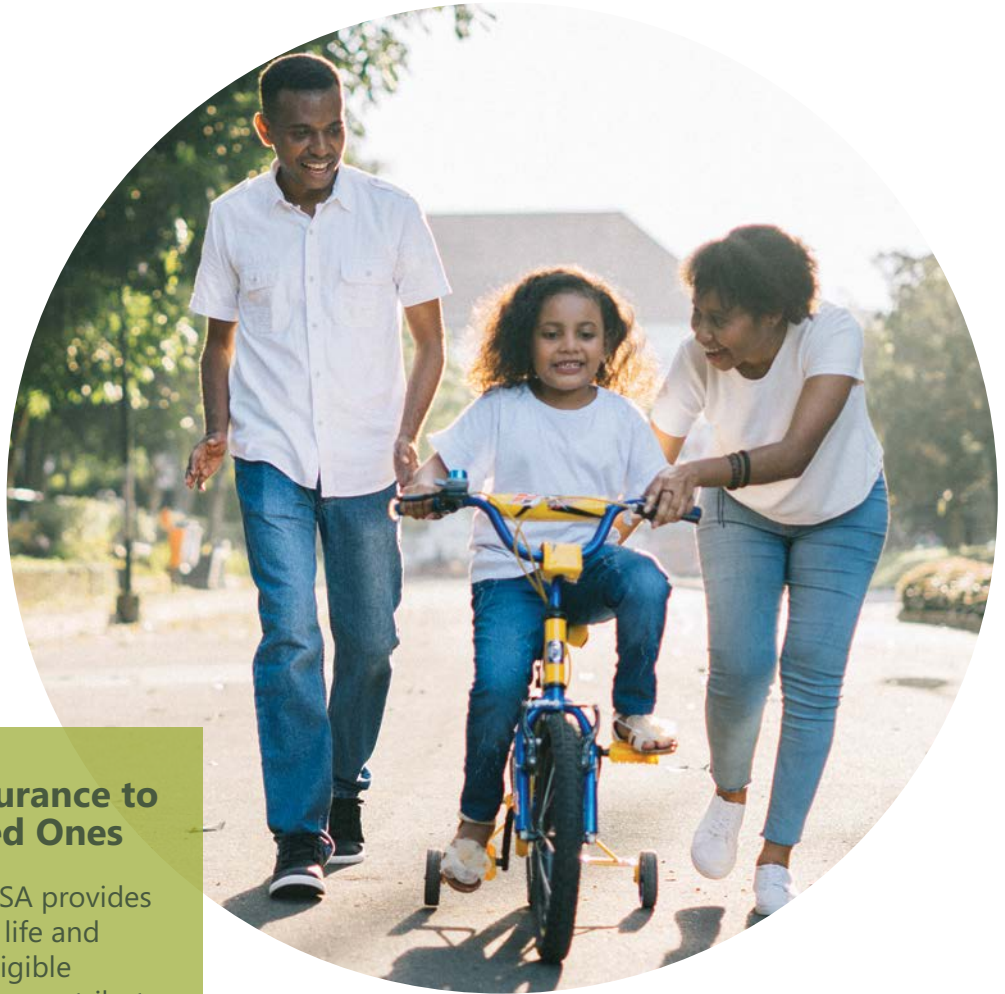




# Nazarene Supplemental Insurance Guide

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## Supplemental Insurance to Protect Your Loved Ones

Pensions and Benefits USA provides complimentary levels of life and disability insurance to eligible ministers whose churches contribute to the P&B Fund. At the same time, we recognize that this basic coverage may not be enough.

The death or disability of a minister or spouse can create a financial catastrophe for a parsonage family—and their church. That’s why we make available affordable group term life and disability coverage to help provide financial stability in case the unexpected happens.

The good news is, the younger you are, the better your rates. And, as you grow older, and your children “leave the nest,” your need for significant amounts of life insurance diminishes.

We encourage you to review this guide and consider the options available to you and your family.

# WHAT’S IN THIS GUIDE?

## Supplemental Insurance

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Note that applications for all of the plans mentioned in this booklet are available at [pbusa.org](http://pbusa.org) under the tabs: Benefits Plans>Insurance>Forms and Documents. If you have questions, contact us directly at [pensions@nazarene.org](mailto:pensions@nazarene.org) or **888-888-4656**.

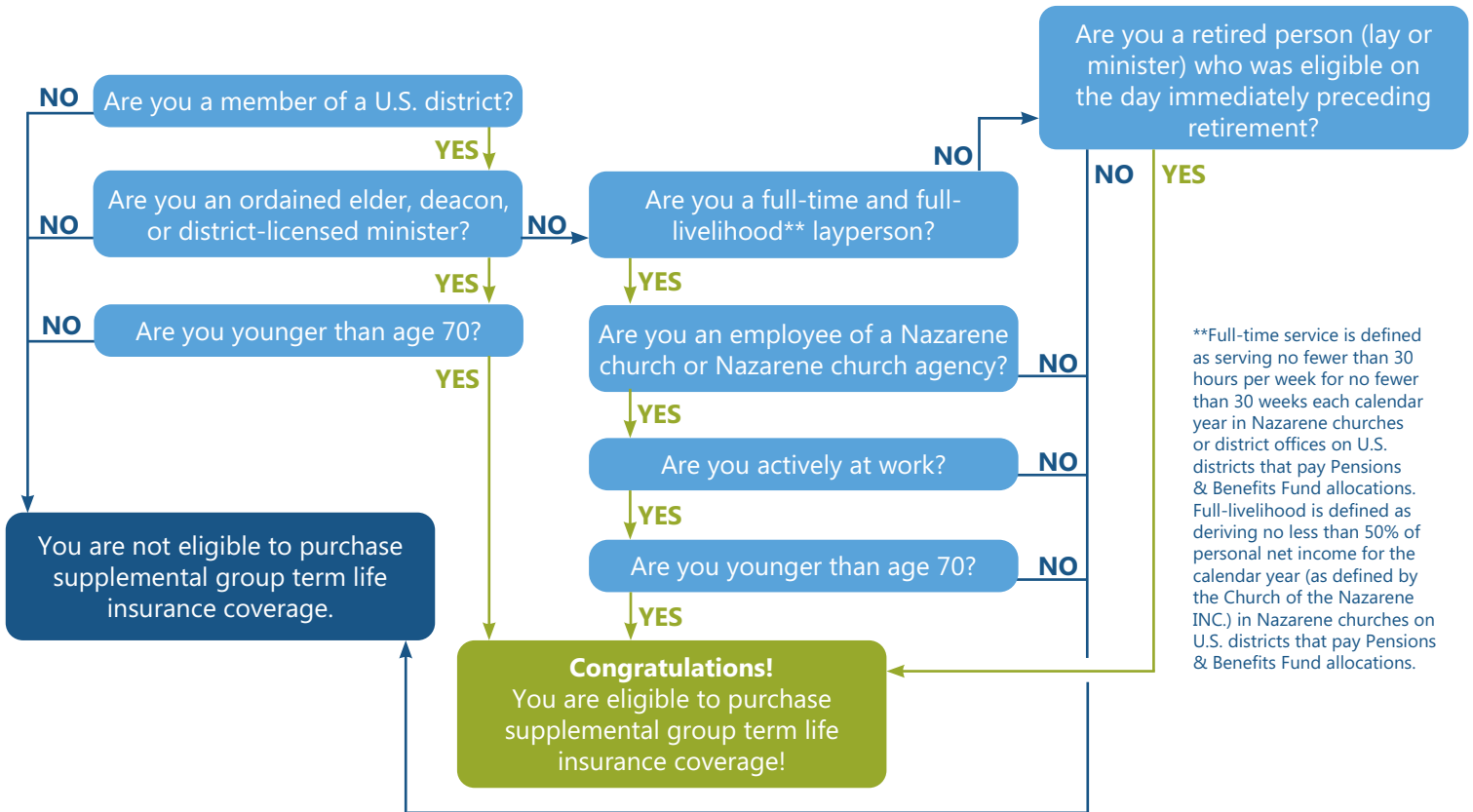
# SUPPLEMENTAL GROUP TERM LIFE

Policy Effective Date: January 1, 2009

Supplemental group term life insurance builds no cash value, but it offers coverage for growing families at reasonable rates. For example, a qualified minister or church-employed layperson (age 30 to 34) may receive \$500,000 (maximum) in coverage for as little as \$360 annually.

Additionally, a spouse may apply for coverage in increments of \$5,000, to a maximum of \$125,000, not to exceed your coverage. Coverage must be purchased in increments of \$10,000 (minister) and \$5,000 (spouse). Also, dependent children\* are covered at no cost, with 50% of the benefit purchased for the spouse (not to exceed \$20,000).

The good news with this policy is that if you are within 90 days of a "life event," such as marriage, birth or adoption of a child, ordination, receipt of first district license, or first full-time/full-livelihood employment by a qualified employer, you do not have to show evidence of insurability. There are, however, age and amount limitations (see below).



Eligible and ready to apply? Great! Download the forms by visiting the Insurance tab at **[pbusa.org](http://pbusa.org)**.

\*Children (including stepchildren and legally adopted and foster children) are eligible if unmarried, dependent, and between the ages of 14 days and 19 years. Newly born children are automatically covered upon reaching 14 days of age. Children who are full-time students and dependent upon the insured member for at least one-half support remain eligible to age 23.

**Please note:**  
If you are applying after 90 days of the start of your eligibility, such as a life event, you must provide evidence of insurability and be approved by the insurance company before your coverage becomes effective.



# Important Features and Limitations to the Supplemental Life Insurance Plan

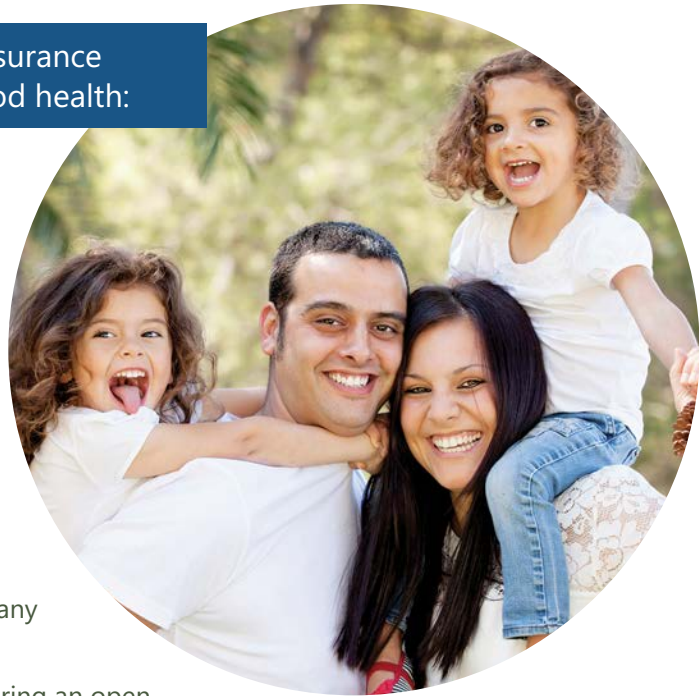
**Guaranteed Issue Amount:** This is the amount of insurance you may purchase without providing evidence of good health:

If you currently have coverage and are younger than age 60:

- You may increase your coverage by one (1) \$10,000 increment annually, not to exceed \$500,000.
- You may increase your spousal coverage up to one (1) \$5,000 increment annually, not to exceed \$125,000 or your coverage which ever is less.
- You may increase coverage for your child(ren) up to 50% of your spouse's coverage, not to exceed \$20,000.

## Note!

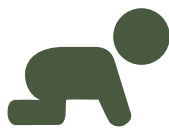
- If you or a dependent have been denied additional coverage, then evidence of good health is required for any requested coverage amount.
- If you do not currently have coverage and you apply during an open enrollment period, evidence of good health *might* be required for any requested coverage amount.
- If you do not apply for coverage during an open enrollment period or within 90 days of a life event eligibility, evidence of good health *is required* for any requested coverage amount.



**Life Event Guaranteed Issue Amount:** If you are younger than age 60, you may apply for insurance coverage or increase your insurance coverage, not to exceed \$250,000 (\$125,000 on your spouse) within 90 days of the following life events:



Your Marriage



The Birth or Adoption of a Child



Your First District Ministerial License



Your Ordination



Your First Full-Time/  
Full-Livelihood  
Employment by a  
Qualified Employer

**Evidence of Good Health:** You need to complete an Evidence of Insurability Statement for review and approval by The Hartford's underwriters in the following situations:

- If you do not enroll during an enrollment period or within 90 days of life event eligibility
- If you enroll for an amount above the guaranteed issue amounts

## Annual Premiums

Our group term life insurance is designed to provide a safety net for couples with young families, so rates increase and coverage maximums diminish as the insured get older. The following chart illustrates how rates are affected by age.

PARTICIPANT AGE (as of each Jan. 1)	ANNUAL COST (per \$1,000)	COVERAGE AVAILABLE
<25	\$0.36	
25-29	\$0.48	
30-35	\$0.72	
35-39	\$1.20	\$10,000 to \$500,000 (in \$10,000 increments)
40-44	\$1.61	
45-49	\$2.93	
50-54	\$5.01	
55-59	\$7.85	
If you are already enrolled for greater than \$100,000 coverage on Jan. 1 and you are age 60, coverage will reduce to the new maximum of \$100,000.		
60-64	\$12.68	\$10,000 - \$100,000 (in \$10,000 increments)
If you are already enrolled for more than \$30,000 coverage on Jan. 1 and you are age 65, coverage will reduce to the new maximum of \$30,000.		
65-69	\$27.44	\$5,000 - \$30,000 (in \$5,000 increments)
Age 70 and beyond, <b>no new coverage is issued</b> . Maximums indicated below.		
70-74	\$36.15	\$5,000, \$10,000, or \$15,000
75-79	\$46.84	\$5,000 or \$10,000
80-84	\$80.43	
85-89	\$119.22	\$2,500 or \$5,000
90-94	\$219.14	
95+	\$458.91	\$2,500 maximum



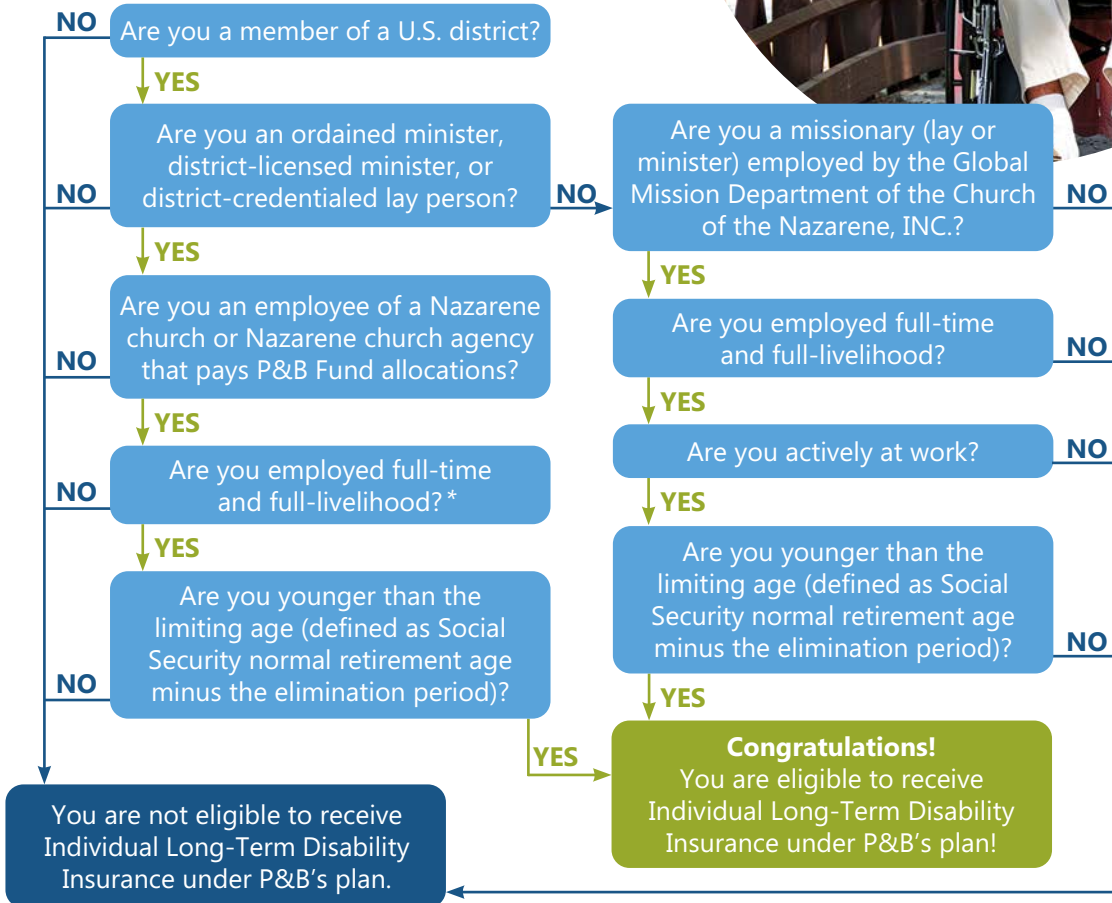
**Conversion:** If you terminate employment, are no longer eligible for coverage, or your coverage reduces due to age, you have the opportunity to purchase an individual conversion life insurance policy within 31 days of your termination of coverage.

**Premium Waiver:** If you cease work due to a permanent and total disability before reaching age 65, your life insurance may be extended, at no cost to you or your employer, once you have completed a six-month waiting period. If your claim is approved, your life insurance will continue until the earlier of 1) the date you recover or 2) the date you fail to show The Hartford proof of continued disability, otherwise it terminates at age 70.

# INDIVIDUAL LONG-TERM DISABILITY

Policy Effective Date: January 1, 2009

Few couples have enough savings to support themselves through situations where one is disabled by accident, injury, or illness. Long-term disability insurance allows eligible participants to choose from monthly payouts ranging from \$500 to \$1,500 a month. Also, benefit amounts are not affected by disability assistance that may be received from Social Security. A 30-year-old minister could receive a monthly benefit of \$1,500 for an annual cost of \$91.15.



\*See definition for full-time/full-livelihood on page 3.

As long as you remain disabled, LTD benefit payments will continue as follows until:

- The calendar month when you reach normal retirement age, as determined by the 1983 Amended Social Security Normal Retirement Age; or
- (If your disability starts on or after the date you reach age 60), the expiration of the number of months of disability, as figured from the following schedule:

AGE WHEN PERIOD OF DISABILITY STARTS	MONTHS OF DISABILITY
60	60
61	48
62	42
63	36
64	30
65	24
66	21
67	18
68	15
69+	12

## Can I get Individual Long-Term Disability Insurance if I have **preexisting conditions**?

If you were diagnosed or treated or received medical services within the six months immediately preceding your effective date of Long-Term Disability coverage (the “look-back period”), then you are **not** eligible to receive benefits if:

- The disability occurs within 12 months following the effective date of coverage, and
- The disability is caused by the same condition for which you were diagnosed or treated or received medical services in the look-back period (as defined above).



### Annual Premiums\*

Age	\$500 Monthly Benefit	\$1,000 Monthly Benefit	\$1,500 Monthly Benefit
0-29	\$23.63	\$47.26	\$70.91
30-34	\$30.37	\$60.76	\$91.15
35-39	\$42.53	\$85.06	\$127.61
40-44	\$62.10	\$124.20	\$186.30
45-49	\$93.16	\$186.30	\$279.46
50-54	\$135.67	\$271.36	\$407.05
55-59	\$171.46	\$342.90	\$514.36
60-64	\$116.77	\$233.56	\$350.35

\*Three-month qualifying period applies



# ACCIDENTAL DEATH AND DISMEMBERMENT

Policy Effective Date: January 1, 2009

Life isn't always easy. Unexpected events happen. Accidental Death and Dismemberment insurance provides support after a death or serious accident to help your family with much-needed financial assistance. Covered events include accidental death, paralysis, third-degree burns, comas, and loss of speech, hearing, sight, or limbs.

A qualified minister or church-employed layperson may apply for coverage in increments of \$50,000, up to a maximum of \$200,000 (which costs only \$72 annually). Dependent coverage up to \$100,000 costs only \$48.



**Note:** The requirements for AD&D eligibility are the same as those for Supplemental Group Term Life (see page 3), with the following exceptions: For AD&D, you must be younger than age 75, and you may not be retired.

Primary Coverage Available	Primary Annual Premium
\$50,000	\$18.00
\$100,000	\$36.00
\$150,000	\$54.00
\$200,000	\$72.00

Maximum Dependent Units Available	Dependent Annual Premium
\$25,000	\$12.00
\$50,000	\$24.00
\$75,000	\$36.00
\$100,000	\$48.00

The descriptions of these benefits are not guarantees of current or future benefits. If there is any conflict between this Guide and the official Plan Documents, the official documents will govern.

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