

Offered by Life Insurance Company of North America

**Employer-Paid
TERM LIFE and ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE**

Summary of Benefits

Prepared for: City of Scottsdale

Eligibility:

All full-time Employees of the Employer working a minimum of 30 hours per week and All part-time Employees of the Policyholder regularly working a minimum of 20 hours per week and insured under the Prior Plan as of July 1, 2015, excluding Employees classified as Mayor, City Council Members, or City Manager.

Employee: You will be eligible for coverage immediately.

Available Coverage:

	Benefit Amount	Maximum	Guaranteed Issue Amount
Employee – Life	1.0 Times Salary Minimum Coverage Amount: \$15,000	Lesser of 1.0 Times Salary or \$325,000	N/A
Employee – AD&D	1.0 Times Salary	Lesser of 1.0 Times Salary or \$325,000	N/A

Additional Term Life Features:

Continuation of Disability – If your active service ends due to disability, at age 60 or over, your life insurance coverage will continue while you are disabled. Benefits will remain in force until the earliest of: the date you are no longer disabled, the date the policy terminates, the date you are Disabled for 9 consecutive months, or the day after the last period for which premiums are paid. You are considered disabled if, because of injury or sickness, you are unable to perform all the material duties of your Regular Occupation, or you are receiving disability benefits under your Employer’s plan.

Extended Death Benefit with Waiver of Premium – The extended death benefit continues your coverage without payment of premium, before you’re eligible to qualify for Waiver of Premium, if you are continuously Disabled for 6 months prior to age 60. “Disabled” means, because of injury or sickness, you are unable to perform all the material duties of your regular occupation, or you are receiving disability benefits under a program sponsored by your Employer. Regular Occupation means the occupation you routinely performed at the time your Disability began. We/the insurance company will consider the duties of your occupation as those that are normally performed in the general labor market in the national economy. If you qualify for this benefit and have insured your spouse or children, the insurance company will also extend their coverage if applicable.

Waiver of Premium – If you become Disabled prior to age 60, and you remain Disabled continuously for a 6 month period and thereafter, you won’t need to pay premiums for your life insurance coverage, provided we/the Insurance Company determine(s) you are Disabled. “Disabled” for this coverage means, because of injury or sickness, you are unable to perform the material duties of your regular occupation, or are receiving disability benefits under a program sponsored by your employer, for the first 12 months after your Disability began. Thereafter, you must be unable to perform the material duties of any occupation that you are or may reasonably become qualified based on your education, training or experience. If you qualify for this coverage and have insured your spouse or children, the insurance company will also waive their premium if applicable. After premiums have been waived for 12 months, they will be waived for future periods of 12 months if you remain Disabled. This benefit will remain active until age 65 subject to proof of continuing disability each year.

Accelerated Death Benefit – Terminal Illness – if two unaffiliated doctors diagnose you as terminally ill while the coverage is active, with a life expectancy of 12 months or less, the benefit for Terminal Illness provides up to:

Employee: 50% of your Term Life Insurance coverage amount or \$50,000, whichever is less.

Conversion – To convert, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends.

Benefit Details –

Survivors of severe accidents will be paid an additional benefit according to the chart below.

If, within 365 days of a Covered Accident, bodily injuries result in:	We’ll pay this % of the Benefit Amount:
Quadriplegia; Loss of two or more hands or feet; Loss of sight in both eyes; or Loss of speech and hearing (both ears)	100%
Paraplegia	75%
Hemiplegia; Loss of one hand, one foot, sight in one eye, speech, or hearing in both ears; or Severance and Reattachment of one hand or foot	50%
Uniplegia; Loss of all four fingers of the same hand; or Loss of thumb and index finger of the same hand	25%
Loss of all toes of the same foot	20%

Important Definitions and Policy Provisions:

When Your Coverage Begins and Ends – Coverage becomes effective on the later of the program’s effective date, the date you become eligible, the date your enrollment elections are received if applicable, or the date you authorize any necessary payroll deductions if applicable. Your coverage will not begin unless you are actively at work on the effective date. Dependent coverage, if applicable, will not begin for any spouse or child who on the effective date is an inpatient in a facility or is home confined and under the care of a physician. Coverage will end on the earliest of the date you are eligible for coverage under a plan intended to replace this coverage, you or your dependents if applicable, are no longer eligible, the group policy is no longer in force, or required premiums are not paid.

Benefit Reductions, Exclusions and Limitations:

Benefit Reduction Schedule - If you are still employed, your benefits will reduce to 65% at age 65 and 45% at age 70.

Exclusions - Self-inflicted injuries or suicide while sane or insane • commission or attempt to commit a felony or an assault • any act of war, declared or undeclared • any active participation in a riot, insurrection or terrorist act • bungee jumping • parachuting • skydiving • parasailing • hang-gliding • sickness, disease, bodily or mental infirmity, bacterial or viral infection or medical or surgical treatment thereof, except for any bacterial infection resulting from an accidental external cut or wound or accidental ingestion of contaminated food • voluntarily using any drug, narcotic, poison, gas or fumes except one prescribed by a licensed physician and taken as prescribed • operating any type of vehicle while under the influence of alcohol or any drug, narcotic or other intoxicant including any prescribed drug for which the covered person has been provided a written warning against operating a vehicle while taking it • a Covered Accident that occurs while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization (this does not include Reserve or National Guard training, unless it extends beyond 31 days) • traveling in an aircraft that is owned, leased or controlled by the sponsoring organization or any of its subsidiaries or affiliates • air travel, except as a passenger on a regularly scheduled commercial airline or in an aircraft being used by the Air Mobility Command or its foreign equivalent • flight in, boarding or alighting from an Aircraft or any craft designed to fly above the Earth’s surface being flown by the covered person or in which the covered person is a member of the crew.

Limitations - The Accelerated Death Benefit is payable only once. Using this benefit reduces the life insurance death benefit. The amount payable under the Accelerated Death Benefit may be reduced by the amount of other benefits already paid to the insured under the policy. See your certificate for details. Benefits will be extended without premium payment until the earlier of the date you are no longer disabled, or the date you fail to qualify for Waiver of Premium or fail to provide proof of Disability.

THIS POLICY PROVIDES LIMITED COVERAGE. IT PAYS A FIXED BENEFIT AND DOES NOT COVER MEDICAL EXPENSES AS INCURRED. THIS IS NOT A SUBSTITUTE FOR COMPREHENSIVE OR MAJOR MEDICAL HEALTH INSURANCE. THIS COVERAGE DOES NOT SATISFY THE INDIVIDUAL MANDATE OF THE AFFORDABLE CARE ACT BECAUSE THE COVERAGE DOES NOT MEET THE REQUIREMENTS OF MINIMUM ESSENTIAL COVERAGE.

Terms and conditions of coverage for Term Life insurance are set forth in Group Policy No. GL 0017490. This is not intended as a complete description of the insurance coverage offered. This is not a contract. Complete coverage details, including premiums, eligible conditions, their respective payments and policy exclusions and limitations are contained in the Policy. Please see your Plan Sponsor to obtain a copy of the Policy. If there are any differences between this summary and the group policy, the information in the group policy takes precedence. Product availability, costs, benefits, riders, covered conditions and/or features may vary by state. Please keep this material as a reference. Insurance coverage is issued on group policy form number: Policy Form TL-004700. Coverage is underwritten by Life Insurance Company of North America, 51 Madison Avenue New York, NY 10010.

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