



The StandardSM
Positively different.

Voluntary Group Life Insurance

THE CALIFORNIA STATE UNIVERSITY

Answers to your questions about coverage from Standard Insurance Company



STANDARD INSURANCE COMPANY

You make a great investment in your family. You spend time with them. You care for them. You work for them. And if you're not there for them, you want them protected. By sponsoring Voluntary Group Life Insurance from Standard Insurance Company, CSU offers you an excellent opportunity to help protect your loved ones.

It's not easy to think about, but what if you or your spouse were to die suddenly? Your family would be faced with house payments, unpaid bills, child care and other expenses just to maintain the life-style they have currently. Could your family live on one income?

Would your family be able to cover the medical expenses associated with a terminal illness or with burial and funeral expenses? According to the National Funeral Directors Association, the average cost of a funeral in 2004, excluding cemetery cost, was over \$6,500.*

From the coverage options described below, you can apply for the amount of protection you want for yourself and your family. Premiums are deducted from your paycheck for approved amounts. You don't have to worry about mailing monthly payments.

Choice

You decide how much coverage you want from the range of amounts available, and you can choose to insure:

- Yourself only
- Your spouse** only
- Yourself, your spouse and your dependent children

Flexibility

If your needs change you can apply to change the amount of your coverage.

Take it with you. Should your employment end, you may be eligible to continue your coverage (Portability) at the same rates.

Peace of Mind

You will take pride and satisfaction in knowing that you have done something positive for your family's future.

* National Funeral Directors Association Fact Sheet, July 2004

** spouse includes domestic partner

Voluntary Group Life Insurance

The information that follows contains a brief description of the Voluntary Group Life Insurance plan through Standard Insurance Company. If you become insured, you will receive a Certificate which will contain more detailed information, including the full wording of the definitions, exclusions, limitations, reductions and terminating events that apply to this coverage. Only the Group Policy contains all the controlling terms and provisions of coverage.

(Note: the initial letters of the Group Policy's defined terms and provisions have been capitalized in the material that follows.)

How to Apply

1. Determine how much coverage you need.
2. Complete the enrollment form provided with this booklet.
3. Complete the State Controller's Office Life Insurance Enrollment Authorization for premium deductions from your paycheck.
4. If you are applying for more than the Guarantee Issue amount for yourself or your dependents, complete the Medical History Statement enclosed with this booklet.
5. Return all materials to The Standard in the envelope provided.

Shortly after these materials are received by The Standard, you will receive a certificate of coverage and additional information about the plan.

The rest of this booklet will provide additional information about the insurance plan and will help you determine how much coverage you need. To take advantage of this opportunity and to help protect the people who are priceless to you, review the booklet and fill out the form today.

Choosing the Right Amount of Coverage

Determining the amount of life insurance you need can be a difficult task. Each family has its own unique set of circumstances, combined with needs that may arise should you or your spouse die unexpectedly. The worksheet below will guide you through several issues that you should consider when determining the amount of coverage you and your family may need.

Voluntary Group Life Insurance Worksheet		
Immediate Needs	You	Your Spouse
Medical and hospital expenses	\$ _____	\$ _____
Funeral/Burial expenses	_____	_____
Taxes:		
Federal and state income taxes	_____	_____
Property taxes	_____	_____
Federal and state estate taxes	_____	_____
Loans/Debts requiring payment upon death	_____	_____
Income Replacement		
<i>Consider the income needed to support your family and the number of years that they will need that support.</i>	\$ _____	\$ _____
Long Term Needs		
Mortgage	\$ _____	\$ _____
Debts (credit cards, car and student loans, etc.)	_____	_____
Educational/Vocational fund	_____	_____
Childcare expenses	_____	_____
Emergency fund for unforeseen expenses	_____	_____
Subtotal:	\$ _____	\$ _____
<i>Now subtract the amount of your current life insurance coverage. The final total is the amount of Voluntary Group Life Insurance you might want to consider applying for to meet your obligations.</i>		
Subtotal	\$ _____	\$ _____
Minus Current Life Insurance Coverage	\$ _____	\$ _____
Total:	\$ _____	\$ _____

Voluntary Group Life Insurance: The Specifics

Now that you have an insurance amount in mind, let's discuss some specifics about how Voluntary Group Life Insurance can work for you. This section answers the most frequently asked questions about this insurance plan.

Who is eligible?

If you are an active employee who is appointed half-time or more for more than six months in an eligible employee category AND you are not a full-time member of the armed forces of any country, you are eligible to apply for coverage as a group Member.

Employees in certain academic year classifications may also be eligible if appointed for at least six weighted teaching units or more for at least one semester or two or more consecutive quarter terms. Contact your benefits representative for more details.

For coverage to become effective, Members and eligible spouses must complete any required Eligibility Waiting Period and satisfy applicable Evidence of Insurability requirements. (A definition of Evidence of Insurability is contained on page 4 of this brochure.) Members must also meet the Active Work requirement as described below:

Active Work and Actively at Work mean performing the material duties of your own occupation at your employer's usual place of business.

How much insurance may I purchase for myself?

If you are an eligible employee as described above, you may apply for insurance coverage for yourself in increments of \$10,000 from \$10,000 up to \$200,000; and in increments of \$25,000 from \$225,000 to \$1,500,000.

May I purchase insurance for my Dependents?

Spouse Coverage: Even if you do not apply for coverage for yourself, you can apply to purchase insurance for your Spouse in increments of \$10,000 from \$10,000 to \$200,000; and in increments of \$25,000 from \$225,000 to \$750,000. (Spouses may not be insured as Dependents if they are insured as Members. The group policy definition of Spouse includes domestic partner.)

Dependent Children Coverage: If you become insured, you can apply to purchase insurance for your Dependent Children in amounts of \$5,000, \$10,000 or \$20,000. All your children will be insured for the same amount.

Note: Subject to state variations, Dependent Children eligible for coverage are defined as a legally adopted child, a stepchild, a natural child recognized by the parent, or a child living with the Member in a parent-child relationship who is economically dependent upon the Member. Dependent Children may be covered from live birth through age 21, or through age 25 if registered full-time students. A child ceases to be an eligible dependent upon marriage. A Dependent Child who is disabled prior to age 26 while covered under this plan and who depends on the Member for support and who is unable to work due to mental retardation or physical disability is eligible for coverage. Dependents who are full-time members of the armed forces of any country are not eligible for coverage.

What is Guarantee Issue?

If you apply for insurance during your initial enrollment period and meet the Group Policy's Active Work requirement, you will automatically qualify for a set amount of insurance coverage called *Guarantee Issue*. This means that you will not have to answer medical questions to purchase coverage up to the Guarantee Issue Amount during this period.

If you apply to cover your Dependents when becoming eligible for Dependents Life Insurance, your Spouse will also qualify for a limited amount of insurance (Guarantee Issue) without answering medical questions.

The Guarantee Issue amount is \$150,000 for employees, \$50,000 for Spouses and \$20,000 for Dependent Children.

What is the cost of coverage?

Member Age	Rate Per \$1,000	Spouse Age	Rate Per \$1,000
<30	0.07	<30	0.08
30-34	0.10	30-34	0.10
35-39	0.11	35-39	0.12
40-44	0.18	40-44	0.20
45-49	0.31	45-49	0.35
50-54	0.49	50-54	0.54
55-59	0.84	55-59	0.92
60-64	0.89	60-64	0.97
65-69	1.54	65-69	1.69
70-74	2.47	70-74	2.53
75+	2.47	75+	2.53

Child Rate Per \$1,000

0.20

Example: Member, age 44 with a spouse, age 39, applying for coverage equal to \$100,000 and \$50,000, respectively.

Member: Cost per 1,000 of coverage = \$.18

Spouse: Cost per 1,000 of coverage = \$.12

Member: $100 \times .18 = \$18.00$

Spouse: $50 \times .12 = \$6.00$

Total Monthly Payroll Deduction = \$24.00

What if I want more than the Guarantee Issue Amounts, or if I want to purchase insurance after the initial eligibility period?

Applications for insurance over the Guarantee Issue Amounts, or made beyond the eligibility period, are subject to Evidence Of Insurability requirements. Providing Evidence of Insurability means that, at a minimum, applicants must complete and sign a medical history statement. Some applicants may be requested to submit additional medical information or to a physical exam which may include blood testing and urinalysis. A Medical History Statement is enclosed with this booklet.

When does insurance go into effect?

Once we approve your application and you meet the actively at work requirements, we will notify the State Controller's Office to commence payroll deductions. If this notification is received by the State Controller's Office on or before the 10th of the month, your insurance will become effective on the first of the following month; otherwise there will be a delay of one month.

What if I leave my current employer?

You may be eligible to take your coverage with you if you leave your current Employer, and still gain the advantages of a competitive group rate. This provision of the plan is known as Continuation of Coverage or Portability.

What happens if my insurance ends?

If your insurance ends or is reduced, you may be able to convert coverage to an individual life insurance policy without submitting a medical history statement (Evidence Of Insurability).

How are benefits paid?

The Standard pays benefits of \$10,000 or more to Beneficiaries by depositing funds into convenient, no fee, interest-bearing draft accounts. Each Beneficiary receives a personalized checkbook and has complete control of the account. Beneficiaries can write checks as needed or for the full amount.

This arrangement allows Beneficiaries to earn competitive interest rates on their benefits while making difficult — but important — financial decisions.

If the amount payable is less than \$10,000, we will pay it in a lump sum.

Will insurance benefits be reduced as the insured grows older?

Your insurance is not subject to reduction because of age.

What happens if I'm Totally Disabled and can't work?

If you become Totally Disabled under age 60 and meet other eligibility requirements, Life Insurance coverage may be continued under this insurance plan's Waiver Of Premium provision without premium payments until age 70.

What happens if I become terminally ill?

With the insurance plan's Accelerated Benefit provision, you may be eligible to receive up to 75% of your Life Insurance benefits early if you become terminally ill, have a life expectancy of less than 12 months, and meet other eligibility requirements. You can then use funds from your Accelerated Benefit to pay bills, medical expenses, or anything else you choose. There are no restrictions on how this money may be spent.

Please note: The Accelerated Benefit provision is subject to state variations and is not approved in all states.

Are there any Exclusions to the Voluntary Group Life Insurance plan?

If you or a covered Dependent die as a result of suicide or other intentionally self-inflicted injury, while sane or insane, the amount payable will exclude any Life Insurance that has not been continuously in effect for at least one year on the date of death.

When does coverage end?

Your Life Insurance coverage automatically ends on the earliest of these dates:

- The date the last period ends for which you made a premium contribution
- The date the Group Policy terminates
- The date your Employer's participation under the Group Policy terminates
- The date your employment terminates (unless you are approved for Continuation Of Insurance [Portability])
- The last day of the calendar month in which you cease to be an eligible Member of the plan

Life Insurance coverage for your Dependents automatically ends on the earliest of these dates:

- The date you die
- The date your Life Insurance ends. However, if your Life Insurance ends because your employment with your Employer terminates, you may have the right to continue your Dependents Life Insurance under the Continuation Of Insurance (Portability) provision
- The date the last period ends for which you made a premium contribution for Dependents Life Insurance
- The date your Employer's participation under the Group Policy for Dependents Life Insurance ceases
- For your Spouse, the date of your divorce, or dissolution of your domestic partnership
- For any Dependent, the date the Dependent ceases to be a Dependent
- For a Disabled Child, 90 days after we mail you a request for proof of Disabled Child status, if proof not given

Additional Questions?

For questions regarding conversion or portability of your Voluntary Group Life Insurance, please contact us at 800.378.4668. If you have any additional questions, please contact your Campus Benefits Administrator or The Standard.

Phone: 800.378.5745

Fax: 800.378.5743

Web site: www.standard.com/mybenefits/csu

Mailing Address: Standard Insurance Company
CSU Benefits Team
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About Standard Insurance Company

Standard Insurance Company has earned a solid reputation for its quality products, expert resources, superior service, steady growth, innovation and strong financial performance. Founded in 1906, The Standard is a leader in the group disability and life insurance market, while also offering individual disability, group dental and retirement plans for groups and individuals.



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