

Group insurance benefits

Proposal for: Scintilla Soft Inc
Effective date: June 1, 2018
Prepared by: Colby Louis Alban Lancaster

AIS

Thanks for considering group insurance from Principal® for your employee benefits program. This proposal includes rates and benefit information for:

- ✓ Group term life
- Voluntary term life
- Short-term disability
- Long-term disability
- ✓ Dental
- ✓ Vision
- Critical illness
- Accident

Benefits you can depend on

You can count on Principal for the choice, flexibility and support you need. Choose from our broad portfolio of products which includes life, short-term disability, long-term disability, dental, vision, critical illness and accident insurance. These comprehensive benefits can help you attract and retain the best employees.

Also, take advantage of our service. Professional staff helps you with employee education, enrollment and account management. And you benefit from our experienced local sales and service teams who are here to address your needs – every step of the way.

Rates

Scintilla Soft Inc

Effective date: June 1, 2018



Group term life					
	Employee monthly rate	Volume	Lives	Estimated monthly cost	Estimated annual cost
Group term life	\$.112 (per \$1,000)	\$350,000	7	\$39.20	\$470.40
AD&D	\$.022 (per \$1,000)	\$350,000	7	\$7.70	\$92.40
Total				\$46.90	\$562.80
Rate guarantee: two years, unless volume increases or decreases by more than 25%					

Insurance issued by Principal Life Insurance Company, 711 High Street, Des Moines, IA 50392

GP61690-04 | 03/2018 | Proposal number: 04231810141-1 | Today's date: 04/23/2018 | SIC code: 7371

Voluntary rates

Scintilla Soft Inc

Effective date: June 1, 2018



The volume, lives, monthly costs and annual costs will be determined upon final enrollment.

Voluntary dental	
	Monthly rate
Employee	\$24.95
Employee & spouse	\$59.95
Employee & child(ren)	\$71.58
Family	\$112.17
Rate guarantee: one year	

Voluntary vision	
	Monthly rate
Employee	\$6.74
Employee & Spouse	\$15.58
Employee & Child(ren)	\$16.58
Family	\$27.39
Rate guarantee: one year	

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Group term life

Scintilla Soft Inc



Effective date: June 1, 2018

Group term life for all members	
Life benefit	\$50,000 benefit
Accidental Death and Dismemberment	\$50,000 benefit Coverage for employees on and off the job.
Benefit age reduction	35% reduction at age 70 and an additional 20% reduction at age 75 Age reductions apply to the benefit amount after proof of good health.
Proof of good health	Required for life insurance amounts greater than \$50,000 Persons age 70 and over shall have an amount that is the lesser of the amount shown or the amount with the prior carrier. Proof of good health is required if on the date the member becomes eligible for coverage there are fewer than five members insured.

Additional benefits	
Accelerated benefits	Terminally ill employees can receive up to 75% of their life insurance benefit, up to \$250,000, if their life expectancy is 12 months or less (as diagnosed by a physician) and the death benefit is at least \$10,000. When an employee uses the accelerated benefit, the death benefit is reduced by the accelerated benefit payment. There are possible tax consequences to receiving an accelerated benefit payment and the employee should contact a tax advisor for details. Receipt of accelerated benefits could also affect eligibility for public assistance.
Coverage during disability	If an employee becomes totally disabled before age 60, coverage will continue and premium will be waived. The employee must be totally disabled for 9 months before the waiver begins. Coverage continues without premium payment until the employee recovers or turns age 65, whichever occurs first. No benefits will be paid for any disability that results from: willful self-injury or self-destruction, while sane or insane / war or act of war / voluntary participation in an assault, felony, criminal activity, insurrection, or riot.
Accidental Death and Dismemberment	Benefit is paid when the loss occurs within 365 days of the accident. <ul style="list-style-type: none"> Full benefit - Loss of life, loss of both hands, both feet, sight of both eyes, one hand and sight of one eye, one foot and sight of one eye, or one hand and one foot. Half the benefit - Loss of one hand, one foot, or sight of one eye. One fourth the benefit - Loss of thumb and index finger on the same hand. Additional AD&D benefits: <ul style="list-style-type: none"> Standard package - Seatbelt/airbag, education, repatriation, loss of use/paralysis, loss of speech and/or hearing, exposure, disappearance.
Individual purchase rights	Employees who terminate employment may be able to convert to individual policies. Upon coverage termination, employers are required to inform employees of their right to convert to an individual policy without proof of good health. The purchase amount varies depending on the termination situation.

Insurance issued by Principal Life Insurance Company, 711 High Street, Des Moines, IA 50392

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Group term life

Scintilla Soft Inc

Effective date: June 1, 2018



Highlights

Participation	<ul style="list-style-type: none">• 100% participation for all non-contributory coverages.• 50% participation for all contributory coverages.
Eligibility	<p>Employee: Eligible employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week.</p> <p>Dependent: Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
Express claim processing	For claims meeting certain criteria, decisions are reached within 5 working days without the employer or beneficiary submitting paperwork.
Life benefit limitations and exclusions	Benefits are not paid if you are outside the United States for certain reasons for more than six months.
AD&D limitations	Unless otherwise covered in the policy or required by state or federal law, AD&D benefits are not paid for losses resulting from: willful self-injury or self-destruction / disease or treatment of disease or complications following the surgical treatment of disease / participation in certain criminal activities / participation in certain activities such as flying, ballooning, parachuting, parasailing, bungee jumping or other aeronautic activities / duty as a member of a military organization / war or act of war / the use of alcohol, if the member's alcohol concentration level exceeds the legal limit in the jurisdiction where the injury occurs / the member's operation of a motor vehicle or motor boat if the member's alcohol concentration level exceeds the legal limit in the jurisdiction where the injury occurs / the member's use of certain drugs, narcotics or hallucinogens not prescribed by a licensed physician.

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Voluntary dental scheduled PPO network benefit design

all members

	Calendar year deductible		Coinsurance (policy pays)		Calendar year maximum benefit	
	In-network	Non-network	In-network	Non-network	In-network	Non-network
Preventive	\$0	\$0	100%	100%	\$1,000	\$1,000
Basic	\$50	\$50	80%	80%	\$1,000	\$1,000
Major	\$50	\$50	50%	50%	\$1,000	\$1,000

Family deductible = 3 x per person deductible.

Combined deductibles: deductibles for basic and major in-network and non-network services are combined.

Combined maximums: calendar year maximums for preventive, basic and major services are combined.

We process claims using prevailing fees at the negotiated fee schedule amount.

The maximum accumulation plan was elected. This allows for a portion of unused dollars to roll over to next year's maximum benefit amount. To qualify, a member must have had a dental service performed within the calendar year and use less than a maximum threshold. The threshold is equal to the lesser of 50% of the maximum benefit or \$1000. If qualification is met, 50% of the threshold will be carried over to next year's maximum benefit. Individuals with fourth quarter effectives will start qualifying for rollover at the beginning of the next calendar year. A member can accumulate no more than four times the carry over amount. The entire accumulation amount will be forfeited if no dental service is submitted within a calendar year.

Participation: 20% or 5 lives, whichever is greater

Covered services

Preventive	<p>Exams (1 per 6 months)</p> <p>Second opinion consultation</p> <p>Cleanings (1 per 6 months)</p> <ul style="list-style-type: none"> Expectant mothers, diabetics and those with heart disease receive one additional routine or periodontal cleaning within a calendar year. <p>X-rays</p> <ul style="list-style-type: none"> Bitewing (1 per calendar year) Occlusal (2 per calendar year) Periapical (4 per calendar year) Full mouth survey (1 per 60 months) Extraoral (2 per 12 months) <p>Fluoride application (1 per calendar year); covered only for dependent children under age 14</p>
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Basic	<p>Emergency exams (subject to exam frequency 1 per 6 months)</p> <p>Periodontal maintenance (if 3 months have elapsed after active surgical periodontal treatment; subject to routine cleaning frequency limit)</p> <ul style="list-style-type: none"> Expectant mothers, diabetics and those with heart disease receive one additional routine or periodontal cleaning within a calendar year. <p>Sealants on first and second permanent molars for dependent children under age 14 (1 per 36 months)</p> <p>Space maintainers (covered only for dependent children under age 14; repairs not covered)</p> <p>Harmful habit appliance (covered only for dependent children under age 14)</p> <p>Fillings</p> <p>Stainless steel crowns</p>
Major	<p>Simple oral surgery</p> <p>Complex oral surgery</p> <p>General anesthesia/IV sedation</p> <p>Periodontics (non-surgical), including scaling and root planing (1 per quad per 24 months)</p> <p>Periodontal surgical procedures (1 per quad per 36 months)</p> <p>Simple endodontics (root canal therapy for anterior teeth)</p> <p>Complex endodontics (root canal therapy for molar teeth)</p> <p>Crowns (1 per tooth per 120 months) if tooth cannot be restored by a filling</p> <p>Inlays, onlays, cast post and core, core buildup (1 per tooth per 120 months)</p> <p>Bridges - initial placement; replacement after 120 months</p> <p>Complete or partial dentures - initial placement; replacement after 60 months</p> <p>Repairs - partial denture, bridge, crown, relines, rebasing, tissue conditioning and adjustment to bridge/denture (within policy limitations)</p>

Highlights

Coordination of benefits	<p>As allowed by state law, we coordinate benefits with coverage provided by any other employer, trust, union, association, or educational institution - other than student accident policies, governmental program or state law. Total benefits from all sources cannot exceed 100% of covered charges.</p>
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Eligibility	<p>Employee: Eligible employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p>Dependent: Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
Future enrollees	<p>Late entrants (those enrolling more than 31 days after becoming eligible) will be subject to an individual benefit waiting period, as outlined below.</p> <ul style="list-style-type: none"> Coverage for preventive services begins on the individual's effective date. There is a 12 month waiting period for basic services, and a 24 month waiting period for major services (including riders).
Waiting periods	None
Prior dental coverage	This proposal assumes the group had no prior dental coverage.
Annual enrollment	One month before the policy anniversary date, employees and dependents (who were not previously enrolled) can enroll.
Limitations	<p>The proposed policy contains restrictions and limitations. Before making a purchase decision, review the following limitations and resolve any questions. The following limitations and restrictions are applied as required by state law or as otherwise described in the group policy.</p> <p>The insurance does not pay for treatment or services above: unless specifically mentioned above, veneers, anterior $\frac{3}{4}$ cast crowns, personalization or cosmetic reasons / performed by an immediate family member / performed by any person who is not a dentist, dental hygienist, or other authorized provider / that do not meet professionally recognized standards of quality / that are not for a covered charge / that exceed prevailing fee charges / unless specifically mentioned above, implants / to alter or maintain vertical dimension or restore or maintain occlusion / that are temporary / for provisional and permanent splinting / for a work related sickness or injury / paid for by U.S. government or its agencies (except Medicaid or as required under state or federal law) / resulting from participation in certain criminal activities / resulting from war or an act of war / for which there would be no cost in the absence of insurance / for duplicating or replacing lost or stolen appliances or prosthetic devices / for replacing tooth structure lost from abrasion or attrition / not expected to correct your dental condition for more than 3 years / for services performed outside a dental office / for patient management / unless specifically mentioned above, occlusal guards / that are an experimental or investigational measure / paid for by a Medicare Supplement Insurance Plan. The insurance also does not cover: drugs or medicines other than antibiotic injections / instructions for plaque control, oral hygiene, or diet control / bite registration or occlusal analysis / orthodontic treatment, service, appliance, or bands / temporomandibular joint (TMJ) disorders.</p>



Voluntary vision for all members		
VSP choice network		
Covered charges	Benefit	Frequency
Exams	\$10 copay	1 per 12 months
Prescription glasses	\$25 copay	
Lenses	Single vision, lined bifocal, lined trifocal, and lenticular lenses; polycarbonate lenses for dependent children under age 18	1 pair per 12 months
Frames*	\$150 allowance for a wide selection of frames; 20% off amount over allowance ¹	1 set per 24 months
Elective contacts	Up to \$60 copay for standard and premium elective contact lens exams (fitting and evaluation)	1 per 12 months
	\$150 allowance for elective contacts	Instead of lens and frames benefit
Necessary contacts ²	\$25 copay	1 per 12 months
	Covered in full for members who have specific conditions.	Instead of lens and frames benefit
Lens enhancements	Most popular options are covered after a copay, saving members an average of 20-25%. Members should see their doctor for special pricing on additional lens enhancements.	
Additional savings ¹	Savings on laser vision correction and additional pairs of prescription glasses and non-prescription sunglasses.	



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Non-network providers

Covered charges	Benefit ³	Frequency
Vision exams	Up to \$45	1 per 12 months
Single vision lenses	Up to \$30	1 pair per 12 months
Lined bifocal lenses	Up to \$50	1 pair per 12 months
Lined trifocal lenses	Up to \$65	1 pair per 12 months
Lenticular lenses	Up to \$100	1 pair per 12 months
Frames	Up to \$70	1 set per 24 months
Elective contacts	Up to \$105	1 per 12 months Instead of lens and frame benefits
Necessary contacts ²	Up to \$210	1 per 12 months Instead of lens and frame benefits

¹ Based on applicable laws; benefit may vary by doctor location.

² Prescribed to correct extreme visual problems that cannot be corrected with regular lenses.

³ The benefit amount is the lesser of the maximum payment limit or billed amount minus the applicable copay.

*VSP has agreements established with some participating retail chain providers that may also provide benefits for this covered service. Up to an \$80 allowance is given for a wide selection of frames from Costco. Please talk to your provider or contact VSP customer care for further details.

Highlights

Participation	20% or 5 lives, whichever is greater
Eligibility	<p>Employee: Eligible Employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p>Dependent: Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
Annual enrollment period	One month before the policy anniversary date, employees and dependents (who were not previously enrolled) can enroll.
Future enrollees	Late entrants (those enrolling more than 31 days after becoming eligible) are subject to an individual benefit waiting period.
Coordination of benefits	Benefits from two or more carriers are limited up to 100% of the claimant's covered expenses.



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Limitations

The proposed policy contains restrictions and limitations. Before making a purchase decision, review the following limitations and resolve any questions. The following limitations and restrictions are applied as required by state law or as otherwise described in the group policy.

No benefits will be paid for: visual analysis or vision aids that are not medically necessary / services and/or materials not specifically included in the benefit schedule / plano lenses / two pairs of glasses instead of bifocals / replacement of lenses, frames and/or contact lenses furnished under this plan which are lost or damaged / orthoptics, vision training or supplemental testing / medical or surgical treatment of the eyes / contact lens insurance policies or service agreements / refitting of contact lenses after the initial fitting period / contact lens modification, polishing or cleaning, local state and/or federal taxes, except where required by law. Benefits will not be paid for any vision care expense for: which proof is submitted by a person who is part of the member's or dependent's immediate family / vision aids provided outside the United States.

VSP is not a member of the Principal Financial Group.

Discounts and services

Scintilla Soft Inc



Effective date: June 1, 2018

Discounts and services	
Laser vision correction	Through the National Lasik Network, administered by LCA-Vision, Inc., employees, their spouses and dependent children receive savings on one of the most frequently performed elective surgeries in America. The discount includes 15% off standard pricing or 5% off promotional pricing.
Hearing aid program	Through American Hearing Benefits, Inc. (AHB) and Ear Professionals International Corporation (EPIC), employees and their families are eligible for up to 60% off hearing aids.
Travel assistance	<p>Employees, their spouses and dependent children (whether traveling together or separately) have access to travel, medical, legal and financial assistance plus emergency medical evacuation benefits provided by AXA Assistance¹ when traveling domestically or internationally more than 100 miles from home for up to 120 consecutive days.</p> <ul style="list-style-type: none"> Participants are responsible for any incurred fees or expenses. Insured transportation services are administered by AXA Assistance USA, Inc. and underwritten by a third party licensed insurance company. This service is not part of the coverage and may be changed or discontinued at any time. AXA Assistance USA, Inc. is not a member of the Principal Financial Group®.
Will & legal document center	Employees and their spouses have free access to resources and tools provided by ARAG ² to create a will, living will, healthcare power of attorney, durable power of attorney and medical treatment authorization for minors. Estate planning resources and a personal information organizer are also included.
Identity theft kit	This valuable resource from ARAG provides employees with information on how to protect their identity and restore it if stolen.
Beneficiary support	<p>Beneficiaries receive grief support services from Magellan Healthcare.³</p> <p>Financial professionals are available to help beneficiaries with insurance proceeds.</p> <p>Spouses and dependents also receive three months of free online access to will preparation services provided by ARAG.²</p>
Dental Health Edge^{SM4}	This resource helps employees make better decisions about oral health care. Certified dentists can answer questions, and a dental cost estimator shows approximate costs in a specific ZIP code. The site is also available in Spanish.

These discounts are not insurance.

The discounts and services listed here are available to members, and/or their dependents or beneficiaries, with group coverage underwritten by or with administrative services provided by Principal Life Insurance Company. The discounts and services are not a part of the policy or contract and may be changed or discontinued at any time. Although Principal has arranged to make these programs available to you, the third party providers are solely responsible for their products and services.

¹Participants are responsible for any incurred fees or expenses. Insured transportation services are administered by AXA Assistance USA, Inc. and underwritten by a third-party licensed insurance company.

²The use of the services provided by ARAG® Services, LLC should not be considered as a substitute for consultation with an attorney.

³The use of services provided by Magellan Healthcare is not a substitute for consultation with a licensed medical professional. Principal Life Insurance Company is not responsible for any loss, injury, claim, liability, or damages related to the use of Grief Support Services. Magellan Healthcare is not a member of the Principal Financial Group®.

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Discounts and services

Scintilla Soft Inc

Effective date: June 1, 2018



⁴The articles and resources on Employers Dental Health Edge are made available for the sole purpose of general education on dental health related matters. This information is not intended as medical advice. For answers to your own health concerns, contact your dentist or other health care provider. Employers Dental Services (EDS) does not provide dental or medical advice. EDS is a member of the Principal Financial Group®.

Our services

Online benefit administration	eService offers free administration and management of all group insurance for employers and employees. Employers can add or remove employees, view and update employee information, pay premiums and more. Employees can view statuses of claims, confirm covered dependents and more.
Claim services	At Principal Life, we know filing a claim is a defining moment for clients. That's why we strive to make the claims process quick and easy for our customers. Vision claim services are handled by VSP.
Simple payroll deduction	We make employee payroll deductions easy by aligning your bill with your employees' pay frequency: weekly, bi-weekly, monthly and bi-monthly.

General provisions

Renewing your coverage	Your insurance runs annually or based on your rate guarantee period, but no less than annually, unless the policy terminates before that date. While the insurance is in force and subject to its termination provisions, you may renew at the applicable premium rates in effect on your anniversary.
Termination and renewability of your coverage	The insurance is renewable at your option. Principal Life has the right to nonrenew or terminate the insurance if: you fail to pay premium / fraud or misrepresentation occurs / your company relocates to a state where Principal Life does not offer group coverage(s) provided by your policy / your company no longer meets the participation or contribution rules / you no longer qualify as an eligible business or group / we give you advance notice of termination as required by your state.
Policy changes	Principal Life has the right to modify coverage under the group policy at any time to meet legal requirements or to ensure consistent application of policy provisions. In addition, you may request coverage changes, subject to approval by Principal Life.
Federal and state laws	Various federal and state laws may affect the rights of insureds to continue coverage. The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Family Medical Leave Act (FMLA) and the Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA) are examples. As an employer, you are responsible for meeting the obligations imposed by any federal and state continuation laws. However, we design and administer our policies to comply.

Rating assumptions

Scintilla Soft Inc

Effective date: June 1, 2018



Rating assumptions

These rates are based on the following:

Texas as the contract state. If you have employees located in other states, we may apply benefits based on those states' provisions, when applicable.

An effective date of June 1, 2018. Suggested premiums and benefits are provided for illustration purposes only. Acceptance of your group, the final premium rates and actual benefits cannot be offered to you until all necessary information about your group has been received and reviewed by home office underwriters of Principal Life and approved by an officer of Principal Life. Rates will be recalculated based on actual enrollment under the policy and are subject to change if the number of employees on the effective date varies by more than 15% from the sold proposal. Changes in assumptions, group demographics, policy design and policy effective date may also affect your rates. Final rates will apply for the period of time specified in the contract. Rates may increase on renewal in accordance with the terms of the policy.

There are limitations, restrictions and exclusions in this policy. There are also certain restrictions involving payment of premium, termination, fraud, eligibility and participation. Final rates are dependent on entering into an insurance contract where all limitations, exclusions, and restrictions are taken into consideration.

Group Term Life commissions are paid using a flat 15%.

Dental commissions are paid using a flat 10%.

Vision commissions are paid using a flat 10%.

This proposal is a general description. It is not a policy and does not modify or change the provisions of any policy or rider. If there is a discrepancy, the policy is the final arbiter of the coverage. Policy definitions and provisions may vary by state, read your policy carefully for the exact definitions and provisions. Policy limitations and exclusions apply. Benefits are limited when living outside the United States. Insurance issued by Principal Life Insurance Company, a member of the Principal Financial Group®.

Compensation information

Scintilla Soft Inc

Effective date: June 1, 2018



Disclosure of compensation information

As a result of this sale, I (or my firm) may receive compensation (cash or otherwise) that is based in part on factors such as total deposits, assets or premium volume and persistency or profitability of the business I sell. The cost of this compensation may be directly or indirectly reflected in the premium or fee for this product. I may receive this compensation from the insurer and/or entities through which I place business.

Please contact me if you have any questions about this compensation.

Note: Customer's signature is required only when the producer is also receiving compensation directly from the customer. A copy of the signed document should be given to the customer. The broker should keep the original in the client file.

I acknowledge paying compensation directly to the producer and receipt of the above information before purchasing the contract under consideration.

Customer signature

Date

cc: Client File