

Group Additional Life Insurance

For the employees of City of Corpus Christi
Answers To Your Questions About Coverage From Standard Insurance Company





About This Booklet

This booklet is designed to answer some common questions about the group Additional Life insurance coverage being offered by your employer to eligible employees. It is not intended to provide a detailed description of the coverage.

If coverage becomes effective and you become insured, your employer will post your group insurance certificate online containing a detailed description of the insurance coverage including the definitions, exclusions, limitations, reductions and terminating events. The controlling provisions will be in the group policy issued by Standard Insurance Company. Neither the certificate nor the information presented in this booklet modifies the group policy or the insurance coverage in any way. If you have additional questions, please contact your human resources representative.

Features of the group Additional Life coverage may vary by state.

Group Additional Life Insurance

It's not easy to think about, but what if you suddenly died? Your family could be faced with house payments, unpaid bills, childcare and other expenses just to maintain their current lifestyle. Could your family live without your income? Would your family be able to cover the medical expenses associated with a terminal illness or with burial and funeral expenses?

You make a great investment in your family. You spend time with them. You care for them. You work for them. And if you're not there for them, you want them protected. Your employer provides you with a basic amount of Group Life insurance to help protect your loved ones in the event of your death. Since every employee's needs are different, your employer also provides you with the opportunity to apply for Additional Life insurance from The Standard.

The advantages to you and your loved ones include:

- **Choice.** You decide how much coverage you need from the range of amounts available.
- **Flexibility.** If your needs change, you can request to change the amount of coverage. Increases in coverage require evidence of insurability.
- **Convenience.** With premiums deducted directly from your paycheck, you don't have to worry about mailing monthly payments.
- **Peace of Mind.** You can take comfort and satisfaction in knowing that you have done something positive for your family's future.

Commonly Asked Questions

The following information provides details to give you a better understanding of group Additional Life insurance available from The Standard.

Am I eligible for this coverage?

To be eligible for this plan:

- You must be insured for basic Group Life coverage with The Standard.
- You must be an active employee of City of Corpus Christi, Texas, temporary and seasonal employees, full-time members of the armed forces, leased employees and independent contractors.
- You must be regularly working at least 40 hours each week.
- Your spouse or children must not be full-time members of the armed forces of any country.

What is the effective date of the Additional Life coverage?

Your employer will provide Basic Life and AD&D coverage from The Standard at no cost to you. If you qualify for Basic Life, you may also apply for Additional Life coverage to supplement your Basic Life amount.



When does my insurance go into effect?

When your Additional Life coverage goes into effect, depends on when you become an eligible member, when you apply and whether you are required to provide evidence of insurability.

If you are not required to provide evidence of insurability, if you apply and agree to pay premiums, your Additional Life coverage becomes effective on:

- The date you become eligible if you apply on or before that date; or
- The date you apply if you apply within 31 days after you become eligible.

If you are required to provide evidence of insurability, if you apply and agree to pay premiums, your Additional Life coverage becomes effective on the date The Standard approves your evidence of insurability.

In every case, you must meet the active work requirement before your insurance becomes effective.

What is the active work requirement?

Active work means performing with reasonable continuity, the material duties of your own occupation at your employer's usual place of business. You must be capable of active work on the day before the scheduled effective date of your insurance or your insurance will not become effective as scheduled. If you are not actively at work on the day before the scheduled effective date of insurance including Dependents Life insurance, your insurance will not become effective until the day after you complete 1 day of active work as an eligible employee.

How much coverage may I get for myself?

If you are a Firefighter or Police Officer: You may apply for Life Insurance in multiples of \$25,000, from \$25,000 to \$300,000.

For all other Employees: You may elect insurance under Option A. If you are insured under Option A, you may also elect insurance under Option B:

Option A (supplemental): 1 times your Annual Earnings, rounded to the next higher multiple of \$1,000 if not already a multiple of \$1,000. The maximum amount is \$100,000.

Option B (optional): You may apply for Life Insurance in multiples of \$25,000, from \$25,000 to \$300,000.

All late applications and requests for coverage increases are also subject to medical underwriting approval unless you apply during your Employer's 2012 enrollment period.



How much coverage may I get for my spouse and children?

Dependents Life insurance from Standard Insurance Company is also available with this plan for Firefighters insured under Additional Life Insurance and any other Employee who is insured for Option B of Additional Life Insurance.

You may elect \$25,000 or \$50,000 of Dependents Life insurance for your Spouse. This amount may not exceed 100 percent of your Additional Life coverage.

All late applications and requests for coverage increases will also require medical underwriting approval unless you apply during your Employers 2012 enrollment period.

You may elect \$5,000 or \$10,000 of Dependents Life insurance for your eligible children. This amount may not exceed 100 percent of your Additional Life coverage.

How much coverage do I need?

It can be difficult to determine the amount of insurance you need. Each family has its own unique set of circumstances, combined with needs that may arise with the unexpected loss of life. Use the worksheet below in calculating the amount of life insurance coverage you may need. The final total is the amount of Additional Life insurance you might want to consider applying for to meet your obligations. Once you determine how much coverage you need, complete the Enrollment Form within your enrollment packet and submit it to your human resources department.

	You	Your Spouse
Immediate Needs		
Medical and hospital expenses	\$ _____	\$ _____
Funeral/Burial expenses	_____	_____
Loans/Debts requiring payment upon death	_____	_____
Taxes		
Federal and state income taxes	_____	_____
Property taxes	_____	_____
Federal and state estate taxes	_____	_____
Long Term Needs		
Mortgage	\$ _____	\$ _____
Debts (credit cards, car and student loans, etc.)	_____	_____
Educational/Vocational fund	_____	_____
Childcare expenses	_____	_____
Emergency fund for unforeseen expenses	_____	_____
Income Replacement		
Consider the income needed to support your family and the number of years they will need that support.	\$ _____	\$ _____
Total Income Needs		
Add together all of the above.	\$ _____	\$ _____
Available Resources		
Existing life insurance coverage	\$ _____	\$ _____
Other assets such as 401(k), stocks, bonds, etc.	_____	_____
Total Additional Life Insurance Needed		
Subtract the amount of your available resources from your total income needs.	\$ _____	\$ _____

How much will the Dependents Life coverage cost for my spouse and children?

Use the following rates to determine the monthly premium for your spouse's Dependents Life coverage:

Member's Age on last January 1st	Biweekly Rate per \$1,000 of total coverage
Age 29 and under	\$0.028
Age 30 to 34	\$0.037
Age 35 to 39	\$0.042
Age 40 to 44	\$0.046
Age 45 to 49	\$0.069
Age 50 to 54	\$0.125
Age 55 to 59	\$0.226
Age 60 to 64	\$0.305
Age 65 to 69	\$0.586
Age 70 to 74	\$0.951
Age 75 and above	\$2.645

To calculate the Biweekly premium for your spouse:

$$\begin{array}{ccccccc}
 \$ & \underline{\hspace{2cm}} & \div & \$1,000 = & \underline{\hspace{2cm}} & \times & \$ \underline{\hspace{2cm}} = \$ \underline{\hspace{2cm}} \\
 & \text{Amount of} & & & & & \text{Premium rate} & & \text{Your Biweekly cost} \\
 & \text{Dependents Life} & & & & & \text{from above chart} & & \\
 & \text{elected for spouse} & & & & & & &
 \end{array}$$

Child(ren) Rates

If you elect Dependents Life insurance for your eligible child(ren), your biweekly premium rate for this coverage is \$0.009 biweekly per \$1,000 of coverage regardless of the number of eligible children covered. Premiums for this coverage will be deducted directly from your paycheck.

Will I have to provide information regarding my medical history?

If you apply for Additional Life insurance within 31 days of becoming eligible to apply and meet the active work requirement, you will automatically qualify for Additional Life insurance and you will not have to answer medical questions to purchase coverage.

If you apply more than 31 days after becoming eligible to apply or if you determine that you need more insurance than the guarantee issue amount, satisfactory evidence of insurability is required. You will need to complete and submit a Medical History Statement. In some cases, we may request additional medical information or a physical exam. However, if you apply during your Employer's 2012 open enrollment period, this requirement will be waived.

Evidence of insurability is also required for reinstatement of terminated coverage and for members eligible but not insured under prior life insurance plans.

How do I apply for Additional Life insurance coverage?

To apply for Additional Life insurance, complete the online Enrollment Form and submit it to your human resources department. You can apply at any time, but remember if you apply more than 31 days after becoming eligible, satisfactory evidence of insurability is required. Coverage subject to evidence of insurability is not effective until approved by The Standard.

How are benefits paid?

For amounts of less than \$25,000, The Standard issues a check to each designated beneficiary. The Standard pays amounts of \$25,000 or more to each designated beneficiary by depositing funds into Standard Secure Access — a convenient, no fee, interest-bearing draft account.

With Standard Secure Access, each beneficiary receives a personalized checkbook and has complete control of the account. Beneficiaries can write checks as needed or for the full amount. This arrangement allows beneficiaries to earn competitive interest rates on their benefits while they take the necessary time to consider financial decisions and evaluate their choices.

Will insurance benefits be reduced as I grow older?

Under this plan, coverage reduces for you and your spouse by 35 percent at age 65, 60 percent at age 75, 70 percent at age 80 and 80 percent at 80 or over. If you, or your spouse, are age 65 or over, ask your human resources representative for the amount of coverage available.

What happens if I become totally disabled and can't work?

The Standard will continue your Additional Life insurance without premium payments if you:

- Become totally disabled while insured under the group policy
- Are under the age of 60
- Complete the waiting period of 180 days
- Provide The Standard with satisfactory proof of total disability

The Waiver of Premium provision does not apply to AD&D insurance.

What happens if I become terminally ill?

Under the Accelerated Benefit provision, you may be eligible to receive up to 75 percent, or a maximum of \$500,000, of your Additional Life insurance coverage if you become terminally ill, have a life expectancy of less than 12 months and meet other eligibility requirements.

This benefit allows you to use the proceeds as you desire — whether to cover medical expenses or to maintain your quality of life. The amount of Additional Life insurance payable upon your death is reduced by the Accelerated Benefit paid and an interest charge. However, to help protect your beneficiaries, The Standard will pay at least 10 percent of the original Additional Life coverage amount at that time even if interest charges on the accelerated amount would have exhausted the remaining benefits over time.

Are there any other benefits with Additional Life coverage from The Standard?

The Standard pays an additional benefit, the Repatriation Benefit, if you die more than 200 miles from your primary place of residence. The Standard will pay for expenses, up to a benefit maximum, incurred to transport your body to a mortuary near your primary place of residence.¹

The Standard includes a travel assistance program that provides a full range of 24-hour medical, legal and travel assistance services to you and your dependents when you travel more than 100 miles from home or in a foreign country.²

What are the exclusions?

Additional Life includes an exclusion for death resulting from suicide or other intentionally self-inflicted injury while sane or insane.³ The amount payable will exclude amounts that have not been continuously in effect for at least two years on the date of death.

When does coverage end?

Additional Life coverage ends automatically on the earliest of the following:

- The date the last period ends for which a premium was paid for your Additional Life insurance (except if premiums are waived while totally disabled, if applicable)
- The date your employment terminates
- The date your Group Life insurance ends
- The date the group policy terminates
- The date Additional Life insurance terminates under the group policy
- The date you cease to be a member; however, insurance may continue for limited periods under certain circumstances
- If applicable, the date your employer ceases to participate under the group policy

¹This benefit is not available in Maryland.

²Provided through an agreement with MEDEX® Assistance Corporation.

³For New Jersey residents, “insane” is not applicable.

Dependents Life coverage for your spouse and children ends automatically on the earliest of the following:

- Five months after the date you die
- The date your 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 was paid for your Dependents Life insurance
- When the dependent ceases to be an eligible dependent
- For your spouse, the date of your divorce or legal separation

If my Additional Life insurance ends or is reduced, may I convert to an individual policy?

If your Additional Life insurance from The Standard ends or is reduced for any reason other than failure to pay premiums, you may be able to convert the terminated coverage to certain types of individual life insurance policies without providing evidence of insurability. You must apply for conversion and pay the required premium within 31 days after group coverage ends or is reduced. AD&D coverage may not be converted under this provision.

May I buy group life coverage after I leave my employer?

If your insurance ends because your employment terminates, you may be eligible to buy group life insurance from The Standard through the Portability provision, assuming you meet the eligibility requirements. Please see your human resources representative for additional information. This option is not available in all states and is subject to state variations.

What if I have additional questions?

If you have any additional questions, please contact your human resources representative.



About Standard Insurance Company

Standard Insurance Company has earned a solid reputation for its quality products, expert resources, superior service, steady growth, innovation and strong financial performance. Founded in 1906, The Standard is a leader in the group disability and life insurance market, while also offering individual disability, group dental and retirement plans for groups and individuals.

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