

Group Additional Life Insurance

Answers To Your Questions About Coverage From The Standard



Standard Insurance Company
Group Life Insurance





About This Booklet

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

If the group policy 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.

Refer to the Coverage Highlights for additional details about Additional Life coverage.

Group Additional 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?

Your employer provides you with a basic amount of Group Life insurance to help safeguard your loved ones in the event of your death. Since every employee's needs are different, your employer also offers you the opportunity to apply for Additional Life insurance from The Standard.

Advantages Of Additional Life Insurance

- **Choice** – You decide how much coverage you need from the range of amounts available. The Coverage Highlights provide you with additional details.
- **Flexibility** – If your needs change, you may request to change the amount of coverage. Increases in coverage require evidence of insurability, as described below.
- **Convenience** – With premiums deducted directly from your paycheck, you do not have to worry about mailing monthly payments.
- **Peace of Mind** – You can take comfort in knowing that you have done something positive to protect your family's future.

Commonly Asked Questions

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

What Is The Effective Date Of This Plan?

Before the Additional Life coverage takes effect, a minimum number of eligible employees in your company must apply and qualify. This level of participation has been agreed upon by your employer and The Standard.

If the minimum participation requirement is met and the Additional Life coverage goes into effect, the effective date of your coverage depends upon when you become a member, when you apply and whether you are required to provide evidence of insurability.

If you are not required to provide evidence of insurability, and 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.

Refer to the Coverage Highlights for information on the eligibility waiting period and when you become eligible for insurance.





If you are required to provide evidence of insurability, and 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.

Will I Have To Provide Information Regarding My Medical History?

If you apply for Additional Life insurance within 31 days of becoming eligible and you meet the active work requirement, you will automatically qualify for up to a set amount of insurance coverage called the guarantee issue amount. This means that you will not have to answer medical questions to purchase coverage up to this amount. Check the Coverage Highlights for your guarantee issue amount.

If the date you apply is more than 31 days after you become eligible 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.

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

Life Insurance Needs Calculator

Each family has a unique set of circumstances and financial demands. To help you figure out the amount of Additional Life Insurance you may need to protect your loved ones, The Standard has created a Life Insurance Needs Calculator. Use the worksheet below or access our online Life Insurance Needs Calculator at: <http://www.standard.com/lifeneeds>. Or, use the QR code to the right with your mobile device.



| Step 1: Income Needs | | |
|---|-----|----------------|
| Estimate the income you will need to replace if you or your partner passed away. | You | Spouse/Partner |
| Annual Income | \$ | \$ |
| Other Income | \$ | \$ |
| Years Needed Number of years your beneficiaries would need the income support | | |
| Total Income Needs | \$ | \$ |

| Step 2: Major Expenses | | |
|---|-----|----------------|
| Estimate the major expenses you may leave behind or want to plan ahead for. | You | Spouse/Partner |
| Final Expenses To cover your final medical expenses, funeral and burial, a typical estimate is \$15,000 or 4% of your estate. ¹ A traditional funeral averages \$6,000 but may cost much more. ² | \$ | \$ |
| Mortgage Balance | \$ | \$ |
| Loans and Debt Include credit card debt, car loans, home equity loans, etc. | | |
| College Savings Estimate the amount each partner's income would contribute towards education funds. Average "total" annual cost of college ranges from about \$17,000 for a public in-state college to \$38,000 for a private college. ³ | | |
| Total Major Expenses | \$ | \$ |

| Step 3: Assets | | |
|--|-----|----------------|
| Estimate the value of your assets. | You | Spouse/Partner |
| Savings and Investments Include real estate, retirement plans, investments or inheritance. | \$ | \$ |
| Existing Life Insurance Include any existing insurance plans/benefits outside this plan. | \$ | \$ |
| Total Available Assets | \$ | \$ |

| Step 4: Estimated Life Insurance Needed | | |
|---|-----|----------------|
| | You | Spouse/Partner |
| Add your Total Replacement Income Needed and Total Major Expenses. Then subtract your Total Resources to get your personal estimate. | \$ | \$ |

This calculator is only intended to provide a general estimate of your family's potential income needs and should not be considered financial advice. For a more accurate and detailed analysis, please consult with a professional financial planner.

¹ Life Foundation, Life Insurance Calculator, 2011

² Federal Trade Commission, Funerals: A Consumer Guide, Nov. 24, 2009

³ The College Board, 2011-2012 national average for a four-year college or university. College costs are indexed at 8.3%. For details, visit: <http://trends.collegeboard.org/>.



How Are Benefits Paid?

Our goal is to make the claims experience as easy as possible and to pay benefits to entitled individuals in a timely, accurate and sensitive manner. Depending upon the approved claim amount, The Standard may either issue a check to your designated beneficiary as a lump-sum payment or deposit the funds into a Standard Secure Access account.

With Standard Secure Access – a convenient, no-fee, interest-bearing draft account – 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 they take time to consider financial decisions and evaluate their choices.

Are There Any Other Benefits With The Additional Life Coverage From The Standard?

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 for trips of up to 180 days.

Will Insurance Benefits Be Reduced As I Grow Older?

Typically, beginning at the age of 65, insurance benefits are reduced to a percentage of the scheduled amount. Refer to the Coverage Highlights for any age reduction schedule.

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

If you become totally disabled while you are insured, insurance may be continued without premium. Refer to the Coverage Highlights for additional information.

* Travel Assistance is provided through an arrangement with a service provider, which is not affiliated with The Standard. Travel Assistance is not an insurance product, except in the state of Oregon.

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 combined basic Group Life and 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 paid under the combined Accelerated Benefit provision including an interest charge would reduce the amount of basic Group Life and Additional Life insurance payable upon your death. However, to help protect your beneficiaries, The Standard would pay at least 10 percent of the original basic Group Life and Additional Life coverage amount at that time.

What Exclusions Apply To This Coverage?

See the Coverage Highlights for plan exclusions.

When Does My Coverage End?

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

- The last day of the last period for which you make a premium contribution (except if premiums are waived while totally disabled, if applicable)
- The date your employment terminates
- The date the group policy terminates or the date the employer terminates Additional Life coverage under the group policy
- The date you cease to be a member (insurance may continue for limited periods under certain circumstances)
- The date your employer ceases to participate under the group policy, if applicable

If My Additional Life Insurance Ends Or Reduces, May I Convert To An Individual Policy?

You may be able to convert the terminated coverage to an individual Life insurance policy without providing evidence of insurability.

May I Buy Group Life Coverage After I Leave My Employer?

If you leave your employment, you may be able to buy Life insurance from The Standard through the Portability provision, assuming you meet the eligibility requirements. Refer to the Coverage Highlights for the amounts you may be able to purchase. This option is not available in all states.

How Do I Apply?

To apply for the Additional Life insurance coverage, complete the Enrollment Form in your enrollment packet, place it in a confidential envelope and submit it to your human resources department.

Additional Questions?

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





For more than 100 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 provider of group Disability, Life, Dental and Vision insurance. We provide insurance to more than 23,000 groups covering nearly 6 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**. For more information on Group Additional Life Insurance from The Standard, contact your human resources department.

* As of September 30, 2014, based on internal data developed by Standard Insurance Company.

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GP190-LIFE/S399, GP399-LIFE/TRUST,
GP899-LIFE, GP190-LIFE/A997/S399

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