

# THE NEED FOR LIFE INSURANCE



**Life insurance is a simple answer to a very difficult question: How will my loved ones manage financially when I die? It's a subject no one really wants to think about. But, if someone depends on you financially, it's one question you cannot avoid.**

## PROTECTION FOR EVERY STAGE OF YOUR LIFE

Whether you're single, married, have children or are close to retirement, having life insurance is a must. Life insurance pays benefits to your loved ones after you die, replacing your income and allowing the financial plans you put in place to continue uninterrupted.

When determining how much life insurance you need, think about the expenses you may encounter through every stage of your life. Consider:

### FINAL EXPENSES & OTHER DEBT

- Funeral costs and final medical expenses
- Mortgage and credit card debt
- Taxes and estate settlement costs

### ONGOING EXPENSES

- Food and clothing
- Housing and utilities
- Transportation
- Health care
- Insurance

### FUTURE EXPENSES

- College
- Retirement

## HOW MUCH IS ENOUGH?

The toughest part of buying life insurance is determining how much you need. The amount of life insurance you need depends on your personal situation and financial goals. No matter what your current life stage, life insurance is there to help protect your family financially – *even if you can't.*

INCOME REPLACEMENT & ASSETS	
<b>Annual income your loved ones need now and in the future</b>	\$ _____
(Current income multiplied by number years needed – for example: \$50k x 5 years = \$250,000)	
<b>SUBTOTAL (INCOME) =</b>	\$ _____
FINAL EXPENSES & OTHER DEBT	
<b>Funeral Expenses</b> (\$15,000 is a reasonable estimate)	\$ _____
<b>Mortgage</b>	\$ _____
<b>Credit Card and other debt</b> (Balance, car loans, etc...)	\$ _____
<b>SUBTOTAL (DEBT) =</b>	\$ _____
EDUCATIONAL FUNDS	
<b>College costs per person</b>	\$ _____
(4 years at Private \$118,000/ Public \$48,000 institution)	
<b>SUBTOTAL (EDUCATION) =</b>	\$ _____
TOTAL LIFE INSURANCE NEEDED	
<b>INCOME + DEBT + EDUCATION =</b>	
<b>TOTAL NEED FOR LIFE INSURANCE</b>	
	\$ _____

*Life insurance is underwritten by United of Omaha Life Insurance Company, Mutual of Omaha Plaza, Omaha, NE 68175. Policy form number 7000GM-U-EZ 2010 or state equivalent. United of Omaha Life Insurance Company is licensed in all states except New York. In New York, life insurance is underwritten by Companion Life Insurance Company, 888 Veterans Memorial Highway, Suite 515, Hauppauge, NY 11788. Policy form number 7000GM-C-EZ 2010. Some exclusions, limitations and reductions may apply. Each company is responsible for its own contractual and financial obligations.*

# VOLUNTARY TERM LIFE AND AD&D INSURANCE BENEFITS SUMMARY



For Employees of Heidelberg College, Incorporated

## ELIGIBILITY - ALL ELIGIBLE EMPLOYEES

<b>Eligibility Requirement</b>	You must be actively at work (able to perform all normal duties of your job) to be eligible for coverage.
<b>Dependent Eligibility Requirements</b>	To be eligible for coverage, your dependents must be able to perform normal activities and not be confined (at home, in a hospital, or in any other care facility).
<b>Minimum Work Hours</b>	You must be working a minimum of 320 hours per week to be eligible for coverage.
<b>Coverage Payment</b>	You pay 100% of the premium for this coverage through easy payroll deduction.

## COVERAGE GUIDELINES

	<b>Employee</b>	<b>Spouse</b>	<b>Child(ren)</b>
<b>Minimum</b>	\$10,000	\$5,000	\$2,000
<b>Maximum</b>	5X annual salary, up to \$500,000	100% of employee's benefit, up to \$100,000	100% of employee's benefit, up to \$10,000
<b>Guarantee Issue Amount</b>	5X annual salary, up to \$100,000	100% of employee's benefit, up to \$35,000	100% of employee's benefit, up to \$10,000

*Note: Subject to any reductions shown below, Guarantee Issue means the amount of insurance applied for which does not require evidence of insurability. Guarantee Issue is available to New Hires only. For New Hires, coverage amounts over the Guarantee Issue Amount will require a health application/evidence of insurability. For Late Entrants, all coverage amounts will require a health application/evidence of insurability.*

## BENEFITS

<b>Life Insurance Benefit Amount</b>	<p>Within the coverage guidelines defined above, you select the amount of life insurance coverage you want.</p> <p>This plan includes the option to select coverage for your spouse and dependent child(ren). Children include those 14 days old, up to age 21 (25 if a full-time student).</p> <p><i>Note: In the event of death, the benefit paid will equal the benefit amount after any age reductions less any living care/accelerated death benefits previously paid under this plan.</i></p>
<b>Accidental Death &amp; Dismemberment (AD&amp;D) Benefit Amount</b>	<p>For you, your spouse and your dependent child(ren): The Principal Sum amount is equal to the amount of the life insurance benefit.</p> <p>AD&amp;D coverage is available if you or your dependents are injured or die as a result of an accident, and the injury or death is independent of sickness and all other causes. The benefit amount depends on the type of loss incurred, and is either all or a portion of the Principal Sum.</p>

## FEATURES

<b>Living Care/Accelerated Death Benefit</b>	80% of the amount of the life insurance benefit is available to you if terminally ill, not to exceed \$100,000.
<b>Waiver of Premium</b>	If it is determined that you are totally disabled, your life insurance benefit will continue without payment of premium, subject to certain conditions.
<b>Additional AD&amp;D Benefits</b>	<p>In addition to basic AD&amp;D benefits, you are protected by the following benefits:</p> <ul style="list-style-type: none"> <li>- Spouse Continuation of Coverage</li> <li>- Seat Belt</li> <li>- Repatriation</li> <li>- Child Care Center</li> <li>- Airbag</li> <li>- Common Carrier</li> <li>- Child Education</li> <li>- Spouse Education</li> </ul>
<b>Portability</b>	The portability feature allows you to continue this insurance for yourself and your dependents (if applicable) should your employment end, subject to the terms of eligibility defined in the policy, without having to provide evidence of insurability (information about your health).

**FEATURES (CONTINUED)****Conversion**

If your employment ends, you may apply for an individual life insurance policy from Mutual of Omaha without having to provide evidence of insurability (information about your health). You will be responsible for the premium for the coverage.

*Note: Additional information about the benefits and features of this plan will be included in the summary of coverage, which you will receive after enrolling, and in the certificate booklet, available from your employer. Please contact your employer if you have questions prior to enrolling.*

**AGE REDUCTIONS AND EXCLUSIONS**

Your life insurance benefits and guarantee issue amounts are subject to age reductions. At age 65, amounts reduce to 65%. At age 70, amounts reduce to 45%. At age 75, amounts reduce to 30%. At age 80+ , amounts reduce to 20%. Spouse coverage terminates at age 70. Coverage terminates at retirement.

Life insurance benefits will not be paid if the insured's death is the result of suicide within two years from the date of issue (the date coverage begins) of this coverage. If this occurs, the sum of the premiums paid will be returned to the beneficiary. The same applies for any future increases in coverage under this plan.

Information about the AD&D exclusions for this plan will be included in the summary of coverage, which you will receive after enrolling.

Please contact your employer if you have questions prior to enrolling.

*This information describes some of the features of the benefits plan. Benefits may not be available in all states. Please refer to the certificate booklet for a full explanation of the plan's benefits, exclusions, limitations and reductions. Should there be any discrepancy between the certificate booklet and this outline, the certificate booklet will prevail. Benefits availability is subject to final acceptance and approval of the group application by Mutual of Omaha. Term life insurance and accidental death & dismemberment insurance are underwritten by United of Omaha Life Insurance Company, Mutual of Omaha Plaza, Omaha, Nebraska 68175. United of Omaha Life Insurance Company is licensed in every state except New York. Term Life Policy Form Number 7000GM-C-EZ-2001. AD&D Policy Form Number 7000M-M-EZ 2001.*

## VOLUNTARY TERM LIFE AND AD&D COVERAGE SELECTION AND PREMIUM CALCULATION

*Please note that the premium amounts presented below may vary slightly from the amounts provided on your enrollment form, due to rounding.*

**To select your benefit amount and calculate your premium, do the following:**

- 1) Locate the benefit amount you want to select from the top row of the employee premium table. Your benefit amount must be in an increment of \$10,000 (ex. \$10,000, \$20,000, or \$50,000). Refer to the Coverage Guidelines section for minimums and maximums, if needed.
- 2) Find your age bracket in the far left column.
- 3) Your premium amount is found in the box where the row (your age) and the column (benefit amount) intersect.
- 4) Enter the benefit and premium amounts into their respective areas in the Voluntary Life and AD&D section of your enrollment form.

If the benefit amount you want to select is greater than \$100,000, select the benefit amount from the top row that when multiplied by another number results in the benefit amount you want to select. For example, if you want \$150,000 in coverage, you obtain your premium amount by multiplying the rate for \$50,000 times 3.

**Employee Premium Table (12 Payroll Deductions Per Year)**

	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	\$60,000	\$70,000	\$80,000	\$90,000	\$100,000
0 - 34	\$0.80	\$1.60	\$2.40	\$3.20	\$4.00	\$4.80	\$5.60	\$6.40	\$7.20	\$8.00
35 - 39	\$1.00	\$2.00	\$3.00	\$4.00	\$5.00	\$6.00	\$7.00	\$8.00	\$9.00	\$10.00
40 - 44	\$1.40	\$2.80	\$4.20	\$5.60	\$7.00	\$8.40	\$9.80	\$11.20	\$12.60	\$14.00
45 - 49	\$2.30	\$4.60	\$6.90	\$9.20	\$11.50	\$13.80	\$16.10	\$18.40	\$20.70	\$23.00
50 - 54	\$3.60	\$7.20	\$10.80	\$14.40	\$18.00	\$21.60	\$25.20	\$28.80	\$32.40	\$36.00
55 - 59	\$5.60	\$11.20	\$16.80	\$22.40	\$28.00	\$33.60	\$39.20	\$44.80	\$50.40	\$56.00
60 - 64	\$8.60	\$17.20	\$25.80	\$34.40	\$43.00	\$51.60	\$60.20	\$68.80	\$77.40	\$86.00
65 - 69	\$15.20	\$30.40	\$45.60	\$60.80	\$76.00	\$91.20	\$106.40	\$121.60	\$136.80	\$152.00
70+	\$27.10	\$54.20	\$81.30	\$108.40	\$135.50	\$162.60	\$189.70	\$216.80	\$243.90	\$271.00

Follow the method described above to select a benefit amount and calculate premiums for optional dependent spouse and/or child(ren) coverage. **Your spouse's rate is based on your age**, so find your age bracket in the far left column of the Spouse Premium Table. Your spouse's premium amount is found in the box where the row (the age) and the column (benefit amount) intersect. Your spouse's benefit amount must be in an increment of \$5,000 (ex. \$15,000, \$20,000 or \$25,000). Refer to the Coverage Guidelines section for minimums and maximums if needed.

**Spouse Premium Table (12 Payroll Deductions Per Year)**

	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000
0 - 34	\$0.40	\$0.80	\$1.20	\$1.60	\$2.00	\$2.40	\$2.80	\$3.20	\$3.60	\$4.00
35 - 39	\$0.50	\$1.00	\$1.50	\$2.00	\$2.50	\$3.00	\$3.50	\$4.00	\$4.50	\$5.00
40 - 44	\$0.70	\$1.40	\$2.10	\$2.80	\$3.50	\$4.20	\$4.90	\$5.60	\$6.30	\$7.00
45 - 49	\$1.15	\$2.30	\$3.45	\$4.60	\$5.75	\$6.90	\$8.05	\$9.20	\$10.35	\$11.50
50 - 54	\$1.80	\$3.60	\$5.40	\$7.20	\$9.00	\$10.80	\$12.60	\$14.40	\$16.20	\$18.00
55 - 59	\$2.80	\$5.60	\$8.40	\$11.20	\$14.00	\$16.80	\$19.60	\$22.40	\$25.20	\$28.00
60 - 64	\$4.30	\$8.60	\$12.90	\$17.20	\$21.50	\$25.80	\$30.10	\$34.40	\$38.70	\$43.00
65 - 69	\$7.60	\$15.20	\$22.80	\$30.40	\$38.00	\$45.60	\$53.20	\$60.80	\$68.40	\$76.00

**All Children Premium Table  
(12 Payroll Deductions  
Per Year)\***

\$5,000	\$10,000
\$0.95	\$1.90

\*Regardless of how many children you have, they are included in the "All Children" premium amounts listed in the table above.

If you would like to calculate the total premium for your Voluntary Term Life and AD&D benefits (for your own information), enter the appropriate premium amounts below and add them to obtain a total.

Employee Premium	+	Spouse Premium	+	Child(ren) Premium	=	Total Premium
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