



Group Term Life Insurance

Help Secure your family's future with caring and careful planning.

Offered through The American Ceramic Society to its members by New York Life Insurance Company.

Nothing can replace the loss of a loved one, but carefully chosen life insurance coverage can help ease the financial strain and provide the funds your spouse and dependents need for a secure, comfortable future.

ELIGIBILITY

As a member of ACerS under age 70, you are eligible to apply for coverage for yourself, your lawful spouse and your unmarried dependent children ages 14 days through 22 years (24 if a full-time student). A dependent who is a member is eligible for member or dependent coverage, but not both.

This coverage is available to residents of the U.S. (excluding OR, SD, VT, Puerto Rico and Territories). Coverage may not be available in all states at this time. Please contact the Administrator for current information.

WHAT YOU CAN CHOOSE

You can apply for up to \$660,000 of life insurance for yourself, up to \$660,000 for your lawful spouse (spouse coverage cannot exceed 100% of member's coverage amount), and \$5,000 for each eligible dependent child. Coverage begins to decrease at age 60, as shown on the **Decreasing Benefit Schedule**.

COVERAGE OPTIONS

Member: \$15,000 to \$660,000 (in \$15,000 increments)

Spouse*: \$7,500 to \$660,000 (in \$7,500 increments)

Dependent Child: \$5,000 Each

* Spouse coverage may not exceed member coverage.

PLAN OVERVIEW

Living Benefit. The Living Benefit or "Accelerated Death Benefit" is designed to provide the insured member with the option to have a portion of a terminally ill insured's life insurance paid while he/she is still alive.

To qualify for this benefit, a person must be insured under this Plan and diagnosed as having a life expectancy of 24 months or less. Proof of terminal illness will consist of a statement from a doctor and any other medical information New York Life believes necessary to confirm the person's status.

You can request payment equal to 50% of a qualified terminally ill person's in force coverage. The request must be made at least 12 months prior to that person's scheduled coverage termination age, and the amount payable after the insured's death will be reduced by this payment. (Premium contributions will not be reduced.) If a scheduled reduction will occur within one year of the date the advance payment will be made, the benefit will be 50% of the reduced coverage. (See Decreasing Benefit Schedule). An insured will be eligible for only one terminal illness benefit during his/her lifetime.

Please note that the receipt of this benefit may affect your eligibility for public assistance programs and may be taxable. You may wish to consult the appropriate social services agency and a qualified tax advisor about how this may affect your personal situation.

Note: This Accelerated Death Benefit is not available to residents of Massachusetts.

Waiver of Premium. If you become totally disabled before age 60, and remain disabled for six months or longer, your insurance will be continued as long as you remain totally disabled-for both you and your insured family members-without additional premium contributions until coverage terminates when you reach age 80.

The amount continued will be based on the options under which you and your dependents were insured at the time your disability began, subject to the scheduled decreases. (See Decreasing Benefit schedule.) You may be asked to provide evidence of your total disability from time to time.

Conversion Privilege. The Plan provides conversion privileges under certain circumstances of involuntary termination as described in the Certificate of Insurance.

Effective Date. You and your dependents will become insured on the date specified by New York Life provided the first premium payment has been paid, satisfactory evidence of insurability has been submitted, and you and your dependents are performing the normal activities of a person in good health of like age on that date. Coverage for any person who is not performing his or her normal activities on the date coverage would otherwise become effective will not become effective until the date he or she is performing such activities, provided such date is within three months of the date insurance would have been effective and the person is still eligible for insurance. (Payment of a premium contribution for insurance does not mean there is any coverage in force before the effective date as specified by New York Life Insurance Company.)

When Insurance Ends. Your insurance can remain in force to age 80, and for your dependents as long as they remain otherwise eligible, provided: 1) premiums are paid when due; 2) you remain a member of ACerS; 3) the group policy remains in force; and 4) ACerS continues its sponsorship of the plan. Upon your death, coverage for your insured dependents may continue as described in the Certificate of Insurance.

Beneficiary. Your beneficiary is the person(s) last designated by you in writing, and recorded by or on behalf of New York Life. You may change the beneficiary designation at any time, by written request. You, the member, are the automatic beneficiary for your dependents' coverage. If you wish to name another beneficiary for your spouse coverage, contact the Administrator.

30-Day Free Look. Once approved you will be sent a Certificate of Insurance summarizing your benefits under the Plan. When you receive your Certificate, examine it carefully. If you are not completely satisfied, simply return it within 30 days with your request for a refund, provided you have not submitted a claim. Your coverage will then be invalidated.

Exclusions. Benefits will not be paid if death results from suicide within two years. The validity of any amount of your insurance which has been in force for two years during your lifetime will not be contested except for insurance eligibility provisions or non-payment of premium contributions.

Current Semiannual Premium Rates as of 2007

| Member's Age | Member \$15,000 Option | Spouse \$7,500 Option | All Child(ren) \$5,000* |
|--------------|------------------------|-----------------------|-------------------------|
| Under 30 | \$6.78 | \$2.70 | \$2.64 |
| 30-34 | 8.10 | 3.00 | 2.64 |
| 35-39 | 11.10 | 3.78 | 2.64 |
| 40-44 | 17.28 | 5.70 | 2.64 |
| 45-49 | 27.84 | 8.76 | 2.64 |
| 50-54 | 43.50 | 13.62 | 2.64 |
| 55-59 | 67.26 | 21.18 | 2.64 |
| 60-69** | 72.36 | 25.26 | 2.64 |

Decreasing Benefit Schedule

| Age | Member | Spouse | Age | Member | Spouse |
|----------|----------|---------|-----|---------|---------|
| Under 60 | \$15,000 | \$7,500 | 70 | \$4,400 | \$2,200 |
| 60 | 12,000 | 5,000 | 71 | 4,000 | 2,000 |
| 61 | 9,200 | 4,600 | 72 | 3,700 | 1,850 |
| 62 | 8,500 | 4,250 | 73 | 3,400 | 1,700 |
| 63 | 7,800 | 3,900 | 74 | 3,200 | 1,600 |
| 64 | 7,200 | 3,600 | 75 | 3,000 | 1,500 |
| 65 | 6,700 | 3,350 | 76 | 2,800 | 1,400 |
| 66 | 6,200 | 3,100 | 77 | 2,600 | 1,300 |
| 67 | 5,700 | 2,850 | 78 | 2,400 | 1,200 |
| 68 | 5,200 | 2,600 | 79 | 2,200 | 1,100 |
| 69 | 4,800 | 2,400 | | | |

The initial cost of insurance for a member and spouse is based on the member's attained age when insurance becomes effective. The cost increases as the member grows older.

* Premium contribution is for all children regardless of how many are covered.

** Amounts of coverage decrease with age. See chart on opposite page. Contact the administrator for renewal premium contributions at ages 70-79.

The premium contributions shown reflect the current rates and benefit structure. Premium contributions may be changed by New York Life on any premium due date and any date on which benefits are changed. Benefit option amounts are not guaranteed and are subject to change by agreement between New York Life and the Trustee of the Preferred Group Trust.

A \$.50 per month administrative fee will be added to your bill. If you wish to pay monthly, your premiums must be deducted automatically from your checking account. Please complete the Automatic Payment Option Form and return it with your application.

Decreasing Benefits. The amount of life insurance for you and your spouse is based on the member's age at their last birthday and decreases on the semiannual premium due date (April 1 or October 1) coinciding with or immediately after he/she enters a new age category. After age 59, coverage decreases for each \$15,000 member option and for each \$7,500 spouse option. Premiums do not reduce. (The amount of children's insurance does not decrease.)

IMPORTANT NOTICE: How New York Life Insurance Company Underwrites Your Request For Group Term Life Insurance

Information regarding insurability will be treated as confidential. In considering your request for insurance, we will rely on the medical information you provide, and on the information you authorize us to obtain from your doctor, other medical practitioners and facilities, and other insurance companies to which you have applied for insurance. New York Life Insurance Company will not disclose such information to anyone except those you authorize or where required or permitted by law. Information in our files may be seen by New York Life Insurance Company and Plan Administrator employees, but only on a "need to know" basis in considering your request. Upon receipt of all requested information, we will make a determination as to whether your request for insurance can be approved.

If we cannot provide the coverage you request, we will tell you why. If you feel our information is inaccurate, you will be given a chance to correct or complete the information in our files. Upon written request, you will be provided with non-medical information. Generally, medical record information will be given either directly to the proposed insured or to a medical professional designated by the proposed insured.

For NM Residents: PROTECTED PERSONS have a right of access to certain CONFIDENTIAL ABUSE INFORMATION we maintain in our files and they may choose to receive such information directly. You have the right to register as a PROTECTED PERSON by sending a signed request to the Administrator at the address listed on the application. Please include your full name, date of birth and address. PROTECTED PERSON means a victim of domestic abuse: who has notified us that he/she is or has been a victim of domestic abuse; and who is an insured person or prospective insured person. CONFIDENTIAL ABUSE INFORMATION means information about: acts of domestic abuse or abuse status; the work or home address or telephone number of a victim of domestic abuse; or the status of an applicant or insured as family member, employer or associate of a victim of domestic abuse or a person with whom an applicant or insured is known to have a direct, close, personal, family or abuse-related relationship.

If we can provide the coverage you requested, we will inform you as to when the coverage will become effective. Under no circumstances will coverage be effective prior to this date. Payment of a premium contribution with your application does not mean that there is any insurance in force before the effective date as determined by New York Life.

New York Life Ins. Co. 4/07 ed.

HOW TO APPLY

Complete the application, sign, date and return it with your first modal premium check made payable to Selman & Company, to:

ACerS Members' Insurance Program

6110 Parkland Boulevard
Cleveland, Ohio 44124

TO FILE A CLAIM

To file a claim, contact the Plan Administrator for the necessary forms.

QUESTIONS?

Call Selman & Company, the Plan Administrator, toll-free at 1-800-556-7614 or email us at: enrollment@selmaninsurance.com.

Administered By Selman & Company, 6110 Parkland Boulevard, Cleveland, OH 44124-4187.

Underwritten By New York Life Insurance Company, 51 Madison Avenue, New York, New York 10010, under Group Policy No. G-29180-1, on Policy Form GMR/FACE G-29180-1.

ACerS incurs costs in connection with this sponsored plan. To provide and maintain this valuable membership benefit, it is reimbursed for these costs.

This information is only a brief description of the principal provisions and features of the Plan. The complete terms and conditions are set forth in the group policy issued by New York Life to the Trustee of the Preferred Group Trust.