

# *Lincoln Financial Term Life Plan*

**Effective Date:** (when approved by underwriting)

## **BASIC EMPLOYEE LIFE INSURANCE**

\$20,000 of employee coverage is paid by your employer.

## **VOLUNTARY EMPLOYEE LIFE INSURANCE**

This insurance is payable for death from any cause to any person you name as beneficiary. Your Voluntary Life coverage provides important protection for you as well as your family.

## **VOLUNTARY DEPENDENT LIFE INSURANCE**

**Provides coverage on:**

- Your Spouse
- Child(ren) from 14 days of age to age 19 (to age 25 if unmarried, wholly dependent upon you for maintenance and support and if enrolled as a full-time student in an accredited school or college). Handicapped children can continue to be covered with no age limit.

**NOTE:** *It is your responsibility to notify Human Resources when a dependent is ineligible for coverage. Examples of ineligible dependent status are divorce, death, or a child is 19 years of age and not in college. A child can be covered to age 25 if a full-time unmarried, student and dependent upon you for maintenance and support.*

## **FEATURES**

The plan features easy eligibility and simple enrollment procedures AND...there is no need for a medical exam if you sign up during the enrollment period and you meet the eligibility criteria. Furthermore, automatic payroll deductions simplify paperwork. This means less bookkeeping for you and no worries about a lapse in coverage due to missed payments.

## **LOW COST**

Your cost is lower than for comparable insurance on an individual basis due to the “wholesale” economies inherent in group insurance. Additionally, the System absorbs the cost of administering the program which is underwritten by Lincoln Financial Group.

## **ELIGIBILITY**

You will be eligible for this plan if you are a full-time active employee working 30 hours or more per week.

## **ENROLLMENT**

Enrollment is simple- just fill out the enrollment form provided by your Employer. Make sure you supply all the required information and return the form where you work. That’s all. You will be notified as to when coverage starts.

## **BENEFICIARY**

You have the right to designate the beneficiary of your choice under Employee coverage. Normally you are the beneficiary under Dependent Life unless you specify otherwise.

## **REDUCTIONS AT AGE 65 & OVER**

If you remain in active service beyond age 65 your Voluntary Employee Life Insurance will reduce as follows:

<u>Attained Age</u>	<u>Will Reduce</u>
65	35% of original amount
70	an additional 15% of original amount
75	an additional 15% of original amount

Benefits will terminate when you retire.

## **TERMINATION OF COVERAGE**

All insurance under this plan will terminate upon the earlier of retirement, termination of employment, when the plan ceases or when you withdraw from the plan. Nevertheless, if you should die within 31 days thereafter, your life insurance will still be paid to the beneficiary. If any of your covered dependents should die within such 31 day period, the amount of Life Insurance on account of such dependent will be paid to you.

## **CONVERSION**

You must apply and pay the premium for the converted policy within 31 days of your group life insurance ending. If the policy ends or is changed to reduce or end your life insurance, and if you have been insured for at least 5 years under the policy, you may convert up to the lesser of: \$10,000 or the amount of life insurance that ended minus the amount of any group life insurance for which you become eligible within 31 days.

## **WAIVER OF PREMIUM BENEFIT**

Life insurance will be continued, without payment of premiums, for an Insured Person who:

1. becomes Totally Disabled while insured under this policy and before reaching age 70;
2. remains Totally Disabled for at least 6 months in a row; and
3. submits satisfactory proof within the 7th through the 12th months of disability; or:
  - (a) as soon as reasonably possible after that; but
  - (b) not later than the 24th month of disability, unless he or she was legally incapacitated.

## **PREMIUM PAYMENT**

Premium payments must continue until:

1. the day the Insured Person is approved for this Extension of Death Benefit; or
2. the day this Policy terminates (whichever is first).
3. Upon receipt of satisfactory proof, the Company will refund up to 12 months' premium paid for the Insured Person's life insurance, from the 1st day of Total Disability.

**DEFINITION. For this benefit, Total Disability or Totally Disabled means an Insured Person:**

1. is unable, due to sickness or injury, to engage in any employment or occupation for which such Insured Person is or becomes qualified by reason of education, training, or experience; and
2. is not engaging in any gainful employment or occupation.

**AMOUNT CONTINUED**

**The life insurance continued by this section:**

1. will be the amount of Voluntary Life Insurance and any Dependent Life Insurance in effect on the day the Insured Person's Total Disability begins; and
2. will be subject to the reductions and terminations in effect under this Policy on that day.

**THE ACCELERATED BENEFIT OPTION (ABO)**

Lincoln Financial Group has included an Accelerated Benefit Option (ABO) as part of your Group Life benefits. Under this option, if you are diagnosed as having a terminal illness, you will be eligible to receive a maximum of \$250,000 or 75% (whichever is less) of your insurance coverage. Please refer to your Group Certificate for details.

**SUICIDE EXCLUSION**

The Voluntary Term Life & AD&D Insurance on any Insured Person will not be payable if the Person dies as a result of suicide within two years of the date his insurance becomes effective with Lincoln Financial, or prior insurer, and or after an election to increase the amount of insurance under the policy. Lincoln Financial Group's liability for that portion of insurance shall be limited to the return of premiums paid for the life insurance without interest.

**ACCIDENTAL DEATH AND DISMEMBERMENT**

Benefits under this coverage are payable as described in your certificate. All participating employees have Voluntary Accidental Death and Dismemberment coverage.

AD&D Exclusions: Benefits are not payable for any loss to which a contributing cause is:

- intentional self-inflicted injury or intentional self-destruction while sane or insane
- any physical or mental disease
- participation in a riot
- duty as a member of any military, naval or air force
- war or any act of war, declared or undeclared
- participation in commission of a felony
- use of drugs except as prescribed by a physician
- intoxication, this includes but is not limited to operating a motor vehicle while you are intoxicated
- any infection, except a pyogenic infection that occurs from an accidental wound

**TERMINATION OF COVERAGE**

All insurance under this plan will terminate upon the earlier of the date you retire or the date your employment terminates. Nevertheless, if you or a covered dependent should die within 31 days thereafter, the life insurance will still be paid to the beneficiary.

## **CLAIMS PROCEDURE**

Claim forms needed to file for benefits under the group insurance program can be obtained from your Employer who will also be ready to assist in filing claims. The instructions on the claim form should be followed carefully. This will expedite the processing of the claim. Be sure all questions are answered fully. If there is any question about a claim payment, an explanation can be requested from your employer, who is usually able to provide the necessary information.

## **SCHEDULE OF BENEFITS**

### **BASIC EMPLOYEE LIFE INSURANCE**

Coverage amount of \$20,000 paid by your employer

### **VOLUNTARY EMPLOYEE LIFE & AD&D**

Your choice of the following amounts:

\$10,000, \$20,000 , \$30,000, \$40,000, \$50,000

#### **Guaranteed Issue amount:**

- Under age 70 - \$50,000
- 70-74 years of age - \$20,000
- Age 75 + -None (must answer health questions)

See Reductions at age 65 & Over.

If you are an existing employee and you are increasing your current coverage amount or if you are applying for coverage the very first time (did not apply when first hired) you are required to complete an Evidence of Insurability. This applies to your dependents as well.

### **VOLUNTARY DEPENDENT LIFE INSURANCE**

- \$5,000 on your Spouse & your Child(ren)

#### ***(No matter how many children you may have)***

- Child 14 days old to 6 months has \$250 coverage.
- Child from birth to 14 days does not have any life coverage.

Voluntary Dependent Life Insurance is available only to those eligible Employees who are insured for Voluntary Employee Life Insurance.

If you are an existing employee and you are applying for Dependent coverage for the very first time (did not apply when first hired) you are required to complete an Evidence of Insurability on your Dependents.

**VOLUNTARY EMPLOYEE LIFE & AD&D**

<b><u>FACE AMOUNT</u></b>	<b><u>MONTHLY DEDUCTION</u></b>
\$10,000	\$3.00
\$20,000	\$6.00
\$30,000	\$9.00
\$40,000	\$12.00
\$50,000	\$15.00

<b>VOLUNTARY DEPENDENT TERM LIFE</b>	<b>MONTHLY COST</b>
• Spouse Coverage- \$5,000	\$2.00
• Child(ren)* Coverage - \$5,000	\$0.68

\* per child, no matter how many children you have

***NOTE: This highlights the benefits offered through your Employer. This is neither an Insurance Contract nor a Summary Plan Description and only the actual policy provisions will prevail. All policy descriptions are for informational purposes only.***

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