



*Providing everything you work for*

August 28, 2000

Patrick Fergal McSherry, MD  
11 Stillorgan Park  
Blackrock County  
Dublin, Ireland



Dear Fergal:

I am confirming the employment offer extended to you for Associate Medical Director, which is an exempt position with UnumProvident Corporation ("UNUM") in Chattanooga, TN. This offer will remain open for one month from the above date of this offer letter, at which point in time it will be withdrawn.

You will be paid at a rate of \$5,354.17 semi-monthly (\$128,500 annually). This salary describes your rate of compensation, but does not imply any length of employment. The following summarizes the offer:

- For 2000, you will be eligible to participate in the Management Incentive Compensation Plan (MICP) at a target level of 25% of your base salary earnings. The MICP is based on the achievement of certain corporate earnings thresholds and the formula includes weights for both corporate and individual goals. Your participation in the MICP for 2000 will be prorated according to the actual portion of the year you are employed by UnumProvident.
- You will participate in the long-term incentive plan (LTI). You will be eligible for stock option grants consistent with the company program and based upon management's recommendation and the Compensation Committee's approval.
- A one-time bonus of \$3,000.00 (gross amount before taxes and FICA) will be paid upon employment with UnumProvident. The terms and conditions of your bonus are governed by the UnumProvident Signing Bonus Repayment Agreement.
- Anticipated start date November 1, 2000.

Relocation assistance will be provided which will include the Primacy Relocation Program for:

- Up to \$20,000 reimbursement for expenses associated with the physical move of your household goods, including packing; transporting; limited storage, if necessary; househunting; final move trip; and all other incidental expenses associated with your move.
- Administrative closing costs associated with the purchase of a home at your new location, including up to 1% discount point
- Up to 90 days stay in UnumProvident corporate apartments

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UNUMPROVIDENT CORPORATION  
1 Fountain Square, Chattanooga, Tennessee 37402  
423 755 1011

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The terms and conditions of your relocation package are governed by the UnumProvident Relocation Payback Agreement which is attached for your execution. UnumProvident has partnered with Primacy Relocation to administer your relocation benefits in a quality and cost efficient manner. You will be working with Debbie Robinson at Primacy Relocation, who will be your consultant helping you through the entire process. After we provide information to Primacy, Debbie will be calling you and sending more detailed material to you. She will be available to interpret this information and address any issues you have may regarding these details, including relocation expense report administration. In order to get you authorized with Primacy, please call Sharon Van Der Cammen in Human Resources toll free at 1-877-524-7768 to get the process initiation process started.

This letter does not constitute an employment contract. UnumProvident's employment relationship is on an at-will basis, as stated on our application form and in our Employment Policies. New employees will be in an initial evaluation period during the first six months of employment. However, completion of the initial evaluation period does not change the at-will relationship or in any way restrict the Company's right to end or change the terms or conditions of the employment relationship.

Our offer is contingent upon a satisfactory background check, and may be withdrawn at anytime if a background check is unsatisfactory.

Enclosed is the pre-employment paperwork for you to review/complete and bring with you on your first day. If you do not have any questions regarding the paperwork, please include it with your signed offer letter and repayment agreement in the self addressed envelope to ensure that your sign on bonus will be available on your first day of employment. Please pay close attention to the Employment Eligibility Form. (I-9) UnumProvident is required by federal legislation to hire only those individuals who are authorized to work in the United States. Consequently, this offer is contingent upon your meeting the provisions of the Immigration Reform and Control Act of 1986. Enclosed please find an I-9 employment Eligibility Verification form which all new employees must complete. Be sure to bring the necessary identification with you as indicated on the form. YOU WILL BE ABLE TO START WORK ONLY WHEN THIS DOCUMENTATION IS COMPLETED.

On your first day at UnumProvident you may park in our Visitor's Lot which is located on the corner of 5<sup>th</sup> and Walnut Streets. Employee parking and ID badges are administered by Facilities Management on I-South. Please stop by Facilities Management your first day and they will assist you with these services. If your first day of employment is not an orientation day, please have the Security desk contact your manager at the number below.

New employee orientation is conducted from 8:00-12:00 noon. Your orientation is scheduled for November 1, 2000. Please report to the Human Resources Department on 7N at 8:00 a.m. on this date. Normal dress attire is business casual. We will discuss more details in orientation.

As a new employee of UnumProvident Corporation, you are eligible for our benefit plans your date of hire. A benefit enrollment package will be mailed to your home shortly after your date of hire. We encourage you to read the material in this package and call the Benefit Service Center to enroll on the day you receive this information. The Benefit Service Center phone number is 1-877-858-6236.

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Fergal McSharry, MD

If you do not call the Benefit Service Center to enroll in specific coverage for yourself, you will not have health insurance and many other benefits going forward. Without enrollment, the only benefits you receive as a standard default are:

- \$50,000 in company-paid life insurance for full-time employees (a lesser amount if you are part-time)
- Disability income protection covering 60 percent of your salary up to \$50,000.

Please note that after your initial enrollment via the Benefit Service Center, you can only make changes to your benefits during annual enrollment each fall or if you have a family status change (such as marriage or birth of a child).

Fergal, we believe you can make a significant contribution to UnumProvident. We are excited you have verbally accepted our offer and also excited about the opportunity of you joining the UnumProvident team

Enclosed is our standard Relocation and Hiring Repayment Agreement. Please sign one copy of this letter and the agreement and return them to me in the enclosed, self-addressed envelope. If you have any questions regarding employment with UnumProvident, please feel free to contact me at 423-755-8034.

Sincerely,



Richard D. Van, DO, MPH  
Vice President, Regional Medical Director  
Customer Care

Enclosure

cc: Bob Anfield  
Ralph Mohnney  
Sue Masterson  
Don Boutin  
Bob Daigle  
Lori Carter  
Sharon VanDerCammen

Acceptance:

Patrick Fergal McSharry  
Patrick Fergal McSharry  
Date: 09/03/2000

Confirmed Start Date:

November 17 2000  
Date

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