

Understanding your options to continue life insurance coverage

Portability and Conversion

You know that life insurance is an **important part of your overall financial planning package**. Now that your group insurance benefit eligibility has changed and your life insurance coverage has ended, you have **options** to continue your current life insurance coverage and **maintain your family's financial health**.

Why you need to continue your life insurance

Life insurance helps by providing a set amount of money to your beneficiaries when you die. With the right amount of life insurance, you can help ensure that your family will be well-protected. Most people associate life insurance with death benefits, but the value of life insurance is much more than just paying for your funeral expenses. This coverage may help to:

- Pay off your mortgage loan and other debts
- Cover your family's living expenses
- Ensure your family doesn't lose anything more (like their home, their future, their hopes)
- Take care of your children's education
- Provide your spouse and family with financial stability
- Provide for family member with special needs

You now have **important decisions to make** about continuing your life insurance benefits with New York Life. **You may be able to continue coverage for yourself and your family by "porting" your group coverage or by "converting" your coverage to whole life insurance, and paying premiums directly to New York Life for either option. Here is some information about the differences between these two options to help you make this important decision.**

	Portability (Port / Continuation)	Conversion (Convert)
When is this option available?	<ul style="list-style-type: none"> ▪ Your employment terminates 	<ul style="list-style-type: none"> ▪ You lose eligibility or employment terminates
What is the difference between ported coverage and converted coverage?	<ul style="list-style-type: none"> ▪ When you port your coverage, you are continuing the group term life coverage offered through a New York Life group insurance contract along with some of the optional benefits like Waiver of Premium, that were included. ▪ Portability is term life insurance that provides coverage for a specific term (in the case of ported coverage – up to a certain age). The policy expires at the end of the term, and there is no cash value. It pays only the death benefit in the event you die during the period (or term) of coverage, and it has no accumulated cash value or benefit should you outlive the contract period (or term). 	<ul style="list-style-type: none"> ▪ When you convert your coverage, you are converting to an individual whole life insurance policy. The converted policy only provides life insurance, and does not include the optional benefits such as Waiver of Premium. ▪ Whole life insurance builds cash value designed to pay future premiums or from which you can borrow. Please read your conversion brochure for more details.
Does coverage reduce or terminate because of age?	<ul style="list-style-type: none"> ▪ Employee: Your coverage amount will reduce if there is an age reduction schedule as you reach the age specified in your group contract. Coverage remains in force as long as premiums are paid up to the age specified in your contract. Often this is age 70. ▪ Spouse: Coverage on your spouse may also terminate upon you or your spouse reaching a certain age. There may be an age reduction schedule for your spouse in the group contract as well. When eligibility as a spouse ends due to divorce or the employee's death, portability may be an option to continue the coverage. Please consult your group contract for details. ▪ Child(ren): Upon reaching the age specified in the group contract where a dependent child is no longer eligible, the ported coverage terminates for that child and conversion is available. Some contracts allow children who have reached the maximum age to port their coverage separately. Please consult your group contract. 	<ul style="list-style-type: none"> ▪ Coverage can be maintained up to age 99, as long as premiums are paid. ▪ There is no age reduction schedule on the individual whole life policy. ▪ Employee, spouse and each child will each have an individual whole life policy of their own.

	Portability (Port)	Conversion (Convert)
Will I have to answer medical questions?	<ul style="list-style-type: none"> ▪ If you port up to your in-force amount: No ▪ If you increase your coverage: Yes 	<ul style="list-style-type: none"> ▪ No.
What is the maximum amount of coverage that can be continued?	<ul style="list-style-type: none"> ▪ You may port the amount you had in force upon your coverage end date under the group contract or request additional coverage -- up to the maximum specified for your class as stated in the group contract. ▪ Any increases above the in-force amount will need to be approved through additional medical underwriting. 	<ul style="list-style-type: none"> ▪ You may convert all or a portion of the insurance you had in force upon termination of coverage under the group contract. ▪ If the group policy is canceling, the amount available and eligibility for conversion may be limited. Please check your group contract for specifics.
Can I increase, decrease or cancel coverage amounts after the initial application period?	<ul style="list-style-type: none"> ▪ Yes - You may be able to increase coverage up to the plan maximum subject to additional medical underwriting requirements and the limits specified in the group contract. ▪ Yes - you can decrease coverage within applicable limits specified in the group contract. ▪ Yes - you can cancel coverage at any time. 	<ul style="list-style-type: none"> ▪ No - you cannot increase your coverage at any time. You can only convert up to the amount of coverage you had in force or the amount you are losing under the group contract. ▪ Yes - you can decrease Conversion coverage ▪ Yes - you can cancel coverage at any time.
What additional service(s) are available?	<ul style="list-style-type: none"> ▪ Survivor Assurance Services for beneficiaries that offers bereavement, legal and financial counseling. 	<ul style="list-style-type: none"> ▪ Survivor Assurance Services for beneficiaries that offers bereavement, legal and financial counseling.
How do I enroll/apply for coverage?	<ul style="list-style-type: none"> ▪ A Portability Form is needed to apply. This can be obtained from or will be provided in a notification package by your employer at the time coverage your ends. ▪ This form also includes contact information if you have additional questions. ▪ The ported certificate will take effect the first of the month following your coverage end date. 	<ul style="list-style-type: none"> ▪ A Conversion Form is needed to apply. This can be obtained from or will be provided in a notification package from your employer at the time your coverage ends. ▪ This form also includes contact information if you have additional questions. ▪ A separate application must be completed for each insured and each insured will be issued a separate whole life policy. ▪ The converted policy will be effective 31 days after the coverage end date
When must I enroll/apply for coverage?	<ul style="list-style-type: none"> ▪ You have 31 days from the coverage termination date to submit the completed application to port your coverage. If you were not notified of your right to port your coverage at least 15 days prior to the end of the 31-day period, you will have 15 days from the date of your notification to apply for continued insurance. In no event, will the period to apply for ported coverage be extended beyond 91 days from your coverage termination date. 	<ul style="list-style-type: none"> ▪ You have 31 days from the coverage termination date to submit the completed application, including the initial premium payment, to convert your coverage. If you were not notified of your right to convert your coverage at least 15 days prior to the end of the 31 days period, you will have 15 days from the date of your notification package to apply for conversion insurance. In no event will the period to apply for conversion coverage be extended beyond 91 days from your coverage termination date.
Will the rates be different from the rates I paid while I was working?	<ul style="list-style-type: none"> ▪ If you elect to port your coverage, you will enter a pool of other individuals who have ported their coverage under similar requirements. Rates are then based on the experience of this group. As with any group of insureds, rates may change. ▪ The premium rates for your ported coverage will differ from the rates you paid while employed and are usually slightly higher. ▪ The premium rates for ported coverage also increase with age and are not guaranteed. 	<ul style="list-style-type: none"> ▪ The rates for conversion policies normally have a higher premium rate than the group or ported coverage. ▪ The rate is based on your age at the time you convert your coverage and is guaranteed for life (i.e. to age 99).