

Proposal for: Tucson Youth Development, Inc
Effective Date: July 1, 2016
Prepared by: KELLI POLITO
Group Non-Medical Sales and Services

Black Gould and Associates Inc

Thank you for considering Principal Life's group insurance for your employee benefits program. This proposal includes rates and benefits information for:

- ✓ GROUP TERM LIFE
- ✓ VOLUNTARY TERM LIFE
- SHORT-TERM DISABILITY
- LONG-TERM DISABILITY
- ✓ DENTAL
- ✓ VISION
- CRITICAL ILLNESS

Depend on Principal Life

You can count on Principal Life for the choice, flexibility and support you need. Our broad portfolio of products includes life, short-term disability, long-term disability, dental, vision and critical illness insurance. These comprehensive benefits help you attract and retain the most qualified employees.

Our commitment to you doesn't stop with the sale. Professional staff assists with employee education, enrollment and account management. And our experienced local sales and service teams help meet your needs – every step of the way.

Rates

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

GROUP TERM LIFE					
	Employee Monthly Rate	Volume	Lives	Estimated Monthly Cost	Estimated Annual Cost
Group Term Life	\$.233 (per \$1,000)	\$447,000	31	\$104.15	\$1,249.80
AD&D	\$.027 (per \$1,000)	\$447,000	31	\$12.07	\$144.84

RATE GUARANTEE: Two years, unless volume increases or decreases by more than 25%

GROUP DEPENDENT LIFE					
ALL MEMBERS ELECTING LOW PLAN, ALL MEMBERS ELECTING HIGH PLAN					
	Employee Monthly Rate	Volume	Lives	Estimated Monthly Cost	Estimated Annual Cost
Dependent Life	\$0.89 (per family)	N/A	12	\$10.68	\$128.16

RATE GUARANTEE: Two years, unless volume increases or decreases by more than 25%

DENTAL BENEFIT CHOICE ¹	
ALL MEMBERS ELECTING HIGH PLAN	
	Monthly Rate
Employee	\$33.20
Employee & Spouse	\$58.23
Employee & Child(ren)	\$84.35
Family	\$115.53

RATE GUARANTEE: One year

¹Lives, monthly cost and annual cost determined upon final enrollment.

Rate includes:

- Orthodontia - Child

Insurance underwritten by Principal Life Insurance Company

Rates

TUCSON YOUTH DEVELOPMENT, INC

EFFECTIVE DATE: July 1, 2016



DENTAL BENEFIT CHOICE ¹	
ALL MEMBERS ELECTING LOW PLAN	
	Monthly Rate
Employee	\$25.06
Employee & Spouse	\$46.50
Employee & Child(ren)	\$56.48
Family	\$81.68
RATE GUARANTEE: One year	
¹ Lives, monthly cost and annual cost determined upon final enrollment.	
Rate includes:	
<ul style="list-style-type: none">• Orthodontia - Child	

Insurance underwritten by Principal Life Insurance Company

GP61690

10/2015

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Voluntary Rates

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

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

VOLUNTARY TERM LIFE Monthly Rate ¹ per \$1,000 ALL MEMBERS ELECTING LOW PLAN, ALL MEMBERS ELECTING HIGH PLAN		
Age	Employee	Spouse
29 & Under	\$.084	\$.084
30 - 34	\$.092	\$.092
35 - 39	\$.139	\$.139
40 - 44	\$.224	\$.224
45 - 49	\$.345	\$.345
50 - 54	\$.563	\$.563
55 - 59	\$.884	\$.884
60 - 64	\$ 1.227	\$ 1.227
65 - 69	\$ 2.265	\$ 2.265
70 & over	\$ 3.744	\$ 3.744

RATE GUARANTEE: Two years, unless volume increases or decreases by more than 25%

¹Voluntary Term Life rates do not include the AD&D rate. The spouse is charged based upon his/her individual age.

Child(ren) monthly rate:
 \$10,000 of coverage for \$2.00 per family
 \$20,000 of coverage for \$4.00 per family

VOLUNTARY ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) Monthly Rate per \$1,000	
Employee and Spouse	\$.027

AD&D is automatically added to any Voluntary Term Life benefit elected. Employee and spouse are charged separately.

VOLUNTARY VISION	
	Monthly Rate
Employee	\$8.14
Employee & Spouse	\$15.80
Employee & Child(ren)	\$16.78
Family	\$26.61

RATE GUARANTEE: One year

Insurance underwritten by Principal Life Insurance Company

Group Term Life

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

GROUP TERM LIFE FOR

ALL MEMBERS ELECTING LOW PLAN, ALL MEMBERS ELECTING HIGH PLAN

Life Benefit	\$15,000 benefit
Accidental Death & Dismemberment	\$15,000 benefit Coverage for employees on and off the job.
Benefit Age Reduction	35% reduction at age 65 and an additional 15% reduction at age 70 Age reductions apply to the benefit amount after proof of good health.
Proof of Good Health	Required for life insurance amounts greater than \$15,000 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.

DEPENDENT LIFE FOR

ALL MEMBERS ELECTING LOW PLAN, ALL MEMBERS ELECTING HIGH PLAN

Spouse Life Benefit \$2,000
Child Life Benefit Less than 6 months: \$1,000 6 months and older: \$1,000
The dependent's benefit cannot exceed 50% of the employee's group term life insurance coverage. Dependent life insurance terminates the date the employee retires or terminates employment.

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.

Insurance underwritten by Principal Life Insurance Company

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Group Term Life

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

...continued

Accidental Death & Dismemberment	<p>Benefit is paid when the loss occurs within 365 days of the accident.</p> <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. <p>Additional AD&D benefits:</p> <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	<p>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.</p>

HIGHLIGHTS

Participation	<ul style="list-style-type: none"> • 100% participation for all non-contributory coverages. • 75% 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. 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>
Express Claim Processing	<p>For claims meeting certain criteria, decisions are reached within 5 working days without the employer or beneficiary submitting paperwork.</p>
Life Benefit Limitations and Exclusions	<p>Benefits are not paid if you or your dependents are outside the United States for certain reasons for more than six months.</p>
AD&D Limitations	<p>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.</p>

Insurance underwritten by Principal Life Insurance Company

GP61695 | 10/2015 | Proposal number: 05091610632-9 | Today's date: 08/01/2016 | SIC code: 8331

Voluntary Term Life

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

VOLUNTARY TERM LIFE FOR ALL MEMBERS ELECTING LOW PLAN, ALL MEMBERS ELECTING HIGH PLAN		
	Employee	Spouse
Life Benefit	<p>Employees choose to purchase benefits in \$10,000 increments.</p> <p>Minimum amount: \$10,000</p> <p>Maximum amount: \$300,000</p>	<p>Eligible spouses choose an amount in \$5,000 increments.</p> <p>Minimum amount: \$5,000</p> <p>Maximum amount: Up to \$100,000.</p> <p>Employee coverage is required for spouse to elect coverage.</p> <p>Spouse benefits cannot exceed 100% of the employee's coverage.</p>
Accidental Death & Dismemberment	<p>Included. Benefit equal to the base voluntary term coverage.</p> <p>This is automatically included for employees electing voluntary term life insurance.</p>	<p>Included. Benefit equal to the base voluntary term coverage.</p> <p>This is automatically included for employees electing spouse voluntary term life insurance.</p>
Benefit Age Reduction	<p>35% reduction of benefits at age 65 and an additional 15% reduction at age 70</p> <p>Age reductions apply to the benefit amount after proof of good health.</p>	<p>35% reduction of benefits at age 65 and an additional 15% reduction at age 70</p> <p>Age reductions apply to the benefit amount after proof of good health.</p>
Proof of Good Health	<p>Required for life insurance amounts greater than:</p> <p>Under age 70: \$100,000</p> <p>Age 70 and over: \$10,000</p>	<p>Required for life insurance amounts greater than:</p> <p>Under age 70: \$25,000</p> <p>Age 70 and over: \$10,000</p>
<p>Child Life Benefit</p> <p>For eligible children 14 days of age or older, employees may elect coverage in the amount of:</p> <ul style="list-style-type: none"> • \$10,000, or • \$20,000 <p>For eligible children under 14 days of age, employees who elect child coverage receive \$1,000 of coverage.</p> <p>Child benefits cannot exceed 100% of the employee's coverage.</p>		

Insurance underwritten by Principal Life Insurance Company

Voluntary Term Life

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

...continued

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 for the employee and any covered dependents. 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 & 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. <p>Additional AD&D benefits:</p> <ul style="list-style-type: none"> • Standard package - Seatbelt/airbag, education, repatriation, loss of use/paralysis, loss of speech and/or hearing, exposure, disappearance.
Portability	Employees may continue coverage for themselves and any covered dependents until age 70 if the employee ceases to qualify as a member. The employee or spouse must enroll within 60 days from the date they cease to qualify as a member. Maximum age requirements apply. Portability is not available if: coverage is continued during disability / the employee has received accelerated benefits / individual purchase rights have been exercised / the employee dies / a dependent no longer meets the eligibility requirements.
Individual Purchase Rights	Several circumstances exist where employees and covered dependents can convert to individual policies. Upon coverage termination, employers are required to inform employees of their individual purchase rights to convert to an individual policy without proof of good health. The purchase amount varies depending on the termination situation.

HIGHLIGHTS

Participation	20% or 5 lives, whichever is greater. All eligible employees may enroll for coverage.
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Insurance underwritten by Principal Life Insurance Company

Voluntary Term Life

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

...continued

<p>Eligibility</p>	<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>
<p>Express Claim Processing</p>	<p>For claims meeting certain criteria, decisions are reached within 5 working days without the employer or beneficiary submitting paperwork.</p>
<p>Open Enrollment</p>	<p>One month before the policy anniversary date, an employee or eligible dependent can change coverage.</p> <p>An employee or eligible dependent may be required to provide proof of good health to:</p> <ul style="list-style-type: none"> • Increase the benefit amount more than one benefit increment or above the guaranteed coverage amount for the first time.
<p>Life Benefit Limitations and Exclusions</p>	<p>Benefits are not paid for employees and dependents who commit suicide within the first 24 months of coverage. Benefits will not be paid if you or your dependents are outside the United States for certain reasons for more than six months.</p>
<p>AD&D Limitations</p>	<p>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 insured's alcohol concentration level exceeds the legal limit in the jurisdiction where the injury occurs / the insured's operation of a motor vehicle or motor boat if the insured's alcohol concentration level exceeds the legal limit in the jurisdiction where the injury occurs / the insured's use of certain drugs, narcotics or hallucinogens not prescribed by a licensed physician / a work-related sickness or injury for an insured spouse.</p>

Insurance underwritten by Principal Life Insurance Company

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DENTAL SCHEDULED PPO NETWORK BENEFIT DESIGN

BENEFIT CHOICE FOR ALL MEMBERS ELECTING HIGH PLAN

	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%	\$3,000	\$3,000
Basic	\$50	\$50	80%	80%	\$3,000	\$3,000
Major	\$50	\$50	50%	50%	\$3,000	\$3,000

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. A member can accumulate no more than four times the carry over amount.

ADDITIONAL BENEFIT RIDERS

	Lifetime Deductible		Coinsurance (Policy Pays)		Lifetime Maximum	
	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Orthodontia Child	\$0	\$0	50%	50%	\$3,000	\$3,000

Minimum enrolled lives required for child orthodontia: 5

Child orthodontia provides coverage for children up to age 19.

Participation:

- If the employer contributes less than 50% of the employee cost for both plans, combined participation of 20% or 5 lives, whichever is greater, is required between choice offerings.
- If the employer contributes 50-99% of the employee cost for either choice plan, 75% combined employee participation is required between choice offerings.
- If the employer contributes 100% of the employee cost for either choice plan, 100% combined employee participation is required between choice offerings.

COVERED SERVICES

Preventive	Exams (2 per calendar year) Emergency exams (subject to exam frequency)
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...continued	
	<p>Second opinion consultation</p> <p>Cleanings (2 per calendar year)</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> <p>Sealants on first and second permanent molars for dependent children under age 14 (1 per 36 months)</p>
Basic	<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>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> <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>Repairs - partial denture, bridge, crown, relines, rebasing, tissue conditioning and adjustment to bridge/denture (within policy limitations)</p>
Major	<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>

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Orthodontia	X-rays and other diagnostic procedures Fixed and removable appliances Lifetime maximum
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DENTAL PPO NETWORK BENEFIT DESIGN

BENEFIT CHOICE FOR ALL MEMBERS ELECTING LOW PLAN

	Calendar Year Deductible		Coinsurance (Policy Pays)		Calendar Year Maximum Benefit	
	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Preventive	\$0	N/A	100%	N/A	\$1,500	N/A
Basic	\$50	N/A	100%	N/A	\$1,500	N/A
Major	\$50	N/A	60%	N/A	\$1,500	N/A

There are no benefits outside the dental network with this design.

Family deductible = 3 x per person deductible.

Combined deductibles: Deductibles for basic and major services are combined.

Combined maximums: Calendar Year maximums for preventive, basic and major services are combined.

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. A member can accumulate no more than four times the carry over amount.

ADDITIONAL BENEFIT RIDERS

	Lifetime Deductible		Coinsurance (Policy Pays)		Lifetime Maximum	
	In-Network	Non-Network	In-Network	Non-Network	In-Network	Non-Network
Orthodontia Child	\$0	N/A	50%	N/A	\$1,500	N/A

Minimum enrolled lives required for child orthodontia: 5

Child orthodontia provides coverage for children up to age 19.

Participation:

- If the employer contributes less than 50% of the employee cost for both plans, combined participation of 20% or 5 lives, whichever is greater, is required between choice offerings.
- If the employer contributes 50-99% of the employee cost for either choice plan, 75% combined employee participation is required between choice offerings.
- If the employer contributes 100% of the employee cost for either choice plan, 100% combined employee participation is required between choice offerings.

COVERED SERVICES

Preventive	Exams (2 per calendar year) Emergency exams (subject to exam frequency)
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...continued

	<p>Second opinion consultation</p> <p>Cleanings (2 per calendar year)</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> <p>Sealants on first and second permanent molars for dependent children under age 14 (1 per 36 months)</p>
Basic	<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>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> <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>Repairs - partial denture, bridge, crown, relines, rebasing, tissue conditioning and adjustment to bridge/denture (within policy limitations)</p>
Major	<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>

Dental

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

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Orthodontia	X-rays and other diagnostic procedures Fixed and removable appliances Lifetime maximum
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HIGHLIGHTS

Coordination of benefits	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.
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 prior dental coverage for preventive/basic/major services.
Annual enrollment	One month before the policy anniversary date, employees and dependents (who were not previously enrolled) can enroll.

Insurance underwritten by Principal Life Insurance Company

GP61691

| 09/2015

| Proposal number: 05091610632-9

| Today's date: 08/01/2016

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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.

The insurance does not pay for treatment or services: for veneers, anterior ¾ 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 / for 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 / 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 provided prior to Ortho Procedures effective date / temporomandibular joint (TMJ) disorders.



VOLUNTARY VISION FOR ALL MEMBERS ELECTING LOW PLAN, ALL MEMBERS ELECTING HIGH PLAN		
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
Necessary Contacts ²	\$150 allowance for elective contacts	Instead of lens and frames benefit
	\$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.	



...continued		
NON-NETWORK PROVIDERS		
Covered Charges	Benefit	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.

HIGHLIGHTS	
Participation	67% participation assumed
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.



...continued

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.

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	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 Assistance ¹ when traveling domestically or internationally more than 100 miles from home for up to 120 consecutive days.
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	Beneficiaries receive Grief Support Services from Magellan Healthcare. Financial professionals are available to help beneficiaries with insurance proceeds. Spouses and dependents also receive three months of free online access to will preparation services provided by ARAG.
Dental Health EdgeSM	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.
<p>These discounts are not insurance.</p> <p>The discounts and services are not a part of the insurance contract and may be changed or discontinued at any time. Principal Life and its affiliates are not responsible for any loss, injury, claim liability, or damages related to the use of the discounts and services. The third party providers are not members of the Principal Financial Group®.</p> <p>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.</p> <p>²The use of the services provided by ARAG® Services, LLC should not be considered as a substitute for consultation with an attorney.</p>	

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 (does not apply to dental coverage) / your company no longer meets the participation or contribution rules / you no longer qualify as an eligible business or group (does not apply to dental coverage) / we give you advance notice of termination as required by your state / non-compliance with policy provisions occurs.
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

TUCSON YOUTH DEVELOPMENT, INC



EFFECTIVE DATE: July 1, 2016

RATING ASSUMPTIONS

These rates are based on the following:

Arizona 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 July 1, 2016. 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.

As a result of this sale, your broker may receive commissions, administrative service fees, other compensation including non-cash compensation, and bonuses based on factors such as total premium volume and persistency or profitability of the business. The cost of this compensation may be directly or indirectly reflected in the premium or fee for this product. This compensation is in addition to any compensation your broker may receive from you. Contact your broker for further details.

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® (The Principal®).

Insurance underwritten by Principal Life Insurance Company

GP61699

10/2015

Proposal number: 05091610632-9

Today's date: 08/01/2016

SIC code: 8331