PACIFIC LUTHERAN UNIVERSITY

# Term Life Insurance



## How does it work?

You choose the amount of coverage that's right for you, and you keep coverage for a set period of time, or "term." If you die during that term, the money can help your family pay for basic living expenses, final arrangements, tuition and more.

## Why is this coverage so valuable?

If you previously purchased coverage, you can increase it up to $350,000 to meet your growing needs — with no medical underwriting.

## What else is included?

**A 'Living' Benefit** — If you are diagnosed with a terminal illness with less than 24 months to live, you can request 75% of your life insurance benefit (up to $500,000) while you are still living. This amount will be taken out of the death benefit, and may be taxable. **These benefit payments may adversely affect the recipient's eligibility for Medicaid or other government benefits or entitlements, and may be taxable.** Recipients should consult their tax attorney or advisor before utilizing living benefit payments.

**Waiver of premium** — Your cost may be waived if you are totally disabled for a period of time.

**Portability** — You may be able to keep coverage if you leave the company, retire or change the number of hours you work.

Employees or dependents who have a sickness or injury having a material effect on life expectancy at the time their group coverage ends are not eligible for portability.

## Who can get Term Life coverage?

If you are actively at work at least 1040 hours per year, you may apply for coverage for:

| | |
|---|---|
| **You:** | Choose from $10,000 to $500,000 in $10,000 increments, up to 5 times your earnings.<br>If you previously purchased coverage, you can increase it up to $350,000 with no medical underwriting. If you previously declined coverage, you may have to answer some health questions. |
| **Your spouse:** | Get up to $250,000 of coverage in $5,000 increments. Spouse coverage cannot exceed 100% of the coverage amount you purchase for yourself.<br>If you previously purchased coverage for your spouse, they can increase their coverage up to $50,000 with no medical underwriting, if eligible (see delayed effective date). If you previously declined spouse coverage, some health questions may be required. |
| **Your children:** | Get up to $10,000 of coverage in $2,500 increments if eligible (see delayed effective date). One policy covers all of your children until their 20th birthday − or until their 26th birthday if they are full-time students.<br>The maximum benefit for children live birth to 6 months is $10,000. |

## How much coverage can I get?

### Calculate your costs

1. Enter the coverage amount you want.
2. Divide by the amount shown.
3. Multiply by the rate. Use the rate table (at right) to find the rate based on age.
   (Choose the age you will be when your coverage becomes effective. See your plan administrator for your plan effective date. To determine your spouse rate, choose the age the spouse will be when coverage becomes effective. See your plan administrator for your plan effective date.)
4. Enter your cost.

| | 1 | 2 | 3 | 4 |
|---|---|---|---|---|
| **Employee** | $_____,000 | ÷ $10,000 = $_____ | X $_____ | = $_____ |
| **Spouse** | $_____,000 | ÷ $5,000 = $_____ | X $_____ | = $_____ |
| **Child** | $_____,000 | ÷ $2,500 = $_____ | X $_____ | = $_____ |
| | | | **Total cost** | |

| Employee monthly rate | | | Spouse monthly rate | Child monthly rate |
|---|---|---|---|---|
| Age | Per $10,000 of coverage | | Per $5,000 of coverage | $0.180 per $2,500 of coverage |
| | Tobacco†† | Non-tobacco | Cost | |
| 15-24 | $0.720 | $0.560 | $0.160 | |
| 25-29 | $0.720 | $0.560 | $0.160 | |
| 30-34 | $0.720 | $0.560 | $0.160 | |
| 35-39 | $0.840 | $0.660 | $0.180 | |
| 40-44 | $1.440 | $1.140 | $0.300 | |
| 45-49 | $2.400 | $1.900 | $0.500 | |
| 50-54 | $4.080 | $3.220 | $0.860 | |
| 55-59 | $7.320 | $5.800 | $1.520 | |
| 60-64 | $11.900 | $8.640 | $2.480 | |
| 65-69 | $18.000 | $14.300 | $2.480 | |
| 70-74 | $27.200 | $21.600 | $2.840 | |
| 75+ | $40.000 | $31.700 | $2.840 | |

Billed amount may vary slightly.
If you apply for coverage above the guaranteed issue amount, you may be subject to medical underwriting which may affect your ability to get the larger coverage amount. In order to purchase coverage for your dependents, you must buy coverage for yourself. Coverage amounts cannot exceed 100% of your coverage amounts. †† A tobacco user is defined as anyone who currently uses or has used a tobacco product within the last 12 months.

## Exclusions and limitations

### Actively at work

Eligible employees must be actively at work to apply for coverage. Being actively at work means on the day the employee applies for coverage, the individual must be working at one of his/her company's business locations; or the individual must be working at a location where he/she is required to represent the company. If applying for coverage on a day that is not a scheduled workday, the employee will be considered actively at work as of his/her last scheduled workday. Employees are not considered actively at work if they are on a leave of absence or lay off.

An unmarried handicapped dependent child who becomes handicapped prior to the child's attainment age of 26 may be eligible for benefits. Please see your plan administrator for details on eligibility.

Employees must be U.S. citizens or legally authorized to work in the U.S. to receive coverage. Employees must be actively employed in the United States with the Employer to receive coverage. Employees must be insured under the plan for spouses and dependents to be eligible for coverage.

### Exclusions and limitations

### Delayed effective date of coverage

Insurance coverage will be delayed if you are not an active employee because of an injury, sickness, temporary layoff, or leave of absence on the date that insurance would otherwise become effective.

Delayed Effective Date: if your spouse or child has a serious injury, sickness, or disorder, or is confined, their coverage may not take effect. Payment of premium does not guarantee coverage. Please refer to your policy contract or see your plan administrator for an explanation of the delayed effective date provision that applies to your plan.

### Age Reduction

Coverage amounts for Life for you will reduce to 65% of the original amount when you reach age 70, and will reduce to 50% of the original amount when you reach age 75. Coverage may not be increased after a reduction.

### Termination of coverage

Your coverage and your dependents' coverage under the policy ends on the earliest of:

- The date the policy or plan is cancelled
- The date you no longer are in an eligible group
- The date your eligible group is no longer covered
- The last day of the period for which you made any required contributions
- The last day you are actively employed (unless coverage is continued due to a covered layoff, leave of absence, injury or sickness), as described in the certificate of coverage

In addition, coverage for any one dependent will end on the earliest of:

- The date your coverage under a plan ends
- The date your dependent ceases to be an eligible dependent
- For a spouse, the date of a divorce or annulment
- For dependents, the date of your death

Unum will provide coverage for a payable claim that occurs while you and your dependents are covered under the policy or plan.

This information is not intended to be a complete description of the insurance coverage available. The policy or its provisions may vary or be unavailable in some states. The policy has exclusions and limitations which may affect any benefits payable. For complete details of coverage and availability, please refer to Policy Form C.FP-1 et al or contact your Unum representative.

Life Planning Financial & Legal Resources services, provided by HealthAdvocate, are available with select Unum insurance offerings. Terms and availability of service are subject to change. Service provider does not provide legal advice; please consult your attorney for guidance. Services are not valid after coverage terminates. Please contact your Unum representative for details.

Unum complies with state civil union and domestic partner laws when applicable.

Underwritten by:

Unum Life Insurance Company of America, Portland, Maine

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