Group Additional Life Insurance
FOR EMPLOYEES OF THE UNIVERSITY OF NEW MEXICO

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, you will receive a group insurance 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 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.

Please note that defined terms and provisions from the group policy are italicized in this booklet.
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 a regular employee of the University of New Mexico who is either:
  - a benefits eligible staff or faculty member with annual earnings of at least $10,000 and regularly working at least .50 or greater fulltime equivalent each week; or
  - a post-doctoral fellow
  - a temporary staff employee with a minimum of a three (3) month appointment of at least .75 or greater fulltime equivalent each week
  - an adjunct faculty employee with a minimum of a three (3) month contract of at least .75 or greater fulltime equivalent each week
- You are not eligible if you are a research assistant, graduate assistant, teaching assistant, special assistant, any other temporary and seasonal employee, a full-time member of the armed forces, a leased employee or an independent contractor.
- To insure your spouse or children, they must not be full-time members of the armed forces of any country.

Note: Spouse means a person to whom you are legally married or your domestic partner as recognized by law.
**When does my insurance go into effect?**

The effective date of your coverage depends on when you become an eligible member, when you apply and whether you are required to provide evidence of insurability.

If you apply within 60 days of becoming a member, evidence of insurability is not required for amounts of coverage that are below the Guarantee Issue amount, which is the lesser of 3x salary or $1,000,000. If you apply, agree to pay premiums, your Additional Life coverage becomes effective on the first of the month following the date you apply.

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.

However, if you apply during an annual enrollment period, certain exceptions will apply.

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 one full day of active work as an eligible employee.

**How much coverage may I get for myself?**

You may elect Additional Life coverage in units of 1, 2, 3, 4, or 5 times your annual earnings, to a maximum of $1,850,000. The amount of your Additional Life Insurance is rounded to the next higher multiple of $1,000, if not already a multiple of $1,000.

If you want to become insured for an amount of Additional Life in excess of the guarantee issue amount of $1,000,000, or 3 times your annual earnings, whichever is less, the excess will be subject to medical underwriting approval. All late applications and requests for coverage increases are also subject to medical underwriting approval.

**Annual Enrollment Options**

After initial eligibility, new employees who are eligible but not participating, may enroll in additional life insurance in the amount of one level of coverage, without evidence of insurability.

Employees who are currently enrolled may increase their additional life insurance by one level of coverage each year without EOI until they have reached the maximum of 3 x salary.

In addition, the spouse can be added after initial eligibility for $10,000 or increase by $10,000 up to $50,000 each annual enrollment period (so one increment level each annual enrollment period without EOI).

Children’s Coverage can be added at any time without Evidence of Insurability and becomes effective on the first of the month following the date you apply.
Is Accidental Death and Dismemberment (AD&D) coverage also included?
AD&D insurance from The Standard is available under a separate group policy.

How much coverage may I get for my spouse and children?
Dependents Life insurance from Standard Insurance Company is also available with this plan.

You may elect Dependents Life coverage for a *spouse* in units of $10,000 to a maximum of $100,000, but not to exceed 100 percent of your combined basic Group Life and Additional Life coverage.

If you elect an amount for your *spouse* greater than the *guarantee issue amount* of $50,000, the excess will be subject to medical underwriting approval. All late applications and requests for coverage increases will also require medical underwriting approval.

You may elect $10,000 of Dependents Life insurance for your eligible *children*. This amount may not exceed 100 percent of your combined basic Group Life and Additional Life coverage.

If you are getting married, you may increase your spouse coverage up to $50,000 within 60 days of this event. Children’s coverages does not require EOI at any time.
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 your enrollment at www.standard.com/enroll.

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

Use the following rates to determine the monthly premium for your Additional Life coverage:

<table>
<thead>
<tr>
<th>Employee age</th>
<th>Rate per $1,000 of total coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 29 and under</td>
<td>$0.046</td>
</tr>
<tr>
<td>Age 30 to 34</td>
<td>$0.058</td>
</tr>
<tr>
<td>Age 35 to 39</td>
<td>$0.058</td>
</tr>
<tr>
<td>Age 40 to 44</td>
<td>$0.100</td>
</tr>
<tr>
<td>Age 45 to 49</td>
<td>$0.149</td>
</tr>
<tr>
<td>Age 50 to 54</td>
<td>$0.230</td>
</tr>
<tr>
<td>Age 55 to 59</td>
<td>$0.365</td>
</tr>
<tr>
<td>Age 60 to 64</td>
<td>$0.559</td>
</tr>
<tr>
<td>Age 65 to 69</td>
<td>$0.911</td>
</tr>
<tr>
<td>Age 70 and above</td>
<td>$1.652</td>
</tr>
</tbody>
</table>

To calculate your monthly premium:

$$\frac{\text{Amount of Additional Life elected for self}}{1,000} \times \text{Premium rate from above chart} = \text{Your monthly cost}$$

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

<table>
<thead>
<tr>
<th>Spouse age</th>
<th>Rate per $1,000 of total coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 29 and under</td>
<td>$0.032</td>
</tr>
<tr>
<td>Age 30 to 34</td>
<td>$0.042</td>
</tr>
<tr>
<td>Age 35 to 39</td>
<td>$0.063</td>
</tr>
<tr>
<td>Age 40 to 44</td>
<td>$0.095</td>
</tr>
<tr>
<td>Age 45 to 49</td>
<td>$0.147</td>
</tr>
<tr>
<td>Age 50 to 54</td>
<td>$0.252</td>
</tr>
<tr>
<td>Age 55 to 59</td>
<td>$0.452</td>
</tr>
<tr>
<td>Age 60 to 64</td>
<td>$0.725</td>
</tr>
<tr>
<td>Age 65 through 69</td>
<td>$1.124</td>
</tr>
</tbody>
</table>

To calculate the monthly premium for your spouse:

$$\frac{\text{Amount of Dependents Life elected for spouse}}{1,000} \times \text{Premium rate from above chart} = \text{Your monthly cost}$$
**Child(ren) Rates**

If you elect Dependents Life insurance for your eligible child(ren), your monthly premium rate for this coverage is $0.019 per $1,000 of dependent life insurance for a child, regardless of the number of eligible children covered.

**Will I have to provide information regarding my medical history?**

If you apply for Additional Life insurance within 60 days of becoming a member and 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.

If you apply more than 60 days of becoming a member 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.

**How do I apply for Additional Life insurance coverage?**

To apply please complete the enrollment at www.standard.com/enroll. For login assistance, you can reach The Standard’s Technical Assistance line at 866.623.0622. If you have additional questions or for more information about how to apply for this important coverage, please contact The Standard at 800.759.8702.

**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 35 percent at age 70, and to 50 percent at age 75. If you are age 70 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*

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.

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.1

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

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1 Provided through an agreement with UnitedHealthcare Global.
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 last day of the month in which 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

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
- For a child who is disabled, 90 days after we mail you a request for proof of disability, if proof is not given

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 60 days after group coverage ends or is reduced.

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 or Standard Customer Service 800.759.8702.
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.