

# Term life/AD&D insurance



## Help protect your family's financial future.

What kind of future do you picture for yourself and your family? Now imagine that picture without you in it or with you being severely injured. Would your family be financially able to continue your current lifestyle?

We provide more than just a benefit check.

PERA is offering an added safeguard against these financial worries — Unum group term life and accidental death and dismemberment (AD&D) insurance. In addition to providing flexible, affordable life insurance protection, this valuable coverage also pays additional benefits if you suffer an accidental death or helps with the high cost of recovery and rehabilitation if you suffer a covered accidental dismemberment.

### Who is eligible?

If you are an active member of PERA you may apply for coverage.

### Coverage for your family

In addition to insuring yourself, your spouse and your children will automatically be covered.

### How much coverage can I get?

The coverage amount is dependent on your age at the plan anniversary. See the chart on this page for age-specific coverage amounts. Your insurance coverage will decrease as you move through five-year age bands.

**Member** — up to \$260,000

**Spouse** — up to \$24,000

**Children** — up to \$10,000

### Can I apply for more coverage?

Each year at annual enrollment, active PERA members may apply for up to four units of coverage without providing evidence of insurability. At times other than annual enrollment, you may apply for additional coverage subject to satisfactory evidence of insurability.

### Affordable coverage

PERA is making this insurance available to you at affordable group rates. This is a units-based decreasing term life plan. You have the option of purchasing one, two, three

or four units of coverage. The monthly premium for one unit is \$7.75; multiply \$7.75 by the number of units you are purchasing to get your total premium.

*Benefits on policies for a spouse and/or dependent children are paid to the member.*

Term life and AD&D coverage (The amount below represents one unit of coverage.)			
Member's age	Group decreasing term life/AD&D*	Group decreasing term life insurance	
		Spouse	Child
Less than 25	\$65,000	\$6,000	Less than 14 days — \$1,000
25 – 29	55,000	6,000	14 days to 20 years — \$2,500
30 – 34	45,000	6,000	
35 – 39	35,000	6,000	21 years or over — None
40 – 44	30,000	6,000	
45 – 49	25,000	6,000	
50 – 54	20,000	6,000	
55 – 59	15,000	3,500	
60 – 64	7,500	2,500	
65 – 69	5,000	2,500	
70 – 74	3,500	1,000	
75 – 79	2,500	1,000	
80 – 84	2,250	1,000	
85 – 89	1,875	1,000	
90 – 94	1,875	1,000	
95+	1,750	1,000	

**\*Coverage amount for members will be doubled in the event the loss is due to a covered accident. You can purchase up to four units of the above coverage amounts.**

### Cost calculation

**Number of units** \_\_\_\_ x \$7.75 = \_\_\_\_ **Total monthly cost**

**Example:**

- Age at time of enrollment is 58.
- Elect 3 units of coverage.
- Member life coverage amount: .....\$45,000
- Member AD&D coverage amount: .....\$45,000
- Spouse coverage amount: .....\$10,500
- Child coverage amount: .....\$7,500
- Cost 3 units x \$7.75: .....\$23.25 per month

**Benefit amount payable is based on the insured individual's age at the plan anniversary prior to or coincident with the date of loss.**

### **Additional AD&D benefits**

The accidental death and dismemberment benefit is paid in addition to the life benefit if the insured individual's death occurs as the result of a covered accident. The plan includes an education benefit as well as a seat belt/air bag benefit, and each is paid in addition to the AD&D benefits when plan provisions are met.

### **Repatriation**

If you die due to an accident at least 100 miles away from your principal place of residence, an additional benefit will be paid for the preparation and transportation of your body to a mortuary chosen by you or your authorized representative.

### **Convenient payroll deduction**

Your premiums are automatically deducted from your paycheck, so you don't have to worry about writing checks or mailing payments.

### **What other features are included?**

**Accelerated benefit** — If you or your covered dependent become terminally ill and are not expected to live more than 12 months, you may request a portion of your life insurance benefit in advance (amount subject to plan maximum) without fees or present value adjustments. A doctor must certify the condition. Any remaining benefit will be paid to your designated beneficiaries upon your death or in the event of your dependent's death any remaining benefit will be paid to you.

### **Coverage when your employment situation**

**changes** — If you refund your PERA account, you may be eligible to keep your coverage at affordable group rates through direct billing.

*If you have an injury or sickness, you may be unable to port your coverage; however, under the conversion provision, you may be able to convert your term life coverage to an individual life insurance policy. See your plan sponsor's policy or summary of benefits for details.*

**Retained Asset Account** — Benefits of \$10,000 or more are paid through the Unum Retained Asset Account. This interest-bearing account gives your beneficiary access to your life insurance proceeds via bank draft. This service allows your beneficiary time to decide how to best manage the proceeds. He or she may write drafts from a minimum of \$250 up to the full amount, or leave money in the account as long as desired.

### **Life Planning Financial and Legal Resources** —

Financial advice and planning support from impartial counselors is available for beneficiaries and for covered members and their spouses who are terminally ill.

### **Included with your AD&D plan:**

**Education benefit** — If you die within 365 days of a covered accident, this benefit can help defray the cost of tuition for your children if they are in college or other post-secondary school training.

**Seat belt and airbag benefit** — Pays an additional 10% benefit up to \$25,000 if you die in a covered private passenger car accident while wearing a seat belt. An extra 5% benefit is paid if the seat is protected by an airbag and seat belt *and* your seat belt is properly fastened.

## **Insurance terms explained**

### **Guaranteed issue**

During annual enrollment, if you (and your dependents) are eligible, you can apply for up to four units of term life insurance without answering any health questions or taking a physical exam. *That's what is meant by guaranteed issue.*

### **Evidence of insurability**

If you elect coverage after you are initially eligible or at times other than annual enrollment you will need to fill out and sign a medical history form. You may also be asked to take a health exam. *That's what is meant by providing evidence of insurability.*

## **Your term life and AD&D insurance plan**

### **Guaranteed issue**

If you enroll within 90 days of your initial eligibility or during annual enrollment, you can apply for up to four units of term life insurance, without providing evidence of insurability. However, if you apply at any other time, any amount elected will be subject to satisfactory evidence of insurability.

### **Effective date of coverage**

Please see your plan booklet for your effective date of coverage.

### **Delayed effective date of coverage**

**Dependent:** Insurance coverage will be delayed if your dependent is totally disabled on the date that insurance would otherwise be effective.

**Exception:** Infants are insured from live birth.

Totally disabled means that if, as a result of an injury, a sickness or a disorder, your dependent is confined to an institution or at home for medical treatment, the dependent's insurance will not be effective until the attending physician releases the dependent from confinement.

### **Changes to coverage**

Each year you will be given the opportunity to change your life coverage. You may purchase up to four units of life coverage without evidence of insurability. The suicide exclusion will apply to any increase in coverage.

### **Limitations/exclusions**

Life insurance benefits will not be paid for deaths caused by suicide in the first 24 months after your effective date of coverage. Additionally, no increased or additional benefits will be paid for deaths caused by suicide occurring within 24 months after the day such increased or additional insurance is effective.

### **Accidental death and dismemberment (AD&D) coverage**

Full benefit paid for loss of:

- life
- both hands, or both feet, or sight of both eyes
- one hand and one foot
- one hand or one foot and the sight of one eye

Other losses may be covered as well. Please see your plan administrator.

### **AD&D limitations/exclusions**

Accidental death and dismemberment benefits will not be paid for losses caused by, contributed to by, or resulting from:

- disease of the body;
- diagnostic, medical or surgical treatment or mental disorder as set forth in the latest edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM);
- suicide, self-destruction while sane, intentionally self-inflicted injury while sane or self-inflicted injury while insane;

- war, declared or undeclared, or any act of war;
- active participation in a riot;
- committing or attempting to commit a crime;
- the use of any prescription or non-prescription drug, poison, fume or other chemical substance unless used according to the prescription or direction of your doctor. This exclusion does not apply to you if the chemical substance is ethanol;
- intoxication — "being intoxicated" means your blood alcohol level equals or exceeds the legal limit for operating a motor vehicle in the state where the accident occurred.

### **Termination of coverage provision for life and AD&D**

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

- the date the summary of benefits or plan is cancelled;
- the last day of the period for which you made any required contributions;
- the last day of the month coincident with or next following the date you withdraw your PERA member account;
- for dependent coverage, the date of your death.

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.

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

### **How to enroll or make changes to your current election**

You may enroll online by accessing the Unum link through the PERA website at [www.copera.org](http://www.copera.org). Click on "Account Access" and enter your PERA PIN/User ID and password. Select "Life Insurance" from the Inquiry drop-down menu and you will see the link to the Unum site. If you do not have a PERA PIN or have forgotten your PIN, you can "Request a PERA PIN" on the PERA Web site. Your PIN will be mailed to you. You may print a copy of the screen showing your election for your personal records.

If you prefer to complete the enclosed form, please fax it to 1-207-771-4022 or return it in the enclosed envelope to Unum. If you are completing the paper form process, complete or verify personal information on the front of the form. Indicate the number of units you are electing. Please be sure to sign and date the enrollment form.

If you have any questions, please call the Unum Client Service Center toll-free at 1-866-277-1649.

Unum  
Client Service Center  
P.O. Box 9783  
Portland, ME 04104-5083  
Or fax to: 1-207-771-4022

### **How to complete your beneficiary designation**

Designate your beneficiaries online and advise your designated beneficiaries that you have done so.

You may designate your beneficiaries online by accessing the Unum link through the PERA website at [www.copera.org](http://www.copera.org). Click on "Account Access" and enter your PERA PIN/User ID and password. Select "Life Insurance" from the Inquiry drop-down menu and you will see the link to the Unum site. If you do not have a PERA PIN or have forgotten your PIN, you can "Request a PERA PIN" on the PERA website. Your PIN will be mailed to you.

Designate your first choices of beneficiaries as primary beneficiaries; be sure to include their name(s), Social Security number(s), their relationship to you and what percent you want to designate to the individual(s) (the percentages must total 100%).

You may also designate contingent beneficiaries. These beneficiaries will receive the benefit in the event that all of your primary beneficiaries are deceased. Please be sure to include their name(s), Social Security number(s), their relationship to you and what percent you want to designate to the individual(s) (the percentages must total 100%).

Where a beneficiary is related to the insured individual by blood or marriage, the relationship should be inserted, e.g., husband, wife, son, daughter, father, mother, grandfather, grandmother, uncle, aunt, cousin, sister-in-law, half-brother, etc. Where a beneficiary is not related to the insured individual by blood or marriage, any other relationship should be inserted, e.g., business associate, partner, creditor, fiancée, former spouse, etc.

***If you do not designate a beneficiary, the payment of benefits will default to the provisions of the contract.***

If you have any questions, please call the Unum Client Service Center toll-free at 1-866-277-1649.

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Portland, ME 04104-5083  
Or fax to: 1-207-771-4022

### **Questions**

If you should have any questions about your coverage or how to apply, please contact Unum toll-free at 1-866-277-1649.



Life Planning Financial & Legal Resources is provided by Ceridian Corporation. This service is available with select Unum insurance offerings. Exclusions, limitations and prior notice requirements may apply, and service features, terms and eligibility criteria are subject to change. Ceridian Corporation is not engaged in rendering legal advice. Users should consult with their own attorneys. The services are not valid after termination of coverage and may be withdrawn at any time. Please contact your Unum representative for full details. Term life and AD&D insurance is underwritten by: Unum Life Insurance Company of America, Portland, Maine

The information in this booklet is not intended to be a complete description of the insurance coverage available. The policies or their provisions may vary or be unavailable in some states. The policies have exclusions and limitations which may affect any benefits payable. For complete details of coverage and availability, please refer to Policy Form CFP-I, et al or contact your Unum representative. Unum complies with all state civil union and domestic partner laws when applicable.

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CE-12916 (3-13)

**FOR EMPLOYEES**