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**GROUP BOOKLET-CERTIFICATE FOR MEMBERS OF:**

**UNIVERSITY OF IOWA**

**ALL MEMBERS**  
Group Member Life Insurance

**Print Date: 11/16/2017**

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Your insurance has been designed to provide financial help for you when a covered loss occurs. Your employer has chosen benefits provided by a Group Policy issued by Us, Principal Life Insurance Company. To the extent that benefits are provided by that Group Policy, the administration and payment of claims will be done by Us as an insurer.

The provisions of the Group Policy determine Members' rights and benefits. This booklet briefly describes those rights and benefits. It outlines what you must do to be insured. It explains how to file claims. It is your certificate while you are insured.

**THIS BOOKLET REPLACES ANY PRIOR BOOKLET THAT YOU MAY HAVE RECEIVED.** If you have any questions about this new booklet, please contact the University Benefits Office. In the event of future changes to your insurance, you will be provided with a new booklet-certificate or a booklet-certificate rider.

If you have an electronic booklet, paper copies of this booklet-certificate are also available. Please contact the University Benefits Office if you would like to request a paper copy.

**PLEASE READ YOUR BOOKLET CAREFULLY.** We suggest that you start with a review of the terms listed in the DEFINITIONS Section (at the back of the booklet). The meanings of these terms will help you understand the insurance.

This booklet describes all the benefits available under the Group Policy underwritten by Us. However, if you have elected to not accept any available benefits, those benefits described in this booklet will not apply to you.

The group insurance policy and your insurance under the Group Policy may be discontinued or altered by the Policyholder or Us at any time without your consent.

We reserve complete discretion to construe or interpret the provisions of this group insurance, to determine eligibility for benefits, and to determine the type and extent of benefits, if any, to be provided. Our decisions in such matters will be controlling, binding, and final as between Us and persons insured by the Group Policy, subject to the Claim Procedures shown on GH 113 of this booklet.

**ACCELERATED BENEFITS** - Benefits paid as shown in this booklet-certificate for Accelerated Benefits are an advance of a portion of your Life Insurance benefit. This provision:

- accelerates and reduces your benefit;
- is not intended to be used as long-term care insurance.

**Effect on Government Benefits.** If you receive payment of Accelerated Benefits, you may lose your right to receive certain public funds, such as Medicare, Medicaid, Social Security, Supplemental Security, Supplemental Security Income (SSI), and possibly others.

**Tax Consequences.** Receiving Accelerated Benefits from the Group Policy may have tax consequences for you. We cannot give you advice about this. You may wish to obtain advice from a tax professional or an attorney before you decide to receive Accelerated Benefits from the Group Policy.

The insurance provided in this booklet is subject to the laws of the state of IOWA.

PRINCIPAL LIFE INSURANCE COMPANY  
Des Moines, IA 50392-0002

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**SUMMARY OF BENEFITS**  
**(revised effective January 1, 2018)**

This section highlights the benefits provided under this insurance. The purpose is to give you quick access to the information you will most often want to review. **Please read the other sections of this booklet for a more detailed explanation of benefits and any limitations or restrictions that might apply.**

**MEMBER LIFE INSURANCE**

If you die, your beneficiary will be paid the Scheduled Benefit then in force for you (however, see the exception noted below). The Scheduled Benefit is based on your class:

<b>Class</b>	<b>*Scheduled Benefit</b>
ALL FACULTY, PROFESSIONAL, SCIENTIFIC SUPERVISORY EXEMPT STAFF MEMBERS, OR MERIT STAFF MEMBERS	You have the option of electing a flat \$50,000 Scheduled Benefit; or  The amount that is equal to your Annual Budgeted Salary (this amount will be rounded to the next higher \$1,000, if it is not already an exact multiple of 1,000). This amount will then be multiplied by the option you elect of 2, 2.5 or 3. The Maximum Scheduled Benefit amount will be \$400,000 and the Minimum Scheduled Benefit amount will be \$10,000.
ALL HOUSE STAFF MEMBERS	The amount that is equal to your Annual Budgeted Salary (this amount will be rounded to the next higher \$1,000, if it is not already an exact multiple of 1,000) multiplied by 2. The Maximum Scheduled Benefit amount will be \$400,000 and the Minimum Scheduled Benefit amount will be \$10,000.

Your maximum Annual Budgeted Salary amount will not be more than \$200,000.

Member Life Insurance benefits are subject to all reductions provided in the Group Policy including reductions due to salary changes and receipt of Accelerated Benefit payment.

\*The Scheduled Benefit is subject to the Proof of Good Health requirements as described in the booklet on GH 110. If, because of these Proof of Good Health requirements, We approve an amount of insurance that is different than the Scheduled Benefit, the approved amount will be paid.

## **HOW TO BE INSURED - MEMBERS**

### **MEMBER LIFE INSURANCE**

#### **Eligibility**

To be eligible for insurance you must be a Member.

You will be eligible on the first of the Insurance Month next following the date you begin Active Work.

In no circumstance will you be eligible for Member Life Insurance under the Group Policy if you are eligible under any other Group Term Life Insurance policy underwritten by Us.

#### **Effective Dates - Actively at Work**

If you are not Actively at Work on the date your insurance would otherwise be effective, your insurance will not be in force until the day you return to Active Work.

This Actively at Work requirement will be waived for you if:

- you are absent from Active Work because of a regularly scheduled day off, holiday, or vacation day; and
- you were Actively at Work on your last scheduled work day before the date of your absence; and
- you were capable of Active Work on the day before the scheduled effective date of your insurance or change in your insurance, whichever is applicable.

#### **Individual Incontestability**

All statements made by any insured person will be representations and not warranties. In the absence of fraud, these statements may not be used to contest an insured person's insurance unless:

- the insurance has been in force for less than two years during the insured person's lifetime; and
- the statement is in Written form Signed by the insured person; and
- a copy of the form, which contains the statement, is given to the insured person or the insured person's beneficiary at the time insurance is contested.

However, the above will not preclude the assertion at any time of defenses based upon the person not being eligible for insurance under the Group Policy or upon other provisions of the Group Policy.

In addition, if a person's age is misstated, We may, at any time, adjust premium and benefits to reflect the correct age.

#### **Assignments**

Only assignments of Member Life Insurance will be allowed under the Group Policy and only if:

- they are not collateral assignments or assignments for consideration; and
- they are in Written form and recorded at Our home office in Des Moines, Iowa.

We will assume no responsibility for the validity of effect of any assignment.

The principle advantage of an assignment is that if the faculty or staff member lives three years after the assignment is made, the Group Policy proceeds payable upon the faculty or staff member's death are excluded from the estate of the faculty or staff member for federal estate tax purposes. This can be significant for anyone who anticipates that their estate value will exceed the federal estate tax limit at death. Since federal estate tax applies to life insurance as well as the accumulation in TIAA/CREF and all other property, the ability to assign the Group Life Insurance benefits and remove the proceeds from the taxable estate can result, under certain circumstances, in significant federal estate tax savings.

If you are interested in assigning your interest in the Group Life Insurance policy, please contact the University Benefits Office for the appropriate forms. You are also strongly encouraged to consult with a professional for appropriate estate planning advice. In some cases it may be more advantageous to assign your benefits under the Group Policy not to an individual, but to a trustee of a life insurance.

### **Proof of Good Health**

In some instances, Proof of Good Health will be required to place your insurance in force. We will determine the type and form of required proof. You will need to file Proof of Good Health:

- If you request insurance more than 31 days after the date you are eligible including any insurance you refuse and later request.
- If you have failed to provide required Proof of Good Health or you have been refused insurance under the Group Policy at any prior time.
- If you elect to terminate insurance and, more than 31 days later, you request to be insured again.

### **Effective Date for Initial Insurance (Proof of Good Health Not Required)**

You must request initial insurance in a form provided by Us.

If you are required to contribute toward the cost of your insurance, your insurance will normally be in force on:

- the date you are eligible, if you make your request on or before that date; or
- the first of the Insurance Month next following the date of your request, if you make your request within 31 days after the date you are eligible.

If you are not required to contribute toward the cost of your insurance, your insurance will normally be in force on the date you are eligible.

However, if you are not Actively at Work on the date insurance would otherwise be effective, your insurance will not be in force until the day you return to Active Work.

### **Effective Date for Initial Insurance (Proof of Good Health Required)**

If Proof of Good Health is required, your insurance will normally be in force on the later of:

- the date insurance would have been effective had Proof of Good Health not been required; or
- the first of the Insurance Month next following the date Proof of Good Health is approved by Us.

However, if you are not Actively at Work on the date insurance would otherwise be effective, your insurance will not be in force until the day you return to Active Work.

#### **Effective Date for Benefit Changes Due to Change in Annual Budgeted Salary**

A change in your Scheduled Benefit amount because of a change in your Annual Budgeted Salary for which Proof of Good Health is not required (see above) will normally be effective on:

- for House Staff Members: the first of the Insurance Month next following the date of the change; or
- for Faculty, Professional, Scientific, Supervisory Exempt Staff Members, and Merit Staff Members, the January 1<sup>st</sup> that next follows the date of the change.

However, if you are not Actively at Work on the date the Scheduled Benefit change would otherwise be effective, the Scheduled Benefit change will not be in force until the day you return to Active Work. Exception: Any decrease in Scheduled Benefit amounts due to a change in your Annual Budgeted Salary will be effective on the date of the change, whether or not you are Actively at Work.

Any termination of Scheduled Benefit amounts due to a change in your Annual Budgeted Salary will be effective on the date of the change, whether or not you are Actively at Work.

A change in your Scheduled Benefit amount due to a change in your Annual Budgeted Salary for which Proof of Good Health is required (see above), will be effective on the later of:

- the date the change would otherwise be effective if Proof of Good Health had not been required; or
- the first of the Insurance Month next following the date Proof of Good Health is approved by Us.

#### **Effective Date for Benefit Changes Due to Change in Insurance Class**

A change in your Scheduled Benefit amount because of a change in your insurance class for which Proof of Good Health is not required (see above) will normally be effective on the first of the Insurance Month next following the date of the change. However, if you are not Actively at Work on the date the Scheduled Benefit change would otherwise be effective, the Scheduled Benefit change will not be in force until the day you return to Active Work. Exception: Any decrease in Scheduled Benefit amounts due to a change in your insurance class will be effective on the date of the change, whether or not you are Actively at Work.

Any termination of Scheduled Benefit amounts due to a change in your insurance class will be effective on the date of the change, whether or not you are Actively at Work.

A change in your Scheduled Benefit amount due to a change in your insurance class for which Proof of Good Health is required (see above), will be effective on the later of:

- the date the change would otherwise be effective if Proof of Good Health had not been required; or
- the first of the Insurance Month next following the date Proof of Good Health is approved by Us.

#### **Effective Date for Benefit Changes Due to Changes by Policy Amendment**

A change in your Scheduled Benefit amount because of a change in the Schedule of Insurance (as described on GH 109) by amendment to the Group Policy for which Proof of Good Health is not required (see above) will be effective on the date of change. However, if you are not Actively at Work on the date an increase in the Scheduled Benefit would otherwise be effective, the Scheduled Benefit in force will continue to apply to you until the day you return to Active Work. When you

return to Active Work, the Scheduled Benefit increase will then be in force for you. Exception: Any decrease in Scheduled Benefit amounts due to a change by amendment to the Group Policy will be effective on the date of change, whether or not you are Actively at Work.

A change in your Scheduled Benefit amount because of a change in the Schedule of Insurance (as described on GH 109) by amendment to the Group Policy for which Proof of Good Health is required (see above) will be effective on the later of:

- the date the change would otherwise be effective if Proof of Good Health had not been required; or
- the first of the Insurance Month next following the date Proof of Good Health is approved by Us.

#### **Effective Date for Benefit Changes Due to Changes Requested by the Member**

A change in your Scheduled Benefit amount due to your request for which Proof of Good Health is not required (see above), will be effective on:

- for House Staff Members: the first of the Insurance Month next following the date of the request; or
- for Faculty, Professional, Scientific, Supervisory Exempt Staff Members, and Merit Staff Members, the January 1<sup>st</sup> that next follows the date of the request.

However, if you are not Actively at Work on the date the Scheduled Benefit change would otherwise be effective, the Scheduled Benefit change will not be in force until the day you return to Active Work. Exception: Any decrease in Scheduled Benefit amounts will be effective on the date of the change, whether or not you are Actively at Work.

A change in your Scheduled Benefit amount due to your request for which Proof of Good Health is required (see above), will be effective on the later of:

- the date the change would otherwise be effective if Proof of Good Health had not been required; or
- the first of the Insurance Month next following the date Proof of Good Health is approved by Us.

#### **Termination**

Your insurance under the Group Policy will cease on the earliest of:

- the date the Group Policy terminates; or
- the end of the Insurance Month for which the last premium is paid for your insurance; or
- for contributory insurance, the end of any Insurance Month, if requested by you before that date; or
- the end of the Insurance Month in which you cease to be a Member; or
- the end of the Insurance Month in which you cease to belong to a class for which insurance is provided; or
- the date you retire; or
- the end of the Insurance Month in which you cease Active Work.

## **Termination for Fraud**

We may at any time terminate a person's eligibility under the Group Policy:

- in Writing and with 31-day notice, if the individual submits any claim that contains false or fraudulent elements under state or federal law; or
- in Writing and with 31-day notice, upon finding in a civil or criminal case that an individual has submitted claims that contain false or fraudulent elements under state or federal law; or
- in Writing and with 31-day notice, when an individual has submitted a claim, which, in good faith judgement and investigation, an individual knew or should have known, contains false or fraudulent elements under state or federal law.

## **Insurance While Outside of the United States**

If you are temporarily outside the United States, you may choose to continue insurance, subject to premium payment for a period of six months or less for one of the following reasons:

- travel; or
- a business assignment; or
- full-time student status, provided you are either:
  - enrolled and attending an accredited school in a foreign country; or
  - participating in an academic program in a foreign country, for which the institution of higher learning at which you are enrolled in the U.S. grants academic credit.

If you are outside the United States for any other reason than those listed above, insurance for the person concerned will automatically terminate.

## **Continuation**

If you cease Active Work because of sickness or injury, you may be eligible for limited continuation of insurance.

If you cease Active Work because of layoff or leave of absence, insurance may be continued on a limited basis.

Your insurance may also be continued under the continuation provisions described on GH 118 and GH 118 A and subject to the provisions of the Group Policy.

If you are interested in continuing your insurance beyond the date it would normally terminate, you should consult with the Policyholder before your insurance terminates.

## CONTINUATION

### **FMLA and Other Continuation Provisions**

If you cease Active Work due to an approved leave of absence under the Federal Family and Medical Leave Act (FMLA), the Policyholder may choose to continue your insurance, subject to premium payment.

If the continuation portion of the FMLA applies to your insurance, these FMLA continuation provisions:

- are in addition to any other continuation provisions of the Group Policy, if any; and
- will run concurrently with any other continuation provisions of the Group Policy for sickness, injury, layoff, or approved leave of absence, if any.

If continuation qualifies for both state and FMLA continuation, the continuation period will be counted concurrently toward satisfaction of the continuation period under both the state and FMLA continuation periods.

### **Reinstatement**

An Eligible Employee's terminated insurance may be reinstated in accordance with the provisions of the Federal Family and Medical Leave Act (FMLA), subject to the Actively at Work requirements of the Group Policy.

### **Reinstatement of Insurance for you When Insurance Ends due to Living Outside of the United States**

If insurance for you terminates because you are outside of the United States you may become eligible again for insurance under the Group Policy, but only if:

- you return to the United States within six months of the date on which insurance terminated because the person is outside of the United States; and
- in your case, you return to Active Work in the United States for the Policyholder for a period of at least 30 consecutive days. You will be eligible for insurance on the day immediately following completion of the 30 consecutive days of Active Work.

The reinstated insurance will be on the same basis as that being provided on the date insurance is reinstated. However, any restrictions on this insurance, which were in effect before reinstatement, will continue to apply. If you do not complete the 30 consecutive days of residence, the insurance for such person concerned will not be reinstated.

See your employer for details on this reinstatement provision.

## CONTINUATION OF INSURANCE AND REINSTATEMENT

### **Sickness or Injury (Other than Total Disability)**

If you cease Active Work because you are sick or injured but not Totally Disabled, insurance may be continued until the earlier of:

- the date insurance would otherwise cease as provided under Terminations on GH 110; or
- the end of the Insurance Month in which you recover.

### **Temporary Authorized Vacation, Layoff or Authorized Leave of Absence**

If you cease Active Work because you are on a temporary authorized vacation, layoff or authorized leave of absence, insurance may be continued until the earliest of:

- the date insurance would otherwise cease as provided under Terminations on GH 110; or
- the end of the Insurance Month in which the temporary authorized vacation, layoff or authorized leave of absence ends; or
- the date you become eligible for any other group life coverage; or
- 24 months after the end of the Insurance Month in which Active Work ends.

You may qualify to have your insurance continued under one or more the continuation provisions as described in this section and GH 118. If you qualify for continuation under more than one provision, the longest period of continuation will be applied, and all periods of continuation will run concurrently.

### **Reinstatement**

Your terminated insurance will be reinstated if:

- insurance ceased because of an authorized leave of absence; and
- you return to Active Work for the Policyholder within six months of the date insurance ceased.

Your reinstated insurance will be in force:

- on the date you receive compensation from the University of Iowa with respect to a Member whose salary is payable on a twelve month basis; or
- at the beginning of the next academic year with respect to a Member whose salary is payable on a nine month basis.

However, the Actively at Work provisions will apply. Also, Proof of Good Health will be required to place in force any Scheduled Benefit that would have been subject to Proof of Good Health had you remained continuously insured.

Only the period of time during which you are actually insured will be included in determining the length of your continuous coverage under the Group Policy. For this purpose the period of time during which your reinstated insurance was not in force:

- will not be considered an interruption of continuous coverage; and

- will not be used to satisfy any provision of the Group Policy which pertains to a period of continuous coverage.

## DESCRIPTION OF BENEFITS

### MEMBER LIFE INSURANCE

#### Death Benefit

If you die while insured for Member Life Insurance, We will pay your beneficiary the Scheduled Benefit (or approved amount, if applicable) in force on the date of your death, less any Accelerated Benefit payment as discussed later in this section. Any benefit due a beneficiary who does not survive you will be paid in equal shares to your surviving beneficiaries. If a beneficiary dies at the same time or within 15 days of you, but before We receive Written proof of your death, payment will be made as if you survived the beneficiary. If no beneficiary survives you or if no beneficiary is named, We will make your payment in the following order of precedence:

- to your spouse;
- to your children born to or legally adopted by you;
- to your parents;
- to your brothers and sisters;
- if none of the above, to the executor or administrator of your estate or other persons as provided in the Group Policy.

However, if a beneficiary is suspected or charged with your death, the Death Benefit may be withheld until additional information has been received or the trial has been held. If a beneficiary is found guilty of your death, such beneficiary may be disqualified from receiving any benefit due. Payment may then be made to any contingent beneficiary or to the executor or administrator of your estate.

No payment will be made before We receive Written proof of your death.

Upon your death, the Scheduled Benefit (or approved amount, if applicable) in force on the date of your death, less any Accelerated Benefit payment as discussed later in this section will be paid in a single lump sum. Upon request, We may consider other payment options.

#### Beneficiary

You should name a beneficiary at the time you enroll for insurance. You may name or later change your beneficiary by sending a Written request to the University Benefits Office. See the University Benefits Office for change request forms. A change in your beneficiary will not be in force until the University Benefits Office records the change. Once recorded, the change will apply as of the date the request was Signed. If We properly pay any benefit before a change request is received, that payment may not be contested.

#### Continuation (Member Life Insurance - Coverage During Disability)

If you cease Active Work for any reason, your insurance will normally terminate. However, if you cease Active Work because you are Totally Disabled, you might qualify to continue your Member Life Insurance. This continuation is called Coverage During Disability.

To be qualified for Coverage During Disability, you must:

- become Totally Disabled while insured for Member Life Insurance; and

- confirm that such Total Disability has existed for at least 90 working days (or until all accrued sick leave has been used, if later); and
- become Totally Disabled prior to the earlier of the June 30 that next follows the date you attain age 70 or a retirement that occurs prior to July 1, 2013; and
- remain Totally Disabled continuously; and
- be eligible under the Policyholder's Long Term Disability plan; and
- be under the regular care and attendance of a Physician; and
- send proof of Total Disability to Us within one year of the date Total Disability starts and as often thereafter as We may require; and
- return, without claim, any individual policy issued under your purchase rights as described below. Upon return of such policy, We will refund premiums paid, less dividends and less any outstanding policy loan balance; and
- submit to examinations by a Physician or evaluations by an evaluator when We require (We will pay for these examinations and will choose the Physician).

We have the right to require you to undergo medical evaluations, functional capacity evaluations, vocational evaluations, and/or psychiatric evaluations during the course of a claim. The examinations or evaluations will be performed by a Physician or evaluator We choose as appropriate for the condition and will be conducted at the time, place and frequency We reasonably require.

We will pay for these examinations and evaluations and will choose the Physician or evaluator to perform them. Failure to attend a medical examination or cooperate with the Physician may be cause for denial of your benefits. Failure to attend an evaluation or to cooperate with the evaluator may also be cause for denial of your benefits. If you fail to attend an examination or an evaluation, any charges incurred for not attending an appointment as scheduled may be your responsibility.

If you qualify, Coverage During Disability will be in force on the later of:

- the date you satisfy the requirements under the Policyholder's Long Term Disability plan; or
- the date all your accrued sick leave has been used.

Premium will not be charged for Member Life Insurance while your Coverage During Disability is in force.

Coverage During Disability will cease on the earliest of:

- the date your Total Disability ends and you are working unless you are working less than 50% time at the University of Iowa; or
- the date you fail to send Us any required proof of Total Disability; or
- the date you cease to be under the regular care and attendance of a Physician; or
- the date you fail to submit to a required Physician's examination or evaluation by an evaluator; or

- the date Long Term Disability or TIAA/CREF monthly benefit payments cease; or
- if Total Disability begins before age 65, the later of the date 36 months after the benefit payment period begins or the date you attain Social Security Normal Retirement Age; or
- if Total Disability begins at or after age 65, the later of the date Social Security Normal Retirement Age or the date of completion of the number of months shown below after the benefit payment period begins.

Member's Age on the Date <u>Disability Begins</u>	Months of the Benefit Payment Period (Beginning with the date the <u>Benefit Payment Period begins</u> )
65-67	24
68-69	18
70-71	15
72 and over	12

If you die while Coverage During Disability is in force, We will pay your beneficiary the Member Life Insurance benefit, if any, that would have been paid had you remained insured under the Schedule of Insurance in force on the date your Total Disability began. Member Life Insurance benefits are subject to all reductions provided in the Group Policy including reductions due to salary changes, age changes, and receipt of Accelerated Benefit payment.

Note that Coverage During Disability will not be in force and NO BENEFIT WILL BE PAID if Written proof of Total Disability is not sent to Us within ONE YEAR of the date Total Disability starts. However, failure to give Written proof within the time specified will not invalidate or reduce any claim if Written proof is given as soon as reasonably possible.

### **Recurring Disability**

Your Coverage During Disability may be continued beyond the normal termination date if it is determined that a Recurring Disability exists. A Recurring Disability will exist if you become Totally Disabled again, after returning to Active Work for less than six continuous months, provided you have already completed the Coverage During Disability qualification period and your current Disability and the Disability for which you completed the Coverage During Disability qualification period result from the same or a related cause.

All Recurring Disabilities will be treated as if your initial Total Disability had not ended. You will not need to complete a new Coverage During Disability qualification period for a Recurring Disability. Coverage During Disability will be in force immediately.

### **Accelerated Benefit**

An Accelerated Benefit is an advance (before death) payment of a part of your Member Life Insurance benefit. To qualify for an Accelerated Benefit, you must:

- be insured for a Member Life Insurance benefit of at least \$20,000; and
- be Terminally Ill (expected to die within 12 months); and
- send a request for Accelerated Benefit payment to Us; and
- send proof, satisfactory to Us, of your Terminal Illness.

Proof of Terminal Illness will consist of a statement from your Physician, and any other medical information that We believe is needed to confirm your status.

If you qualify, We will pay you any amount you request, except that:

- only one Accelerated Benefit payment will be made during your lifetime; and
- you must request a payment of at least \$5,000; and
- we will not pay you more than the lesser of (1) 75% of your Member Life Insurance benefit; or (2) \$250,000.

We will pay you the Accelerated Benefit payment in a lump sum.

If an Accelerated Benefit is paid, the Member Life Insurance benefit otherwise payable to your beneficiary upon your death will be reduced by any Accelerated Benefit payment.

Following is an EXAMPLE of how this benefit affects the final death benefit.

BENEFIT EXAMPLE		
Member Life Insurance Benefit Amount	\$	100,000
Accelerated Benefit Amount Requested (Member would receive \$75,000)	\$	75,000
Payment to Member's Beneficiary (\$100,000 - \$75,000)	\$	25,000

During the two-year period following payment of an Accelerated Benefit:

- termination of Active Work because of your Terminal Illness will not result in termination of your Member Life Insurance; and
- your Member Life Insurance will be provided without premium charge.

**Individual Purchase Rights**

You will have the right to buy an individual life insurance policy without submitting Proof of Good Health:

- If your total Member Life Insurance, or any portion of it, terminates because you end Active Work or cease to be in a class eligible for insurance. In these instances, the maximum amount you may buy will be your Member Life Insurance amount in force on the date of termination or the portion of your Member Life Insurance that has terminated, less any individual amount purchased earlier under these rights, and less any Accelerated Benefit as discussed earlier in this Section.

- If the Group Policy terminates or is amended to exclude your insurance class after you have been insured for at least five years. In these instances, the maximum amount you may buy will be the smaller of: (1) \$2,000; or (2) your Member Life Insurance amount in force on the date of termination, less any Accelerated Benefit as discussed earlier in this Section and less any amount for which you become eligible under any group policy within 31 days.
- If your Coverage During Disability ceases because Total Disability ends and you do not then become insured under the Group Policy within 31 days. In this instance, the maximum amount you may buy will be the Coverage During Disability benefit amount in force on the date Total Disability ends, less any individual amount purchased earlier under these rights, and less any Accelerated Benefit as discussed earlier in this Section.
- If your Accelerated Benefit Premium Waiver Period ceases and you do not qualify for Coverage During Disability. In this instance, the maximum amount you may buy will be the Member Life Insurance benefit amount in force on the date you cease Active Work, less any individual amount purchased earlier under these rights, and less any Accelerated Benefit as discussed earlier in this Section.

You must apply for individual purchase and pay the first premium to Us within 31 days after your insurance or Coverage During Disability under the Group Policy ceases.

See the Policyholder for the proper forms. Any individual policy issued will be effective on the 32nd day.

The individual policy will be for life insurance only (other than term insurance). No Disability or other benefits will be included. The premium you pay will be at Our normal rate for your age and for the risk class to which you belong on the individual policy's date of issue.

If you die within the 31-day purchase period, your beneficiary will be paid the life insurance amount, if any, you had the right to buy. This payment will be made whether or not you have applied for an individual policy.

## CLAIM PROCEDURES

### Notice of Claim

Written notice of claim must be given to Us within three months after the date of loss. Failure to give notice within the time specified will not invalidate or reduce any claim if notice is given as soon as reasonably possible.

### Claim Forms

Claim forms and other information needed to prove loss must be filed with Us in order to obtain payment of benefits. The University Benefits Office will provide forms to assist you in filing claims. If the forms are not provided within 15 days after We receive such notice, you will be considered to have complied with the requirements of the Group Policy upon submitting, within the time specified below for filing proof of loss, Written proof covering the occurrence, character, and extent of the loss.

### Proof of Loss

Completed claim forms and other information needed to prove loss should be filed promptly. Written proof of loss should be sent to Us within 90 days after the date of loss. Proof required includes the date, nature, and extent of the loss. We may request additional information to substantiate your loss or require a Signed unaltered authorization to obtain that information from the provider. Your failure to comply with such request could result in declination of the claim. For purposes of satisfying the claims processing timing requirements, receipt of claim will be considered to be met when the appropriate claim form is received by Us.

### Payment, Denial, and Review

Claims will normally be processed within 45 days from receipt of the claim. If a claim cannot be processed due to incomplete information, We will send a Written explanation prior to the expiration of the 45 days. A claimant is then allowed up to 45 days to provide all additional information requested. We are permitted two 30-day extensions for processing an incomplete claim. Written notification will be sent to a claimant regarding the extension.

In actual practice, benefits under the Group Policy will be payable sooner, provided We receive complete and proper proof of loss. Further, if a claim is not payable or cannot be processed, We will submit a detailed explanation of the basis for Our denial.

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A claimant may request an appeal of a claim denial by Written request to Us within 180 days of the receipt of notice of the denial. We will make a full and fair review of the claim. We may require additional information to make the review. We will notify the claimant in Writing of the appeal decision within 45 days after receipt of the appeal request. If the appeal cannot be processed within the 45-day period because We did not receive the requested additional information, We are permitted a 45-day extension for the review. Written notification will be sent to the claimant regarding the extension. After exhaustion of the formal appeal process, the claimant may request an additional appeal. However, this appeal is voluntary and does not need to be filed before asserting rights to legal action.

For purposes of this section, "claimant" means you, your Dependent, or Beneficiary.

**Medical Examinations**

We may have you, whose loss is the basis for claim, examined by a Physician during the course of a claim. We will pay for these examinations and will choose the Physician to perform them.

**Autopsy**

If payment for loss of life is claimed, We may require an autopsy. We will pay for any such autopsy.

**Legal Action**

Legal action to recover benefits under the Group Policy may not be started earlier than 90 days after proof of loss is filed and before the appeal procedures have been exhausted. Further, no legal action may be started later than three years after that proof is required to be filed.

**Time Limits**

All time limits listed in this section will be adjusted as required by law.

## DEFINITIONS

Several words and phrases used to describe your insurance are capitalized whenever they are used in this booklet. These words and phrases have special meanings as explained in this section.

**Active Work; Actively at Work** means you will be considered Actively at Work if you are able and available for active performance of all a faculty or staff member's normal job duties at The University of Iowa. For the purpose of this insurance, faculty or staff members who are on an academic year appointment will be considered actively at work throughout the calendar year.

**Annual Budgeted Salary** means:

- If you are a House Staff Member, the current salary amount specified on your most recent Notice of Appointment.
- If you are a Faculty, Professional and Scientific, Supervisory Exempt Staff Member, or Merit Staff Member, the current salary amount specified on your most recent Benefits Enrollment Form.

Annual Budgeted Salary does not include either compensation for correspondence study courses, grants, fellowships, or other irregular service, or compensation in the form of noncash items such as board, room, laundry or premiums paid by The University of Iowa for the benefit of any Member.

**Group Policy** means the policy of group insurance issued to the Policyholder by Us which describes benefits and provisions for insured Members.

**Insurance Month** means calendar month.

**Member** means:

- a Faculty, Professional, Scientific or Supervisory Exempt Staff Member; or
- a Merit Staff Member; or
- a House Staff Member;

who holds a regular appointment of 50% time or more.

Member will also include any full-time or permanent part-time person employed by Mussar-Davies Land Co.

**Physician** means:

- a licensed Doctor of Medicine (M.D.) or Osteopathy (D.O.); or
- any other licensed health care practitioner that state law requires be recognized as a Physician under the Group Policy.

**Policyholder** means UNIVERSITY OF IOWA.

**Proof of Good Health** means Written evidence that a person is insurable under Our underwriting standards. This proof must be provided in a form satisfactory to Us.

**Qualifying Event** means, for Accelerated Benefits, a medical condition, which would, in the absence of extensive or extraordinary medical treatment, result in a drastically limited life span. Such conditions may include, BUT ARE NOT LIMITED TO, one or more of the following:

- coronary artery disease resulting in an acute infarction or requiring surgery;
- permanent neurological deficit resulting from cerebral vascular accident;
- end stage renal failure; or
- acquired immune deficiency syndrome (AIDS).

**Signed or Signature** means any symbol or method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper or electronic media, and which is consistent with applicable law and is agreed to by Us.

**Social Security Normal Retirement Age (SSNRA)** means Social Security Normal Retirement Age as defined by the Social Security Administration on the date Totally Disabled.

<u>Year of Birth</u>	<u>Normal Retirement Age</u>
Before 1938	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
After 1959	67

**Terminally Ill** means, for Accelerated Benefits, you have experienced a Qualifying Event and you are expected to die within 12 months of the date you request payment of Accelerated Benefits.

**Total Disability; Totally Disabled** means for you, your inability, as determined by Us, due to sickness or injury, you are not able to work for the first two years of disability at your normal occupation. This two year period will also include the time you meet the definition of disability under the Long Term Disability plan provided by the Policyholder, and thereafter at any occupation which reasonably fits your background and training. In no event will the benefit be effective if you are working, unless you are working less than 50% time at the University of Iowa.

**We, Us, and Our** means Principal Life Insurance Company, Des Moines, Iowa.

**Written or Writing** means a record which is on or transmitted by paper or electronic media, and which is consistent with applicable law.

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