

Life Insurance Continuation After Retirement

Basic Life Insurance

The basic life is the insurance included with the health insurance. In order to continue the life insurance after retirement, it must be converted to an individual whole life insurance policy through Fort Dearborn Life Insurance Company. Fort Dearborn will send a conversion notice to retirees after insurance has ended through the University. **If it is not converted within 31 days after the date of the letter, the insurance will terminate.**

INDIVIDUAL WHOLE LIFE INSURANCE

1. Schedule of insurance is \$20,000 - \$50,000 according to salary.
2. Minimum amount that can be converted is \$2,500. Maximum is the amount of life insurance that employee has at the time of termination of employment.
3. Conversion rate is based on age as of last birthday at time of retirement.
4. Premium is stable and will not increase.
5. Builds up cash value and has a loan feature.
6. Insurance will remain in effect for life, provided premiums are paid when due.
7. Premium is paid directly to Fort Dearborn Life Insurance Company.
8. Insurance on dependents, if currently insured, may be converted also.
9. Call Fort Dearborn at 1-800-778-2281 with questions or inquires on conversion of life insurance.

PERMAPLAN

Employees who are in Permaplan will receive an option letter from Provident Life and Accident Insurance Company after retirement. One of the following options may be selected:

1. Keep the amount of life insurance that has been converted to Permaplan and pay the new conversion premium.
2. Elect a paid-up life insurance policy.
3. Withdraw cash surrender value.

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Optional Life Insurance

Retirees and/or their dependents in either the Optional Term or Universal Life program will receive a letter from Provident Life Insurance Company concerning direct payment of insurance premiums. If insurance is continued, premiums will be paid directly to Provident.

OPTIONAL TERM LIFE INSURANCE

1. Life insurance amount will remain the same.
2. Premium will continue to increase on January 1 of the year following your change in age brackets.
3. Provides a death benefit only; there is no cash accumulation feature.
4. Insurance will terminate at age 70. A retiree has 30 days from date of insurance termination through the University to consider conversion to Universal Life.
5. Call Provident at 1-800-635-5597 for your conversion options and with questions or inquires.

UNIVERSAL LIFE INSURANCE

1. Life insurance amount will remain the same.
2. Premium will continue at same rate, plus an additional \$1.00 per month.
3. Continues to build up cash value and has a loan feature.
4. Insurance will terminate at age 95. Cash value, less any debt, will be paid on the maturity date provided that the insured is still living.
5. Call Provident at 1-800-635-5597 for conversion options and paid-up policy features.