

January 26, 2026

Dear Insured,

Thank you for choosing American Fidelity as your insurance provider.

American Fidelity has recently made changes to your Disability Income Insurance plan as negotiated with the California School Employees Association (CSEA) bargaining unit. We will process any claims received on or before 2/28/2026 under the terms of your previous plan's provisions.

The following are modifications to your plan effective March 1, 2026:

- A new plan number, 014916-CSE, has been assigned to your plan.
- **Alcoholism and Drug Addiction Benefit:** The alcohol and drug limitation period will be removed from your plan.
- **Disability Benefit:**
 - Short-Term Benefit:** When eligible to receive fully paid sick leave, you will receive a \$50.00 benefit per scheduled workday in addition to fully paid sick leave or \$100.00 while confined to a hospital for at least 18 continuous hours in duration. After sick leave ends, you will receive 80% of regular daily contracted salary per scheduled workday, reduced by deductible sources of income, through the end of the second benefit year. The minimum disability benefit is 25% of the Regular Daily Contract Salary or \$30.00, whichever is greater.
 - Long-Term Benefit:** After two benefit years, the plan pays year-round. Class 1: Up to 10% of regular monthly contract salary; the minimum disability benefit is \$100.00 per month. Class 2: Up to 66 2/3% of regular monthly contract salary, reduced by other income. The minimum disability benefit is 10% of the monthly disability benefit or \$100.00, whichever is greater.
- **Maximum Covered Salary:** The maximum covered salary will be increased from \$111,000.00 to \$300,000.00.
- **Long-Term Disability Benefit Period:** The benefit period will be updated from up to age 65 to Social Security Normal Retirement Age (SSNRA) for an accidental injury or sickness.
- **Paid Family Leave Limited Benefit Rider:** A Paid Family Leave Limited Benefit Rider will be added to the plan. Benefits are paid if the insured's leave is qualified within FMLA guidelines for a qualified family member as approved by the employer. As defined in the plan, the benefit will pay 60% of the insured's regular monthly contract salary for family leave. Benefits are payable on the first day of qualified leave if FMLA is approved for seven or more consecutive days up to a maximum benefit period of 10 weeks.
- Your rate per \$100 of monthly salary will be changed from \$0.90 to \$1.21.

All plan benefits are subject to limitations and exclusions. It is important to review the complete details in your plan certificate to ensure you understand your coverage and can make informed decisions about your insurance needs.

If you have questions, we would be happy to talk with you. Please contact us at 800-662-1113.

Sincerely,

American Fidelity