be considered when calculating your benefits payable:

- The number of people in your family changes;
- Your benefit level is adjusted or corrected; or
- The severity of your disability changes.

This may result in a reduction in benefits payable under this Coverage.

A cost of living increase in *Other Income Benefits* you receive from a governmental source (including, but not limited, to benefits under the Federal Social Security Act) will **not** reduce your benefits payable.

A cost of living increase in *Other Income Benefits* you receive from a non-governmental source will **not** affect your benefits payable to the extent that the increase is based on the annual average increase in the **Consumer Price Index**.

How the Plan Applies Other Income Benefits to Short Term Disability

Any lump sum or periodic payments you receive from any other income benefit are prorated on a weekly basis over the period of time for which the payment was made. If a period of time is not indicated, the **Claims Administrator** will prorate the payments over a reasonable period of time. The **Claims Administrator** will take into account the expected duration of your disability payments and other relevant factors.

The part of a lump sum or periodic payment you receive for disability will be counted as *other income benefit*, even if it not specifically allocated or identified as such. If there is no proof acceptable to the **Claims Administrator** as to what that part is, the **Claims Administrator** will consider 50% to be payable for your disability.

Any of these other income payments that date back to a prior date may be allocated on a retroactive basis.

Estimate of Other Income Benefits

The **Claims Administrator** will estimate *Other Income Benefits* for which you appear to be eligible, unless you sign and return a reimbursement agreement to the **Claims Administrator**. The reimbursement agreement includes your promise to repay the Plan for any overpayment of benefits made to you. If *Other Income Benefits* are estimated, your weekly benefit will be adjusted when the **Claims Administrator** receives proof:

- Of the exact amount paid or awarded; or

- That benefits have been denied after review at the highest administrative level.

If estimating your *Other Income Benefits* results in an underpayment, the Plan will pay you the difference between the underpayment and the benefit payable. If there is an overpayment, you must repay the Plan the overpayment the difference between all overpayments and the benefit payable amount. If the Plan must take legal action to recover an overpayment, you also must pay the Plan's reasonable attorney's fees and court costs, if the Plan prevails. The **Claims Administrator** is authorized by the Plan to seek these repayments and recoveries for the Plan.

Required Proof of Other Income under the Plan

The **Claims Administrator** may require proof:

- That you, your spouse, child or dependent has applied for all *Other Income Benefits* that you or they are or may be eligible to receive because of your disability and has made a timely **appeal** of any denial of benefits through the highest administrative level. "Timely **appeal**" means making the **appeal** in the time required, but never more than 60 days after the latest denial.
- That the person applying for *Other Income Benefits* has furnished the necessary proof needed to obtain *Other Income Benefits*, which include, but is not limited to, workers' compensation benefits;
- That the person has not waived (given up his or her right to) any *Other Income Benefits* without the Plan Administrator's written consent;
- That the person has sent the Plan Administrator or the **Claims Administrator** copies of documents showing the effective dates and amounts of *Other Income Benefits*.
- Of income you receive from any work for pay or profit. This may include tax returns and financial information for any corporation you own or operate.

You do not have to apply for:

- Retirement benefits paid only on a reduced basis; or
- Disability benefits under a group life insurance plan, if the disability benefits would reduce the amount of your group life insurance.

However, if you apply for and receive these benefits, they will be considered as *Other Income Benefits* and you must provide proof to the **Claims Administrator**, if requested.

If you do not provide the proof that the **Claims Administrator** may require, the **Claims Administrator** has the right to suspend or adjust this Plan's benefits by the estimated amount of the *Other Income Benefits*.

Exclusions That Apply to Short Term Disability

Short term disability coverage does not cover any disability on any day that you are confined in a penal or correctional institution for conviction of a criminal act or other public offense. You will not be considered to be disabled, and no benefits will be payable.

Short term disability coverage also does not cover any disability that:

- Is due to an occupational illness or occupational injury except in the case of sole proprietors or partners who cannot be covered by workers' compensation.
- Is due to insurrection, rebellion, or taking part in a riot or civil commotion.
- Is due to intentionally self-inflicted **injury** (while sane or insane).
- Is due to war or any act of war (declared or not declared).
- Results from your commission of, or attempting to commit a criminal act.
- Results from a **motor vehicle** accident caused by operating the vehicle while you are under the influence of alcohol. A **motor vehicle** accident will be deemed to be caused by the use of alcohol if it is determined that at the time of the accident you were:

Operating the **motor vehicle** while under the influence of alcohol at a level which meets or exceeds the level at which intoxication would be presumed under the laws of the state where the accident occurred. If the accident occurs outside of the United States, intoxication will be presumed if the person's blood alcohol level meets or exceeds .08 grams per deciliter.

Reporting of Claims

You are required to submit a claim to the **Claims Administrator**. You may contact the **Claims Administrator** by telephone to file a claim at the toll free number, **(866) 269-6249**. You may also file a claim using the Internet at: www.aetnadisability.com.

Your claim must give proof of the nature and extent of the loss. You must furnish true and correct information as the **Claims Administrator** may reasonably request. At any time, the **Claims Administrator** may require copies of documents to support your claim, including data about employment. You must also provide the **Claims Administrator** with authorizations to allow it to investigate your claim and your eligibility for and the amount of work earnings and Other Income Benefits.

In addition to the above, if you must be out of work because you are disabled, a claim for a short term disability benefit should be made right away. Do not wait until you go back to work. This may delay payment of benefits. At any time, the **Claims Administrator** may require copies of documents to support your claim, including data about employment and any *Other Income Benefits*.

The deadline for filing a short term disability claim is 5 days after the end of the Elimination Period, if any.

Payment of Benefits

Benefits will be paid as soon as the necessary proof to support the claim is received.

Short term disability benefits will be processed weekly. They will be paid at each bi-weekly Gates pay date during the period for which benefits are payable. Weekly benefits for a period less than a week will be prorated. This will be done on the basis of the ratio to five (5) days of the days of eligibility for benefits during the week.

Claims and Appeals Review Process

Claim Determinations

The **Claims Administrator** will make notification of a claim determination as soon as possible but not later than 45 calendar days after the claim is made. The **Claims Administrator** may determine that due to matters beyond its control an extension of this 45 calendar days claim determination period is required. Such an extension, of no longer than 30 additional calendar days, will be allowed if the **Claims Administrator** notifies you within the first 45 calendar day's period. If prior to the end of the first 30 calendar days extension period, the **Claims Administrator** again determines that due to matters beyond its control a decision cannot be made within that extension period, the claim determination period may be extended for an additional 30 calendar days. The **Claims Administrator** must notify you, prior to the end of the first extension period, of the circumstance requiring the extension and the date by which a decision can be expected.

The notice of any extension, by the **Claims Administrator** shall specifically explain:

- The standards on which entitlement to a benefit is based;
- The unresolved issues that prevent a decision on the claim; and
- The additional information needed to resolve those issues.

The claimant will have 7 calendar days, from the date of the notice, to provide the **Claims Administrator** with the required information.

Appeals of Adverse Benefit Determinations

You may submit an **appeal** if the **Claims Administrator** gives notice of an **adverse benefit determination**.

You have 180 calendar days following the receipt of notice of an **adverse benefit determination** to request your **appeal**. Your **appeal** must be submitted in writing and should include:

- Your name;
- Your reasons for making the **appeal**; and
- Any other information you would like to have considered.

You may submit written comments, documents, records, and other information relating to your claim, whether or not the comments, documents, records, or information were submitted in connection with the initial claim. You may also request that the Plan provide you, free of charge, copies of all documents, records, and other information relevant to the claim.

Send in your **appeal** to the address shown on the notice of **adverse benefit determination**.

You may also choose to have another person (an authorized representative) make the **appeal** on your behalf by providing written consent to the **Claims Administrator**.

Appeal Procedure

The **Claims Administrator's** review on appeal shall take into account all comments, documents, records and other information submitted by you relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. Before the **Claims Administrator** can issue an **adverse benefit determination** on review based on a new or additional rationale, the **Claims Administrator** shall provide you, free of charge with the rationale. The rationale must be provided as soon as possible and sufficiently in advance of the date the notice of **adverse benefit determination** is required to be provided to give you a reasonable opportunity to respond prior to that date.

The **Claims Administrator** shall issue a decision within 45 calendar days of receipt of the request for an **appeal**. If the **Claims Administrator** determines that due to special circumstances an extension of time for claim processing is required, such an extension, of no longer than 45 additional calendar days, will be allowed if the **Claims Administrator** notifies you within the first 45 calendar day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which a decision can be expected.

If your claim is extended due to your failure to submit information necessary to decide your claim on appeal, the time for decision shall be tolled from the date on which the notification of the extension is sent to you until the date the **Claims Administrator** receives your response to the request. The **Claims Administrator** may also toll the time for a decision to allow you a reasonable opportunity to respond to new or additional evidence or a new or additional rationale. Tolling will begin on the date that the **Claims Administrator** provides you with new or additional evidence or a new or additional rationale, and end when the **Claims Administrator** receives the response or on the date by which the **Claims Administrator** has requested a response, whichever comes first.

The individual reviewing your appeal shall give no deference to the initial benefit decision and shall be an individual who is neither the individual who made the initial benefit decision, nor the subordinate of such individual. The review process provides for the identification of the medical or vocational experts whose advice was obtained in connection with an initial adverse decision, without regard to whether that advice was relied upon in making that decision. When deciding an appeal that is based in whole or part on medical judgment, the **Claims Administrator** will consult with a medical professional having the appropriate training and experience in the field of medicine involved in the medical judgment and who is neither an individual consulted in connection with the initial benefit decision, nor a subordinate of such individual. If the **Claims Administrator** grants your claim appeal, the decision will contain information sufficient to reasonably inform you of that decision.

When Coverage Ends

Coverage under your Plan can end for a variety of reasons. In this section, you will find details on how and why coverage ends, and how you may still be able to continue coverage.

When Coverage Ends For Employees

Your coverage under the Plan will end if:

- The Plan is discontinued;
- The date your employment ends;
- You are no longer eligible for coverage;
- Your employment stops for any reason, including job elimination or being placed on severance. This will be the date you stop **active work**, however, your coverage may continue until stopped by your **Employer** as described below:
 - If you are not **actively at work** due to **illness** or **injury**, or on approved leave of absence, your coverage may continue, until stopped by your **Employer**, but not beyond 12 months from the start of the absence.
 - If you are not **actively at work** due to temporary lay-off or leave of absence, your coverage will stop on the day of the lay-off or leave of absence.

It is the Plan Administrator's responsibility to let the **Claims Administrator** know when your employment ends.

Extension of Benefits

Coverage for Short Term Disability Benefits

If your short term disability coverage ends during a period of disability which began while you were covered, any short term disability benefits will be continued until your benefit eligibility ends.

General Provisions

Administrative Notice

The Plan Administrator of the Plan has delegated to the **Claims Administrator** the discretionary authority to interpret the terms of the Plan and to decide factual and other questions relation to the Plan and Plan benefits, including without limitation, questions relating to eligibility for, entitlement to, and payment of benefits.

Duty to Cooperate

You have a duty at all times while your claim is under consideration to cooperate with the **Claims Administrator** in its investigation and evaluation of your claim. The **Claims Administrator** may require you to supply signed authorizations to allow it to obtain medical and other information. The **Claims Administrator** may require you and your **physicians** to supply documents, provide information, and fill out forms that are needed, in the **Claims Administrator's** judgment, to assist it in evaluating your claim. Failure to cooperate with the **Claims Administrator's** reasonable requests for documents and information may result in a denial of your claim. The **Claims Administrator** will have the right and opportunity to have a **physician** or appropriate medical professional of its choice examine any person who is requesting certification or benefits for new and ongoing claims. Multiple exams, evaluations and functional capacity exams may be required during your disability for an ongoing claim. This will be done at all reasonable times while certification or a claim for benefits is pending or under review. This will be done at no cost to you.

Legal Action

You must use and exhaust this Plan's administrative claims and **appeals** procedures before bringing a lawsuit. Any legal action brought to recover payment of any benefit under this Plan must be initiated before the earlier to occur of the following:

- Two years after the date of the final decision on the final **appeal** of the denial of your claim;
- Three years from the date your claim for benefits was first denied.

Plan Administrator's Right to Amend/Change Plan

The Plan Administrator retains the right to add to, change, amend or suspend the Plan at any time, without advance notice, within the parameters of any federal, state or local law that may apply.

Confidentiality

Information contained in your medical records and information received from any provider incident to the provider patient relationship shall be kept confidential in accordance with applicable law. Information may be used or disclosed by the **Claims Administrator** when necessary for the operation of the Plan, payment and administration of claims for benefits under the Plan, or other activities, as permitted by applicable law.

Additional Provisions

The following additional provisions apply to your coverage.

- You cannot receive multiple coverage under the Plan because you are connected with more than one employer.
- In the event of a misstatement of any fact affecting your coverage under the Plan, the true facts will be used to determine the coverage in force.
- This *SPD* describes the main features of the Plan. Additional provisions may be described in the Plan. If you have any questions about the terms of the Plan or about the proper payment of benefits, contact your **Employer** or the **Claims Administrator**.

Recovery of Overpayments

Short Term Disability Coverage

If payments are made in amounts greater than the benefits that you are entitled to receive, the **Claims Administrator** has the right to do any one or all of the following on behalf of the Plan:

- Require you to return the overpayment on request;
- Stop payment of benefits until the overpayment is recovered;
- Take any legal action needed to recover the overpayment; and
- Place a lien, if not prohibited by law, in the amount of the overpayment on the proceeds of any other income, whether on a periodic or lump sum basis.

If the overpayment:

- Occurs as a result of your receipt of *Other Income Benefit* for the same period for which you have received a benefit under this Plan; and
- To obtain such *Other Income Benefits* advocate or legal fees were incurred;

This Plan will exclude from the amount to be recovered, such advocate or legal fees; provided you return the overpayment to the Plan within 30 days of the Claims Administrator's written request for the overpayment. If you do not return the Plan overpayment to the Claims Administrator within such 30 days, such fees will not be excluded; you will remain responsible for repayment of the total overpaid amount. Please consult the section *Other Income Benefits*.

Plan Not a Substitute for Workers' Compensation Insurance

The Plan is not in lieu of and does not affect workers' compensation benefits. However, any workers' compensation benefits are considered *Other Income Benefits*.

Glossary

A

In this section, you will find definitions for the words and phrases that appear in **bold type** throughout the text of this SPD.

Active at Work; Actively at Work; Active Work

You will be considered to be active at work, actively at work or performing active work on any of your **Employer's** scheduled work days if, on that day, you are performing the regular duties of your job on a full time basis for the hours you are normally scheduled to work. In addition, you will be considered to be actively at work on the following days:

- Any day which is not one of your **Employer's** scheduled work days if you were actively at work on the preceding scheduled work day; or
- A normal vacation day.

Adverse Benefit Determination

A denial, termination of, or failure to provide or make payment (in whole or in part) for a benefit. Any **adverse benefit determination** will be in writing and include: 1) the specific reason or reasons for the decision; 2) specific references to the Policy provisions on which the decision is based; 3) a description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary; 4) a description of the Claims Administrator's review procedures and time limits applicable to such procedures; 5) a statement that you have the right to bring a civil action under section 502(a) of ERISA after you appeal the decision and after you receive a written denial on appeal; 6) a discussion of the decision, including an explanation of the basis for disagreeing with or not following: (a) the views presented by you to the Claims Administrator of health care professionals treating you and vocational professionals who evaluated you, (b) the views of medical or vocational experts whose advice was obtained on behalf of the Insurance Company in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination, and (c) a disability determination regarding you presented by you to the Insurance Company made by the Social Security Administration; 7) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request; 8) either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Insurance Company relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Insurance Company do not exist; 9) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; and 10) a statement prominently displayed in any applicable non-English language clearly indicating how to access the language services provided by the Insurance Company.

Appeal

A written request to the **Claims Administrator** to reconsider an **adverse benefit determination**.

B

Base Pay

This means the eligible **Employee's** basic wages, whether calculated on an hourly or salary basis. Base Pay does not include commissions, overtime, bonuses, or any other forms of additional compensation. For determining benefits to be paid on a weekly basis, Base Pay will be determined by dividing annual Base Pay by fifty-two (52). If benefits are paid on a daily or hourly basis, Base Pay is the weekly amount prorated by the number of days or hours in the **employee's** normal workweek or workday, as applicable.

C

Claims Administrator

This means Aetna, the company authorized by Gates Corporation to administer claims for benefits under the short-term disability Plan.

E

Employee

This means a person who is an active regular union-free employee of the **Employer**, and all active full-time benefits eligible employees of Galesburg USWA Local #685.

Employer

This means the person or company employing you and providing your coverage under the Plan.

Effective Treatment of Alcoholism or Drug Abuse

This means a program of alcoholism or substance abuse therapy that is prescribed and supervised by a **physician** and either:

- Has a follow-up therapy program directed by a **physician** on at least a monthly basis; or
- Includes meetings at least twice a month with organizations devoted to the treatment of alcoholism or drug abuse.

Detoxification and maintenance care are not Effective Treatment of Alcoholism or Drug Abuse.

H

Hospital

An institution that:

- Is primarily engaged in providing, on its premises, inpatient medical, surgical and diagnostic services;
- Is supervised by a staff of **physicians**;
- Provides twenty-four (24) hour-a-day R.N. service,
- Charges patients for its services;
- Is operating in accordance with the laws of the jurisdiction in which it is located; and
- Does not meet all of the requirements above, but does meet the requirements of the jurisdiction in which it operates for licensing as a hospital and is accredited as a hospital by the Joint Commission on the Accreditation of Healthcare Organizations.

In no event does hospital include a convalescent nursing home or any institution or part of one which is used principally as a convalescent facility, rest facility, nursing facility, facility for the aged, extended care facility, intermediate care facility, skilled nursing facility, hospice, rehabilitative hospital or facility primarily for rehabilitative or custodial services.

I

Illness

A pathological condition of the body that presents a group of clinical signs and symptoms and laboratory findings peculiar to it and that sets the condition apart as an abnormal condition differing from other normal conditions or from other pathological conditions.

Injury

An accidental bodily **injury** that is the sole and direct result of:

- An unexpected or reasonably unforeseen occurrence or event; or
- The reasonable unforeseeable consequences of a voluntary act by the person. The act or event must be definite as to time and place. An injury is not the direct result of **illness**.

M

Material Duties

Duties that:

- Are normally required for the performance of your **own occupation**; and
- Cannot be reasonably omitted or modified. However, to be at work in excess of 40 hours per week is not a material duty.



Motor Vehicle

This is a vehicle that is a registered and licensed vehicle and is:

- A passenger land or water vehicle of pleasure design which includes autos, vans, four-wheel drive vehicles, and self-propelled motor homes; or
- A truck of commercial design.

O

Own Occupation

The occupation that you are routinely performing when your period of disability begins. Your occupation will be viewed as it is normally performed in the national economy instead of how it is performed:

- For your specific **Employer**; or
- At your location or work site; and

Without regard to your specific reporting relationship

P

Physician

A duly licensed member of a medical profession who:

- Has an M.D. or D.O. degree;
- Is properly licensed or certified to provide medical care under the laws of the jurisdiction where the individual practices; and
- Provides medical services which are within the scope of his or her license or certificate.
- This also includes a health professional who:
- Is properly licensed or certified to provide medical care under the laws of the jurisdiction where he or she practices;
- Provides medical services, including evaluations and examinations, which are within the scope of his or her license or certificate; and
- Under applicable insurance law is considered a "physician" for purposes of this coverage.

For the purposes of Short Term Disability coverage, regular care of a physician means you are attended by a physician who:

- Is not you, and is not your immediate family member or anyone related to you by marriage or adoption;
- Has the medical training and clinical expertise suitable to treat your disabling condition;
- Specializes in psychiatry, if your disability is caused, to any extent, by a mental health or psychiatric condition; and
- Whose treatment is:
 - Consistent with the diagnosis of the disabling condition;
 - According to guidelines established by medical, research and rehabilitative organizations; and
 - Administered as often as needed.

Predisability Earnings

The amount of salary or wages you were receiving from an **Employer** participating in this Plan on the day before a period of disability started, calculated on a weekly basis

Your **predisability earnings** will be figured from the rule below that applies to you.

- If you are paid on an annual contract basis, your weekly salary is based on your annual contract divided by 52.
- If you are paid on an hourly basis, the calculation of your weekly wages is based on your hourly pay rate multiplied by the number of hours you are regularly scheduled to work per month; but not more than 40 hours per week.
- Field sales and Drivers Only: Prior year's gross wages.

Included in salary or wages are:

- For Field Sales and Drivers Only: Commissions included in prior year's gross wages.
- Contributions you make through a salary reduction agreement with your **Employer** to any of the following:
 - An Internal Revenue Code (IRC) Section 125 plan for your fringe benefits.
 - An IRC 401(k), 403(b), or 457 deferred compensation arrangement.
 - An executive nonqualified deferred compensation agreement. Salary or

wages do not include:

- Awards and bonuses.
- Fringe benefits
- Overtime pay or shift differential
- Contributions made by your **Employer** to any deferred compensation arrangement or pension plan.
- Extra compensation such as payments for revenue sharing, housing allowances, stipends, relocation incentives or buyouts of unused vacations, professional fees, non-qualified income.

A retroactive change in your rate of earnings will not result in a retroactive change in coverage.

Gates Sick Pay Coordination with Short Term Disability Benefits

The information outlined below is a summary of Gates Corporation's sick pay policy as it relates to an **employee's** non-occupational **illness** or **injury**. Should you have questions regarding the sick pay policy, please contact Human Resources.

1. Beginning on the date of hire, all regular Union-Free Active Associates and Active Associates of Galesburg USWA Local #685 benefits eligible **employees** begin accruing sick pay for their own personal **illness**.
2. Temporary employees are not eligible for sick pay.
3. Benefits eligible **employees** accrue sick pay at a rate of 5.33 hours per month up to a maximum of 64 hours. If you are on an approved leave of absence for a maximum of 12 weeks or less, you will continue to accrue regular sick pay. If your approved leave of absence extends beyond twelve (12) weeks, you will not accrue sick pay until you return to work as an active **employee**. Aetna will not be responsible for the accrual calculation or administration of sick pay.
4. In general, sick pay is paid at 100% of **base pay** up to a maximum of 40 hours per week based on the **employee's** regularly scheduled work week.
5. **Employees** hired before January 1, 2011 must exhaust all sick pay which was accrued prior to December 31, 2010 (Sick Bank #1) before using regular sick pay (Sick Bank #2) as outlined in this policy.
6. Gates Corporation reserves the right to require **employees** to provide a doctor's note verifying an absence was caused by a medical situation.
7. In order to use up to 40 hours of consecutive sick pay, the **employee** must be on an approved Short Term Disability claim or leave of absence, as determined by the third party disability administrator. Sick pay from Sick Bank #1 (when available) is to be used first to bridge the Short Term Disability waiting period. Once Sick Bank #1 is exhausted (or if unavailable), sick pay from Sick Bank #2 is used to bridge the waiting period before Short Term Disability benefits commence.
8. If the Short Term Disability claim is approved, Short Term Disability payment at 100% pay is deducted from Sick Bank #1 until exhausted. Thereafter, the Short Term Disability benefit will be 66 2/3% of the **employee's** regularly scheduled work week **base pay**.
9. The **employee** has the option to supplement the 66 2/3% of Short Term Disability benefit with accrued vacation or sick pay (33.1/3%) for a combined maximum not to exceed 100% of **base pay** or 40 hours per week.
10. Commissioned **employees** such as Field Sales and Transport Drivers' benefit will be based on the prior year's gross wages.
11. A release to return to work from the **employee's physician** will be required before the **employee** may return to work and provided to Human Resources and the **employee's** supervisor.

Continuation of Optional Employee Benefits Coverage During an Approved Leave of Absence Granted to Comply With Federal Law

This continuation of coverage section applies only for the period of any approved family or medical leave (approved FMLA leave) required by Family and Medical Leave Act of 1993 (FMLA) and Gates approved unpaid Leaves.

If your **Employer** grants you an approved FMLA leave in accordance with FMLA or any other approved unpaid leave, your **Employer** may allow you to continue optional benefit coverage for which you are covered under the group contract on the day before the approved leave starts.

At the time you request the leave, you must agree to make any contributions required by your **Employer** to continue optional benefit coverage. Your **Employer** must continue to make premium payments.

Optional benefits coverage will not be continued beyond the first to occur of:

- The date you are required to make any contribution and you fail to do so.
- The date your **Employer** determines your approved leave is terminated.
- The date the coverage involved discontinues as to your eligible class.

Important Information

Claim Administration Under the Plan	The claim administration of the Plan is handled by the Claims Administrator .
Plan Name	The name of the Plan is Gates Corporation Short Term Disability Plan.
Plan Number	The number assigned to the Plan by Aetna is 866232.
Plan Year	The Plan and its records are kept on a plan year basis, which is the calendar year. The Plan is classified as a welfare plan providing short term disability benefits.
Service of Process	The agent for service of process on the Plan is the Plan Administrator, at the below address.
Claims Administrator	Aetna
Plan Administrator and Plan Sponsor	Gates Corporation Global Benefits Department 1551 Wewatta Street Denver, Colorado 80202
Funding	The Plan is self-funded by Gates Corporation, with all benefits payable hereunder to be paid from Gates Corporation's general assets.