Colonial Voluntary Benefits℠

The benefits of good hard work.®



Help employees protect their family, finances and future



We exist to help employees protect their families, finances and futures

One company that can do the work of three

BENEFITS COMMUNICATION

FLEXIBLE ENROLLMENT

VOLUNTARY BENEFITS

Household budgets are tight. The future is unpredictable. And life always brings changes.

That's why we're here.

We can help provide stability and peace of mind, by protecting your employees should something unexpected come along to derail their plans.

Our shared ideals

- Helping protect employees' families, finances and futures is the right thing to do
- Flexibility and personalization are essential benefits
- All businesses grow from an entrepreneurial mindset
- Businesses and employees have different needs that deserve equal attention
- Results are what matter most

Trust the numbers

- Protecting employees and their families for more than **75 years**
- More than **$1 billion** in in-force premium
- Currently covering more than **3.8 million** employees and family members
- More than **9,500** locally-based benefit counselors, serving the employees of more than **90,000** businesses and organizations nationwide

Source: Colonial Life internal data, 2017.

Take a total benefits approach

Employees rely on you for more than wages – they rely on you for security. That's what a total benefits approach can provide.

- **Wages**
- **Medical insurance**
- **Health & wellness benefits**
  - Accident insurance
  - Dental insurance
  - Hospital confinement indemnity insurance
- **Income protection**
  - Disability income insurance
- **Survivor benefits**
  - Life insurance
- **Catastrophic illness**
  - Specified disease insurance for cancer
  - Specified disease insurance for critical illness



What are voluntary benefits?

Sometimes called "supplemental insurance," these often employee-paid benefits can stand alone or fill gaps in major medical and other insurance coverage.

Paid directly to the employee, they help personalize benefit packages to fit individual needs. Employees use them for:

- **CO-PAYS OR CO-INSURANCE**
- **TRAVEL EXPENSES**
- **HOUSEHOLD BILLS**
- **REPLACING WAGES OR SAVINGS**

Many policies include a wellness benefit that helps pay for certain wellness screenings, such as mammograms, colonoscopies, cholesterol tests and more.

83%

of workers with health care coverage would enroll in a voluntary benefits program without expecting their employer to pay for it

Source: Benefits Pro, Voluntary benefits: 3 key insights on purchasing behavior, 2017.

If you could add one benefit to your current package without adding cost, what would it be?

- **ACCIDENT INSURANCE**
- **SPECIFIED DISEASE INSURANCE FOR CANCER & CRITICAL ILLNESS**
- **DENTAL INSURANCE**
- **DISABILITY INCOME INSURANCE**
- **HOSPITAL CONFINEMENT INDEMNITY INSURANCE**
- **LIFE INSURANCE**



Beyond benefits



The number of Americans in high deductible health plans with health savings accounts doubled between 2010 and 2015.

Source: AHIP, *2015 Census of Health Savings Account — High Deductible Health Plans*, 2015.

Employee recruitment and retention

Benefits are a major reason employees choose to accept a new job – and also a major reason they choose to stay in their current one.

70% *of employers who offer voluntary benefits do so to aid in recruiting and retaining employees*

Source: Eastbridge, MarketVision: The Employer Viewpoint, 2016.

Greater cost control

As many employers offset premium increases with higher-deductible plans, our benefits help employees bring their coverage and budgets back into balance.

Increased tax savings

Employees can pay for many voluntary benefits with pre-tax income. This lowers both the income tax they pay and FICA taxes you pay.

ESTIMATED ADDITIONAL TAX SAVINGS*	
Employee's monthly premium (deducted from payroll), pre-tax	**$50**
Months	x 12
Employee's payroll deduction per year	**$600**
Employer FICA taxes	x 7.65%
Estimated annual employer savings per employee	**$45.90**

*For illustrative purposes only — actual costs may vary.



What sets us apart

Fast, accurate claims

Your employees expect claims to be fast and simple. We deliver:

- 600,000 annual claims
- 1-day payment in most cases
- 10+ years of 1-day payment

Source: Colonial Life internal data, 2016.

Simplified account management

Service simplicity and accuracy are part of everything we do. Just ask anyone who's trusted their business to us.

94% *of plan administrators gave us positive ratings for our online account management system.*

Source: Nielsen, 2016 Plan Administrator Satisfaction Survey, 2017.

Valuable partnership programs

Through our trusted partner network, we'll connect you with resources and services to help create a more robust benefits program.

95% of our customers are satisfied with their overall claims experience

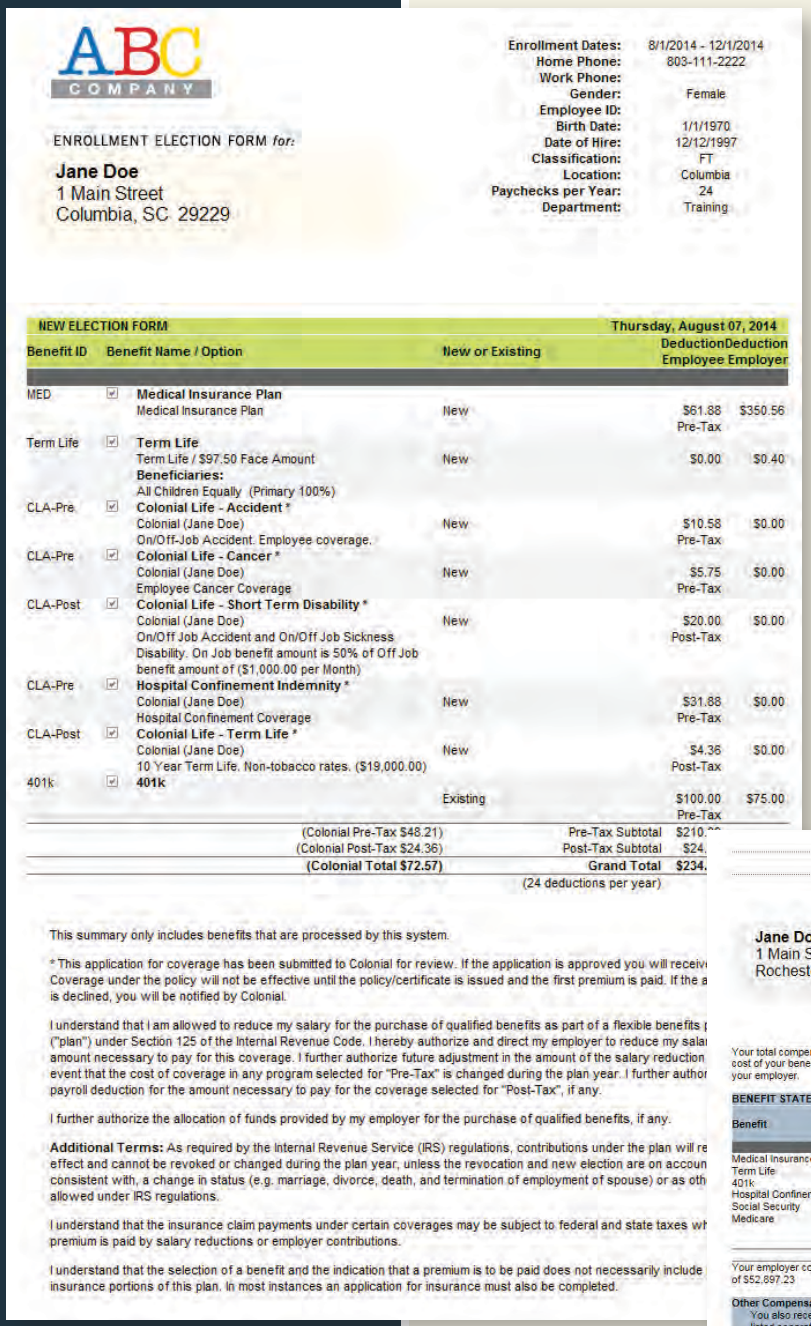
Market Decisions, 4Q2016 Voluntary Benefits Claimant Satisfaction Research, 2017.

Clear communication

Whether in writing, email or face-to-face — we deliver honest, clear and transparent conversation. Even our reports make insurance easy to understand.

Easily see employee's elections

Clearly see employee's total benefits



ABC COMPANY

ENROLLMENT ELECTION FORM *for:*

Jane Doe
1 Main Street
Columbia, SC 29229

Enrollment Dates:	8/1/2014 - 12/1/2014
Home Phone:	803-111-2222
Work Phone:	
Gender:	Female
Employee ID:	
Birth Date:	1/1/1970
Date of Hire:	12/12/1997
Classification:	FT
Location:	Columbia
Paychecks per Year:	24
Department:	Training

NEW ELECTION FORM — Thursday, August 07, 2014

Benefit ID	Benefit Name / Option	New or Existing	Deduction Employee	Deduction Employer
MED	**Medical Insurance Plan** Medical Insurance Plan	New	$61.88 Pre-Tax	$350.56
Term Life	**Term Life** Term Life / $97,50 Face Amount **Beneficiaries:** All Children Equally (Primary 100%)	New	$0.00	$0.40
CLA-Pre	**Colonial Life - Accident *** Colonial (Jane Doe) On/Off-Job Accident. Employee coverage.	New	$10.58 Pre-Tax	$0.00
CLA-Pre	**Colonial Life - Cancer *** Colonial (Jane Doe) Employee Cancer Coverage	New	$5.75 Pre-Tax	$0.00
CLA-Post	**Colonial Life - Short Term Disability *** Colonial (Jane Doe) On/Off Job Accident and On/Off Job Sickness Disability. On Job benefit amount is 50% of Off Job benefit amount of ($1,000.00 per Month)	New	$20.00 Post-Tax	$0.00
CLA-Pre	**Hospital Confinement Indemnity *** Colonial (Jane Doe) Hospital Confinement Coverage	New	$31.88 Pre-Tax	$0.00
CLA-Post	**Colonial Life - Term Life *** Colonial (Jane Doe) 10 Year Term Life. Non-tobacco rates. ($19,000.00)	New	$4.36 Post-Tax	$0.00
401k	**401k**	Existing	$100.00 Pre-Tax	$75.00
	(Colonial Pre-Tax $48.21)	Pre-Tax Subtotal	$210.	
	(Colonial Post-Tax $24.36)	Post-Tax Subtotal	$24.	
	(Colonial Total $72.57)	**Grand Total**	**$234.**	
		(24 deductions per year)		

This summary only includes benefits that are processed by this system.

* This application for coverage has been submitted to Colonial for review. If the application is approved you will receiv Coverage under the policy will not be effective until the policy/certificate is issued and the first premium is paid. If the a is declined, you will be notified by Colonial.

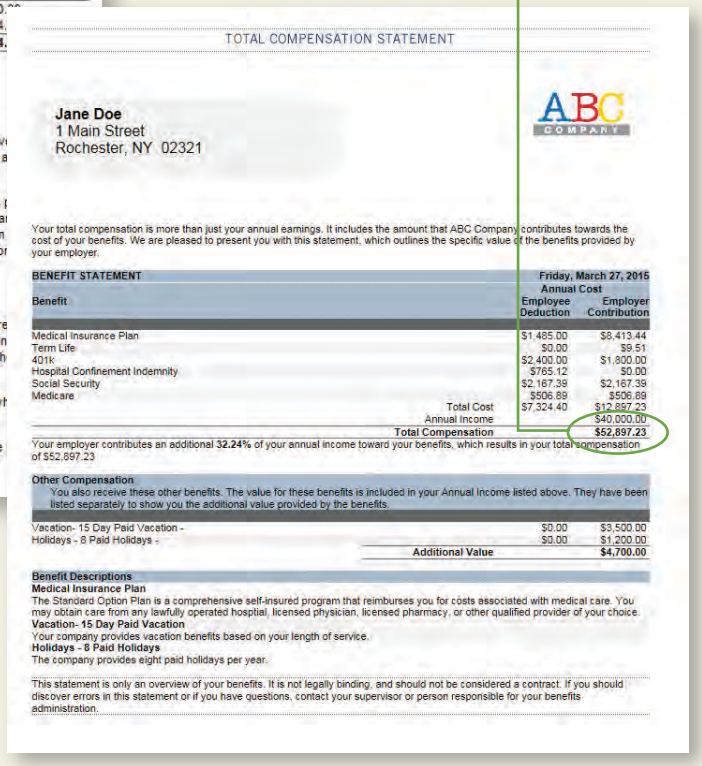
I understand that I am allowed to reduce my salary for the purchase of qualified benefits as part of a flexible benefits ("plan") under Section 125 of the Internal Revenue Code. I hereby authorize and direct my employer to reduce my sala amount necessary to pay for this coverage. I further authorize future adjustment in the amount of the salary reduction event that the cost of coverage in any program selected for "Pre-Tax" is changed during the plan year. I further author payroll deduction for the amount necessary to pay for the coverage selected for "Post-Tax", if any.

I further authorize the allocation of funds provided by my employer for the purchase of qualified benefits, if any.

Additional Terms: As required by the Internal Revenue Service (IRS) regulations, contributions under the plan will re effect and cannot be revoked or changed during the plan year, unless the revocation and new election are on accoun consistent with, a change in status (e.g. marriage, divorce, death, and termination of employment of spouse) or as oth allowed under IRS regulations.

I understand that the insurance claim payments under certain coverages may be subject to federal and state taxes wh premium is paid by salary reductions or employer contributions.

I understand that the selection of a benefit and the indication that a premium is to be paid does not necessarily include insurance portions of this plan. In most instances an application for insurance must also be completed.



TOTAL COMPENSATION STATEMENT

ABC COMPANY

Jane Doe
1 Main Street
Rochester, NY 02321

Your total compensation is more than just your annual earnings. It includes the amount that ABC Company contributes towards the cost of your benefits. We are pleased to present you with this statement, which outlines the specific value of the benefits provided by your employer.

BENEFIT STATEMENT — Friday, March 27, 2015

Benefit	Annual Cost Employee Deduction	Annual Cost Employer Contribution
Medical Insurance Plan	$1,485.00	$8,413.44
Term Life	$0.00	$9.51
401k	$2,400.00	$1,800.00
Hospital Confinement Indemnity	$765.12	$0.00
Social Security	$2,167.39	$2,167.39
Medicare	$506.89	$506.89
Total Cost	$7,324.40	$12,897.23
Annual Income		$40,000.00
Total Compensation		**$52,897.23**

Your employer contributes an additional **32.24%** of your annual income toward your benefits, which results in your total compensation of $52,897.23

Other Compensation
You also receive these other benefits. The value for these benefits is included in your Annual Income listed above. They have been listed separately to show you the additional value provided by the benefits.

Vacation- 15 Day Paid Vacation -	$0.00	$3,500.00
Holidays - 8 Paid Holidays -	$0.00	$1,200.00
Additional Value		**$4,700.00**

Benefit Descriptions
Medical Insurance Plan
The Standard Option Plan is a comprehensive self-insured program that reimburses you for costs associated with medical care. You may obtain care from any lawfully operated hospital, licensed physician, licensed pharmacy, or other qualified provider of your choice.
Vacation- 15 Day Paid Vacation
Your company provides vacation benefits based on your length of service.
Holidays - 8 Paid Holidays
The company provides eight paid holidays per year.

This statement is only an overview of your benefits. It is not legally binding, and should not be considered a contract. If you should discover errors in this statement or if you have questions, contact your supervisor or person responsible for your benefits administration.

Enroll in Harmony

Our proprietary software makes enrollment easy



Start right to end well

Create understanding

Benefits are only useful when employees understand and value them. We're the experts at explaining them in straightforward, simple language.

Flexible formats

We'll develop a mix of communications to fit your employees' and business' needs. This can include:

- **GROUP MEETINGS**
- **ONLINE RESOURCE CENTER**
- **INDIVIDUAL BENEFITS COUNSELING AND ENROLLMENT**
- **EDUCATIONAL MATERIALS**

1-to-1 is #1

Of all services, our 1-to-1 benefits counseling sessions are the most important. Employees can:

- Review their total benefits, including major medical
- Personalize their coverage
- Better understand and appreciate benefits

What's next

- **Confirm goals**
- **Schedule enrollment and meetings**
- **Gather information**
- **Educate and enroll**
- **Schedule support visits**

97% of employees say it's important to have a 1-to-1 benefits counseling session annually

Source: Average from 78,733 Colonial Life benefits counselor surveys, June 2008 – June 2017.

Colonial Voluntary Benefits℠

The benefits of good hard work.®

Colonial-PaulRevere.com/employer

©2018 The Paul Revere Life Insurance Company. All rights reserved.
Colonial Voluntary Benefits is a trademark and marketing brand of The Paul Revere Life Insurance Company.
Insurance products are underwritten by The Paul Revere Life Insurance Company, and administered by Colonial Life & Accident Insurance Company.

3-18 | 97684-13