



**Lake Havasu Public Schools Employees Benefit Trust
Policy # 399304**

Please read carefully the following description of your Unum Term Life and AD&D insurance plan.

Your Plan

Eligibility

All full time employees working at least 20 hours each week in active employment in the U.S. with the employer, and their eligible spouses and children (up to age 19, or to 26 regardless of their student status).

**Note: Disabled children over the maximum child age may be eligible for benefits, please see your plan administrator for more details.*

Coverage Amounts

Your Term Life coverage options are:

Employee: Up to 5 times salary in increments of \$10,000.
Not to exceed \$500,000.

Spouse: Up to 100% of employee amount in increments of \$5,000.
Not to exceed \$250,000. Benefits will be paid to the employee.

Child: Up to 100% of employee coverage amount in increments of \$2,000.
Not to exceed \$10,000.

The maximum death benefit for a child between the ages of 14 days and 6 months is \$250. Benefits will be paid to the employee.

In order to purchase Life coverage for your spouse and/or child, you must purchase Life coverage for yourself.

Your AD&D coverage options are:

Employee: Up to 5 times salary in increments of \$10,000.
Not to exceed \$500,000.

You may purchase AD&D coverage for yourself regardless of whether you purchase Life coverage.

AD&D Benefit Schedule: The full benefit amount is paid for loss of:

- Life
- Both hands or both feet or sight of both eyes
- One hand and one foot
- One hand and the sight of one eye
- One foot and the sight of one eye
- Speech and hearing

Other losses may be covered as well. Please see your Plan Administrator.

Coverage amount(s) will reduce according to the following schedule:

Age:	Insurance Amount Reduces to:
70	67% of original amount
75	45% of original amount

Coverage may not be increased after a reduction. Spouse Life will reduce by

Voluntary Term Life Insurance and AD&D Coverage Highlights (Continued)

the same percentage and at the same time as the employee's Life coverage reduces.

Guarantee Issue

Current Employees: If you and your eligible dependents are enrolled in the plan and wish to increase your Life insurance coverage, you may apply between 4/10/2014 and 6/10/2014 for any amount of additional coverage up to \$200,000 for yourself and any amount of additional coverage up to \$50,000 for your spouse. Any Life insurance coverage over the Guarantee Issue amount(s) will be subject to evidence of insurability. If you and your eligible dependents are not currently enrolled in the plan, you may apply for coverage between 4/10/2014 and 6/10/2014 and will be required to furnish evidence of insurability for any amount of coverage.

Employees hired on or after 08/01/2014: If you enroll within 31 days of your eligibility date, you may apply for any amount of Life insurance coverage up to \$200,000 for yourself and any amount of coverage up to \$50,000 for your spouse. Any Life insurance coverage over the Guarantee Issue amount(s) will be subject to evidence of insurability. If you and your eligible dependents do not enroll within 31 days of your eligibility date, you can apply for coverage only during an annual enrollment period and will be required to furnish evidence of insurability for the entire amount of coverage.

If you and your eligible dependents enroll within 31 days of your eligibility date, and later, wish to increase your coverage, you may increase your coverage, with evidence of insurability, at anytime during the year. However, you may wait until the next annual enrollment and only coverage over the Guarantee Issue amount(s) will be subject to evidence of insurability. AD&D coverage does not require evidence of insurability.

Please see your Plan Administrator for your eligibility date.

Voluntary Term Life Insurance and AD&D Coverage Highlights (Continued)

Term Life Coverage Rates

Rates shown are your Monthly deduction:

Age Band	Employee per \$10,000	Spouse per \$5,000	Child per \$2,000
- 24	\$.70	\$.35	\$.36
25-29	\$.80	\$.40	
30-34	\$.90	\$.45	
35-39	\$1.20	\$.60	
40-44	\$1.80	\$.90	
45-49	\$3.00	\$1.50	
50-54	\$5.10	\$2.55	
55-59	\$8.60	\$4.30	
60-64	\$12.50	\$6.25	
65-69	\$20.80	\$10.40	
70-74	\$40.90	\$20.45	
75+	\$61.60	\$30.80	

NOTE: The premium paid for child coverage is based on the cost of coverage for one child, regardless of how many children you have.

NOTE: Your rate will increase as you age and move to the next age band.

AD&D Coverage Rates

	AD&D Cost Per:	Monthly Rate
Employee:	\$10,000	\$.26

Insurance Age

Your rate is based on your insurance age, which is your age immediately prior to and including the anniversary/effective date.

To calculate your cost, complete the following by selecting your coverage amount and rate (based on your insurance age).

Term Life Calculation Worksheet

Coverage Amount	Increment	Rate	=	Monthly Cost
Employee \$ _____	÷ \$10,000 x	\$ _____	=	\$ _____
Spouse \$ _____	÷ \$ 5,000 x	\$ _____	=	\$ _____
Children \$ _____	÷ \$ 2,000 x	\$ _____	=	\$ _____
Total Monthly Cost			=	\$ _____

AD&D Calculation Worksheet

Coverage Amount	Increment	Rate	=	Monthly Cost
Employee \$ _____	÷ \$10,000 x	\$ _____	=	\$ _____
Total Monthly Cost			=	\$ _____

Additional Benefits

Life Planning Financial & Legal Resources

This personalized financial counseling service provides expert, objective financial counseling to survivors and terminally ill employees at no cost to you. This service is also extended to you upon the death or terminal illness of your covered spouse. The financial consultants are master level consultants. They will help develop strategies needed to protect resources, preserve current lifestyles, and build future security. At no time will the consultants offer or sell any product or service.

Portability/Conversion

If you retire, reduce your hours or leave your employer, you can take this coverage

Voluntary Term Life Insurance and AD&D Coverage Highlights (Continued)

with you according to the terms outlined in the contract. However, if you have a medical condition which has a material effect on life expectancy, you will be ineligible to port your coverage. You may also have the option to convert your Term life coverage to an individual life insurance policy.

Accelerated Benefit

If you become terminally ill and are not expected to live beyond a certain time period as stated in your certificate booklet, you may request up to 75% of your life insurance amount up to \$500,000, without fees or present value adjustments. A doctor must certify your condition in order to qualify for this benefit. Upon your death, the remaining benefit will be paid to your designated beneficiary(ies). This feature also applies to your covered dependents.

Waiver of Premium

If you become disabled (as defined by your plan) and are no longer able to work, your premium payments will be waived during the period of disability.

Retained Asset Account

Benefits of \$10,000 or more are paid through the Unum Retained Asset Account. This interest bearing account will be established in the beneficiary's name. He or she can then write a check for the full amount or for \$250 or more, as needed.

Additional AD&D Benefits

Education Benefit: If you pass within 365 days of an accident, an additional benefit is paid to your dependent child(ren). Your child(ren) must be a full-time student beyond grade 12. (Not available in Illinois or New York.)

Seat Belt/Air Bag Benefit: If you pass in a car accident and are wearing a properly fastened seat belt and/or are in a seat with an air bag, an amount will be paid in addition to the AD&D benefit.

Limitations/Exclusions/ Termination of Coverage

Suicide Exclusion

Life benefits will not be paid for deaths caused by suicide in the first twenty-four months after your effective date of coverage.

No increased or additional benefits will be payable for deaths caused by suicide occurring within 24 months after the day such increased or additional insurance is effective.

AD&D Benefit Exclusions

AD&D benefits will not be paid for losses caused by, contributed to by, or resulting from:

- Disease of the body or diagnostic, medical or surgical treatment or mental disorder as set forth in the latest edition of the Diagnostic and Statistical Manual of Mental Disorders;
 - Suicide, self-destruction while sane, intentionally self-inflicted injury while sane, or self-inflicted injury while insane;
 - War, declared or undeclared, or any act of war;
 - Active participation in a riot;
 - Attempt to commit or commission of a crime;
 - The voluntary use of any prescription or non-prescription drug, poison, fume, or other chemical substance unless used according to the prescription or direction of your or your dependent's doctor. This exclusion does not apply to you or your dependent if the chemical substance is ethanol;
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Voluntary Term Life Insurance and AD&D Coverage Highlights (Continued)

- Intoxication. (“Intoxicated” means that the individual’s blood alcohol level equals or exceeds the legal limit for operating a motor vehicle in the state or jurisdiction where the accident occurred.)

Termination of Coverage

Your coverage and your dependents’ coverage under the Summary of Benefits ends on the earliest of:

- The date the policy or plan is cancelled;
- The date you no longer are in an eligible group;
- The date your eligible group is no longer covered;
- The last day of the period for which you made any required contributions;
- The last day you are in active employment unless continued due to a covered layoff or leave of absence or due to an injury or sickness, as described in the certificate of coverage;
- For dependent’s coverage, the date of your death.

In addition, coverage for any one dependent will end on the earliest of:

- The date your coverage under a plan ends;
- The date your dependent ceases to be an eligible dependent;
- For a spouse, the date of divorce or annulment.

Unum will provide coverage for a payable claim which occurs while you and your dependents are covered under the policy or plan.

Next Steps

How to Apply

Current employees: To apply for coverage, complete your enrollment form by 06/10/2014.

For employees hired on or after 08/01/2014: To apply for coverage, complete your enrollment form within 31 days of your eligibility date.

All employees: If you apply for coverage after your effective date, or if you choose coverage over the guarantee issue amount, you will need to complete a medical questionnaire which you can get from your Plan Administrator. You may also be required to take certain medical tests at Unum’s expense.

Effective Date of Coverage

Your coverage will become effective on 08/01/2014. For employees who become eligible after this date, please see your Plan Administrator for your effective date.

Delayed Effective Date of Coverage

Employee: Insurance coverage will be delayed if you are not in active employment because of an injury, sickness, temporary layoff, or leave of absence on the date that insurance would otherwise become effective.

Dependent: Insurance coverage will be delayed if that dependent is totally disabled on the date that insurance would otherwise be effective. Exception: infants are insured from live birth.

“Totally disabled” means that, as a result of an injury, a sickness or a disorder, your dependent is confined in a hospital or similar institution; is unable to perform two

Voluntary Term Life Insurance and AD&D Coverage Highlights (Continued)

or more activities of daily living (ADLs) because of a physical or mental incapacity resulting from an injury or a sickness; is cognitively impaired; is receiving or is entitled to receive any disability income from any source due to any sickness or injury; is receiving chemotherapy radiation therapy or dialysis treatment; or has a life threatening condition.

Changes to Coverage

Each year you and your spouse will be given the opportunity to change your Life coverage and AD&D coverage. You and your spouse may purchase additional Life coverage up to the Guarantee Issue amounts without evidence of insurability if you are already enrolled in the plan. Life coverage over the Guarantee Issue amounts will be medically underwritten and will require evidence of insurability and approval by Unum's Medical Underwriters. The suicide exclusion will apply to any increase in coverage. AD&D coverage does not require evidence of insurability for increase amounts.

Questions

If you should have any questions about your coverage or how to enroll, please contact your Plan Administrator.

This plan highlight is a summary provided to help you understand your insurance coverage from Unum. Some provisions may vary or not be available in all states. Please refer to your certificate booklet for your complete plan description. If the terms of this plan highlight summary or your certificate differ from your policy, the policy will govern. For complete details of coverage, please refer to policy form number C.FP-1, et al.

Life Planning is provided by Ceridian Incorporated. The services are subject to availability and may be withdrawn by Unum without prior notice.

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