

**Group Life  
Insurance Certificate**

Pennsylvania State System of Higher Education



## IMPORTANT NOTICES

If you reside in one of the following states, please read the important notices below:

### Arizona, Florida and Maryland residents:

**The group policy is issued in the state of Delaware and will be governed by its laws. If you reside in a state other than Delaware, this certificate of insurance may not provide all of the benefits and protections provided by the laws of your state. PLEASE READ YOUR CERTIFICATE CAREFULLY.**

### Texas residents:

IMPORTANT NOTICE: To obtain information or make a complaint:

You may call Life Insurance Company of North America toll free telephone number for information or to make a complaint at:

**1-800-547-5515**

You may also write to Life Insurance Company of North America at:

ATT: Charlene Bush  
1601 Chestnut Street, TL16D  
Philadelphia, PA 19192

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:  
**1-800-252-3439**

You may write the Texas Department of Insurance:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax (512) 475-1771  
Web: <http://www.tdi.state.tx.us>  
Email: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)

### PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Life Insurance Company of North America first. If the dispute is not resolved, you may contact the Texas Department of Insurance



AVISO IMPORTANTE: Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Connecticut General Life Insurance Company's para informacion o para someter una queja al: **1-800-547-5515**

Usted tambien puede escribir a Life Insurance Company of North America at:

ATT: Charlene Bush  
1601 Chestnut Street, TL16D  
Philadelphia, PA 19192

Puede comunicarse con el Departamento de Seguros de Teas para obtener informacion acerca de companies, coverturas, derechos o quejas al:

**1-800-252-3439**

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax (512) 475-1771  
Web: <http://www.tdi.state.tx.us>  
Email: [ConsumerProtection@tdi.state.tx.us](mailto:ConsumerProtection@tdi.state.tx.us)

#### **DISPUTAS SOBRE PRIMAS O RECLAMOS:**

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Life Insurance Company of North America primero. Si no resuelve la disputa, puede entonces comunicarse con el departamento (TDI).



**Washington Residents:**

**(In Accordance With WAC 284-23-610, 620, 650, 730)**

The accelerated life benefit in this policy does not and is not intended to qualify as long-term care under Washington state law. Washington state law prevents this accelerated life benefit from being marketed or sold as long-term care.

If an Insured receives payment of accelerated benefits from a life insurance policy, he or she may lose the right to receive certain public funds, such as Medicare, Medicaid, Social Security, Supplemental Security, Supplemental Security Income (SSI), and possibly others. Also, receiving accelerated benefits from a life insurance policy may have tax consequences for the Insured. We cannot give advice about this. The Insured may wish to obtain advice from a tax professional or an attorney before he or she decides to receive accelerated benefits under a life policy.





## NOTICE

**Benefits paid under the Accelerated Benefits provision will reduce the Death Benefit payable for life insurance.**

**Benefits payable under the Accelerated Benefits provision may be taxable. If so, the Employee or the Employee's beneficiary may incur a tax obligation. As with all tax matters, an Employee should consult with a personal tax advisor to assess the impact of this benefit. Accelerated Benefits are not payable if life insurance coverage under the Policy is not in force.**

TL-004788



## **FOREWORD**

Life insurance provides individuals and their families with financial protection. The Life Insurance Benefit described in this booklet will help secure your family's financial security in the event of your death.

The need for life insurance protection depends on individual circumstances and financial situations. Your Employer is offering you the opportunity to purchase this insurance to make your benefit program more comprehensive and responsive to your needs.

The following pages describe the main provisions of the group term life insurance plan available to you.

Any insurance benefit described in the following pages will apply to you only if you have elected that benefit and have authorized payroll deduction for the required premium.



**LIFE INSURANCE COMPANY OF NORTH AMERICA**  
1601 CHESTNUT STREET  
PHILADELPHIA, PA 19192-2235  
(800) 732-1603 TDD (800) 336-2485  
**A STOCK INSURANCE COMPANY**

**GROUP INSURANCE  
CERTIFICATE**

We, the LIFE INSURANCE COMPANY OF NORTH AMERICA, have issued a Group Policy, FLX-980054, to TRUSTEE OF THE GROUP INSURANCE TRUST FOR EMPLOYERS IN THE SERVICES INDUSTRY on behalf of Pennsylvania State System of Higher Education.

This certificate describes the benefits and basic provisions of your coverage. You should read it with care so you will understand your coverage.

This is not the insurance contract. It does not waive or alter any of the terms of the Policy. If questions arise, the Policy will govern. You may examine the Policy at the office of the Policyholder or the Administrator.

This certificate replaces any and all certificates which may have been issued to you in the past under the Policy.

A handwritten signature in cursive script, appearing to read "William J. Smith".

William J. Smith, President



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## **SCHEDULE OF BENEFITS**

**Policy Effective Date:** January 1, 2007  
**Certificate Effective Date:** December 1, 2019  
**Policy Anniversary Date:** December 1  
**Policy Number:** FLX-980054  
**Re-Issue Date:** September 1, 2018

The Policy reflects the terms and conditions of coverage applicable on this date. References throughout the Policy to the Policy Effective Date mean the original effective date of the Policy. If the Policy includes an Active Service requirement and you are not in Active Service on the Re-issue Date, your coverage will be determined based on the terms of the Policy in effect on the day prior to the Re-issue Date until the date the insured person returns to Active Service.

### **Class Definition**

You are eligible for insurance if you are a member of the class defined below.

All active permanent Full-time Employees and permanent part-time Employees who work at least 50% of the Full-time work week (normally 18.75 or more hours per week) and temporary Full-time or part-time faculty members working at least 50% of Full-time for one full academic year.

### **Your Eligibility Waiting Period**

The Eligibility Waiting Period is the period of time you must be in Active Service to be eligible for coverage. It will be extended by the number of days you are not in Active Service.

If you were hired on or before the Policy Effective Date:

No Waiting Period

If you were hired after the Policy Effective Date:

No Waiting Period

## **LIFE INSURANCE BENEFITS**

### **Employee Benefits**

Amount of Insurance	An amount elected in units of \$10,000
Guaranteed Issue Amount:	the greater of a) or b) below: a) \$150,000, or b) an amount equal to the Life Insurance Benefit in effect on the termination date of the Prior Plan
Maximum Benefit:	the lesser of 5 times Annual Compensation rounded to the next higher \$10,000 if not already a multiple thereof, or \$500,000

Age Based Reductions                      When you are age 70 or older, your Life Insurance Benefit will reduce to:  
65% of the Life Insurance Benefit at age 70  
45% of the Life Insurance Benefit at age 75  
30% of the Life Insurance Benefit at age 80

Terminal Illness Benefit  
Maximum Benefit:                      \$250,000

#### Increases and Decreases in Coverage

You may increase your Voluntary Term Life Insurance Benefit, at any time, only if you satisfy the Insurability Requirement. Any amount we approve is effective on the date we agree in writing to insure you.

An Employee may reduce Insurance Benefits at any time. The reduced amount will be effective on the date we receive the completed change form.

#### Spouse Benefits

Amount of Insurance                      An amount elected in units of \$5,000  
Guaranteed Issue Amount:              the greater of a) or b) below:  
a) \$25,000, or  
b) an amount equal to the Life Insurance Benefit in effect on  
the termination date of the Prior Plan  
Maximum Benefit:                      \$100,000

The amount of Spousal coverage cannot exceed the amount of Employee coverage.

Terminal Illness Benefit  
Maximum Benefit:                      50% of the Maximum Benefit applicable to your Life Insurance Benefits.

#### Dependent Child Benefits

Amount of Insurance                      Option 1 - \$5,000  
Option 2 - \$10,000  
Maximum Benefit:                      \$10,000

All Dependent Child benefits are Guaranteed Issue.

### **Former Employee Benefits**

Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to you, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance.  Any amount elected in excess of the Life Insurance Benefits in effect on the date you no longer qualify as an Employee will be effective on the date the Insurance Company agrees in writing to insure you.
Maximum Benefit Period	To Age 70.
Terminal Illness Benefit Maximum Benefit:	\$250,000

### **Spouse of Former Employee Benefits**

Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits available to a Spouse.  Any amount elected in excess of the Life Insurance Benefits in effect on the date your employment with the Employer ends will be effective on the date we agree in writing to insure him or her.
Maximum Benefit Period	To Age 70.
Terminal Illness Benefit Maximum Benefit:	50% of the Maximum Benefit applicable to your Life Insurance Benefits.

### **Former Spouse Benefits**

Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits available to a Spouse.  Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as a Spouse will be effective on the date we agree in writing to insure him or her.
Maximum Benefit Period	To Age 70
Terminal Illness Benefit Maximum Benefit:	50% of the Maximum Benefit applicable to your Life Insurance Benefits.

### **Former Dependent Child Benefits**

Amount of Insurance Guaranteed Issue Amount: Maximum Benefit:	Units of \$25,000 \$50,000 \$50,000
Maximum Benefit Period	To Age 70

## WHO IS ELIGIBLE

### Classes of Eligible Persons

A person may be insured only once under the Policy as an Employee, Spouse or Dependent Child, even though he or she may be eligible under more than one class.

### Employee

If you qualify under the Class Definition shown in the Schedule of Benefits, you are eligible to be insured under the Policy on the Policy Effective Date, or the day after you complete the applicable Eligibility Waiting Period, if later.

If you have previously converted your insurance under the Policy, you will not become eligible until your converted policy is surrendered. This does not apply to any amount of insurance that was previously converted under the Policy due to a reduction in your Life Insurance Benefits based on age or a change in class unless those conditions no longer affect the amount of insurance available to you.

Except as noted in the Reinstatement Provision, if you terminate coverage and later wish to reapply, or if you are a former Employee who is rehired, a new Eligibility Waiting Period must be satisfied. You are not required to satisfy a new Eligibility Waiting Period, if insurance ends because you are no longer in a Class of Eligible Employees, but continue to be employed by the Employer, and within one year you become a member of an eligible class.

### Spouse

Your Spouse is eligible to be insured on the date you are eligible or the date he or she becomes your Spouse, if later. You must be insured in order to elect spouse coverage.

For eligibility purposes, your Spouse must be a lawful Spouse and not legally separated from, divorced from, or widowed by you. He or she must be under age 70 to be eligible.

### Dependent Child

Your Dependent Child is eligible to be insured on the date you are eligible or the date the child becomes a Dependent Child, if later.

In no event will a Dependent Child be eligible to be insured more than once under the Policy.

TL-004710

## WHEN COVERAGE BEGINS

If you are required to contribute to the cost of this insurance, you may elect insurance for yourself, your Spouse and Dependent Children only by authorizing payroll deduction in a form approved by the Employer and us. The effective date of this insurance depends on the date and amount of insurance elected.

If you elect coverage within 31 days after you become eligible to enroll or increase coverage, the Guaranteed Issue Amount will be effective on the latest of the following dates:

1. The Policy Effective Date.
2. The date you authorize payroll deduction for this insurance.
3. The date the Employer or Insurance Company receives the completed enrollment form.

If you or your Spouse elect insurance in an amount that exceeds the Guaranteed Issue Amount or if your enrollment form is received more than 31 days after you become eligible to elect coverage, this insurance is effective on the date we agree in writing to provide this coverage. We will require an eligible person to satisfy the Insurability Requirement before we agree to insure him or her.

If coverage for a Dependent Child is in force and another Dependent Child becomes eligible, coverage for that child is effective on the date he or she qualifies as a Dependent Child.

If you are not in Active Service on the date insurance would otherwise go into effect, it will be effective on the date you return to Active Service.

If an eligible Spouse or Dependent Child is:

1. an inpatient in a hospital, hospice, rehabilitation or convalescence center, or custodial care facility; or
  2. confined to his or her home under the care of a Physician
- on the date insurance would otherwise be effective, it will be effective on the date he or she is no longer an inpatient in these facilities or confined at home. If such Spouse or Dependent Child was covered by the Prior Plan immediately prior to the Policy Effective Date, this provision will not apply to the amount of coverage in effect as of the Policy Effective Date, but will apply to any increase in coverage.

TL-004712

### **Takeover Provision**

#### *Special Terms Applicable to Previously Insured Employees Not in Active Service*

If you are not in Active Service on the Policy Effective Date, you are not covered under the Policy. However, We agree to provide a death benefit equal to the lesser of:

1. the amount due under this Policy (without regard to the Active Service provision), or
2. the amount that would have been due under the Prior Plan had it remained in force.

The benefit amount will be reduced by any amount paid by the Prior Plan, or that would have been paid had this Policy not been issued and had timely filing of the claim been made under the Prior Plan.

These special terms will end on the earliest of the following dates:

1. the date you meet the Active Service requirements;
2. the date insurance terminates for one of the reasons stated in the When Coverage Ends provision;
3. 12 months after the Policy Effective Date; or
4. the last day you would have been covered under the Prior Plan if that plan was still in force.

TL-009020

### **WHEN COVERAGE ENDS**

An Insured's coverage will end on the earliest of the following dates:

1. the date the Employee is eligible for coverage under a plan intended to replace this coverage;
2. the date the Policy is terminated by the Insurance Company;
3. the last day of the month in which the Insured is no longer in an eligible class;
4. the date coinciding with the end of the last period for which premiums are paid;
5. the last day of the month in which the Employee is no longer in Active Service;
6. for an Employee, Spouse and Dependent Child, the date the Employer cancels participation under the Policy; and
7. the date coverage for the Employee ends, for any insured Spouse and Dependent Child.

TL-004714

## WHEN COVERAGE CONTINUES

### **Continuation for Layoff, Temporary Leave of Absence, or Family Medical Leave**

If an Employee's Active Service ends due to a layoff, Employer approved unpaid leave of absence, or family medical leave of absence, insurance will continue for up to the Maximum Benefit Period shown in the Schedule of Benefits, if the required premium is paid.

In these circumstances, your insurance may continue as follows.

1. for a layoff: 12 month(s)
2. for an Employer-approved family medical leave: 12 month(s)
3. for an Employer-approved unpaid leave of absence: to the end of 12 months, or if earlier, the end of such leave.

### **Continuation for Disability for Employees**

If you become Disabled, the Life Insurance Benefits shown in the Schedule of Benefits will be continued, provided premiums are paid, until the earlier of the following dates:

1. The date you are no longer Disabled.
2. The date you are Disabled for 12 consecutive months.
3. The date coinciding with the end of the last period for which premiums are paid.
4. The date the Policy is terminated by us.

### *Amount of Insurance*

If you die while you are Disabled and coverage is continued under this provision, we will pay a Death Benefit equal to the amount in effect on the date you became Disabled. However, the Life Insurance Benefit will be subject to the provisions of the Policy that reduce the coverage amount because of age, retirement, payment of an Accelerated Benefit or a change in class. We will pay benefits only if due proof of your continuous Disability is received within one year of the date of the loss.

“Disability”/“Disabled” means because of Injury or Sickness you are unable to perform all the material duties of your Regular Occupation; or are receiving disability benefits under the Employer’s plan.

“Regular Occupation” means the occupation you routinely perform at the time the Disability begins. We will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

### **Waiver of Premium**

If you are an Employee under age 60 and your Active Service ends due to Disability, Life Insurance Benefits will continue for you, your Spouse and Dependent Children, if any until the earliest of the following dates.

1. The date you are no longer Disabled.
2. The day after the end of the period for which required premiums are paid.
3. The date you no longer qualify for Waiver of Premium.
4. To Age 65.

If you die while premiums are waived, we will pay a Death Benefit only if due proof of continuous Disability is received within one year of your death.

In order to qualify for Waiver of Premium, you must submit due proof that you have been Disabled for 6 months. Such proof must be submitted to us no later than 9 months from the date your Active Service ends. Premiums will be waived from the date the Insurance Company agrees in writing to waive your premiums. After premiums have been waived for 12 months, they will be waived for future periods of 12 months if you remain Disabled and submit due proof that your Disability continues. Satisfactory proof must be submitted to us 3 months before the end of the 12 month period.

The Death Benefit will be equal to the Life Insurance Benefit in effect on the date you became Disabled. However, this benefit will be subject to the provisions of the Policy that reduce or terminate coverage because of age, retirement, acceleration or a change in eligible class.

### *Termination of Waiver*

Your insurance will end on the earliest of the following dates.

1. The date you are no longer Disabled.
2. The date you refuse to submit to any physical examination required by us.
3. The last day of the 12 month period of Disability during which you fail to submit satisfactory proof of your continued Disability.
4. To Age 65.

### **Portability Options**

#### *For Employees*

If your employment with the Employer ends prior to age 70, Life Insurance Benefits may be continued. Coverage may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option.

You must apply to the Insurance Company and pay the required premium. If you continue coverage, coverage for your Spouse or Dependent Child may also be continued by you. Your Spouse or Dependent Child must be covered under the Policy on the date coverage would otherwise end. The application must be submitted:

- a. within 31 days of your termination of employment; or
- b. during the time that you have to exercise the conversion privilege as a result of termination of employment.

Coverage under this option may not be elected at a later date.

When applying for this option, you must name a beneficiary. Any beneficiary named previously under the Policy is no longer in effect. If there is no named or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives:

- a. spouse;
- b. child or children;
- c. mother or father;
- d. brothers or sisters; or
- e. the executors or administrators of your estate.

When coverage is continued under this option, you become a Former Employee. Your Spouse becomes a Spouse of a Former Employee. Your Dependent Child becomes a Dependent Child of a Former Employee.

If you, as a Former Employee, later acquire a Spouse or Dependent Child, you may elect coverage for them. You must apply to the Insurance Company and pay the required premium. Coverage for your Spouse or Dependent Child will be effective on the date we agree in writing to insure them. We may require that your Spouse or Dependent Child satisfy the Insurability Requirement before we agree to insure them.

Coverage will end on the earliest of the following dates.

- a. The date we cancel coverage for all Former Employees.
- b. The end of the period for which premiums are paid.
- c. The date an Insured reaches age 70.
- d. The date the Maximum Benefit Period shown in the Schedule of Benefits for this option ends.

Also, coverage for any Dependent Child will end on any of the dates listed above or when he or she no longer qualifies as a Dependent Child, if earlier.

#### *For Spouses*

If prior to age 70, a Spouse is:

- a. legally separated, divorced; or
- b. widowed

from an insured Employee or Former Employee, Life Insurance Benefits may be continued. Coverage may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option. The Spouse must apply to the Insurance Company and pay the required premium.

A Spouse who continues coverage may also continue coverage for a Dependent Child. The Dependent Child must be covered under the Policy on the date coverage would otherwise end. A Spouse must elect to continue insurance under this option within 31 days after coverage ends. Coverage may not be elected at a later date.

When applying for this option, a Spouse must name a beneficiary. Any beneficiary named previously under the Policy is no longer in effect. If there is no named or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives:

- a. spouse;
- b. child or children;
- c. mother or father;
- d. brothers or sisters; or
- e. the executors or administrators of the Spouse's estate.

When coverage is continued under this option, the Spouse becomes a Former Spouse. A separate certificate of insurance will be issued to the Former Spouse. Coverage will be effective on the date after coverage as a Spouse ends if the required premium is paid.

Coverage will end on the earliest of the following dates.

- a. The date we cancel coverage for all Former Spouses.
- b. The end of the period for which premiums are paid.
- c. The date the Former Spouse reaches age 70.
- d. The date the Maximum Benefit Period shown in the Schedule of Benefits for this option ends.

Also, coverage for a Dependent Child will end on any of the dates listed above or when he or she no longer qualifies as a Dependent Child, if earlier.



### *For Dependent Children*

If a Dependent Child is insured under the Policy and is at least 19 years of age, Life Insurance Benefits may be continued under this option. Coverage may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option.

The Dependent Child must apply to the Insurance Company and pay the required premium. If a Dependent Child does not elect to continue insurance within 31 days after reaching age 19; or the date he or she no longer qualifies as a Dependent Child, if later, coverage under this option may not be elected at a later date.

When applying for this option, a Dependent Child must name a beneficiary. Any beneficiary named previously under the Policy is no longer in effect. If there is no named or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives:

- a. spouse;
- b. child or children;
- c. mother or father;
- d. brothers or sisters; or
- e. the executors or administrators of the Dependent Child's estate.

When a Dependent Child continues coverage under this option, he or she becomes a Former Dependent Child. A separate certificate of insurance will be issued to the Former Dependent Child. Coverage for a Former Dependent Child will be effective on the following dates.

- a. For any Guaranteed Issue Amount, immediately following the date his or her coverage as a Dependent Child ends, provided the Insurance Company receives the required premium.
- b. For any amount of insurance that exceeds the Guaranteed Issue Amount, the date the Insurance Company agrees in writing to insure him or her. The Insurance Company will require the Former Dependent Child to satisfy the Insurability Requirement before it agrees to insure him or her.

Coverage will end on the earliest of the following dates.

- a. The date we cancel coverage for all Former Dependent Children.
- b. The end of the period for which premiums are paid.
- c. The date the Former Dependent Child is age 70.
- d. The date the Maximum Benefit Period shown in the Schedule of Benefits for this option ends.

TL-004716 as modified by TL-009330

## **WHAT IS COVERED**

### **LIFE INSURANCE BENEFITS**

#### **Death Benefit**

If an Insured dies, we will pay the Life Insurance Benefit in force for that Insured on the date of his or her death.

TL-004730

#### **Accelerated Benefits**

Any benefits payable under this Accelerated Benefits provision will reduce the Death Benefit payable for Life Insurance.

#### ***Terminal Illness Benefit***

We will pay a Terminal Illness Benefit if we determine you or your Spouse are Terminally Ill. The amount of this benefit is 50% of the Life Insurance Benefit in effect for you or your Spouse on the date we determine you are Terminally Ill up to the Maximum Benefit Amount shown in your Schedule of Benefits for this option. The Terminal Illness Benefit is payable only once in an Insured's lifetime.

### *Determination of Terminal Illness*

For the purpose of determining the existence of a Terminal Illness, we will require you to submit the following proof.

1. A written diagnosis and prognosis by two Physicians licensed to practice in the United States.
2. Supportive evidence satisfactory to us, including but not limited to radiological, histological or laboratory reports documenting the Terminal Illness.

We may require, at our expense, you to be examined and a review of the documented evidence by a Physician of our choice.

"Terminal Illness" means a person is diagnosed by a Physician to have a prognosis of 12 months or less to live.

TL-004748

### **Conversion Privilege for Life Insurance**

If coverage ends for any reason except non-payment of premium, any Insured may apply for a conversion policy of life insurance.

The conversion insurance may be a type of life insurance currently being offered for conversion by us at your age and in the amount requested. It may not be term insurance and it may not be for an amount greater than the Life Insurance Benefits in force under the Policy. Conversion life insurance will not provide accident, disability or other benefits.

However, if coverage ends because the Policy is terminated or amended to terminate any class of Insureds, or the Employer cancels participation under the Policy, coverage cannot be converted unless you have been insured under the Policy for at least 3 years. In this case, the amount of conversion insurance will be the lesser of Life Insurance Benefit in force under the Policy or \$10,000.

To apply for conversion insurance, you must submit an application to us and pay the required premium within 31 days after coverage under the Policy ends. Evidence of insurability is not required. Premium for the conversion insurance will be based on your age and class of risk and the type and amount of coverage issued.

Conversion insurance will become effective on the 31st day after the date coverage under the Policy ends, if your application is received by us and the required premium is paid on that date.

If you die during the 31 day conversion period, the Death Benefit will be paid under the Policy regardless of whether you applied for conversion insurance. If a conversion policy is issued, it will be in exchange for any benefits payable for that type and amount of insurance under the Policy.

### *Extension of Conversion Period*

If you are eligible for conversion insurance and are not notified of this right at least 15 days prior to the end of the 31 day conversion period, the conversion period will be extended. You will have 15 days from the date notice is given to apply for conversion insurance. In no event will the conversion period be extended beyond 90 days. Notice, for the purpose of this section, means written notice presented to you by your Employer or mailed to your last known address as reported by your Employer.

If you die during the extended conversion period, but more than 31 days after your coverage under the Policy terminates, Life Insurance Benefits will not be paid under the Policy. If your application for conversion insurance is received by us and the required premium is paid, Life Insurance Benefits will be payable under the conversion insurance.

### *Prior Conversion Limitation*

If you are covered under a life insurance conversion policy previously issued by us under the Policy, you will not be eligible to exercise this Conversion Privilege unless the prior coverage has ended. This does not apply to any amount of insurance that was previously converted under the Policy due to a reduction in your Life Insurance Benefits based on age or a change in class.

TL-004750

## **LIFE INSURANCE EXCLUSIONS**

If an Insured commits suicide, while sane or insane, within 2 years from the date the Insured's insurance under the Policy becomes effective, Life Insurance Benefits will be limited to a refund of the premiums paid on the Insured's behalf. The suicide exclusion applies from the effective date of any additional benefits or increases in Life Insurance Benefits.

Except for any amount of benefits in excess of the Prior Plan's benefits, this exclusion will not apply to you if you were covered under the Prior Plan for more than two years. If you were not insured for two years under the Prior Plan, credit will be given for the time you were insured.

If a Dependent Child commits suicide and is survived by other Dependent Children covered under your certificate, no refund of premiums will be paid.

TL-004752

## **CLAIM PROVISIONS**

### **Notice of Claim**

Written notice of claim, or notice by any other electronic/telephonic means authorized by us, must be given to us within 31 days after a covered loss occurs or begins or as soon as reasonably possible. If written notice, or notice by any other electronic/telephonic means authorized by us, is not given in that time, the claim will not be invalidated or reduced if it is shown that notice was given as soon as was reasonably possible. Notice can be given at our home office in Philadelphia, Pennsylvania or to our agent. Notice should include the Employer's name, the Policy Number and the claimant's name and address.

Written notice, or any other electronic/telephonic means authorized by us, of a diagnosis of a Terminal Illness on which claim is based must be given to us within 60 days after the diagnosis. If notice is not given in that time, the claim will not be invalidated or reduced if it is shown that written notice, or any other electronic/telephonic means authorized by us, was given as soon as reasonably possible.

### **Claim Forms**

When we receive notice of claim, we will send claim forms for filing proof of loss. If we do not send claim forms within 15 days after notice is received by us, the proof requirements will be met by submitting, within the time required under the "Proof of Loss" section, written proof, or proof by any other electronic/telephonic means authorized by us, of the nature and extent of the loss.

### **Claimant Cooperation Provision**

If you fail to cooperate with us in our administration of your claim, we may terminate the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

### **Insurance Data**

The Employer is required to cooperate with us in the review of claims and applications for coverage. Any information we provide to the Employer in these areas is confidential and may not be used or released by the Employer if not permitted by applicable privacy laws.

**Proof of Loss**

You must provide written proof of loss to us, or proof by any other electronic/telephonic means authorized by us, within 90 days after the date of the loss for which a claim is made. If written proof of loss, or proof by any other electronic/telephonic means authorized by us, is not given in that 90 day period, the claim will not be invalidated nor reduced if it is shown that it was given as soon as was reasonably possible. In any case, written proof of loss, or proof by any other electronic/telephonic means authorized by us, must be given not more than one year after the 90 day period. If written proof of loss, or proof by any other electronic/telephonic means authorized by us, is provided outside of these time limits, the claim will be denied. These time limits will not apply due to lack of legal capacity.

Written proof, or any other electronic/telephonic means authorized by us, of loss for Accelerated Benefits must be furnished 90 days after the date of diagnosis. This proof must describe the occurrence, character and diagnosis for which claim is made.

In case of claim for any other loss, proof must be furnished within 90 days after the date of such loss.

If it is not reasonably possible to submit proof of loss within these time periods, we will not deny or reduce any claim if proof is furnished as soon as reasonably possible. Proof must, in any case, be furnished not more than a year later, except for lack of legal capacity.

**Time of Payment**

Benefits due under the Policy for a loss, other than a loss for which the Policy provides installment payments, will be paid immediately upon receipt of due written proof of such loss.

Subject to the receipt of satisfactory written proof of loss, all accrued benefits for loss for which the Policy provides installment payments will be paid monthly; any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof, unless otherwise stated in the Description of Benefits.

**To Whom Payable**

Death Benefits will be paid to the Insured's named beneficiary, if any, on file at the time of payment or to the certificate owner if alive. If there is no named beneficiary or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives: spouse; child or children; mother or father; brothers or sisters; or to the executors or administrators of the Insured's estate. We may reduce the amount payable by any indebtedness due.

All benefits payable under the Accelerated Benefits section are payable to the Insured, if living. If the Insured dies prior to the payment of an eligible claim for an Accelerated Benefit, benefits will be paid in accordance with the provisions applicable to the payment of Life Insurance proceeds, unless the Insured has directed us otherwise in writing. However, any payment made by us prior to notice of the Insured's death shall discharge us of any benefit that was paid.

All other benefits unless otherwise stated in the Policy, will be payable to the Insured or the certificate owner if other than the Insured.

Any other accrued benefits which are unpaid at your death will, at our option, be paid either to your beneficiary or to the executor or administrator of your estate.

If we pay benefits to the executor or administrator of your estate or to a person who is incapable of giving a valid release, we may pay up to \$1,000 to a relative by blood or marriage whom we believe is equitably entitled. This good faith payment satisfies our legal duty to the extent of that payment.

**Change of Beneficiary**

You may change your beneficiary at any time by giving written notice to the Employer or to us. The beneficiary's consent is not required for this or any other change which you may make unless your designation of beneficiary is irrevocable.

No change in beneficiary will take effect until the form is received by the Employer or us. When this form is received, it will take effect as of the date of the form. If you die before the form is received, we will not be liable for any payment that was made before receipt of the form.

**Physical Examination and Autopsy**

We may, at our expense, exercise the right to examine any person for whom a claim is pending as often as we may reasonably require. Also, we may, at our expense, require an autopsy unless prohibited by law.

**Legal Actions**

No action at law or in equity may be brought to recover benefits under the Policy less than 60 days after written proof of loss, or proof by any other electronic/telephonic means authorized by us, has been furnished as required by the Policy. No such action shall be brought more than 3 years after the time satisfactory proof of loss is required to be furnished.

**Time Limitations**

If any time limit stated in the Policy for giving notice of claim or proof of loss, or for bringing any action at law or in equity, is less than that permitted by the law of the state in which you live when the Policy is issued, then the time limit provided in the Policy is extended to agree with the minimum permitted by the law of that state.

**Physician/Patient Relationship**

You have the right to choose any Physician who is practicing legally. We will in no way disturb the Physician/patient relationship.

TL-004724

**ADMINISTRATIVE PROVISIONS****Premiums**

The premiums for this Policy will be based on the rates currently in force, the plan and the amount of insurance in effect.

If an Insured's coverage amount is reduced due to acceleration of a Death Benefit, premium will be based on the amount of coverage in force on the day before the reduction took place. If the Insured's coverage amount is reduced due to his or her attained age, premium will be based on the amount of coverage in force on the day after the reduction took place.

**Your Grace Period**

If your required premium is not paid on the Premium Due Date, there is a 31 day grace period after each premium due date after the first. If the required premium is not paid during the grace period, insurance will end on the last day for which premium was paid.

### **Reinstatement of Insurance**

Your coverage may be reinstated without satisfying the Insurability Requirement, if your insurance ends because you are on an unpaid leave of absence and you apply for Reinstatement within 31 days of your return to Active Service.

After your insurance ends, it may be reinstated at any date prior to five years after the date of termination if the following conditions are met.

1. The Policy is still in force.
2. You are eligible under the Policy.
3. You send us a written request for reinstatement and a new enrollment form.
4. The required premium is paid.
5. The Insurability Requirement, if applicable, is satisfied.

TL-004722

## **GENERAL PROVISIONS**

### **Incontestability**

All statements made by the Employer or by an Insured are representations not warranties. No statement will be used to deny or reduce benefits or as a defense to a claim, unless a copy of the instrument containing the statement has been furnished to the claimant. In the event of death or legal incapacity, the beneficiary or representative must receive the copy.

After two years from an Insured's effective date of insurance, or from the effective date of any added or increased benefits, no such statement will cause insurance to be contested except for fraud or eligibility for insurance.

### **Misstatement of Age**

If an Insured's age has been misstated, we will adjust all benefits to the amounts that would have been purchased for the correct age.

### **Workers' Compensation Insurance**

The Policy is not in lieu of and does not affect any requirements for insurance under any Workers' Compensation Insurance Law.

### **Assignment of Benefits**

We will not be affected by the assignment of your certificate until the original assignment or a certified copy of the assignment is filed with us. We will not be responsible for the validity or sufficiency of an assignment. An assignment of benefits will operate so long as the assignment remains in force provided insurance under the Policy is in effect. This insurance may not be levied on, attached, garnisheed, or otherwise taken for a person's debts. This prohibition does not apply where contrary to law.

### **Clerical Error**

A person's insurance will not be affected by error or delay in keeping records of insurance under the Policy. If such an error is found, the premium will be adjusted fairly.

TL-004728

## DEFINITIONS

Please note, certain words used in this document have specific meanings. These terms will be capitalized throughout this document. The definition of any word, if not defined in the text where it is used, may be found either in this Definitions section or in the Schedule of Benefits.

### **Accident**

The term Accident means a sudden, unforeseeable external event that causes you bodily Injury and occurs while your coverage is in force under the Policy.

### **Active Service**

If you are an Employee, you are in Active Service with the Employer on a day which is one of the Employer's scheduled work days if either of the following conditions are met.

1. You are actively at work. This means you are performing your regular occupation for the Employer on a Full-time basis, either at one of the Employer's usual places of business or at some location to which the Employer's business requires you to travel.
2. The day is a scheduled holiday, vacation day or period of Employer approved paid leave of absence, other than disability or sick leave after 7 days.

You are considered in Active Service on a day which is not one of the Employer's scheduled work days only if you were in Active Service on the preceding scheduled work day.

### **Annual Compensation**

Annual Compensation means an Employee's annual wage or salary as reported by the Employer for work performed for the Employer as of the date the covered loss occurs. It does not include amounts received as bonuses, commissions, overtime pay or other extra compensation.

### **Dependent Child**

Your unmarried child who meets the following requirements.

1. A child from live birth, who is added within 31 days of birth, to 19 years old;
2. A child who is 19 or more years old but less than 26 years old and primarily supported by you;
3. A child who is 19 or more years old, primarily supported by you and incapable of self-sustaining employment by reason of mental or physical incapacity.

The term "child" means:

- a. your natural child;
- b. your legally adopted child, beginning with any waiting period pending finalization of the child's adoption. It also means the legally adopted child of your Spouse provided the child is living with, and is financially dependent upon you;
- c. a stepchild born to your Spouse and who is living with and financially dependent upon you;
- d. a child less than 19 years old (unless the child otherwise satisfies the requirement of paragraph 3 above) for whom you are the court-appointed legal guardian and who resides with and is financially dependent upon you.

### **Disabled**

You are Disabled, if, because of Injury or Sickness, you are unable to perform all the material duties of any occupation for which you are or may reasonably become qualified based on your education, training or experience.

### **Employee**

For eligibility purposes, you are an Employee if you work for the Employer and are in one of the "Classes of Eligible Employees." Otherwise, you are an Employee if you are an employee of the Employer who is insured under the Policy.

**Employer**

The Employer who has subscribed to the Policyholder and for the benefit of whose Employees this policy has been issued. The Employer, named as the Subscriber on the front of this Policy, includes any affiliates or subsidiaries covered under the Policy. The Employer is acting as your agent for transactions relating to this insurance. You shall not consider any actions of the Employer as actions of the Insurance Company.

**Full-time**

Full-time means the number of hours set by the Employer as a regular work day for Employees in your eligibility class.

**Injury**

Any accidental loss or bodily harm that results directly and independently from all other causes from an Accident.

**Insurability Requirement**

An eligible person satisfies the Insurability Requirement for an amount of coverage on the day we agree in writing to accept you as insured for that amount. To determine a person's acceptability for coverage, we will require you to provide evidence of good health and may require it be provided at your expense.

**Insurance Company**

The Insurance Company underwriting the Policy is named on your certificate cover page. References to the Insurance Company have been changed to "we", "our", "ours", and "us" throughout the certificate.

**Insured**

You are an Insured if you are eligible for insurance under the Policy, insurance is elected for you, the required premium is paid and your coverage is in force under the Policy.

**Physician**

Physician means a licensed doctor practicing within the scope of his or her license and rendering care and treatment to an Insured that is appropriate for the condition and locality. The term does not include you, your spouse, your immediate family (including parents, children, siblings, or spouses of any of the foregoing, whether the relationship derives from blood or marriage), or a person living in your household.

**Prior Plan**

The Prior Plan refers to the plan of insurance providing similar benefits to you, sponsored by the Employer and in effect directly prior to the Policy Effective Date.

**Sickness**

The term Sickness means a physical or mental illness.

**Spouse**

Your current lawful spouse under age 70.



## IMPORTANT CHANGES FOR STATE REQUIREMENTS

If you reside in one of the following states, please read the important changes below. The provisions of your certificate are modified for residents of the following states. The modifications listed apply only to residents of that state.

### California Residents:

#### Conversion Privilege for Life Insurance

Insured Employees and Insured Spouses may convert to an individual policy of life insurance for an amount not greater than the Conversion Amount shown below when the Policy ends, without regard to any requirement that the person be insured under the policy for a specified period of time, if all of the following apply.

- a. The Insured became Totally Disabled while covered for the Life Benefit of the Policy. Totally Disabled means the person is unable to perform all the material duties of any occupation for which he or she may reasonably be qualified based on training, education and experience.
- b. The Insured remained Totally Disabled until the Policy ended while covered for the Life Benefit of this Policy.
- c. The Policy does not provide a Waiver of Premium, Extended Death Benefit Provision or monthly payments to Totally Disabled Insureds for the Life Benefit.
- d. The person meets all other conditions for converting the insurance.

Conversion Amount - Insured's life insurance amount under the Policy on the date the Policy ends minus the amount for which the Insured is insured under a group policy that provides life coverage to employees of the Insured Employee's Employer covered under this Policy. The dollar limit that applies to the amount for conversion at Policy termination does not apply.

The requirement that the Insured be covered under the Policy for the stated number of years in order to convert life insurance does not apply.

### Missouri residents:

#### Applicable to Voluntary Life Insurance Benefits

If an Insured commits suicide, while sane or insane, within 1 year from the date his or her insurance under the Policy becomes effective, Voluntary Life Insurance Benefits will be limited to a refund of the premiums paid on the Insured's behalf. The suicide exclusion applies from the effective date of any additional benefits or increases in Life Insurance Benefits.

Except for any amount of benefits in excess of the Prior Plan's benefits, this exclusion will not apply to any person covered under the Prior Plan for more than one year. If a person was not insured for one year under the Prior Plan, credit will be given for the time he or she was insured.

If a Dependent Child commits suicide and is survived by other Dependent Children covered under the same certificate, no refund of premiums will be paid.

### North Dakota residents:

The Suicide exclusion, if any, is limited to one year from the effective date of insurance. The suicide exclusion with respect to any increase in death benefits which results from an application of the insured subsequent to the effective date, if any, is limited to one year from the effective date of the increase.





**UNDERWRITTEN BY:  
LIFE INSURANCE COMPANY OF NORTH AMERICA  
a Cigna company**

Class 1  
11/2019

