



# Group Life Insurance

FOR THE MEMBERS OF THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN

Help Protect Loved Ones from Financial Hardship



## Your Proposed Group Life Insurance Plan

Standard Insurance Company appreciates the opportunity to provide you with a proposal for Group Life insurance. This booklet and the Employee Benefits Proposal together outline the basic features of your proposed insurance plan. These documents are not a contract.

Establishing Group Life insurance coverage with The Standard requires your completed, signed application for group insurance and our acceptance of it. When we approve your application, we will issue you a *group policy* containing our customary language. It will not duplicate the language of any existing policies you may have.

Your *group policy* with The Standard will contain provisions, exclusions, limitations and defined terms not described in this booklet or the Employee Benefits Proposal. When used in this booklet, defined terms and provisions from the *group policy* will appear italicized. If any discrepancies exist between the *group policy*, the Employee Benefits Proposal and this booklet, your *group policy* will control.

Your *group policy* will become effective on the date determined by The Standard, which will be clearly stated on your policy. We will also supply you with certificates of insurance, describing the coverage in detail, for you to deliver to your insured employees.

The proposed premium rate and plan design for your Group Life coverage, Voluntary Life, Additional Life, Accidental Death and Dismemberment (AD&D), Supplemental Life and Dependents Life coverage if selected, are based on the underwriting data received. We will determine final premium rates and plan provisions on the basis of state law, *policyholder* contributions, confirmation of occupations, the actual composition of the group of employees who become insured and our current underwriting rules and practices. This proposal will expire on the date shown in the Employee Benefits Proposal.

Thank you for considering The Standard for your group term life insurance needs. Should you have any questions or need additional information, please contact your insurance advisor or the Employee Benefits Sales and Service Office for your area.



TheStandard®

# Group Life Insurance

## The Foundation of an Employee Benefits Program

As the foundation of an employee benefits program, Group Life insurance from Standard Insurance Company offers you the opportunity to help protect your employees and their families from financial hardship in the event of death. It includes competitive features, a variety of plan designs and family-friendly provisions. Benefit schedules may be based on uniform amounts, multiples of salary or employee classifications.

To help provide additional financial security, you may combine Group Life insurance with Accidental Death and Dismemberment (AD&D), Supplemental Life and Dependents Life insurance. The Standard also offers *contributory* plans, Voluntary Life and Additional Life, as cost-effective alternatives to meet the needs of both *employers* and employees.

## Group Life Insurance Features

### Accelerated Benefit

No one plans to have a terminal illness. However, in the event that an employee experiences the unexpected, the *Accelerated Benefit* from The Standard can help ease financial concerns in the face of adversity.

The Standard typically includes the *Accelerated Benefit* with all Group Life insurance policies that contain a *Waiver of Premium* provision. With this benefit, eligible employees suffering from terminal illnesses may receive an early payout of a portion of their *life insurance benefit*.

Employees may receive up to 75 percent of their *life insurance benefit*, but not more than \$500,000, in a one-time lump sum payment. The minimum *Accelerated Benefit* amount is \$5,000 or 10 percent of an insured employee's *life insurance benefit*, whichever is greater.

To qualify for the *Accelerated Benefit*, an eligible employee must qualify for *Waiver of Premium* and provide satisfactory proof of a *qualifying medical condition* that is reasonably expected to result in death



within 12 months. If *Waiver of Premium* terminates at a given age, application for the *Accelerated Benefit* must be made at least 24 months before reaching that age.

After the payment of the *Accelerated Benefit*, the remaining *life insurance benefits* are subject to interest charges. A minimum of 10 percent of the life insurance coverage will be paid to the *beneficiary* even if interest charges on the accelerated amount would have exhausted the remaining benefits over time. If insured employees assign their rights under the Group Life insurance policy, the 10 percent minimum benefit will not apply.

Eligible employees may use the money to help maintain their quality of life during an emotionally and financially difficult situation. An *Accelerated Benefit* may be taxable, however, and its receipt may affect eligibility for public assistance programs.

### Waiver of Premium

With the *Waiver of Premium* benefit, eligible employees may be able to continue their Group Life, Additional Life, Supplemental Life and any Dependents Life insurance without payment of premium if they become *totally disabled*. The amount of insurance continued under the *Waiver of Premium* provision corresponds to the Group Life, Additional Life, Supplemental Life and Dependents Life insurance schedules, including reductions.

Typically, to qualify for *Waiver of Premium*, an insured employee must become *totally disabled* before age 60 and must remain *totally disabled* for at least 180 consecutive days. Insurance coverage continues without premium payment as long as the eligible employee remains *totally disabled* and meets applicable age requirements. Satisfactory proof of *total disability* must be periodically submitted to The Standard. AD&D coverage, if any, may not be continued under this provision.

## Portability of Insurance

Portability of Insurance provides a convenient group life insurance option for eligible employees when their employment terminates. Depending upon state requirements, your plan may include one of the following provisions.<sup>1</sup>

### Provision to Buy Group Life Portability Insurance (True Portability Option)<sup>2</sup>

Where available, this *Portability of Insurance* provision is automatically included at no additional cost in all new Group Life insurance plans offered by The Standard, including those with AD&D or Dependents Life insurance. This provision offers eligible employees the option to purchase up to the amount of Group Life insurance coverage in force under the *group policy*, subject to minimum and maximum amounts, without submitting *evidence of insurability*. If approved, portable group life insurance amounts will remain in force as long as premiums are paid, regardless of whether the Group Life insurance plan with The Standard terminates. The portable group life coverage will not terminate due to age, but it is subject to age reductions. Any AD&D coverage purchased with portable group life insurance will terminate at age 65.

To be eligible for this coverage, on the date employment terminates, employees must:<sup>3</sup>

- Be under age 65
- Have been continuously insured under the *group policy* or the *prior plan* for at least 12 consecutive months
- Be able to perform with reasonable continuity the material duties of at least one gainful occupation for which they are reasonably fitted by education, training and experience

### Provision to Continue Coverage (24-month Portability Option)<sup>4</sup>

Where available, the *Portability of Insurance* provision allows eligible employees to apply to continue qualifying amounts of Group Life insurance, subject to minimum and maximum amounts, without submitting *evidence of insurability*. The coverage that may be continued must have been in effect for at least 12 consecutive months on the date employment terminates. If approved, coverage may be continued for a maximum of 24 months, provided premiums are paid.

To be eligible for this coverage, on the date employment terminates, employees must:

- Have been continuously insured under the *group policy* or the *prior plan* for at least 12 consecutive months
- Not be terminating employment due to retirement
- Be able to perform with reasonable continuity the material duties of at least one gainful occupation for which they are reasonably fitted by education, training and experience

AD&D insurance and coverage continued under *Waiver of Premium* may not be continued under this provision.

Coverage under this provision terminates if the former employee becomes insured under another group life insurance plan, your Group Life insurance plan with The Standard terminates or the former employee fails to pay premiums, whichever occurs first.

- 1 Please consult your Standard Insurance Company Employee Benefits Sales and Service representative regarding the available Portability of Insurance provision. Portability of Insurance is not available in all states.
- 2 Not available in Maine, Michigan, Minnesota, South Dakota, Vermont and Washington.
- 3 These eligibility requirements do not apply in Massachusetts.
- 4 Available only in Maine, Michigan, Minnesota, South Dakota, Vermont and Washington.



### Conversion to Individual Life Insurance

The *Right to Convert* provision is another life insurance option for eligible employees if their Group Life insurance ends or is reduced for any reason other than failure to pay premiums. Under this provision, eligible employees have the right to convert their Group Life insurance, including any Additional Life, Supplemental Life and Dependents Life insurance, to certain types of individual life insurance policies without having to provide *evidence of insurability*. The employee must apply for conversion and pay the required premium within 31 days after group coverage ends or reduces. AD&D coverage may not be converted under this provision.

If Group Life insurance discontinues or reduces because of termination or an amendment of the *group policy*, eligible employees may convert the Group Life insurance that has been in effect for at least five years.<sup>5</sup> The maximum amount which may be converted is the lesser of:

- The amount of Group Life insurance which ended, minus other group life insurance for which the employee is eligible, and
- The maximum conversion amount allowed by law as shown in the *group policy*.

<sup>5</sup> May vary by state.

### Repatriation Benefit

The Standard typically includes the *Repatriation Benefit* with every Group Life insurance policy. This provides an additional benefit to help pay for expenses associated with transportation of the body of an eligible deceased employee. If the place of death is more than 200 miles away from the employee's primary place of residence, The Standard will help pay to return the body to a mortuary near the home of the deceased. The Standard will reimburse actual expenses up to \$5,000 or 10 percent of the *life insurance benefit*, whichever is less.

### Travel Assistance

Travel Assistance gives employees an additional sense of security when they are traveling more than 100 miles from home or internationally. Automatically offered with all Group Life insurance policies, Travel Assistance helps employees respond to medical care situations and other emergencies while traveling.<sup>6</sup>

The full range of 24-hour medical, legal and travel assistance services available to insured employees include:<sup>7</sup>

- Pre-trip assistance including passport, visa, weather and currency exchange information, health hazards advice and inoculation requirements
- Medical assistance services including locating medical care providers and interpreter services
- Travel assistance services including emergency ticket, credit card and passport replacement, funds transfer assistance and missing baggage assistance
- Legal services including locating a local attorney, consular officer or bail bond services
- Emergency transportation services including emergency evacuation to the nearest adequate medical facility and medically-necessary repatriation
- Personal security services including evacuation and logistical arrangements in the event of political unrest, social instability, weather conditions, health or environmental hazards

<sup>6</sup> Provided through an agreement with Travel Assistance, an independent organization not affiliated with The Standard. Travel Assistance is not an insurance product.

<sup>7</sup> Consult the employer certificate for complete terms, conditions and limitations.



### Standard Secure Access

Life insurance proceeds for approved claims of \$25,000 or more are deposited into an interest-bearing checking account. The Standard Secure Access account is opened upon approval of a claim and immediately begins earning a competitive money market interest rate, compounded daily. The beneficiary receives a checkbook, from which drafts may be written for any purpose in amounts of \$250 or more. There are no service or maintenance fees or charges. Detailed monthly statements are provided to the beneficiary. Professional assistance and information is available through a toll-free customer service number.

### Group Life Insurance Exclusion

This plan may include an exclusion for death resulting from suicide or other intentionally self-inflicted injury while sane or insane.<sup>8</sup> If applicable, the amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of death.

### Group Life Insurance Reductions

Typically, insurance benefits are reduced to a percentage of the original amount based upon attainment of specified ages.

<sup>8</sup> For Missouri and New Jersey residents, "insane" is not applicable.

## Voluntary Life and Additional Life Insurance

Providing a competitive employee benefits package to attract and retain quality employees can be a challenging proposition for any employer. Double-digit increases in health care costs make this even more difficult, reducing a group's ability to exclusively provide and pay for a comprehensive benefits program.

Voluntary Life and Additional Life insurance from The Standard make it easier for *employers* to offer the insurance coverage that employees want at competitive group rates. With premiums typically paid by employees through payroll deduction, a Voluntary Life or Additional Life insurance plan provides employees with the opportunity to purchase insurance coverage to fit their personal needs while minimizing the impact on the employer's bottom line.

With Voluntary Life coverage, the *employer* sponsors the plan and may choose to have it partially or fully paid by employees. It allows employees to select and apply for an amount of group term life insurance to provide financial protection in the event of death.

With Additional Life coverage, the *employer* provides a basic amount of Group Life insurance to employees. The *employer* also sponsors the Additional Life plan that allows employees to apply and pay for an increased amount of group term life insurance beyond the basic Group Life coverage.

### Voluntary Life and Additional Life Product Highlights

The Voluntary Life and Additional Life plans typically contain the same provisions and features as The Standard's Group Life insurance. These include *Accelerated Benefit*, *Waiver of Premium*, *Portability of Insurance*, *Right to Convert*, *Repatriation Benefit*, Standard Secure Access and Travel Assistance. In addition, *employers* may include AD&D and Dependents Life coverage with Voluntary Life or Additional Life plans.

Exclusions, limitations and reductions apply to Voluntary Life and Additional Life coverage.

## Accidental Death and Dismemberment Insurance

Accidents can happen in many ways and at any time. *Employers* can help to financially protect their employees in the event of an unplanned loss of life, limb or sight with AD&D insurance from The Standard. With AD&D coverage, eligible employees and their *beneficiaries* may receive an additional amount in the event of accidental death or dismemberment, helping to restore financial balance when the unexpected happens.

### Amounts Payable

The amount of the *AD&D insurance benefit* payable for a covered *loss* is a percentage of the *AD&D insurance benefit* in effect on the date of the accident, as shown below:

Life. . . . .	100%
One hand or one foot . . . . .	50%
Sight in one eye . . . . .	50%
Two or more of the <i>losses</i> listed above . . . . .	100%

At no time will more than 100 percent of the available *AD&D insurance benefit* be paid for all losses resulting from one accident.

With respect to a hand or foot, *loss* means the actual and permanent severance of the hand or foot from the body at or above the wrist or ankle joint. With respect to sight, *loss* means the entire, uncorrectable and irrecoverable loss of sight. The *loss* must be certified by a *physician* in the appropriate specialty as determined by The Standard.

### Seat Belt Benefit

The Standard typically includes a *Seat Belt Benefit* with its AD&D coverage. If an insured employee dies as a result of an *automobile* accident while properly wearing and using a *seat belt system*, The Standard will pay a *Seat Belt Benefit* equal to the amount of the *AD&D insurance benefit* payable for the loss of life, up to a maximum of \$10,000.

### Air Bag Benefit

To provide further protection to eligible employees who die as a result of an automobile accident for which a *Seat Belt Benefit* is payable, The Standard includes an *Air Bag Benefit* with its AD&D coverage. The Standard will pay an *Air Bag Benefit* equal to the amount of the *AD&D insurance benefit* payable for the loss of life, up to a maximum of \$5,000, if the following requirements are met at the time of the accident:

- The automobile is equipped with an *air bag system* installed as original equipment by the automobile manufacturer and the *air bag system* has received regularly scheduled maintenance or replacement as recommended by the manufacturer.
- The *air bag system* deploys, as evidenced by a police accident report.
- The insured individual was seated in the driver's or passenger's seat intended to be protected by the *air bag system*.

### Line of Duty Benefit

The *Line of Duty Benefit* allows *public safety officers* to receive an additional benefit of \$50,000 or 100 percent of the *AD&D insurance benefit* otherwise payable for the *loss*, whichever is less, if they suffer a loss as the result of a *line of duty accident* for which *AD&D insurance benefits* are payable.

A *line of duty accident* means an accident that occurs while an insured *public safety officer* is taking any action authorized or required by rule, regulation, law or condition of employment as a *public safety officer*. This includes action taken in the course of controlling or reducing crime, criminal law enforcement or fire suppression, including such action taken in response to an emergency while off duty. For eligible firefighters and police, line of duty includes social, ceremonial or athletic functions to which the insured employees are assigned and for which they are paid as *public safety officers* by their *employer*.

*Public safety officers* include police officers, firefighters, corrections officers, judicial officers and officially recognized or designated volunteer firefighters.

## Family Benefits Package

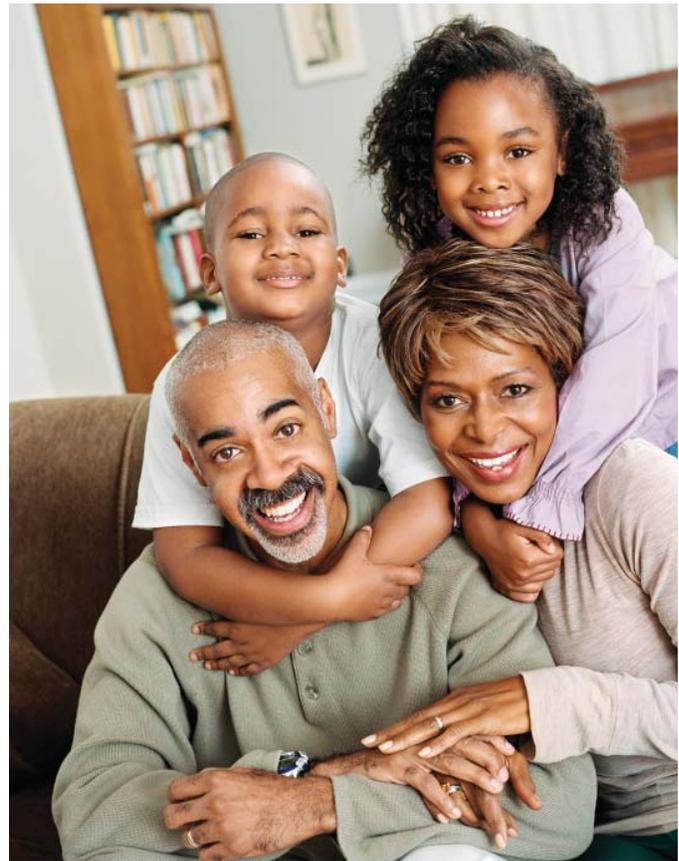
The Standard typically offers the Family Benefits Package of additional, family-oriented AD&D *insurance benefits* for no additional premium with all Group Life insurance policies that include AD&D coverage. The Family Benefits Package extends financial assistance to an insured employee's family members in the event of the employee's accidental death for which an *AD&D insurance benefit* is payable.

## Higher Education Benefit

The plans for a child's higher education should not end with the death of a parent. The *Higher Education Benefit* helps to keep those dreams alive. To be eligible for this benefit, the surviving *child* must register and attend an institution of higher education on a full-time basis within 12 months after the insured employee's death. The benefit is paid annually for a maximum of four consecutive years beginning on the date of death. The benefit amount is the qualifying tuition expenses incurred per *child* within four years after the date of death, but not to exceed \$5,000 per year, or the cumulative total of \$20,000 or 25 percent of the *AD&D insurance benefit*, whichever is less.

## Career Adjustment Benefit

A surviving *spouse* may need to make a career adjustment as a result of the insured employee's death. When this requires additional training, the *Career Adjustment Benefit* helps to make the transition easier. To be eligible for this benefit, within 36 months after the date of the employee's death, the surviving *spouse* must register and attend a professional or trade training program aimed at obtaining employment or increasing earnings. The benefit amount is the qualifying tuition expenses for training incurred by the surviving *spouse* within 36 months after the date of death, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25 percent of the *AD&D insurance benefit*, whichever is less.



## Child Care Benefit

In order to work or obtain training, a surviving spouse may require the assistance of a caregiver to watch over young *children*. The *Child Care Benefit* is designed to help cover the cost of providing care for *children* under age 13. The amount of the benefit is the qualifying expenses incurred by the surviving *spouse* within 36 months after the date of the insured employee's death, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25 percent of the *AD&D insurance benefit*, whichever is less.

## Expanded AD&D Package

Few people are prepared for the sudden financial loss brought about by an accidental death. Even fewer are ready for the potentially higher cost of living associated with an accident that might result in paralysis or deafness. The Expanded AD&D Package from The Standard provides *employers* with the option to help protect employees and their families with an extra layer of security against these unexpected events.

The Expanded AD&D Package includes an *Occupational Assault Benefit*, *Public Transportation Benefit* and additional definitions of *loss*.

### Occupational Assault Benefit

The *Occupational Assault Benefit* provides an additional benefit if a *member* suffers a covered *loss* while *actively at work* and the *loss* is the result of an act of physical violence against the *member* that is punishable by law and evidenced by a police report. The amount of the benefit is \$25,000 or 50 percent of the *AD&D insurance benefit* that is paid, whichever is less.

### Public Transportation Benefit

The *Public Transportation Benefit* is paid when an eligible employee dies as a result of an accident while riding as a fare-paying passenger on *public transportation*. The amount of the benefit is \$200,000 or 100 percent of the *AD&D insurance benefit*, whichever is less.

## Additional Definitions of Loss

The Expanded AD&D Package includes coverage for a wider variety of accidental *losses* and conditions. The amount payable for these covered *losses* is equal to a percentage of the AD&D coverage in effect on the date of the accident, as shown below:

Life. . . . .	100%
<i>(if the insured employee disappears and the disappearance is caused solely and directly by an accident that could have reasonably resulted in death)</i> <sup>9</sup>	
Life. . . . .	100%
<i>(by accidental exposure to adverse weather conditions)</i>	
Hand or foot. . . . .	50%
<i>(even if the severed part is surgically reattached)</i>	
Audible speech. . . . .	50%
Hearing in both ears . . . . .	50%
Thumb and index finger of the same hand <sup>10</sup> . . . .	25%
Quadriplegia . . . . .	100%
Hemiplegia. . . . .	50%
Paraplegia . . . . .	50%

*Loss* of speech or hearing means the entire, uncorrectable and irrecoverable loss of audible speech or hearing in both ears. *Loss* of thumb and index finger means the actual and permanent severance from the body of the thumb and index finger on the same hand at or above the metacarpophalangeal joints. *Quadriplegia* means the permanent, complete and irreversible total paralysis of both upper and lower limbs. *Hemiplegia* means the permanent, complete and irreversible total paralysis of the upper and lower limb on the same side of the body. *Paraplegia* means the permanent, complete and irreversible total paralysis of both lower limbs.

9 The disappearance must occur independently of all other causes and continue for a period of 365 days after the date of the accident despite reasonable search efforts.

10 This benefit is not payable if an AD&D insurance benefit is payable for the loss of the entire hand.



### AD&D Limitations

All *losses* must occur solely and directly by an accident and independently of all other causes, within 365 days after the accident. *Loss* of life must be evidenced by a certified copy of the death certificate. *Losses* other than life must be certified by a *physician* in the appropriate specialty.

### AD&D Exclusions

*AD&D insurance benefits* are not payable for death or dismemberment caused or contributed to by:

- *War* or act of *war*
- Suicide or any other intentionally self-inflicted injury, while sane or insane<sup>11</sup>
- Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot
- The voluntary use or consumption of any poison, chemical compound, alcohol or drug, unless used or consumed according to the directions of a *physician*
- Sickness or pregnancy existing at the time of the accident
- Heart attack or stroke
- Medical or surgical treatment for any of the above

### Reductions in AD&D Insurance

Typically, insurance benefits are reduced to a percentage of the original amount based upon attainment of specified ages.

11 For Missouri and New Jersey residents, “insane” is not applicable.

## Supplemental Life Insurance

The need for life insurance often extends beyond basic coverage. Unfortunately, most people do not have enough coverage to adequately protect their families. The Standard’s optional Supplemental Life insurance presents employees with the opportunity to purchase additional group term life insurance for themselves and their *spouses*. This additional coverage helps to enhance the financial security of employees and their families by providing them with flexible coverage amounts at competitive group rates.

### Eligibility

Employees are eligible for Supplemental Life insurance if insured for Group Life insurance. *Spouses* are eligible for Supplemental Life insurance if the employee is insured for Supplemental Life insurance. Employees can apply for Supplemental Life insurance by submitting a signed enrollment form and an *evidence of insurability* form for themselves and their spouses. Supplemental Life insurance is effective for employees and spouses on the date *evidence of insurability* is approved. Employees must also meet the *active work* requirement on that date. Any increase in the amount of Supplemental Life insurance is subject to the same *evidence of insurability* and *active work* requirements.

### Supplemental Life Amounts Available

Supplemental Life insurance is available in amounts of \$30,000 to \$300,000 in increments of \$10,000, subject to limits imposed by many states on the amounts available for *spouses*. The application materials presented to employees will include the premium rates for each \$10,000 increment of Supplemental Life insurance.

### Supplemental Life Exclusion

Supplemental Life insurance benefits will not be payable for a death which is caused or contributed to by suicide or any intentionally self-inflicted injuries, while sane or insane,<sup>12</sup> unless the coverage has been continuously in effect for more than two years. This exclusion also applies to any increase in Supplemental Life insurance unless the amount of the increase has been continuously in effect for two years.

### Reductions in Supplemental Life Insurance

At age 70, the amount of Supplemental Life insurance begins to reduce on an age-graded basis.

12 For Missouri and New Jersey residents, “insane” is not applicable.

## Dependents Life Insurance

The Standard offers Dependents Life insurance in combination with Group Life insurance to provide additional financial security for employees and their families. If Dependents Life insurance is selected, an insured employee may purchase group term life insurance to cover a *spouse* or *child*.

Children, adopted children and stepchildren living in an eligible employee's home are considered *dependents* through age 20 or age 24 if registered as students and attending an accredited educational institution on a full-time basis.

Dependents Life insurance may be continued after age 20 for a *child* who is *disabled*. Married children or *dependents* who are full-time members of the armed forces of any country are not eligible for coverage.

Insured employees are eligible to insure their *dependents* on the later of the date their Group Life insurance becomes effective or the date they first acquire a *dependent*.

## Dependents Life Exclusion

This plan may include an exclusion for death resulting from suicide or other intentionally self-inflicted injury, while sane or insane.<sup>13</sup> The amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of death.

## Reductions in Dependents Life Insurance

Typically, Dependents Life insurance benefits are reduced to a percentage of the original amount based upon attainment of specified ages.

<sup>13</sup> For Missouri and New Jersey residents, "insane" is not applicable.

## Some Commonly Asked Questions

### Who is eligible for coverage?

Coverage is available to all active employees who are regularly working at least 30 hours each week and meet the required *eligibility waiting period* as shown in the Employee Benefits Proposal. Temporary and seasonal employees and full-time members of the armed forces of any country are not eligible for coverage.

### What is the active work requirement?

Active work means performing the material duties of the employee's occupation at the *employer's* usual place of business. Employees who do not meet the *active work* requirement due to *sickness, injury* or *pregnancy* on the day before the scheduled effective date of insurance (including Dependents Life insurance) will not become insured until the day after the employee completes one full day of *active work* as an eligible *member*.

### When is coverage effective?

The effective date of coverage for an eligible employee or dependent depends upon the *eligibility waiting period* and whether the individual is required to provide *evidence of insurability*. Additionally, in every situation eligible employees must meet the *active work* requirement before the insurance becomes effective.

While Dependents Life insurance is in effect, each new *dependent* becomes insured immediately.

If an employee or *dependent* is not required to provide *evidence of insurability*, the effective date of coverage depends upon whether the coverage is *contributory* or *noncontributory*.

For *noncontributory* plans, coverage is effective on the date the employee or the employee's *dependent* becomes eligible.

For *contributory* plans, employees must apply in writing for coverage and agree to pay premiums. Coverage is effective on the later of:

- The date the employee becomes eligible if applying on or before that date
- The date the employee applies for coverage if within 31 days after becoming eligible

If an employee or *dependent* is required to provide *evidence of insurability*, the coverage generally becomes effective on the date The Standard approves the *evidence of insurability*.

### When does insurance end?

Group Life insurance automatically ends on the earliest of the following:

- The date the last period ends for which a premium payment was received if the coverage is *contributory*
- The date the *group policy* terminates
- The date employment terminates
- The date the employee fails to meet the definition of a *member*; however, Group Life insurance may be continued during certain periods

If AD&D coverage is selected, it automatically ends on the earliest of the following:

- The date the employee's Group Life insurance ends
- The date *Waiver of Premium* begins
- The date the AD&D insurance terminates under the *group policy*
- The date the last period ends for which a premium payment was received if the coverage is *contributory*



If Supplemental Life coverage is selected, it automatically ends on the earliest of the following:

- The date the employee's Group Life insurance ends
- The date the *group policy* terminates, unless the employee qualifies for *Waiver of Premium*
- The date the last period ends for which a premium payment was received if the coverage is *contributory*
- For a *spouse*, the date of divorce or legal separation, death of the employee, or the date the *spouse* becomes a full-time member of the armed forces of any country

If Dependents Life coverage is selected, it automatically ends on the earliest of the following:

- Five months after the death of the insured employee (no premiums will be charged for the Dependents Life coverage during these five months)
- The date the employee's Group Life insurance ends
- The date the Dependents Life insurance terminates under the *group policy*
- The date the last period ends for which a premium payment was received if the coverage is *contributory*
- For a *spouse*, the date of divorce
- For a *dependent*, the date the individual ceases to be a dependent
- For a *child* that is *disabled*, 90 days after The Standard requests proof of *disability*, if proof is not given

### What level of employee participation is required?

For *noncontributory* plans, 100 percent of the eligible employees must participate. If a plan is *contributory* (partially or fully funded by employees), a minimum number of eligible employees must participate, as specified in the Employee Benefits Proposal.

### When does the group policy terminate?

You may terminate the *group policy* by providing The Standard with written notice. It will automatically terminate if a premium payment is not received by the end of the *grace period* shown in the *group policy*. The Standard may terminate the *group policy* on any premium due date if the number of persons insured is less than the *minimum participation* requirements as defined by the *group policy*. The Standard may also terminate the *group policy* if it determines that the *policyholder* has failed to promptly furnish any necessary requested information or to perform any other obligations relating to the *group policy*.

### Thank You

Thank you for considering Group Life insurance from The Standard. We are pleased to work with you and your insurance advisor to develop an employee benefits program to meet the specific needs of your organization. If you have any questions about the proposal, please contact your insurance advisor or the Employee Benefits Sales and Service Office for your area.

## Standard Insurance Company

Founded in Portland, Oregon in 1906, The Standard is a nationally recognized provider of employee benefits products and services. The Standard provides insurance to more than 24,800 groups, covering over 8 million employees nationwide.<sup>1</sup> Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

We always strive to do what's right — for our policyholders and their employees. This dedication has resulted in a national reputation for quality products, superior service and industry expertise.

To learn more about Life coverage from The Standard, contact your insurance advisor, call the Employee Benefits Sales and Service Office for your area at 800.633.8575 or visit us at [www.standard.com](http://www.standard.com).

<sup>1</sup> As of June 30, 2013, based on internal data developed by Standard Insurance Company.



Standard Insurance Company  
1100 SW Sixth Avenue  
Portland OR 97204

[www.standard.com](http://www.standard.com)