

The Roman Catholic Diocese of Oakland

2/1/2007

Group Term Life Insurance with Accelerated Benefits

Principal Life Insurance Company provides basic life insurance protection for you and your family. Your group term life insurance policy pays benefits according to the information below.

Information To Know

Guaranteed Coverage: The maximum amount of coverage available during your initial enrollment period with no medical information required.

Eligibility: You are eligible if you are an active employee working at least 20 hours per week. Retiree coverage is not available.

Your benefits at a glance	
Your Coverage	\$25,000 benefit Proof of good health is required for life insurance amounts over \$75,000 for those under age 65, \$75,000 for those age 65 through 69 and \$75,000 for those age 70 and older. Coverage for persons age 70 and over is the lesser of the amount shown or the amount with the prior carrier.
Age Reductions	35% reduction of coverage at age 65, with an additional 15% reduction at age 70.
Coverage During Disability	If you become totally disabled before age 60, coverage will continue and premium will be waived for you and your covered dependents. You must be disabled for nine months before the waiver begins. Coverage continues without premium payment until you recover or turn age 70.
Accelerated Benefit	If you are terminally ill you can receive up to 75%, not to exceed \$250,000, of your life insurance benefit in a lump sum as long as: <ul style="list-style-type: none">• Your life expectancy is 12 months or less (as diagnosed by a physician).• Your death benefit is at least \$10,000. When you use the accelerated benefit, your death benefit is reduced by the accelerated benefit payment plus an accumulated interest charge (based on a daily interest rate charged from the accelerated benefit payment date to the date of death). There are possible tax consequences to receiving a lump sum payment. You should contact your tax advisor for details. Receipt of accelerated benefits could also affect eligibility for public assistance. The charge for this benefit is included in your premium.
Accidental Death & Dismemberment	You receive an additional benefit if you die, lose your hands, feet, or vision as the result of an accident. See the back page for details.

Claims/Beneficiary Information

You can name anyone as your beneficiary except your company. You can also change beneficiaries at any time.

Benefit Payments

Our Interest Draft Account, lets beneficiaries put death benefits into an interest bearing account like a checking account.

Individual Purchase Rights

In termination situations, you and your spouse can convert your coverages to individual life insurance. You have 31 days after coverage ends to convert without a health statement. The amount you can purchase varies depending on the termination situation. Contact Principal Life for details.

Will Preparation Services*

You have free access to Will Preparation Services provided by ARAG Services, LLC. Through this value added service, you are able to create a will, living will, healthcare power of attorney, and financial power of attorney for your immediate family. Also included is a valuable identity theft kit providing information on how to protect your family. In the event of identity theft, an action kit will assist in restoring and reclaiming the stolen identity. Visit www.ARAGwills.com/Principal to register today. Registration requires you be a covered employee under the group term life policy provided by your employer and will require your group policy number.

*The use of the services provided by ARAG Services, LLC should not be considered as a substitute for consultation with an attorney. Principal Life Insurance Company is not responsible for any loss, injury, claim, liability, or damages related to the use of the ARAG legal document service.

Accidental Death & Dismemberment (AD&D) Insurance

Accidental Death & Dismemberment Insurance pays a benefit equal to your group term life insurance amount when loss occurs within 365 days of an accident. Retiree coverage is not available.

We pay the **full** benefit when you lose:

- your life
- both hands
- both feet
- sight of both eyes
- one hand and sight of one eye
- one foot and sight of one eye
- one hand and one foot

We pay **half** the benefit when you lose:

- one hand
- one foot
- sight of one eye

Additional Benefits Included with AD&D

AD&D coverage includes these extra features:

- **Seatbelt/Airbag** – If you die in an automobile accident, AD&D pays an additional \$10,000 if you were wearing a seatbelt or were protected by an airbag.
- **Education** – AD&D pays a benefit of \$3,000 per year for up to four years for dependent(s) enrolled at an accredited post-secondary school at the time of your death.
- **Repatriation** – If you die at least 100 miles from your permanent residence, AD&D pays up to \$2,000 for preparation and transportation of your body.
- **Loss of Use/Paralysis** – AD&D pays you benefits as follows: 100% for quadriplegia; 50% for paraplegia, hemiplegia, loss of use of both hands or both feet, or loss of use of one hand and one foot; or 25% for loss of use of one arm, one leg, one hand or one foot. Loss of use means the total and irrevocable loss of voluntary movement for 12 consecutive months. Paralysis must be permanent, complete and irreversible.
- **Loss of Speech and/or Hearing** – AD&D pays you benefits of 100% for loss of both speech and hearing; 50% for loss of speech or hearing; 25% for loss of hearing in one ear. Loss must be irrevocable and continue for 12 consecutive months.
- **Public Transportation** – AD&D pays an additional 100% benefit for covered losses that occur while you are a passenger on a common carrier, such as an airplane, ship, train, subway, bus, taxi or trolley.
- **Exposure** – Exposure to the elements is considered an accidental injury if you incur a covered loss within one year of exposure resulting from an accidental injury.
- **Disappearance** – AD&D will pay for loss of life if you disappear while you were a passenger in a conveyance involved in an accidental wrecking or sinking and your body is not found within one year of the accident.

Limitations and Exclusions for Accidental Death & Dismemberment

Coverage does not include payment for more than the benefit stated in the schedule for losses resulting from a single accident.

Benefits are not paid for losses resulting from:

- Willful self-injury or self-destruction while sane or insane.
- Disease or treatment of disease
- Voluntary participation in an assault, felony, criminal activity, insurrection, or riot.
- Participation in flying, ballooning, parachuting, parasailing, bungee jumping, or other aeronautic activities, except as a passenger on a commercial aircraft or as a passenger or crew member on a company owned or leased aircraft on company business.
- War or act of war.
- The use of alcohol if, at the time of the injury, the blood alcohol content exceeds the legal limit allowed by the jurisdiction where the injury occurs.
- The operation of a motor vehicle or motor boat, if at the time of the injury, the blood alcohol content exceeds the legal limit allowed by the jurisdiction where the injury occurs.
- Duty as a member of a military organization.
- Using any drugs, narcotic, or hallucinogen not prescribed by a licensed physician.

Note: This announcement supplements any materials presented by your employer. It does not state all insurance contract provisions, restrictions of coverage, benefits by conditions or limitations, or provisions required by state or federal law. A more complete description is in the booklet that will be issued to each member. Ask your employer for details.



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