



Group Term Life and AD&D Insurance

A voluntary plan to protect you and your family

For the employees of
Lone Oak ISD



Policies issued by:
American General Life Insurance Company
The United States Life Insurance Company in the City of New York
Employee-paid

Why Group Term Life and AD&D Insurance?

Life and accidental death and dismemberment (AD&D) insurance offers protection from life's unforeseen events — giving you and your family the power to leverage assets to ensure that immediate expenses, as well as long-term obligations, can still be met.

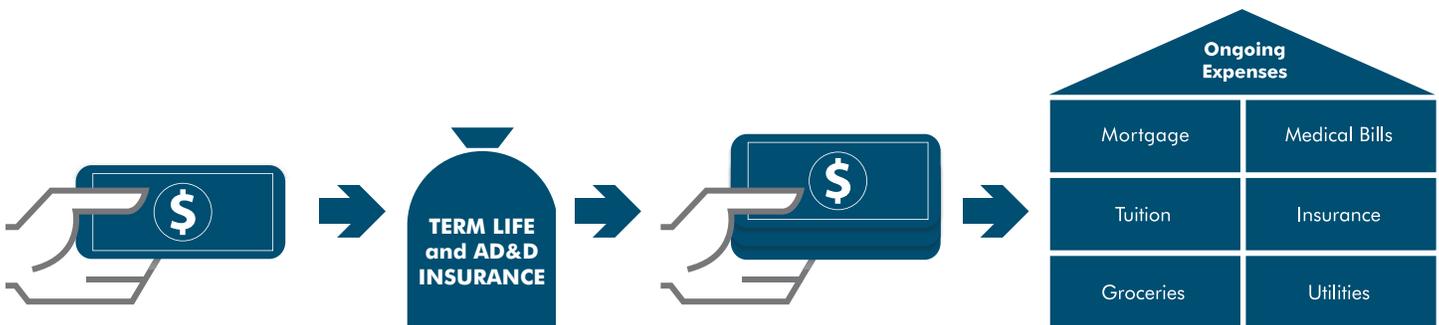
If something were to happen to you, how would your family manage financially and continue to pay the daily living expenses, mortgage payments, outstanding loans, college tuition and other essential expenses? Sometimes those left behind are forced to tap into college savings, sell the family home or take an additional job just to make ends meet. Life insurance helps protect your loved ones from this predicament — it pays a benefit directly to your family should you pass away.

With Group Term Life and AD&D insurance, you can enjoy greater peace of mind knowing you're taking an important step today to help protect your family tomorrow.

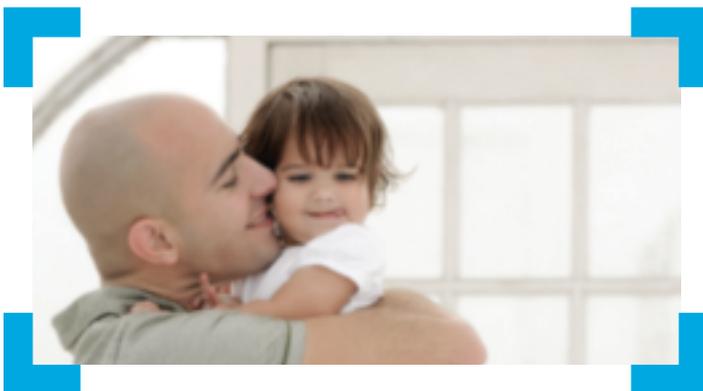
How Does Group Term Life and AD&D Insurance Work?

When a family loses a working parent, it can have a significant impact on their lifestyle and future plans. With this Group Term Life and AD&D insurance, you can help ensure your loved ones would be able to remain in a familiar home and fulfill their educational and retirement goals.

The benefit payment your family receives can be used to help them pay their ongoing expenses:



Group Term Life and AD&D coverage can provide the funds your family may need to continue their lifestyle if they ever have to live without you.



Eric's Story¹

As a single dad, Eric knew it was up to him to provide for his daughter Kara's education — and that involved preparing for all the possibilities, including his death. With his daughter's future in mind, Eric enrolled in his workplace's Group Term Life and AD&D plan. Five years later, he died in an auto accident. Fortunately, Eric's family was able to ensure that Kara would be taken care of, and the benefit from Group Term Life and AD&D provided the funds needed to make her college dreams a reality.

What Can Group Term Life and AD&D Insurance Offer Me?

Added Security

- The AD&D benefit covers death or injuries on or off the job, 24 hours a day, 365 days a year.
- A fixed benefit amount for a specific period of time.
- Peace of mind knowing that you have done something positive to protect your family's future.
- Optional coverage may be available for your spouse and dependent children.
- Accelerated death benefit — allows you to receive a portion of your benefit while you are still alive if you are diagnosed with a terminal illness, cognitive impairment, or are unable to perform one (or more) Activities of Daily Living (ADL).
- Should your employment end, you have an option to convert coverage to a whole life policy, without any health questions.

Financial Advantages

- Priced to fit your budget. Typically, group insurance rates are lower than the rates of individual insurance plans, generally providing coverage at a lower cost.
- Your premiums may be waived if you're unable to work due to a disability.
- Typically, income-tax-free death benefit (according to federal tax laws).

Convenience and Flexibility

- You can purchase your insurance directly at work.
- Premiums are deducted directly from your paycheck — no checks to write.



Did You Know?

Three in 10 American households (35 million) are uninsured and half say they need more life insurance.³



Additional Benefits

- Instant Access Account²
 - Personal checking account established in your beneficiary's name.
 - Allows beneficiaries to access death benefits immediately with the convenience of a checkbook.
 - Earns interest from the date the account is established.
 - Beneficiaries will have peace of mind knowing they will not be rushed to make financial decisions.
 - Enables your family to withdraw funds in small amounts (\$250 or more) or all at once.
 - Makes it easier to cover immediate expenses.
 - Provides monthly statements to help your loved ones keep track of their benefits and charges no service or monthly fees.
- AD&D
 - Seat belt benefit — pays up to an additional \$10,000.
 - Airbag benefit — pays up to an additional \$10,000 for having factory-installed airbags.
 - Benefits are payable for losses that occur within 365 days after a covered accident; due to exposure to natural elements and for a disappearance following a covered accident.
 - An enhanced dismemberment schedule pays the following percentages of principal amount:
 - o Both hands or both feet — 100%
 - o Sight of both eyes — 100%
 - o One hand and one foot — 100%
 - o One hand and the sight of one eye — 100%
 - o One foot and the sight of one eye — 100%
 - o One hand or one foot — 50%
 - o Sight of one eye — 50%

Enroll Today!

Enroll in Group Term Life and AD&D insurance today. Your premium will be conveniently taken through payroll deduction.

Group Term Life and AD&D Insurance

Life and accidental death and dismemberment insurance can provide the funds you and your family may need to continue an established lifestyle without your income. Following is an overview of Group Term Life and AD&D benefits. See the certificate for details regarding benefit descriptions, limitations and exclusions.

Benefits at a Glance

Plan Features	Plan Details
Employee Eligibility	Active, full-time employees who work 20 hours or more per week
Employee Life Amount	\$10,000 increments to a maximum of \$500,000
Employee AD&D Coverage	Included
Employee Guarantee Issue	\$150,000 (Based on 20% participation)
Age Reduction	Coverage will reduce by 35 percent at age 65 and 50 percent at age 70
Waiver of Premium	If you become totally disabled (as defined in your policy) before age 65 and are no longer able to work, your life premium payments will be waived during the period of disability
Accelerated Death Benefit	Allows you to receive a portion, 75 percent up to \$250,000 of your life insurance funds, before death, if diagnosed with one or more qualifying conditions
Spouse Eligibility	Your spouse is eligible if he or she is under age 70
Spouse Life Amount ³	\$5,000 increments to a maximum of \$150,000
Spouse Guarantee Issue	\$50,000
Dependent Child(ren) Eligibility	Dependent children are eligible from live birth to 26
Dependent Child(ren) Life Amount ³	\$10,000
Conversion Privilege	Included
Portability	Included
Seatbelt and Airbag Benefit	Included, up to \$10,000 for the employee
Included Services ²	Instant Access Account, AIG Benefits Travel Assist

Employee and Spouse Life Insurance — Monthly Rate per \$1,000 (Uni-Smoker)⁵

Age	Rate	Age	Rate	Age	Rate
<25	\$.040	45-49	\$0.111	70-74	\$.922
25-29	\$.040	50-54	\$.179	75-79	\$1.475
30-34	\$.040	55-59	\$.277	80+	\$1.475
35-39	\$.049	60-64	\$.429		
40-44	\$.072	65-69	\$.541		

AD&D⁵

Benefit Amount	Monthly Rate
Per \$1,000	\$.025

Dependent Child(ren)⁵

Benefit Amount	Monthly Rate(covers all children)
\$1,000	\$.160

How to Calculate Your Cost

Use the coverage amount you've selected and, from the table above, the increment (shown as "per \$ amount") and rate (based on the employee's age).

Example¹

Let's say you are 35 years old and would like to apply for \$50,000 of coverage; the rate table shows "Rate per \$1,000" (increment) and, for ages 35–39, a rate of \$0.20. Divide \$50,000 (coverage amount) by \$1,000 (increment). This equals 50. Multiply 50 by \$0.20 (rate) and you get \$10.00 — your Monthly cost.

Life Calculation Worksheet

Employee	Coverage amount	÷	Increment	x	Rate	=	Monthly cost
	<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>
Spouse	<input type="text"/>	÷	<input type="text"/>	x	<input type="text"/>	=	<input type="text"/>
Child(ren)	<input type="text"/>	÷	<input type="text"/>	x	<input type="text"/>	=	<input type="text"/>

AD&D Calculation Worksheet

Employee	Coverage amount	÷	Increment	x	Rate	=	Monthly cost
	<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="text"/>

Limitations and Exclusions

(state variations may apply)

Term Life (Employee-Paid) and Supplemental Life Plans

No life insurance benefit will be payable under the policy for an insured (or insured's dependents) death caused by suicide or self-destruction, or any attempt at suicide or self-destruction, within 24 months after his or her effective date of coverage under the policy.

AD&D Plans

No benefit will be payable under the policy for an insured's loss caused in whole or in part by, or resulting in whole or in part from, the following:

- Suicide or any attempt at intentionally self-inflicted injury.
- Sickness, disease or infections of any kind, except bacterial infections.
- Travel or flight in or on (including getting in or out of, or on or off of) any vehicle used for aerial navigation on a regular schedule between established airports, if the insured is:
 - Riding as a passenger in any aircraft not intended or licensed for the transportation of passengers.
 - Performing, learning to perform or instructing others to perform as a pilot or crew member of any aircraft.
 - Riding as a passenger in an aircraft owned, leased or operated by the policyholder or by the policyholder's employer.

- Declared or undeclared war, or any act of declared or undeclared war.
 - Full-time active duty in the armed forces, National Guard or organized reserve corps of any country or international authority. (Unearned rate for any period for which the insured is not covered due to his or her active duty status will be refunded. Loss caused while on short-term National Guard or reserve duty for regularly scheduled training purposes is not excluded.)
 - The insured person being under the influence of drugs or alcohol or voluntary intake of poison, drugs, gas or fumes, unless taken under the advice of a physician.
 - The insured person's commission of or attempt to commit a crime.
- Note:** Exclusions may change based on the plan provisions included in your plan. See the group policy for full and complete details.

1. Not an actual case; presented for illustrative purposes only.
2. Not an insurance product and may not be available in all states.
3. Facts from LIMRA. www.limra.com, September 2012.
4. Amount of spouse and/or dependent child coverage may vary by state law and is subject to limits imposed by individual states.
5. Current rates. Your employer will notify you of any change. Note: Life premiums vary by age. When an insured person reaches a new age bracket, the premium is adjusted accordingly.

Policies issued by:

American General Life Insurance Company

Houston, Texas

Policy form number G-LAD-40000

The United States Life Insurance Company in the City of New York

New York, New York

Policy form number G-L-60000 and C11960NY

www.aigbenefits.com

AIG Benefit Solutions® is the marketing name for the domestic benefits division of American International Group, Inc. Lone Oak ISD is a separate and unrelated entity.

The underwriting risks, financial and contractual obligations, and support functions associated with products issued by American General Life Insurance Company and The United States Life Insurance Company in the City of New York are the issuing insurer's responsibility. The United States Life Insurance Company in the City of New York is authorized to conduct insurance business in New York. Not all policies are available in all states. AIG Benefits Travel Assist services are provided by Travel Guard Group, Inc., an AIG company.

This is a summary only of products and services offered. Actual offerings may vary by group size and are subject to state insurance law, and the benefits/provisions as described may vary due to such law. All products are subject to the terms, conditions, limitations and exclusions of the policy. Please see policy and certificate for details.

© 2013. All rights reserved.

AIGB100194DOD-ADD R05/13

Employee-paid



Bring on tomorrow