

Basic Life Insurance Continuation After Retirement

The basic term life insurance is included with the health insurance as an active employee. In order to continue the life insurance at retirement, it must be converted to an individual whole life insurance policy through Ft. Dearborn Life Insurance Company. Ft. 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 to \$50,000 according to salary as active employee.
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 (see chart below).
3. Conversion rate is based on age as of last birthday at time of termination.
4. Premium is level and will not increase.
5. Builds up a 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 Ft. Dearborn Life Insurance Company.
8. Insurance on dependents, if currently insured, may be converted also.
9. Call Ft. Dearborn at 1-800-778-2281 with questions or inquires on conversion of life insurance.

Basic Term Life amounts for active employees and dependents

Base Annual Salary	Under Age 65	Age 65 – 69	Age 70 – 74	Over Age 75
Less than \$15,000	\$20,000	\$13,000	\$9,000	\$6,000
\$15,000 - \$17,499	22,000	14,300	9,900	6,600
\$17,500 - \$19,999	25,000	16,250	11,250	7,500
\$20,000 - \$22,499	30,000	19,500	13,500	9,000
\$22,500 - \$24,999	33,500	21,775	15,075	10,050
\$25,000 - \$27,499	37,000	24,050	16,650	11,100
\$27,500 - \$29,999	40,500	26,325	18,225	12,150
\$30,000 - \$32,499	44,000	28,600	19,800	13,200
\$32,500 - \$34,999	47,500	30,875	21,375	14,250
\$35,000 and over	50,000	32,500	22,500	15,000
Spouse/Dependents	\$3,000 each			

Optional Life Insurance Continuation After Retirement

Retirees and/or their dependents in either the optional term or universal life program will receive a letter from UnumProvident Life Insurance Company concerning direct payment of insurance premiums. If insurance is continued, premiums will be paid directly to Unum Provident.

Optional Term Life Insurance

1. Life insurance amount will remain the same.
2. Premium will continue to increase on January 1 or 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 UnumProvident at 1-866-298-7636 for your conversion options and with questions or inquires.

Optional Universal Life Insurance

1. Life insurance amount will remain the same.
2. Premium will continue at same rate, plus an additional \$1 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 living.
5. Call UnumProvident at 1-866-298-7636 for conversion options and paid-up policy features.

Permaplan

Employees who are in Permaplan will receive an option letter from UnumProvident 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.