

Group Term Life & Accident Insurance



Financial Protection for Your Employees and Their Families

A group term life insurance plan with accidental death and dismemberment benefits provides financial support to an employee's surviving family to help replace lost income, pay final expenses, meet mortgage payments and cover day-to-day living expenses. It's a small price to pay to enhance employee satisfaction and ultimately help reduce turnover.

// Flexible Benefit Amounts and Employee Eligibility Dates

Varying levels of benefits to choose from, along with flexible eligibility dates, allow you to control costs. Benefit amounts can range from a flat \$50,000 per employee or 1.5x salary, 2x salary or 2.5x salary levels. Select your eligibility date from the first of the month coincident with hire date or following 30, 60, or 90 days from date of employment.

// Valuable Life and Accident Benefits

Helps provide financial support to an employee's loved ones in the event of death. It also includes coverage that pays a double accidental death benefit amount and an accelerated benefit for terminally ill employees.

// Tax Deductible for Your Chamber

In most cases, the coverage is considered a tax deduction if your organization pays the premiums for employees. Please consult your tax advisor for details.

// Portable Coverage

Your employees can apply to keep this coverage if they are terminated from employment, no longer work the eligible number of hours, or retire.

SUMMARY OF BENEFITS

Group Term Life & Accident Insurance

Choice of Life/AD&D Benefit Amount

You can choose from among 3 plan options to offer your employees (you must choose one option for all employees):

- Plan 1: 1.5 X annual earnings, rounded to the next higher multiple of \$1,000, to a maximum of \$500,000
- Plan 2: 2 X annual earnings, rounded to the next higher multiple of \$1,000, to a maximum of \$600,000
- Plan 3: 2.5 X annual earnings, rounded to the next higher multiple of \$1,000, to a maximum of \$500,000
- Plan 4: \$50,000 flat benefit

Depending on the cost of this coverage and your budget, you can either pay the premiums for your employees and make this plan a true employer-paid benefit. Or you can offer your employees this plan on a voluntary basis and your employees can choose to accept and pay for the coverage themselves.

Guaranteed Acceptance

You and all your eligible employees are guaranteed acceptance. This means you cannot be turned down. And there are no health questions or medical exams required.

Choice of Waiting Periods

You can decide when your employees will become eligible for coverage. You can choose among 4 options:

- Option 1: Immediately.
- Option 2: 30 days
- Option 3: 60 days
- Option 4: 90 days

If employment had ended for an employee who is then rehired within 12 months, the previous work will apply toward the waiting period.

Your employees can apply to keep this coverage if they are terminated from employment, no longer work the eligible number of hours, or retire.

Additional Group Term Life Benefits

- Spouse/Children Coverage: You can decide whether to extend this offering to your employees' eligible spouses

and children (6 months to age 19 or 25 if full-time student). Spouses can be covered for \$20,000 in life benefits and each child for \$10,000 (age 6 months plus).

- Accelerated benefit (Life insurance): 50% of the employee's benefit can be paid prior to death if he/she becomes terminally ill with less than 12 months to live.
- Waives premium if employee is under age 60 and becomes disabled for 180 days.
- Life Planning Financial & Legal Resources: Financial planning and counseling are available to employees or their family members at no extra cost if they are diagnosed with a terminal illness.

Additional Accident Benefits

- Education Benefit: Pays each qualified child of employee an additional 12.5% of the total benefit or \$12,500 (whichever is less) to help pay for higher learning at an accredited postsecondary institution beyond the 12th-grade level.
- Repatriation Benefit: Pays up to \$5,000 to help bring employee's remains to a funeral home.
- Seat Belt Benefit: Pays employee's loved ones an additional \$10,000 if employee dies and was wearing a seat belt.
- Air Bag Benefit: Pays employee's loved ones an additional \$5,000 if the vehicle the employee was in was equipped with air bags.
- Up to 100% of the AD&D Benefit amount will also be paid for serious injuries, such as the loss of eyesight, hands, feet or limbs.

Important Information

When Premium Is Effective and Due

The initial premium for each plan is based on the initial rate(s) shown in the policy effective on the employer's original plan effective date. Premium due dates are based on the premium due dates shown in the policy effective on the employer's original plan effective date.

The policyholder must send all premiums to UNUM on or before their respective due date. The premium must be paid in U.S. dollars.

When Coverage Begins for Employees

When you the employer pay 100% of the cost of coverage under a plan, your employee's coverage will become active on the first of the month coincident with or next following the date they are eligible for coverage, as long as they meet the waiting period selected by you.

When the Policy Ends

This policy or plan under this policy can be cancelled by UNUM or by the policyholder. UNUM may cancel or offer to modify this policy or a plan if:

- There is less than 75% participation of those eligible employees who pay all or part of their premium for a plan.
- There is less than 100% participation of those eligible employees for a policyholder-paid plan.
- The policyholder does not promptly provide UNUM with information that is reasonably required.
- The policyholder fails to perform any of its obligations that relate to this policy.
- Fewer than 10 employees are insured under a plan.
- The policyholder fails to pay any premium within the 60-day grace period.

If UNUM cancels this policy or a plan for reasons other than the policyholder's failure to pay premium, a written notice will be delivered to the policyholder at least 31 days prior to the cancellation date.

If the premium is not paid during the grace period, the policy or plan will terminate automatically at the end of the grace period. The policyholder is liable for premium for coverage during the grace period. The policyholder must pay UNUM all premiums due for the full period each plan is in force. The policyholder may cancel this policy or plan by written notice delivered to UNUM at least 31 days prior to the cancellation date. When both the policyholder and UNUM agree, this policy or a plan can be cancelled on an earlier date. If UNUM or the policyholder cancels this policy or a plan, coverage will end at 12:00 midnight on the last day of coverage.

If this policy or a plan is cancelled, the cancellation will not affect a payable claim.

Coverage for Your Employee(s) Ends on the Earliest of:

The date the policy or plan is cancelled; the date they are no longer 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; or the last day you are in active employment except as provided under the covered layoff or leave-of-absence provision.

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 that may affect any benefits payable. For complete details of coverage, please refer to Policy Form #525195 012 for specific provisions and details of availability.

Products are underwritten by:

UNUM Life Insurance Company of America
2211 Congress Street, Portland, ME 04122

In New York, products are underwritten by:

First UNUM Life Insurance Company
99 Park Avenue, 6th Floor
New York, NY 10016

Administered by:

AGIA, Inc.

Policy #525195 002



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