Employment-At-Will Notice

National Life Group (also referred to as “National Life” or the “Group”) employees should understand that the relationship between the member companies of the Group and its employees is “at-will” and terminable by either party at any time with or without cause. Except as set forth on this page, nothing should be construed as a limitation on National Life Group’s right to terminate the employment relationship at any time and for any reason. As each person’s employment is entered into voluntarily, you may terminate your employment at any time and for any reason. Any oral or written statements to the contrary are hereby expressly disavowed and should not be relied upon by any prospective or existing employee. Any oral or written statement by any member of National Life Group management which contradicts the “at-will” nature of the employment relationship as expressed herein is unauthorized and of no validity with the exception of a written statement made by National Life Group’s Chief Executive Officer.

Policies and procedures required by law, and company policies and procedures, including present employee benefit programs, are subject to change. Accordingly, National Life Group reserves the right to revise any such policies by addition, reduction, correction, deletion, or updating any part or all of the materials at its sole discretion at any time. Any such changes made to these policies or to other Company policies and procedures may be brought to the attention of employees through employee meetings, eWeekly and/or the Company’s website.
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Section 1: General Guidelines

1.1 Office Hours
Standard office hours are from 8:00 a.m. to 4:45 p.m. with 45 minutes for lunch, Monday through Friday. These hours total 40 hours per week. For business reasons, some departments may require employees to work other hours.

National Life Group facilities will normally be open on all work days regardless of weather, and you are expected to be at work unless taking approved time off. Consistent with this policy, you should make all reasonable efforts to arrive at work on time during inclement weather, although you are cautioned not to take risks which would endanger your safety. Call your manager if you expect to be delayed or absent.

1.2 Building Access (Montpelier Campus)
Employees are required to wear or display a company-issued picture ID and electronic access card (CASI card). All external doors, stairways, elevators and most internal doors are controlled by electronic access equipment. This technology utilizes a proximity reader that will recognize the user’s CASI access in order to open the door. If a CASI card is lost or stolen, it must be reported immediately to Security at Ext. 3776.

1.3 Visitors and Guests (Montpelier Campus)
All visitors, including family members and guests, are required to register at the security desk in the main lobby. Please limit personal visits. The security guard will arrange for you to meet your visitors in the main lobby.

1.4 Emergencies (Montpelier Campus)
For a medical emergency, dial 911. For a non-medical emergency, contact your manager or the People Center.

1.5 Corporate Attire Policy
The purpose of a corporate attire policy is to visually communicate the culture of a company. National Life Group desires to convey a professional image. This policy was developed to support that objective and to assist all employees in maintaining a professional appearance emphasizing neatness and good taste.

Consultants and other third parties performing services for National Life Group at National Life Group facilities are expected to comply with this policy.

Traditional Business Wear
Traditional business wear remains appropriate.

For women:
- Suits and pantsuits
- Business dresses
- Slacks, skirts & blouses

For men:
- Suits
- Slacks with a sport coat
- Shirt & tie

Business Casual Guidelines
As an alternative, casual business wear may be worn and should conform to the following:

- “Casual” does not mean “dress down.”

- Casual clothing should make you and everyone you work with feel professional and comfortable. Use good judgment. If in doubt, don’t wear it.

- Consider your day’s schedule when dressing. If you have meetings with either internal or external clients it is important to consider what appropriate attire for such a meeting is.

- Anything you might wear to the gym, the beach or out in the garden is not appropriate for the workplace.

- Pay attention to the appearance of your clothing, it should be clean, wrinkle-free and without holes or fraying.

- Pay attention to the fit of your clothing – too tight, too short or too revealing is inappropriate.

- Wear casual shoes such as loafers, flats and leather deck shoes. Athletic shoes such as sneakers and running shoes, flip-flops and construction boots are not acceptable or appropriate.
Appropriate Business Casual Clothing
The following listings are not all-inclusive. If you have any questions about the appropriateness of any type of clothing, check with your manager in advance.

Polo, oxford or collared-knit shirts, dress shirts without collars, skirts, slacks, blouses, sweaters, cardigans, blazers, sport coats, khakis, corduroys, dresses, jumpers, turtlenecks, loafers, flats, leather deck shoes. Clothing meeting this description and containing a National Life Group or affiliate name/logo is appropriate.

Examples of Inappropriate Attire
Jeans/denim (any color), any clothing with jean/denim material, T-shirts (printed or plain), leather, leggings, Spandex, shorts/skorts/culottes, crop-tops, halter tops, sweat suits/sweathirts/sweatpants (printed or plain), tank tops, tube tops, spaghetti straps, mini-skirts, low-cut tops, caps, hats, athletic shoes, sneakers, hiking shoes/boots, tevas, flip-flops (and other flip-flop type footwear).

Friday Casual Guidelines
On Fridays, in addition to the traditional and business-wear guidelines noted above, employees may wear jeans, denim and sneakers. These items should follow the guidelines noted above and be clean and in good repair (i.e. no holes, fraying).

Department managers will address issues relating to specific identified positions or circumstances that may require or permit attire that would otherwise not meet policy guidelines.

1.6 Smoking Policy
Effective July 1, 2016 the use of any tobacco products (including cigars, cigarettes, pipes, hookahs, all forms of smokeless tobacco, clove cigarettes and other smoking devices such as vapor and electronic cigarettes), is prohibited on the Vermont campus by National Life employees, contractors, visitors and all tenants. There will no longer be any designated smoking areas on the Vermont campus. As this policy will not directly affect the Addison campus, we are still promoting a tobacco-free environment.

1.7 Telephones
Since much of our business is conducted over the telephone, it is important that you learn how your management expects you to handle phone calls. In the interest of productivity and cost containment, please limit your use of Company phones for personal calls. Minimize the number and length of all personal calls, make personal calls before work, during breaks, during lunch or after work. (See also Electronic Services Policy under Corporate Policies.)

1.8 Cellular Telephones and Pagers
Depending on business need, employees may be issued a Company cellular telephone or pager. Regardless of whether you use a Company provided cellular telephone or pager, or have purchased your own equipment and use it to perform your job duties, you are expected to refrain from using such items while driving. Safety must come before all other concerns. (See also Electronic Services Policy under Corporate Policies.)

1.9 Furniture and Equipment
Furniture and equipment should not be moved without permission from Facilities Management. Consult with your supervisor before bringing in plants or personal furniture. Any use of equipment for charitable reasons requires the approval of Communications, which handles all activity related to charitable contributions.

1.10 Company Stationery
Under no circumstances should Company stationery be used for social correspondence or personal business including political, sectarian and civic fund raising activities, or for any purpose that implies a specific National Life Group endorsement of the contents of the correspondence, when no endorsement exists.
1.11 Solicitation and Contributions

You may not solicit or canvass for any purpose within Company buildings, leased space or on Company property during working times or the working times of the employees being solicited. Working time does not include lunch breaks or other times when you are not expected to be working. In addition, the distribution of literature is limited to non-working areas.

Off-duty* employees may not enter Company buildings for any purpose unless they are reporting to work, reporting for a pre-arranged meeting with a Company official(s), picking up a paycheck or work-related document, doing business at the Credit Union, meeting other employees in the cafeteria for lunch or using the fitness room. All such off-duty employees must register at the security desk upon arrival.

Non-employees may not solicit, canvass or distribute materials or literature for any purpose at any time within Company buildings, leased space or on Company property. Questions regarding this policy should be directed to Communications.

The management in your area is responsible for the policy regarding contributions to any fund for anniversary parties and gifts, flowers, wedding or baby shower gifts or parties.

* Off-duty is defined as any time that is not regularly scheduled work time.
Section 2: Your Employment

2.1 Employment Categories
The National Life Group has the following employment categories:

Regular, Full-Time: Employee working a standard week of 40 hours, with benefits.

Regular, Part-Time: Employee working a scheduled week of at least 25 hours, but less than a standard week. A restricted benefits package is available.

Fixed-Term with Benefits: Employee working a scheduled week of at least 25 hours for more than six months, with a scheduled termination of employment date. A restricted benefits package is available.

Fixed-Term, Hourly or Intern: Employee hired for a period of six months or less, with a scheduled termination of employment date. No benefits are available.

Supplemental/Hourly: Employee working a scheduled week of 20 hours or less. No benefits are available. (Employees are not hired for 21-24 hours per week.)

Contact the People Center for additional information concerning your eligibility for specific benefits.

2.2 Your Personnel File
Your personnel file, which contains information about your employment, is maintained by the People Center. Employees who are authorized to have access to your personnel record include management and People Center staff members who must use the files in their work. When you apply for a posted position, your file may be sent to the person who is responsible for filling the position.

Records kept in your file might include your application for employment, resume, transcripts of grades, performance reviews, job descriptions and an educational inventory. Documentation of attendance problems, disciplinary action or any events of significance regarding your job performance may also be included.

Contact the People Center if you would like to review your personnel file.

2.3 Employee Performance
National Life Group measures employee performance through an ongoing process known as Employee Engagement. Employee Engagement, unlike the traditional annual review format, features on-going goal setting, frequent feedback conversations and greater coaching opportunities. There are three specific areas of focus that are measured: Drive for Results, Development and Living Our Values.

2.4 Discipline
Although the National Life Group expects all of its employees to perform in a satisfactory manner and to comply with all Company policies and procedures, there are times when disciplinary action is necessary. This action may include some or all of the following: informal talk/verbal warning, written warning, probationary written warning and termination of employment.

Note: National Life Group, in its sole discretion, reserves the right to bypass some or all of the above options and proceed immediately to termination of employment.
2.5 Pay Practices

Pay
National Life Group pays employees on a bi-weekly basis. Payday occurs every other Friday and includes payment for the preceding two-week period. Pay statements are available in UltiPro under the Myself, Pay section.

Time Management, an application within the UltiPro website, is used to record and track both time worked and time away from work (paid time off). Please visit the Technology Center section on the UltiPro home page for additional information.

Direct Deposit
You are encouraged to have your paycheck automatically deposited directly into your account at a financial institution. Otherwise, your paycheck will be mailed to your home address.

Review your pay statement. We make every effort to ensure employees are paid correctly. Occasionally, however, mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections necessary. Please review your pay statement to make sure it is correct. If you believe a mistake has occurred or if you have any questions, please refer to the To Report Concerns or Obtain More Information section on the next page.

Salary Advances
The Company does not make salary advances.

Non-exempt & Exempt Employees
Every employee is classified as either “non-exempt” or “exempt” in accordance with the provisions of the federal Fair Labor Standards Act (FLSA). If your employment letter indicates you will be paid overtime, then you are classified as non-exempt. You may verify your classification by contacting the People Center.

Non-exempt Employees
For non-exempt employees, the FLSA requires compensation at 1 ½ times the normal rate of pay when their work exceeds 40 work hours in a given workweek. Web punching in Time Management is required in order to accurately track all hours worked. Overtime is calculated based on a Sunday through Saturday work week.

Non-exempt employees are required to enter a web punch when:
- arriving at work
- stopping for lunch
- returning from lunch
- leaving at the end of the day
- leaving for and returning from personal appointments

Employees who work scheduled shifts should ask their managers or the People Center how overtime is calculated for their schedules.

All supplemental employees (working 20 hours or less per week), interns and fixed-term employees who are paid an hourly rate are also required to web punch in Time Management in order to accurately track hours worked.

Employees must review and submit their timesheet at the end of each two-week pay period. This submission serves as your electronic signature that the recorded hours are complete and accurate. Your timesheet must also reflect any absences for combined time off (CTO), jury duty, bereavement etc. The timesheet will be reviewed by your manager for verification and approval. On payday, be sure to review your pay statement to verify that you were paid correctly for all regular and overtime hours.

Prior approval must be obtained from your manager for all overtime. Unless you are authorized by your manager, you should not work any hours that are not authorized. Do not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless you are authorized to do so. Employees are prohibited from performing any “off-the-clock” work. “Off-the-clock” work means work you may perform but do not record on your timesheet. Any employee who does not record or inaccurately records any hours worked will be subject to disciplinary action, up to and including the termination of employment.

It is a violation of National Life Group policy for any employee to falsify a time report, or to alter the time report for another employee. It is also a violation of Company policy for any employee or manager to instruct or allow another employee to incorrectly or falsely report hours worked or enter a web punch for another employee to under- or over-report hours worked. If any manager or employee instructs you to (1) incorrectly or falsely under- or over-report your hours worked, or (2) alter the time report for another employee to inaccurately or falsely report that employee’s hours worked, you should report it immediately to the People Center.
Exempt Employees

Exempt employees are not eligible for overtime pay. Certain sales, managerial, professional and administrative positions are considered exempt under the conditions set forth in the FLSA.

If you are classified as an exempt salaried employee, you will receive a salary that is intended to compensate you for all hours you may work for National Life Group. This salary will be established at the time of hire or when you become classified as an exempt salaried employee and may be subject to review and modification from time to time. Since exempt employees are not eligible to receive overtime pay, it is not necessary to track hours worked each day.

Under federal and state law, your salary is subject to certain deductions. For example, your salary can be reduced for the following reasons:

- Full day absences for personal reasons
- Full day absences for sickness or disability
- Full day disciplinary suspensions for infractions of our written policies and procedures
- Family and Medical Leave Act (FMLA) absences (either full or partial day absences)
- A proportionate rate of salary for time actually worked in the first and last pay periods of employment
- For certain types of deductions such as your portion of health, dental, disability or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) plan.

In any workweek in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness or disability (except FMLA leave)
- Absences created or caused by National Life Group (for example, if the facility is closed on a scheduled work day)
- Variations in the quality or quantity of work
- Any other deductions prohibited by state or federal law

Note: the deduction of an employee's accrued paid time off for full or partial day absences for personal reasons, sickness or disability is allowed.

Exempt employees are required to list all absences in their Time Management timesheet.

To Report Concerns or Obtain More Information

If you have questions about National Life Group's pay practices or deductions from your pay, please promptly contact the People Center.

If you believe you have been subject to any improper deductions or your pay does not accurately reflect your hours worked, you should promptly report the matter to your manager. If your manager is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should promptly contact a People Center Business Partner. If you have not received a response from the People Center within five business days after reporting the incident, please immediately contact the Chief People Officer or use the EthicsLine at 800-500-0333.

Every report will be investigated and corrective action will be taken where appropriate. Any employee or manager who violates the above provisions is subject to disciplinary action including the possibility of termination of employment. In addition, National Life Group will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company’s investigation of such reports. Retaliation is unacceptable, and any form of retaliation will result in disciplinary action, up to and including the termination of employment.

2.6 Salary Administration Program

The salary administration program's objective is to maintain a competitive salary structure for all positions and to relate compensation to Company and individual performance and results.

MeritIncreases: If an overall merit increase program is approved by executive management, increases based on pay for performance may be granted annually to approved and eligible employees.

Performance Achievement Awards: Discretionary “spot bonuses” may be granted to eligible employees who have performed “above and beyond” their regular work assignments.
2.7 Shift Differentials
Employees working on Company-approved night shifts may be entitled to differential pay. Your manager will advise you on the eligibility requirements.

Employees who work scheduled shifts should ask their managers about the calculation of overtime for their schedules. Your manager must approve in advance all overtime worked.

2.8 Job Posting
Our people are the special ingredient in our CAUSE-driven culture. It is for this reason we support their growth and career development. Most of our open positions are posted on the National Life Group portal and employees are encouraged to check often for both their own information as well as to see what positions are open in order to take advantage of the referral bonus.

For employees considering applying for a different position within the company, we ask that they follow the guidelines below:

- Generally, employees are expected to remain in a position for one year before posting for another position.
- Employees are encouraged, but not required, to speak with their manager prior to applying.
- All internal applicants will be contacted by a talent acquisition consultant to discuss the position. However, applicants are not guaranteed an interview with the hiring manager when they apply for an internal job. The hiring manager may choose to interview only those applicants considered the most qualified.
- When the hiring manager completes the selection process, the applicant will be verbally notified whether or not they were selected.
- The release date for a selected applicant is normally two weeks after notification. The release date may exceed two weeks if business needs dictate; however, the period will not exceed one month.
- As part of the transition into a new role, the hiring manager may consult the current manager to gather career development insights to help assure success in the accepted role.
- All guidelines are subject to company discretion.

2.9 Community Service
National Life Group is committed to “Doing Good” in our communities. In support of this commitment, the company has a policy that makes it easier for employees to volunteer in the community during work hours. For additional information, please refer to the Community Service Policy (located on the NLGroup employee portal under Corporate Policies) and Section 3.9 of this guidebook.

2.10 Second Jobs
If you hold another job in addition to a job with the Company, there should be no conflict of interest. The use of Company time, equipment, services and facilities for such employment is prohibited.

2.11 References
In answer to general inquiries about present or former employees, the only information the Company discloses is confirmation of employment, dates of such employment, job title and the location (geographical) where the job was performed. Any inquiries you receive regarding present or former employees should be referred to the People Center.

2.12 Employee Photographs
The inclusion of the photographs of all employees in the National Life Group Organizational Chart accessible to all employees on the National Life Home Page and as attachments to Outlook email messages allows employees to identify their associates and brings about a sense of community within the National Life family. It allows new employees to identify existing employees and allows existing employees to identify employees as they join National Life.

Effective September 1, 2016, National Life will include all employee ID photographs in the National Life Group Organizational chart and on Outlook email messages. National Life may choose to use photographs in an intranet employee directory in the future. Employee photographs will be for internal use only and will not be distributed outside the National Life intranet. National Life will continue to use employee ID photographs for internal business purposes and for safety and security purposes. The inclusion of an employee’s photograph in this manner shall be a term and condition of employment.
Section 3: Attendance Practices

3.1 Attendance
Our success as a Company depends on your commitment to your work. Good attendance is vital to our productivity. We all share a very basic responsibility—to come to work on time and to work the scheduled hours. It is each employee’s responsibility to:

- Understand that when you are not at work, either the job does not get done or others must do it.
- Have all absences, other than for illness and emergencies, approved in advance by your manager.
- Contact your manager promptly after the start of the workday if you are ill or there is an emergency at home.
- Schedule doctors’ appointments when they are least likely to disrupt your work schedule.
- Record all absences properly.

Absences other than for illness must be approved in advance by your manager. If you are ill or must remain at home because of an emergency, call or have someone else call your manager as soon as possible after the start of the work session.

3.2 Company Holidays
The Company annually publishes a holiday schedule for the upcoming year.

3.3 Credit for Prior Service
Prior years of service credit is given to employees who left their regular full-time employment with National Life Group and then returned. This prior service is then used to calculate the employee’s paid time off eligibility date and service award date.

- An employee whose total break(s) in service is one year or less will receive credit for all prior time worked on a full-time basis.

- An employee whose break in service is greater than one year may receive credit for up to three years of their prior service.

Seniority Date
Seniority date is used when calculating combined time off. This always has a January 1st effective date. To determine the seniority year, prior service credit is subtracted from the current hire year. For example, the seniority date for an employee hired in 2010 with two years of prior service credit would be January 1, 2008.

Note: The seniority year for an employee with no prior service would be equivalent to the current hire year.

Service Award Date
For employees who are rehired, the service award date is used when calculating an employee’s total years of service with National Life Group. This date recalculated takes into consideration any breaks in service.

If you have questions about your service award date, please contact the People Center.
3.4 Combined Time Off (eff. 1/1/2017)  
National Life Group understands and appreciates that employees require time away from work for a variety of reasons. Consequently, we provide a generous time off policy to help eligible employees integrate work and personal obligations.

Non-Exempt (or hourly) Employees
The amount of combined time off you earn is determined based upon years of service at National Life Group according to the following schedule:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Non-Exempt</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hours</td>
</tr>
<tr>
<td>0 to 2</td>
<td>176</td>
</tr>
<tr>
<td>3 to 5</td>
<td>192</td>
</tr>
<tr>
<td>6 to 10</td>
<td>208</td>
</tr>
<tr>
<td>11 to 15</td>
<td>224</td>
</tr>
<tr>
<td>16 &amp; up</td>
<td>240</td>
</tr>
</tbody>
</table>

Employees may carry up to 40 hours of unused CTO into the next calendar year.

Newly hired employees will be eligible for a pro-rated portion of the annual accrual shown in the above schedule. Employees may not borrow against CTO time they expect to earn in the next calendar year.

Employees are required to use available CTO when taking time off from work with the exception of absences mandated by the company. CTO may be taken in increments as low as one hour with management approval. When CTO is used, an employee is required to record CTO hours according to their regularly schedule workday. For example, if an employee works a six-hour day, they would record six hours of CTO when taking that day off.

CTO is paid at the employee's straight time rate of pay. CTO is not part of any overtime calculation.

Exempt (or salaried) Employees
There is no established minimum/maximum number of CTO days for Exempt employees. Exempt employees are not subject to the time recording regimen governed by the Fair Labor Standards Act and do not earn extra wages for time worked above 40 hours in a week. Consequently, we do not track or limit paid time off usage. Under this CTO policy of “responsibility time off,” employees are not required to track time off in UltiPro.

Use and Scheduling of CTO (all employees)
Absences need to be scheduled in advance with management approval. Unscheduled absences are strongly discouraged except in emergency situations. Repeated unscheduled absences may be monitored and an employee may be counseled when the frequency of unscheduled absences adversely affects the operations of the department.

Reporting Absences
When unable to report to work due to personal illness or any other reason, you must contact your manager immediately to report the absence and when you expect to return. In cases of prolonged absence, in addition to immediate reporting, it is suggested that you call in from time to time to keep your manager updated on your expected return-to-work date.

An employee who fails to report to work and does not notify their manager with an acceptable explanation may be disciplined, up to and including termination.

For absences lasting more than five days, you need to contact the People Center to determine whether you may qualify for either family and medical leave or short-term disability pay.

Payment upon Termination
Non-exempt employees will be paid upon resignation, separation or retirement for all CTO hours that have been accrued but not used. Likewise, any used but unearned CTO time will be deducted from your final paycheck. This practice does not apply to exempt employees.
3.5 Leave for Pregnancy and Adoption

Maternity
Birth mother receive 10 weeks of maternity leave after the birth of a child. Pregnant employees may continue working as long as they are physically able to fulfill their job responsibilities. Short Term Disability and Family Medical Leave (if applicable) paperwork must be completed. Contact Benefits in the People Center for detailed information on pregnancy leave.

Adoption
Parents of a newly adopted child receive 10 weeks of leave for the primary care giver. Family Medical Leave (if applicable) paperwork must be completed. If both parents of an adopted child work for National Life, only one parent will be eligible for the 10-week primary caregiver leave with the other being eligible for the Paid Parental Leave. Contact Benefits in the People Center for detailed information on adoptive parental leave.

3.6 Paid Parental Leave
All new parents (biological and adoptive mothers and fathers) are eligible for two weeks of paid parental leave. This leave would normally begin within one month, and before six months, of the date that the child leaves the hospital or enters the home and must be taken consecutively. While advance notification of intent to use this leave is required, preferably one month if possible, it is not subject to management discretion.

3.7 Bereavement Leave
Death in the Family: Following are the workdays, which may be used, without loss of pay, for deaths.

Note: To attend the funeral of a close friend, employees may use CTO or take the time as unpaid.

<table>
<thead>
<tr>
<th>Hours</th>
<th>Immediate family members – an employee’s spouse, parent, step-parent, sibling, child, stepchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law or grandchild</th>
</tr>
</thead>
<tbody>
<tr>
<td>32</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Extended family members – grandparent, aunt, uncle, niece, nephew, first cousin</td>
</tr>
</tbody>
</table>

3.8 Jury Duty/Court Appearance
Regular pay continues for any regular full-time, part-time or fixed-term with benefits employee who is called for jury duty. Employees appearing as a plaintiff, defendant or for a non-subpoenaed court appearance will not receive jury duty pay. CTO should be used in these instances.

- An employee called to jury duty must submit a copy of the call to jury duty to their manager as soon as possible.
- If jury duty is extended beyond the period specified in the initial notification, your manager should be notified immediately.
- An employee will continue to accrue CTO during jury duty time.
- The employee’s benefits will remain in effect during jury duty time.
- Upon completing jury duty, the employee shall report to work at the beginning of the next scheduled work period. If jury duty does not require the full work period, the employee shall report to work upon completing jury duty for that day, with travel time consideration.
- An employee receiving jury duty pay from the court is entitled to keep that pay.
- Time taken for jury duty must be reported in Time Management.

3.9 Volunteer Time
National Life Group encourages and supports participation in volunteer activities that align with the mission of National Life Group’s Charitable Foundation and giving guidelines. Regular full and part-time employees may use up to 40 hours per year to volunteer in the community. Volunteer time should be recorded in Time Management. Please review the corporate Community Service Policy for more information.
3.10 Leaves without Pay

It is sometimes necessary for employees to be away from work for longer periods than can be accounted for by applicable leaves with pay.

Leaves of absence without pay for a period not exceeding 10 days may be granted with the approval of senior management. Longer absences require approval of both senior management and the People Center. It is important that such requests be made well in advance.

Company management values you as an employee, but for business reasons, cannot guarantee that your position will be held open for you while you are on an extended leave of absence. There also can be no guarantee that there will be another position to place you in when you return. A leave of absence beyond three months is generally considered “extended.” However, the length of time a job can be held open depends primarily upon the business needs of your area and the nature of your job. It’s important to know that there are no guarantees that your position will remain open. If your position were eliminated due to reasons unrelated to your leave, you would be eligible to receive separation pay according to Company guidelines in place at the time. Discuss your individual situation with your manager, who will advise you on the status of your job.

Unless stated otherwise, under the specific leave without pay category, the following provisions apply: During a leave of absence without pay (1) combined time off will not be earned. If you have already used combined time off in advance that you will not earn in that calendar year, the used and unearned time off will be deducted from your next available paycheck; (2) Company-paid group insurance continues in force*; (3) voluntary insurance may be kept in force by paying premiums in advance or on a current monthly basis*; (4) medical/dental insurance may be continued by paying premiums in advance or on a current monthly basis; (5) participation in pension plan and 401(k) plan continue; (6) employees who become disabled while on leave without pay are not eligible for disability plans. If you have questions, see the People Center before your leave begins.

Leave to Care for Family Members: You may wish to take a leave to care for an ill family member. If this is the case, you should inform your manager as soon as possible. You may take up to 12 weeks of unpaid leave during a 12-month period to care for a seriously ill immediate or household family member. These 12 weeks do not have to be taken consecutively. If there is a situation where help is needed off and on, the 12-weeks total should be interpreted as cumulative. (See Corporate Policy on Family, Parental and Medical Leave under Corporate Policies.)

Absences extending beyond 12 consecutive weeks require the approval of your manager and the People Center for the extended portion of that leave.

New Parent’s Flexible Leave: All new parents are eligible for six weeks of unpaid, flexible leave time, which does require advance notification, but is not otherwise subject to management discretion. This time would normally begin as soon as the paid parental leave is exhausted. Exceptions to the normal start time would require prior management approval.

During these six weeks, your position and salary are guaranteed upon return (although your manager may make temporary reassignments in order to complete the area’s work), and benefits will be covered. If your manager approves, a flexible work schedule may be made available if you wish to work part time during the flexible leave time period.

New Parent’s Additional Leave: All new parents may extend the length of absence without pay for up to an additional six weeks beyond the six weeks of flexible leave. Your position and salary are guaranteed upon return, and benefits will be covered. Managers and employees are encouraged to work together to plan a schedule that best fits their needs.

Educational Leave: You may request an educational leave of absence if the additional education to be acquired is related to your present position or to qualify you for greater responsibility in the Company. For approval, your manager must make a recommendation to the People Center.

Military Service and Military Leave: At National Life Group we value and respect the military service of our employees and encourage them to continue their military service while an employee of National Life Group. Regular full-time employees who are members of the National Guard or of a reserve component of any of the armed services are eligible for military leave. Employees requesting such leave should refer to the Military Service and Military Leave Policy.

* Leaves extending beyond three months are governed by insurance plan regulations.
Section 4: Your Benefits

4.1 Summary Plan Descriptions
Summary plan descriptions, which are made available to you, describe the retirement and welfare benefit plans in accordance with Employee Retirement Income Security Act (ERISA) requirements. If anything stated in this guidebook or in a summary plan description conflicts with the more specific details or provisions of a particular retirement and/or welfare plan, the actual plan document will take precedence. Contact the People Center at any time during regular business hours to examine the plan documents.

4.2 Paid Time Off
Eligible employees participate in various paid time off programs. See Section 3 for information on those programs.

4.3 Pension Plan
If you are in a “with benefits” employment category, you participate in a Company-funded pension plan. You will be 100% vested in this pension benefit after 3 years of continuous employment.

4.4 401(k) Plan
If you are in a “with benefits” employment category, you will be automatically enrolled in the National Life Group 401(k) Plan with a 6% contribution. All eligible employees can contribute up to 50% of their earnings, subject to certain compensation and benefit limits. The Company will match contributions per the below schedule. The Company match funds will become 100% vested after two years of employment.

- Annual base salary of $45,000 or less, you will receive a 75% match up to your 6% contribution (i.e. you contribute 6%, the Company will contribute 4.5%)
- Annual base salary of $45,001 or more, you will receive a 50% match up to your 6% contribution (i.e. you contribute 6%, the Company will contribute 3%)

4.5 Medical/Dental Plans
The Company provides eligible employees with medical and dental plan options. You may elect medical/dental coverage or dental only coverage. You have up to 30 days from your date of employment to join one of these plans. Coverage will begin with your date of employment if an election is made within these 30 days.

If you initially decline medical coverage, you will have to wait for the annual open enrollment / benefit conversion period to enroll, or within 30 days of a qualifying event (e.g. marriage, divorce or loss of employment.)

Purchasing Coverage through the Marketplace
If you choose to purchase health insurance through the Marketplace instead of electing the health insurance provided by your employer, you may lose your employer’s contribution to your health insurance, may lose any tax deductions from your employer contribution, may not qualify for a subsidy from the federal government, and your payment to the Marketplace are on an after-tax basis.

4.6 LIFE (Wellness) Program
Employees can participate in a health and fitness program called LIFE - Lifestyle Improvement for Employees. The main objective: Lifelong good health! The primary goals are to encourage you to evaluate your current lifestyle and to provide opportunities for positive action to improve your health and to enjoy life to the fullest. Further information is available on the Company’s web site.
4.7 Healthcare and Dependent Care Flexible Spending Accounts (FSA)
If you are in a “with benefits” employment category, you are able to set up Healthcare and Dependent Care Flexible Spending Accounts to which you allocate money out of your paycheck on a pre-tax basis to pay specified expenses.

The Healthcare FSA can be used to pay eligible out-of-pocket medical, dental, vision, co-payments, and plan deductibles. If an employee participates in the High Deductible Health Plan with an HSA, you are eligible to participate in the Limited Purpose FSA which can be used to pay for eligible dental and vision expenses until the deductible is reached on the medical plan and can then be used to pay medical and prescription costs.

The Dependent Care Flexible Spending Account (DCFSA) can be used for child care expenses. National Life Group will offer a matching contribution of up to $1,000 for those who qualify for and contribute to a DCFSA.

You have up to 30 days from your date of employment to join either plan. You may also sign up during the annual open enrollment / benefit conversion period or within 30 days of a qualifying event (e.g. marriage, loss of coverage, birth of a child).

4.8 Vision Plan
If you are in a “with benefits” employment category, you are provided a vision plan through Vision Services Plan (VSP). This plan allows for you and your dependents to receive routine eye exams, lenses and frames or contacts at little to no cost.

Coverage is effective on the first day of the pay period following your hire date. As an employee, you are automatically enrolled in the Vision Plan but will need to enroll your dependents.

4.9 Short Term Disability (STD)
This program is designed to provide salary continuation for regular benefits eligible employees who are unable to work due to illness, pregnancy or injury (other than a self-inflicted injury).

Eligibility
An employee requesting STD must complete a 40-hour qualifying period (typically 5 work days) and submit to the People Center a STD Claim form. Upon approval, STD would begin on the sixth day of continuous disability.

An employee receiving workers’ compensation or disability pay under any state or federal plan is ineligible for this benefit. To be eligible for continued disability benefits, the employee must not engage in outside employment and is expected to avoid activities that may delay recovery and a return to work.

Medical Certification
The STD Claim form is to be completed and signed by both the employee and their attending physician. It must include the beginning and anticipated end date of the disability. This form must then be submitted to the People Center for review and determination on benefit qualification. An individual on STD may be required to provide a signed physician’s statement every 30 days to continue receiving this benefit.

Benefit Payment
STD pays 100% of base salary for the first 12 weeks of STD and then 65% of base salary for up to 14 weeks of any remaining period of STD. Payments are made on regularly scheduled paydays. The benefit is taxable income.

Return to work
The employee must return to work as soon as permitted. The employee must submit a note from their attending physician to the People Center. An employee whose absence has been designated as FMLA (Family and Medical Leave Act) leave is eligible for reinstatement as provided by the FMLA.

Generally, an employee on STD Leave retains health benefits with the employee’s share of premiums deducted from their STD check.

At the end of 26 weeks, an employee on STD may apply for Long Term Disability.

4.10 Long Term Disability (LTD)
Eligible employees will be provided with a basic LTD benefit equal to the lesser of 60% of their monthly base salary or $15,000 per month. At the start of their employment and during the annual open enrollment / benefit conversion period, employees are able to purchase additional LTD coverage equal to the lesser of 10% of their monthly base salary or $1,250 per month. Offsets, such as social security or other benefits you receive (state disability, workers’ compensation, personal injury award, etc.), may be deducted from your LTD benefit.
4.11 Life Insurance
Employees in a “with benefits” employment category are provided, at no cost, a group life insurance policy in the flat amount of $50,000 effective on their date of hire. You may purchase additional life insurance at the time of employment and during the annual open enrollment period.

4.12 Other Life Insurance and Retirement Annuities
Any life insurance policy or annuity issued by the Company that you own may be paid through payroll deduction.

You may purchase life insurance on your own life through payroll deduction or direct payment, with the first year premium being reduced. Employees may also purchase life insurance on other lives, such as family members, using payroll deduction, but with no first year reductions.

You can purchase annuity policies issued by either of National Life Group’s insurance companies and receive the commission credited to the issued policy as a bonus.

4.13 Sentinel Funds
You may purchase shares in one or more of the mutual funds sponsored by the Company. All purchases may be made without commissions being charged. The minimum monthly payroll deduction for most Sentinel Funds is $50.00. Before investing, it is important that you understand fund objectives, redemption procedures, distribution of fund income and taxation of dividends and capital gains. For more complete information, contact Equity Services at Ext. 3900.

4.14 Adoption Benefits
Employees in a “with benefits” employment category who have had one year of continuous service will be reimbursed for up to $2,000 of covered expenses incurred in the adoption of a dependent child.

4.15 Tuition Reimbursement Program
National Life Group’s Tuition Reimbursement Plan provides non-taxable educational assistance for employees who have completed 3 months of service. A total of $5,250 per calendar year will be reimbursed at the rate of 2/3 of the eligible expenses upon successful completion of the course (a grade “C-” or better for undergraduate courses and “B-” or better for graduate courses).

4.16 Accident Insurance
If you are traveling on Company business, you are automatically covered by a group business accident benefit plan. You may also purchase voluntary group non-business accident insurance to cover you and other dependent members of your immediate family for injuries or death resulting from an accident not connected with Company business. You have up to 30 days from the date of employment to elect coverage under the voluntary plan. You may apply for coverage during the annual open enrollment / benefit conversion period.

4.17 Workers’ Compensation Insurance
You are covered by Workers’ Compensation Insurance for workplace accidents. If you have an accident at work, it should be reported within 72 hours to Risk Management at RiskManagement@nationallife.com and to your manager so that proper claims forms can be prepared.
Section 5: Services

5.1 Service Awards
The Milestones service award program recognizes cumulative years of service in five-year employment increments. To recognize this achievement, employees are invited to select a gift from one of our customized catalogs. They also receive a personalized certificate presented in an engraved 5”x7” silver frame. To be eligible for service awards, employees must be regular full time or regular part time employees at the time of the award. After 25 years of credited service, an employee becomes a member of the Quarter Century Club.

5.2 Business Travel
If your position requires traveling for the Company, you should request information from your manager or Corporate Travel on the Company policy with regard to transportation, rooms, meals, and other expense items and policies. The Travel and Expenses Policy is on the Company’s web site under Travel Information, Travel and Related Expenses.

5.3 Recreation Association
All Montpelier-campus employees and retirees of the National Life Group are members of the Recreation Association. Run by employee volunteers, the association sponsors various social and athletic activities throughout the year.

5.4 Toastmasters
The Company has its own chapter of Toastmasters International, an organization designed to improve the listening, thinking and speaking skills of its members. Membership is open to all employees and membership dues are partially paid by the Company. Contact an officer of Toastmasters for more information.

5.5 Notary Public (Montpelier Campus)
As a service to you, the Company has a number of notaries who can acknowledge your papers and documents at no expense to you. Please call the Law Department (Ext. 3276) for an updated list of names.

5.6 Lost and Found (Montpelier Campus)
Lost items, no matter how incidental, should be reported to Facilities Management as soon as possible. If theft is suspected, you should also report the loss immediately. Found items should be taken to Facilities Management or left with one of the security guards.

5.7 Bulletin Boards (Montpelier Campus)
The bulletin board located at the north entrance of the main building is available for the advertisement of community events. This bulletin board should not be used for commercial advertising of any kind.

All other bulletin boards located throughout the main building are restricted to the People Center use only.
5.8 Use of Facilities (Montpelier Campus)
Local non-profit organizations may use certain National Life Group facilities, and in order that this is done fairly with minimum disruption during business hours, the following applies:

- The organization must be non-profit and non-sectarian with no political or religious affiliation.
- The organization must have a Company employee as an active member who may request use of the facility by contacting Communications.
- Functions related to Company business will take priority.
- Meetings may be held during the lunch hour in the executive dining rooms, based on availability. Meetings may not be held in conference rooms during the business day.
- Organizations may meet after business hours, with the understanding that, unless it is a corporately sponsored event, no special accommodations will be made, i.e. there will be no set-ups, clean-up or extra security and systems (air conditioning and supply fans). A Company employee must be present and responsible for the group.
- Organizations may not hold fundraising events at National Life without the permission of Communications.
- Area high schools with students whose parents are National Life employees may use the cafeteria for one function per year. A $200.00 cleaning fee will be required.
- Food service for any event held at National Life must be provided by the Company’s food-service vendor.

The above guidelines are not applicable to any National Life business-related meeting or organization in which National Life is a corporate member. (Examples of corporate membership are the Vermont Business Roundtable and the Vermont Employers Health Alliance, among others.) Facilities Management must be notified of all meetings/events with outside organizations scheduled at the Home Office. Company employees may invite business visitors, or schedule meetings involving outside organizations or individuals at any time, provided that the occasions are related to National Life business.

Exceptions to the above may be made by Communications in consultation with Facilities Management.

5.9 Hopkins House (Montpelier Campus)
Hopkins House provides a welcoming, comfortable environment for business visitors to Montpelier who need overnight accommodations. It is also available for corporate social occasions and selected meetings hosted by National Life Group associates. The facility is not a commercial venture and National Life Group cannot be compensated for its use.

When requests for accommodations exceed capacity, following is the order of priority:
1. Board of Directors
2. Home Office Schools
3. Other visitors will be reviewed case by case, with the decision made by the Assistant Vice President – Travel and Conferences according to the purpose of the visit. The following order will generally prevail:
   - Field Force - General Agents first, then Agents
   - Employment Candidates
   - New Employees
   - Visitors conducting business at the Home Office – consultants, vendors, etc.

When Hopkins House is not available, Travel and Conferences should be notified to make reservations at other local facilities for Company guests.

All requests for overnight accommodations should be made directly to the Hopkins House Manager by the home office host with the exception of a group, which should be arranged through Travel and Conferences.
Section 6: Termination of Employment

6.1 Termination
Both National Life Group management and you have the right to terminate your employment at any time and for any reason. This means that your employment may be terminated by the Company in its sole discretion with or without cause.

6.2 Resignation
Employees are requested to give notice of their resignation to their managers at least two weeks in advance of their expected departure dates. The Company reserves the right to accept an employee’s resignation and request that the employee leave his or her position immediately.

6.3 Unused Combined Time Off
For non-exempt employees only, any accumulated combined time off (CTO) that you have earned and not used will be included in your final paycheck.

If you have already used CTO in advance for months that you did not actually work, the unearned CTO will be deducted from your final paycheck or otherwise owed to the Company.

6.4 Benefits
The People Center will contact you regarding the termination of your benefits.

6.5 Return of Company Property/Security Checklist
You will be expected to settle any travel funds owed to the Company and to return any Company issued credit cards, keys, your CASI card, and any other Company property. Your manager will complete a Security Checklist for retention in your personnel file.

6.6 Exit Interview Questionnaire
The People Center may send you an exit interview questionnaire. The People Center may also invite you to participate in an exit interview.
Section 7: Supplemental Guidelines for Texas Employees

7.1 Office Hours
Standard Office Hours are from 8:00 a.m. to 5:00 p.m. Monday through Thursday and 8:00 a.m. to 3:45 p.m. on Friday. The Dallas location also offers flexible hours which must be approved in advance by the Department Officer. A minimum of 30 minutes is required for lunch.

7.2 Corporate Attire Policy
Appropriate Business Casual Clothing includes denim and skorts. Sneakers are not permitted at any time, including on Friday casual day.

For other absences beyond an employee’s control, managers should contact the People Center to discuss.