

# Group Voluntary Life Insurance

Protecting What's Priceless



Standard Insurance Company  
Group Voluntary Life Insurance





## About This Booklet

This booklet is designed to answer some common questions about the group Voluntary Life insurance coverage offered to the eligible employees in your company. It is not intended to provide a detailed description of the coverage. Features of the coverage may vary by state.

If coverage becomes effective and you become insured, you will receive a certificate 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. Neither this booklet nor the certificate modify the group policy or the insurance coverage in any way.

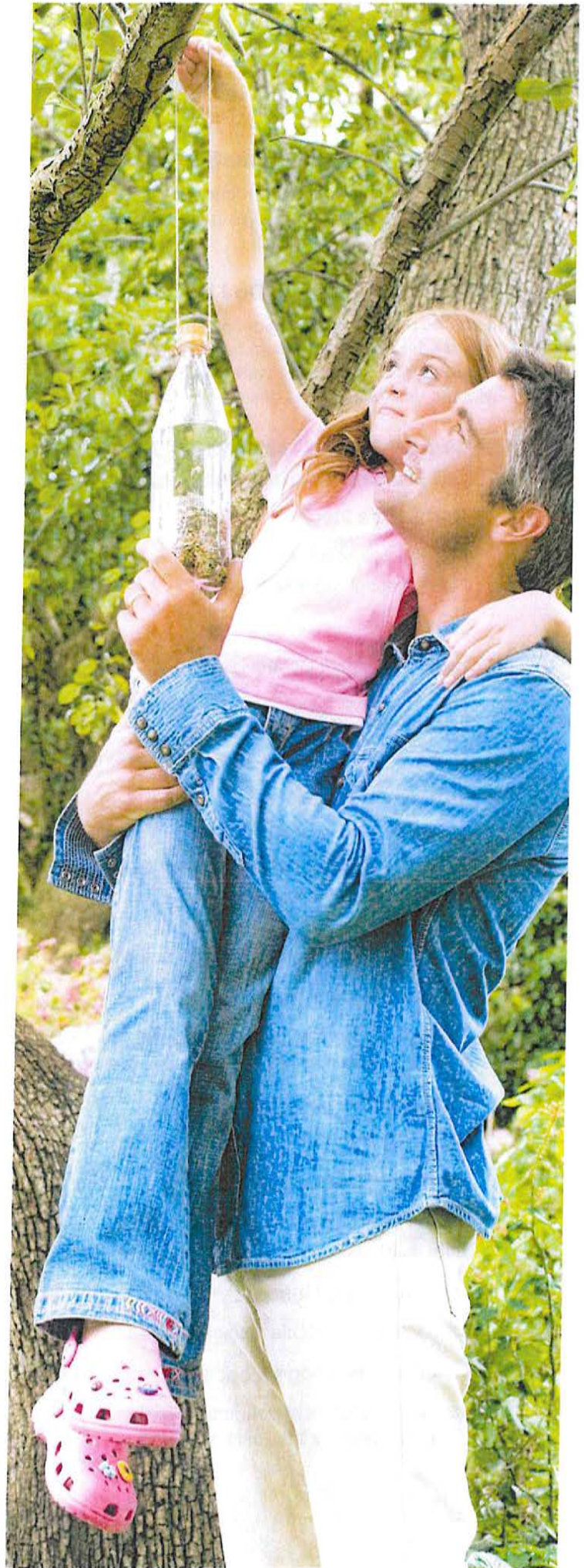
## Voluntary Life Insurance Features

It's not easy to think about, but what if you suddenly died? 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 to be protected. By sponsoring Voluntary Life insurance from Standard Insurance Company, your employer offers you an excellent opportunity to help protect your loved ones.

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 apply to change the amount of your coverage
- **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 the Voluntary Life insurance available from The Standard.

### 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 to guide you in calculating the amount of Voluntary Life insurance you may need. The final total is the amount of 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 in your enrollment packet and submit it to your human resources department.

## Voluntary Group Life Insurance Worksheet

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

## What Is The Effective Date Of This Plan?

For this Voluntary Life insurance plan to become effective, 20 percent of eligible employees or 15 eligible employees, whichever is greater, must enroll in the plan. Your employer will inform you of the plan's effective date.

## Am I Eligible For Coverage?

If you are an active employee, regularly working at least 20 hours each week, other than a temporary or seasonal employee, or full-time member of any country's armed forces, you are eligible to apply for coverage as a group member.

For coverage to become effective, members must complete any required eligibility waiting period and satisfy applicable evidence of insurability requirements (see next page). Members must also meet the active work requirement: Active work and actively at work mean performing the material duties of your own occupation at your employer's usual place of business.

## How Much Insurance May I Purchase For Myself?

The amount of insurance you may apply for as an eligible employee depends upon the design of the Voluntary Life insurance plan offered by your employer.

With an increment-based plan design, eligible employees may apply for insurance coverage for themselves in increments of \$10,000, from a minimum of \$10,000 to a maximum of \$300,000, but not to exceed six times their annual earnings.

With a salary-based plan design, eligible employees may apply for insurance coverage for themselves in amounts that are one, two or three times their annual earnings, rounded to the next highest multiple of \$1,000 if not already a multiple of \$1,000.

Check with your employer to determine which one of these two plan designs is being offered to eligible employees.



## May I Purchase Insurance For My Dependents?

**Spouse Coverage:** If you become insured, you can apply to purchase insurance for your spouse in increments of \$10,000 up to \$300,000. You cannot, however, purchase more insurance for your spouse than for yourself. (Spouses may not be insured as dependents if they are insured as members.)

**Dependent Children Coverage:** If you become insured, you can apply to purchase insurance for your dependent children in amounts of \$2,000, \$5,000 or \$10,000. All of your children will be insured for the same amount. Children may not be insured by more than one member.

**Note:** Subject to state variations, dependent children eligible for coverage are defined as unmarried natural or adopted children, or unmarried step-children living in your home. Dependent children may be covered from live birth through age 21 or through age 25 if registered full-time students. Dependents who are full-time members of the armed forces of any country are not eligible for coverage.

### What Is Guarantee Issue?

If you apply for insurance during your initial 31-day enrollment period and meet the active work requirement, you will automatically qualify for a set amount of insurance coverage called guarantee issue. This means that you will not have to answer medical questions to purchase coverage up to the guarantee issue amount during this period.

If you apply to cover your dependents within 31 days of becoming eligible for Dependents Life insurance, your spouse will also qualify for a limited amount of insurance (guarantee issue) without answering medical questions.

Check the enclosed employee rate sheet provided by your employer to find out what the guarantee issue amounts are for your group's plan.

### What If I Want More Than The Guarantee Issue Amounts Or If I Want To Purchase Insurance After The Initial Eligibility Period?

Applications for insurance over the guarantee issue amounts, or made beyond the first 31 days of eligibility, are subject to evidence of insurability requirements. Providing evidence of insurability means that, at a minimum, applicants must complete and sign a Medical History Statement. Some applicants may be required to submit additional information or take a physical exam, which may include blood testing and urinalysis. Your employer will supply you with the proper forms.

### When Does My Coverage Go Into Effect?

If we approve your application, we will send you a certificate that tells you the scheduled effective date of your insurance. If sickness, injury or pregnancy prevents you from working the day before this date, insurance won't go into effect until the day after you complete one full day of active work as an eligible member. The same rule applies to an increase in your insurance.

### What If I Leave My Current Employer?

You may be eligible to take your coverage with you if you leave your current employer. This provision of the plan is known as continuation of coverage or portability. If continuation of coverage is approved, then dependents coverage can also be continued.

### What Happens If My Insurance Ends?

If your insurance ends or reduces, you may be able to convert coverage to an individual life insurance policy without submitting a Medical History Statement.

### How Are Benefits Paid?

The Standard pays benefits of \$25,000 or more to beneficiaries by depositing funds into convenient, no-fee, interest-bearing draft accounts. 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 interest on their benefits while making difficult, but important, financial decisions.

If the amount payable is less than \$25,000, The Standard will pay it in a lump sum.

### Will Insurance Benefits Be Reduced With Age?

There is a graded reduction in insurance beginning at age 70. The following table shows the graded reduction. To determine the benefit at different ages, take the benefit that would have been available to the member or spouse before turning age 70 and multiply by the applicable percentage.

Example: a 72-year-old woman whose benefits were \$10,000 at age 69 are now \$6,500 ( $\$10,000 \times 0.65$ ).

Age	Percentage
70-74	65
75-79	45
80-84	30
85-89	20
90-94	15
95+	10

## What Happens If I'm Totally Disabled And Can't Work?

If you become totally disabled before age 60 and meet other eligibility requirements, Life insurance coverage may be continued under this insurance plan's waiver of premium provision without premium payments until age 65.

## What Happens If I Become Terminally Ill?

With the Accelerated Benefit provision,<sup>1</sup> you may be eligible to receive up to 75 percent of your Life insurance benefits early if you become terminally ill, have a life expectancy of less than 12 months and meet other eligibility requirements. You can then use funds from your accelerated benefit to pay bills, medical expenses or anything else you choose. There are no restrictions on how this money may be spent.

## What Exclusions Apply To This Coverage?

If you or a covered dependent die as a result of suicide or other intentionally self-inflicted injury, while sane or insane, the amount payable will exclude any Voluntary Life insurance that has not been continuously in effect for at least two years on the date of death.<sup>2</sup>

## When Does My Coverage End?

Your Voluntary Life insurance coverage automatically ends on the earliest of these dates:

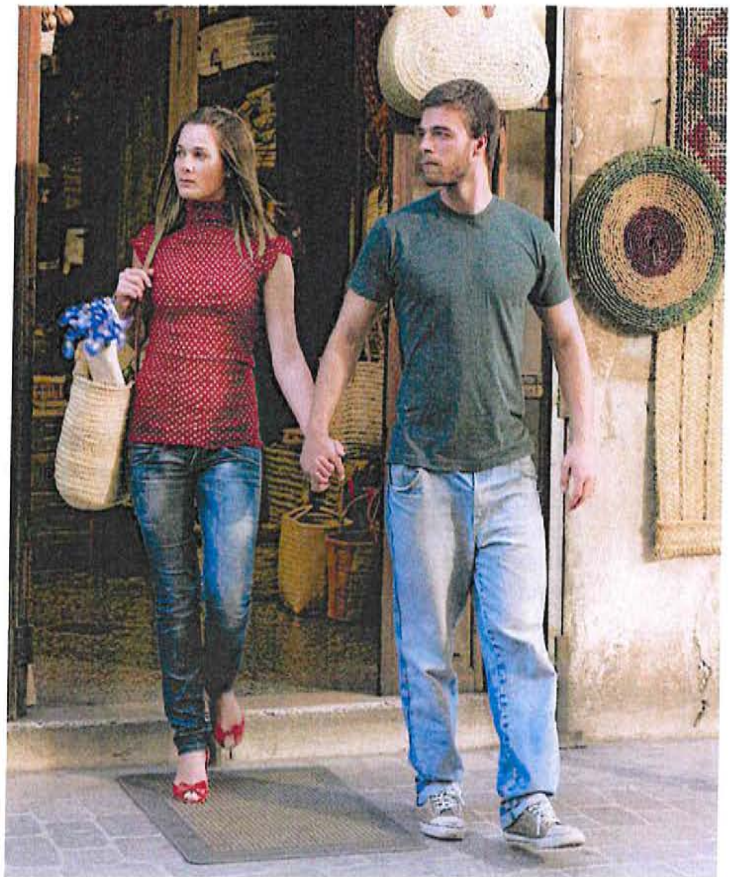
- The date the last period ends for which you made a premium contribution
- The date the group policy terminates
- The date your employer's participation under the group policy terminates
- The date your employment terminates, unless you are approved for continuation of insurance (portability)
- The last day of the calendar month in which you cease to be an eligible member of the plan

Dependents Life insurance coverage for your dependents automatically ends on the earliest of these dates:

- The date you die
- The date your Voluntary Life insurance ends; however, if your Voluntary Life insurance ends because your employment with your employer terminates, you may have the right to continue your Dependents Life insurance under the continuation of insurance (portability) provision

<sup>1</sup> The Accelerated Benefit provision is subject to state variations.

<sup>2</sup> For Colorado and Missouri residents, "insane" is not applicable.



- The date the last period ends for which you made a premium contribution for Dependents Life insurance
- The date your employer's participation under the group policy for Dependents Life insurance ceases
- For your spouse, the date of your divorce
- For any dependent, the date the dependent ceases to be a dependent
- For a disabled child, 90 days after The Standard mails you a request for proof of disabled child status, if proof is not given

## How Do I Apply?

Determine how much coverage you need, and then complete the Enrollment Form provided and return it to your employer. Your employer can answer any questions you may have about the enrollment process.

## Additional Questions?

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



For more than 100 hundred years we have been dedicated to our core purpose: to help people achieve financial security so they can confidently pursue their dreams. We have earned a national reputation for quality products and superior service by always striving to do what is right for our customers.

Headquartered in Portland, Oregon, The Standard is a nationally recognized insurance provider of group Disability, Life, Dental and Vision insurance. We provide insurance to nearly 26,000 groups covering more than 8.7 million employees nationwide.\* Our first group policy, written in 1951 and still in force today, stands as a testament to our commitment to building long-term relationships.

To learn more about The Standard, visit us at [www.standard.com](http://www.standard.com). For more information about Group Voluntary Life insurance from The Standard, contact your human resources department.

\* As of June 30, 2010, based on internal data developed by Standard Insurance Company.

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

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