



## **City of Chicago**

Employee Term Life Coverage

Basic and Optional Plans

Dependents Term Life Coverage

Accidental Death and  
Dismemberment Coverage



# Foreword

*We are pleased to present you with this Booklet. It describes the Program of Life Insurance benefits for you and what you have to do to be covered for these benefits.*

*This Program can provide protection for you and your family.*

*Please read this Booklet carefully. If you have any questions about the Program, we will be happy to answer them.*

***IMPORTANT NOTICE:*** *This Booklet is an important document and should be kept in a safe place. This Booklet and the Certificate of Coverage made a part of this Booklet together form your Group Insurance Certificate.*

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# Schedule of Benefits

**Covered Classes:** The "Covered Classes" are these Employees of the Contract Holder:

**For Basic Employee Term Life Coverage:** All active crossing guards and all active full-time Employees who work at least 35 hours per week including seasonal Employees who have completed 365 days of service time. This program excludes seasonal Employees with less than 365 days of service, temporary program or emergency appointment Employees, Employees paid by voucher; library pages and traffic control aides.

**For Optional Employee Term Life Coverage:** All active Crossing Guards and all active full-time Employees who work at least 35 hours per week. This program excludes seasonal Employees with 365 days of service, temporary program or emergency appointment Employees, Employees paid by voucher; library pages and traffic control aides.

**For Basic Employee Accidental Death and Dismemberment Coverage:**

**Class 1** – All active full-time civilian Employees, other than Class 2, who work at least 35 hours per week, including seasonal Employees who have completed 365 days of service time excluding seasonal Employees with less than 365 days of service, temporary program or emergency appointment Employees, Employees paid by voucher; library pages, and traffic control aides.

**Class 2:** All full-time active Police Sworn or Uniformed Fire Employees.

**Program Date:** November 1, 2004. This Booklet describes the benefits under the Group Program as of the Program Date.

- This Booklet and the Certificate of Coverage together form your Group Insurance Certificate. The Coverages in this Booklet are insured under a Group Contract issued by Prudential. All benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate. It alone forms the agreement under which payment of insurance is made.

## BASIC EMPLOYEE TERM LIFE COVERAGE

### BENEFIT AMOUNTS:

#### Amount For Each Benefit Class:

Benefit Classes	Amount of Insurance
All Employees	\$25,000

**Effect of Option to Accelerate Payment of Death Benefits:** Your amount of insurance (as determined in the absence of this provision) will be reduced by the amount of any Terminal Illness Proceeds paid under the Option to Accelerate Payment of Death Benefits.

## OPTIONAL EMPLOYEE TERM LIFE COVERAGE

You may enroll for one of the options below. The option for which you enroll will be recorded by Prudential.

### BENEFIT AMOUNTS:

## Amount For Each Benefit Class:

Benefit Classes	Amount of Insurance
All Eligible Employees	
Option 1	100% of your annual Earnings.*
Option 2	200% of your annual Earnings.*
Option 3	300% of your annual Earnings.*
Option 4	400% of your annual Earnings.*
Option 5	500% of your annual Earnings.*

\*If annual Earnings is not a multiple of \$1,000, annual Earnings will be rounded to the next higher multiple of \$1,000 then multiplied by the increment selected.

Maximum Amount of Optional Employee Term Life Coverage: \$1,000,000.

The Definitions section explains what "Earnings" means.

**Non-medical Limit on Amount of Insurance for new hires:** There is a limit on the amount for which you may be insured without submitting evidence of insurability. This is called the Non-medical Limit.

This requirement applies: when you first become insured; when your Class changes; if you request an increase in your Amount of Insurance; or if the amount for your Class is changed by an amendment to the Group Contract. Even if you are insured for an amount over the Limit, you will still have to meet this evidence requirement before any increase in your amount of insurance can become effective. The amount of your insurance will be increased to the amount for your Class when Prudential decides the evidence is satisfactory and you meet the Active Work Requirement.

Non-medical Limit: The lesser of (1) 300% of your annual Earnings and (2) \$1,000,000.

The Delay of Effective Date section does not apply to this provision.

**Increases and Decreases:** You may elect to have your amount of insurance under the Coverage changed within 31 days of a Life Event. You must do this on a form approved by Prudential and agree to make any required contributions.

If you request an increase of more than one to three options, you must give evidence of insurability. The amount of your insurance will be increased when Prudential decides the evidence is satisfactory and you meet the Active Work Requirement.

If you request a lower amount of insurance, that lower amount will become effective on the first of the month following the month in which the change was requested.

The "Definitions" section explains what "Life Event" means

Optional Term Life Coverage amounts for which you were insured providing Optional Employee Term Life Coverage for Employees of the Employer on the day prior to the Program Date will remain in force.

**Effect of Option to Accelerate Payment of Death Benefits:** Your amount of insurance (as determined in the absence of this provision) will be reduced by the amount of any Terminal Illness Proceeds paid under the Option to Accelerate Payment of Death Benefits.

## **OPTIONAL DEPENDENTS TERM LIFE COVERAGE**

You must be enrolled in Optional Employee Term Life Coverage to enroll in Dependents Term Life Coverage. The amount of insurance is the amount for your Benefit Class. Your Benefit Class is determined by the classification of your dependents as shown in this table.

<b>Qualified Dependents Classification</b>	<b>Amount of Insurance</b>
Your spouse/domestic partner	\$10,000
Your children	\$ 5,000

## **BASIC ACCIDENTAL DEATH AND DISMEMBERMENT COVERAGE**

### **BENEFIT AMOUNTS UNDER EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE:**

#### **Amount For Each Benefit Class:**

<b>Benefit Classes</b>	<b>Amount of Insurance</b>
Class 1	\$1,000
Class 2	\$5,000

### **ADDITIONAL BENEFITS UNDER EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE:**

For the purposes of determining benefits under the Coverage, Amount of Insurance does not include any additional amount payable as shown below.

#### **Additional Amount Payable for a Person's Loss of Life as a Result of an Accident in a Four Wheel Vehicle While Using a Seat Belt:** An amount equal to:

Class 1 ..... \$100

Class 2 ..... \$500

#### **Additional Amount Payable for a Person's Loss of Life as a Result of an Accident in a Four Wheel Vehicle Equipped with a Supplemental Restraint System:** An amount equal to a maximum of:

Class 1 ..... \$100

Class 2 ..... \$500

**Additional Amount Payable for Critical Burns:** An amount equal to a maximum of:

Class 1 ..... \$500

Class 2 ..... \$2,500

**TO WHOM PAYABLE:**

Accidental Death and Dismemberment benefits for any of your Losses that are unpaid at your death or become payable on account of your death will be paid to your Beneficiary or Beneficiaries. (See Beneficiary Rules.)

**OTHER INFORMATION**

**Contract Holder:** CITY OF CHICAGO

**Group Contract No.:** G-44004-IL

**Cost of Insurance:** The Basic Employee Insurance in this Booklet is Non-contributory Insurance. The entire cost of the insurance is being paid by the Contract Holder. The Optional Employee Insurance and the Dependents Insurance in this Booklet are Contributory Insurance. You will be informed of the amount of your contribution when you enroll. If you are actively at work or within the grace period, any contribution due but unpaid at your death will be deducted from the death benefit.

**Prudential's Address:**

The Prudential Insurance Company of America  
290 West Mount Pleasant Avenue  
Livingston, New Jersey 07039

**WHEN YOU HAVE A CLAIM**

Each time a claim is made, it should be made without delay. Use a claim form, and follow the instructions on the form.

If you need information on Beneficiary Rules or Mode of Settlement Rules contact

The Prudential Insurance Company  
Life Record Keeping

1-800-778-3827

# Who is Eligible to Become Insured

## FOR EMPLOYEE INSURANCE

### You are eligible for Employee Insurance while:

- You are a full-time Employee of the City of Chicago; and
- You are in a Covered Class; and
- You have completed the Employment Waiting Period, if any. You may need to work for the Employer for a continuous full-time or part-time period before you become eligible for the Coverage. This continuous period is the first day of the month coinciding with or next following the date of hire.

**You are full-time** if you are regularly working for the City of Chicago at least the number of hours in the Employer's normal full-time work week for your class, but not less than 35 hours per week

**Your class** is determined by the Contract Holder. This will be done under its rules, on dates it sets. The Contract Holder must not discriminate among persons in like situations. You cannot belong to more than one class for insurance on each basis, Contributory or Non-contributory Insurance, under a Coverage. "Class" means Covered Class, Benefit Class or anything related to work, such as position or Earnings, which affects the insurance available.

The rules for obtaining Employee Insurance are in the When You Become Insured section.

## FOR DEPENDENTS INSURANCE

### You are eligible for Dependents Insurance while:

- You are eligible for Employee Insurance; and
- You have a Qualified Dependent.

### Qualified Dependents:

### These are the persons for whom you may obtain Dependents Insurance:

- Your spouse or domestic partner

Your domestic partner is a person of the same or opposite sex who:

- (a) You report in an affidavit of domestic partnership satisfactory to Prudential; and
- (b) Is an unmarried adult over the age of 18; and
- (c) Has lived with you for at least consecutive months prior to the person's enrollment in the Program; and
- (d) Has a serious and committed relationship with you; and



- (e) is not legally married nor a domestic partner to anyone else; and
- (f) is financially interdependent with you ; and
- (g) is not otherwise a Qualified Dependent under the Program.

Either a spouse or a domestic partner may be a Qualified Dependent under the Program at any one time,

- Your unmarried children from live birth to 25 years old.

Your children include your legally adopted children, children placed with you for adoption prior to legal adoption, and each of your stepchildren, foster children who depends on you for support and maintenance, and domestic partner's children. A child placed with you for adoption prior to legal adoption is considered your Qualified Dependent from the date of placement for adoption, and is treated as though the child were a newborn child born to you.

### **Exceptions:**

Your spouse/domestic partner is not your Qualified Dependent while on active duty in the armed forces of any country.

Your child is not your Qualified Dependent while:

- (a) on active duty in the armed forces of any country; or
- (b) insured under any Employee Term Life Coverage of the Group Contract.

**A child will not be considered the Qualified Dependent of more than one Employee.** If this would otherwise be the case, the child will be considered the Qualified Dependent of the Employee named in a written agreement of all such Employees filed with the Contract Holder. If there is no written agreement, the child will be considered the Qualified Dependent of:

- (1) the Employee who became insured under the Group Contract with respect to the child, while the child was a Qualified Dependent of only that Employee; and otherwise
- (2) the Employee who has the longest continuous service with the Employer, based on the Contract Holder's records.

The rules for obtaining Dependents Insurance are in the When You Become Insured section.

## **When You Become Insured**

### **FOR EMPLOYEE INSURANCE**

Your Employee Insurance under a Coverage will begin the first day on which:

- You have enrolled, if the Coverage is Contributory; and
- You are eligible for Employee Insurance; and
- You are in a Covered Class for that insurance; and

- You have met any evidence requirement for Employee Insurance; and
- Your insurance is not being delayed under the Delay of Effective Date section below; and
- That Coverage is part of the Group Contract.

For Contributory Insurance, you must enroll on a form approved by Prudential and agree to pay the required contributions. You may enroll for Contributory Insurance within 31 days of when you could first be covered, or within 31 days of a Life Event. Your Employer will tell you whether contributions are required and the amount of any contribution when you enroll.

At any time, the benefits for which you are insured are those for your class, unless otherwise stated.

The "Definitions" section explains what "Life Event" means.

**When evidence is required:** In any of these situations, you must give evidence of insurability. This requirement will be met when Prudential decides the evidence is satisfactory.

- (1) For Contributory Insurance, you enroll more than 31 days after you could first be covered.
- (2) You enroll after any of your insurance under the Group Contract ends because you did not pay a required contribution.
- (3) You wish to become insured for life insurance and have an individual life insurance contract which you obtained by converting your insurance under a Coverage of the Group Contract.
- (4) You have not met a previous evidence requirement to become insured under any Prudential group contract covering Employees of the Employer.

## FOR DEPENDENTS INSURANCE

Your Dependents Insurance under a Coverage for a person will begin the first day on which all of these conditions are met:

- You have enrolled for Dependents Insurance under the Coverage, if the Coverage is Contributory.
- The person is your Qualified Dependent.
- You are in a Covered Class for that insurance.
- You are insured for the Employee Insurance, if any, under that Coverage. To be insured for a Qualified Dependent under the Dependents Term Life Coverage, you must be insured under an Employee Term Life Coverage of the Group Contract.
- You have met any evidence requirement for that Qualified Dependent.
- Your insurance for that Qualified Dependent is not being delayed under the Delay of Effective Date section below.
- Dependents Insurance under that Coverage is part of the Group Contract.

For Contributory Insurance, you must enroll on a form approved by Prudential and agree to pay the required contributions. Your Employer will tell you whether contributions are required and the amount of any contribution when you enroll.

At any time, the Dependents Insurance benefits for which you are insured are those for your class, unless otherwise stated.

**When evidence is required:** In any of these situations, you must give evidence of insurability for a Qualified Dependent spouse or domestic Partner. This requirement will be met when Prudential decides the evidence is satisfactory. Evidence is not required for a Qualified Dependent child.

- (1) For Contributory Insurance, you enroll for Dependents Insurance under a Coverage more than 31 days after you are first eligible for Dependents Insurance.
- (2) You enroll for Dependents Insurance after any insurance under the Group Contract ends because you did not pay a required contribution.
- (3) The Qualified Dependent is a person for whom a previous requirement for evidence of insurability has not been met. The evidence was required for that person to become covered for an insurance, as a dependent or an Employee. That insurance is or was under any Prudential group contract for Employees of the Employer.

While you are insured for Dependents Insurance under a Coverage, the evidence requirement will not apply to a new dependent.

**Change in Family Status:** It is important that you inform the Employer promptly when you first acquire a Qualified Dependent. You should also inform the Employer if your Dependents Insurance status changes from one to another of these categories:

- No Qualified Dependents.
- Qualified Dependent spouse/domestic partner only.
- Qualified Dependent spouse/domestic partner and children.
- Qualified Dependent children only.

If you are insured under a Coverage for one or more children, you need not report additional children.

Forms are available for reporting these changes.

## Delay of Effective Date

### FOR EMPLOYEE INSURANCE

Your Employee Insurance under a Coverage will be delayed if you do not meet the Active Work Requirement on the day your insurance would otherwise begin. Instead, it will begin on the first day you meet the Active Work Requirement and the other requirements for the insurance. The same delay rule will apply to any change in your insurance that is subject to this section. If you do not meet the Active Work Requirement on the day that change would take effect, it will take effect on the first day you meet that requirement.

## FOR DEPENDENTS TERM LIFE COVERAGE

A Qualified Dependent may be confined for medical care or treatment, at home or elsewhere. If a Qualified Dependent is so confined on the day that your Dependents Insurance under a Coverage for that Qualified Dependent, or any change in that insurance that is subject to this section, would take effect, it will not then take effect. The insurance or change will take effect upon the Qualified Dependent's final medical release from all such confinement. The other requirements for the insurance or change must also be met.

Newborn Child Exception: This section does not apply to a child of yours if the child is born to you, becomes your Qualified Dependent at birth, and either:

- (1) is your first Qualified Dependent; or
- (2) becomes a Qualified Dependent while you are insured for Dependents Insurance under that Coverage for any other Qualified Dependent.

Also, this section does not apply to any age increase in the amount of insurance for a child under the Dependents Term Life Coverage.

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# Employee Term Life Coverage

## FOR YOU ONLY

### A. DEATH BENEFIT WHILE A COVERED PERSON.

If you die while a Covered Person, the amount of your Employee Term Life Insurance under this Coverage is payable when Prudential receives written proof of death.

### B. DEATH BENEFIT DURING CONVERSION PERIOD.

A death benefit is payable under this Section B if you die:

- (1) within 31 days after you cease to be a Covered Person; and
- (2) while entitled (under Section C) to convert your Employee Term Life Insurance under this Coverage to an individual contract.

The amount of the benefit is equal to the amount of Employee Term Life Insurance under this Coverage you were entitled to convert. It is payable even if you did not apply for conversion. It is payable when Prudential receives written proof of death.

### C. CONVERSION PRIVILEGE.

If you cease to be insured for the Employee Term Life Insurance of the Group Contract for one of the reasons stated below, you may convert all or part of your insurance under this Coverage, which then ends, to an individual life insurance contract. Evidence of insurability is not required. The reasons are:

- (1) Your employment ends or you transfer out of a Covered Class.
- (2) All term life insurance of the Group Contract for your class ends by amendment or otherwise. But, on the date it ends, you must have been insured for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

**Availability:** You must apply for the individual contract and pay the first premium by the later of:

- (1) the thirty-first day after you cease to be insured for the Employee Term Life Insurance; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may you convert the insurance to an individual contract if you do not apply for the contract and pay the first premium prior to the ninety-second day after you cease to be insured for the Employee Term Life Insurance.

**Individual Contract Rules:** The individual contract must conform to the following:

Amount: Not more than your Employee Term Life Insurance under this Coverage when your insurance ends. But, if it ends because all term life insurance of the Group Contract for your class ends, the total amount of individual insurance which you may get in place of all your life insurance then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your life insurance then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible within the next 31 days.
- (2) \$10,000.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

Premium: Based on Prudential's rate as it applies to the form and amount, and to your class of risk and age at the time.

Effective Date: The end of the 31 day period after you cease to be insured for the Employee Term Life Insurance.

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Any death benefit provided under a section of this Coverage is payable according to that section and the Beneficiary and Mode of Settlement Rules.

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# Option to Accelerate Payment of Death Benefits

## Note:

- (1) Any payment made under this option may be taxable. You are advised to seek the help of a professional tax advisor for assistance with any questions that you may have.
- (2) If you elect this option, your eligibility for Medicaid or other government programs may be affected. You are advised to seek the help of a professional legal advisor for assistance with any questions that you may have.

The following is added to the Employee Term Life Coverage provision:

## Definitions

- **Terminally Ill Employee:** An Employee whose life expectancy is 24 months or less.
- **Terminal Illness Proceeds:** The amount of Employee Term Life Insurance that you may elect to place under this option. That amount is equal to 75% of the amount in force on your life on the date Prudential receives the proof that you are a Terminally Ill Employee, but not more than \$250,000. However, the Terminal Illness Proceeds may be reduced if, within 24 months after the date Prudential receives such proof, a reduction on account of age would have applied to the amount of your Employee Term Life Insurance. In that case, the amount of the Terminal Illness Proceeds may not exceed the amount of such Insurance after applying the reduction.

**Option:** If you become a Terminally Ill Employee while insured under the Employee Term Life Insurance provision or while your death benefit protection is being extended under the Employee Term Life Coverage provision, you may elect to have the Terminal Illness Proceeds placed under this option. That election is subject to the conditions set forth below.

**Payment of Terminal Illness Proceeds:** If you elect this option, Prudential will pay the Terminal Illness Proceeds you place under this option in one sum when it receives proof that you are a Terminally Ill Employee.

If you do not want the Terminal Illness Proceeds in one sum, you may elect to have them paid in 24 equal monthly installments. The first monthly payment will be due when Prudential receives proof that you are a Terminally Ill Employee. The other payments are due on the same day of each later month.

**To Whom Payable:** The benefits under this provision are payable to you.

**Amount Due But Unpaid at Your Death:** If you elect monthly installments and you die before all payments have been made, Prudential will pay your Beneficiary or Beneficiaries determined under the Beneficiary Rules in one sum. That sum will be the total of the payments that remain.

**Conditions:** Your right to be paid under this option is subject to these terms:

- (1) You must choose this option in writing in a form that satisfies Prudential.
- (2) You must furnish proof that satisfies Prudential that your life expectancy is 24 months or less, including certification by a Doctor.

- (3) Your Employee Term Life Insurance must not be assigned.
- (4) You must obtain consent from an irrevocable beneficiary, if one has been named.

**Effect on Insurance:** This benefit is in lieu of the benefits that would have been paid on your death with respect to the Terminal Illness Proceeds. When you elect this option, the total amount of Employee Term Life Insurance otherwise payable on your death, including any amount under an extended death benefit, will be reduced by the Terminal Illness Proceeds. Also, any amount you could otherwise have converted to an individual contract will be reduced by the Terminal Illness Proceeds.

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# Right to Elect Term Life Coverage under the Portability Plan

This right applies to the Optional Employee Term Life Coverage under the Group Contract.

It describes when and how you may become covered for similar coverage under the Portability Plan when your Optional Employee Term Life Coverage under the Group Contract ends. The terms and conditions of the Portability Plan will not be the same as those under this Group Contract. The amount of insurance available under the Portability Plan may not be the same as the amount under this Group Contract.

## **RIGHT TO APPLY FOR COVERAGE UNDER THE PORTABILITY PLAN**

A right under this section is subject to the rest of these provisions.

You will have the right to apply for term life coverage under the Portability Plan if you meet all of these tests:

- (1) Your Optional Employee Term Life Coverage ends for any reason other than:
  - (a) your failure to pay, when due, any contribution required for it; or
  - (b) the end of the Coverage for all Employees when such Coverage is replaced by group life insurance from any carrier for which you are or become eligible within the next 31 days.
- (2) You are less than age 80.
- (3) Your Amount of Insurance is at least \$20,000 under the Optional Employee Term Life Coverage on the day your insurance ends.

## **PORTABILITY APPLICATION PERIOD**

You have the right to apply for coverage under the Portability Plan during the Portability Application Period. Evidence of insurability is not required to become insured under the Portability Plan. But, if you submit evidence and Prudential decides the evidence is satisfactory, you will pay lower premium rates.

The Portability Application Period is the 31 day period after your Optional Employee Term Life Coverage ends. But, if you have the right to convert your insurance under the Optional Employee Term Life Coverage to an individual contract, it is the longer of:

- (1) the 31 day period after your Coverage ends; and
- (2) the number of days during which you have the right to convert your insurance under the Coverage to an individual life insurance contract as shown in the Coverage.

## EFFECT OF CONVERSION PRIVILEGE

The right to elect coverage under the Portability Plan is provided in lieu of the conversion privilege described in the Optional Employee Term Life Coverage, except as follows:

- (1) You may convert your amount of insurance under the Optional Employee Term Life Coverage in excess of the maximum for term life coverage under the Portability Plan. This maximum is the lesser of 5 times your annual Earnings and \$1,000,000.
- (2) You may convert your optional life insurance if you elected optional life insurance coverage under the Portability Plan, but Prudential decided that your evidence of insurability was not satisfactory.

If you elect to convert all of your insurance under the Optional Employee Term Life Coverage to an individual contract, you may not elect to apply for coverage under the Portability Plan.

If, during the Portability Application Period, you apply for coverage under the Portability Plan and then elect to convert all of your insurance under the Optional Employee Term Life Coverage to an individual contract, your coverage under the Portability Plan will not become effective.

The right to elect coverage under the Portability Plan does not affect your coverage under the Death Benefit During Conversion Period provision of the Optional Employee Term Life Coverage.

## TERMS AND CONDITIONS OF THE PORTABILITY PLAN

The form, amount, first premium, and effective date will be as stated below.

**Form and Amount:** The form of term life coverage that Prudential then makes available under the Portability Plan. The terms and conditions of that coverage will not be the same as the Optional Employee Term Life Coverage under the Group Contract.

**Amount:** Not more than your amount of insurance under the Optional Employee Term Life Coverage when your insurance ends, but not less than \$20,000.

The maximum amount of term life insurance under the Portability Plan is the lesser of 5 times your annual Earnings and \$1,000,000.

**First Premium:** The first premium is due to Prudential within 31 days of the date the first bill is issued.

**Effective Date:** The day after the Portability Application Period ends.

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# Dependents Term Life Coverage

## FOR YOUR DEPENDENTS ONLY

### A. DEATH BENEFIT WHILE A COVERED PERSON.

If a dependent dies while a Covered Person, the amount of insurance on that dependent under this Coverage is payable when Prudential receives written proof of death.

### B. DEATH BENEFIT DURING A CONVERSION PERIOD.

A death benefit is payable under this Section B if a dependent dies:

- (1) within 31 days after ceasing to be a Covered Person; and
- (2) while entitled (under Section C) to a conversion of the insurance under this Coverage to an individual contract.

The amount of the benefit is equal to the amount of Dependents Term Life Coverage which could have been converted. It is payable even if conversion was not applied for. It is payable when Prudential receives written proof of death.

### C. CONVERSION PRIVILEGE.

This privilege applies if you cease to be insured for the Dependents Term Life Coverage of the Group Contract with respect to a dependent. That dependent may have your insurance on the dependent under this Coverage, which then ends, converted to an individual life insurance contract. Evidence of insurability is not required. However, conversion is not available if the insurance ends for one of these reasons:

- (1) You fail to make any required contribution for insurance under the Group Contract.
- (2) All Dependents Term Life Coverage of the Group Contract for your class ends by amendment or otherwise. This (2) does not apply if, on the date it ends, you have been insured with respect to the dependent for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

**Availability:** The individual contract must be applied for and the first premium must be paid by the later of:

- (1) the thirty-first day after you cease to be insured for Dependents Term Life Coverage with respect to the dependent; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may you convert the insurance to an individual contract if you do not apply for the contract and pay the first premium prior to the ninety-second day after you cease to be insured for Dependents Term Life Coverage with respect to the dependent.

**Individual Contract Rules:** The individual contract must conform to the following:

Amount: Not more than the amount of Dependents Term Life Coverage on the dependent ending under this Coverage. But, if it ends because all the Dependents Term Life Coverage of the Group Contract for your class ends, the total amount of individual insurance which may be obtained in place of all the Dependents Term Life Coverage on the dependent then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your Dependents Term Life Coverage on the dependent then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible with respect to the dependent within the next 31 days.
- (2) \$10,000.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

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Premium: Based on Prudential's rate as it applies to the form and amount, and to the dependent's class of risk and age at the time.

Effective Date: The end of the 31 day period after you cease to be insured for Dependents Term Life Coverage with respect to the dependent.

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Any death benefit provided under a section of this Coverage is payable to you. If you are not living at the death of a dependent, the death benefit is payable to the dependent's estate or, at Prudential's option, to any one or more of these surviving relatives of the dependent: wife; husband; mother; father; children; brothers; sisters.

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# Right to Elect Dependents Term Life Coverage under the Portability Plan

This right applies to the Dependents Term Life Coverage under the Group Contract.

It describes when and how your Qualified Dependents may become covered for similar coverage under the Portability Plan when your Dependents Term Life Coverage under the Group Contract ends. The terms and conditions of the Portability Plan will not be the same as those under this Group Contract. The amount of insurance available under the Portability Plan may not be the same as the amount under this Group Contract.

## **RIGHT TO APPLY FOR COVERAGE UNDER THE PORTABILITY PLAN**

A right under this section is subject to the rest of these provisions.

You will have the right to apply for dependents term life coverage under the Portability Plan for a Qualified Dependent if all of these tests are met:

- (1) The Dependents Term Life Coverage on the dependent ends because your Optional Employee Term Life Coverage ends for any reason other than:
  - (a) your failure to pay, when due, any contribution required for it; or
  - (b) the end of the Optional Employee Term Life Coverage for all Employees when such Coverage is replaced by group life insurance from any carrier for which you are or become eligible within the next 31 days.
- (2) You apply and become covered for term life coverage under the Portability Plan.
- (3) With respect to a dependent spouse, that spouse is less than age 80. With respect to a dependent domestic partner, that domestic partner is less than age 80 and does not reside in New York.
- (4) With respect to a dependent child, that child is:
  - (a) less than age 19; or
  - (b) less than age 23, enrolled as a full-time student in a school, and wholly depends on you for support and maintenance.
- (5) The dependent is covered for Dependents Term Life Coverage on the day your Optional Employee Term Life Coverage ends.
- (6) The dependent is not confined for medical care or treatment, at home or elsewhere on the day your Optional Employee Term Life Coverage ends.

If you die or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner will have the right to apply for term life coverage under the Portability Plan if that spouse or domestic partner meets all of the tests in (3), (5) and (6) above.

If you die or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner will also have the right to apply for dependents term life coverage under the Portability Plan for a Qualified Dependent child if:

- (1) that spouse or domestic partner applies and becomes covered under the Portability Plan; and
- (2) that child meets all of the tests in (4), (5) and (6) above.

If you divorce or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner will have the right to apply for term life coverage under the Portability Plan if:

- (1) the Dependents Term Life Coverage on your spouse ends due to divorce or your domestic partner ceases to be a qualified dependent; and
- (2) that spouse or domestic partner is less than age 80; and
- (3) that spouse or domestic partner is not confined for medical care or treatment, at home or elsewhere on the day the Dependents Term Life Coverage on that spouse or domestic partner ends.

## **PORTABILITY APPLICATION PERIOD**

You have the right to apply for dependents term life coverage under the Portability Plan for your dependents during the Portability Application Period. In the case of your death or divorce or your domestic partner ceases to be a qualified dependent, your spouse or domestic partner has the right to apply for coverage under the Portability Plan during the Portability Application Period. Evidence of insurability is not required for a dependent to become insured under the Portability Plan. But, if evidence of insurability is submitted for your spouse or domestic partner and Prudential decides the evidence is satisfactory, you or, in the case of your death or divorce or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner will pay lower premium rates for your spouse's or domestic partner's coverage.

The Portability Application Period is the longer of:

- (1) the 31 day period after your Dependents Term Life Coverage ends; and
- (2) either:
  - (a) the number of days during which you have the right to convert your insurance under the Optional Employee Term Life Coverage to an individual life insurance contract as shown in that Coverage; or
  - (b) in the case of your death or divorce or if your domestic partner ceases to be a qualified dependent, the number of days during which your spouse or domestic partner has the right to convert the insurance under the Dependents Term Life Coverage to an individual life insurance contract as shown in that Coverage.

## **EFFECT OF CONVERSION PRIVILEGE**

The right to elect coverage under the Portability Plan is provided in lieu of the conversion privilege described in the Dependents Term Life Coverage, except as follows:

- (1) If a dependent's amount of insurance under the Dependents Term Life Coverage exceeds the lesser of 5 times your annual Earnings or \$1,000,000, the dependent may convert the excess amount.
- (2) A spouse or domestic partner may convert the Dependents Insurance under the Coverage if coverage was elected under the Portability Plan, but Prudential decided that the evidence of insurability for that spouse or domestic partner was not satisfactory.

If a dependent elects to convert all of the insurance under the Dependents Term Life Coverage to an individual contract, you or, in the case of your death or divorce or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner may not elect to apply for coverage under the Portability Plan for that dependent.

If, during the Portability Application Period, you or, in the case of your death or divorce or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner applies for coverage under the Portability Plan for a dependent and that dependent then elects to convert all of the insurance under the Dependents Term Life Coverage to an individual contract, that dependent's coverage under the Portability Plan will not become effective.

The right to elect coverage under the Portability Plan does not affect a dependent's coverage under the Death Benefit During a Conversion Period provision of the Dependents Term Life Coverage.

## TERMS AND CONDITIONS OF THE PORTABILITY PLAN

The form, amount, first premium, and effective date will be as stated below.

**Form and Amount:** The form of dependents term life coverage that Prudential then makes available under the Portability Plan. The terms and conditions of that coverage will not be the same as those under the Group Contract.

**Amount:** Not more than the amount of insurance on the dependent under the Dependents Term Life Coverage when that insurance ends.

But, if evidence of insurability for your spouse or domestic partner is submitted and Prudential decides the evidence is satisfactory, you or, in the case of your death or divorce or if your domestic partner ceases to be a qualified dependent, your spouse or domestic partner has the option to increase the amount of insurance for your spouse or domestic partner, as follows. If your annual Earnings are \$20,000 or more, you or your spouse or domestic partner may opt to increase the amount of insurance by \$20,000 or more, but not more than your annual Earnings. If your annual Earnings are less than \$20,000, you or your spouse or domestic partner may opt to increase the amount of insurance by the amount of your annual Earnings.

For each dependent, the maximum amount of dependents term life insurance under the Portability Plan is the lesser of 5 times your annual Earnings or \$1,000,000.

**First Premium:** The first premium is due to Prudential within 31 days of the date the first bill is issued.

**Effective Date:** The day after the Portability Application Period ends.

# Accidental Death and Dismemberment Coverage

## FOR YOU

This Coverage pays benefits for accidental Loss which means the covered person's:

- (1) loss of life;
- (2) total and permanent loss of sight;
- (3) loss of sight in one eye
- (4) total and permanent loss of speech;
- (5) total and permanent loss of hearing;
- (6) loss of hand or foot by severance at or above the wrist or ankle;
- (7) loss of thumb and index finger of the same hand by severance at or above the point at which they are attached to the hand;
- (8) loss due to Quadriplegia, Paraplegia, or Hemiplegia; or
- (9) loss due to Coma.

## A. BENEFITS.

Benefits for accidental Loss are payable only if all of these conditions are met:

- (1) The person sustains an accidental bodily Injury while a Covered Person.
- (2) The Loss results directly from that Injury and from no other cause.
- (3) The Loss is due to an accident.
- (4) The person suffers the Loss within 365 days after the accident But, if the Loss is due to Coma, that Loss:
  - (i) begins within 90 days after the accident;
  - (ii) requires a Hospital Inpatient Stay of more than 14 consecutive days within 90 days after the accident;
  - (iii) continues for six consecutive months; and
  - (iv) is total, continuous and permanent at the end of that six month period.

Any benefit for a Loss due to Coma will not begin until the end of the six month period in (iii) above.



For the purposes of the Coverage:

- (1) Exposure to the elements will be considered an accidental bodily Injury.
- (2) It will be presumed that the person has suffered a Loss of life if the person's body has not been found within one year of disappearance, stranding, sinking or wrecking of any vehicle in which the person was an occupant.

Not all such Losses are covered. See Losses Not Covered below.

**Benefit Amount Payable:** The amount payable depends on the type of Loss as shown below. All benefits are subject to the Limits below.

	Percent of the Person's Amount of Insurance
Loss of or by Reason of:	
Life .....	100%
Sight of Both Eyes .....	100%
Speech and Hearing in Both Ears .....	100%
Both Hands .....	100%
Both Feet .....	100%
One Hand and One Foot .....	100%
One Hand and Sight of One Eye .....	100%
One Foot and Sight of One Eye .....	100%
Quadriplegia .....	100%
Paraplegia.....	75%
Sight of One Eye.....	50%
Speech .....	50%
Hearing in Both Ears.....	50%
One Hand .....	50%
One Foot.....	50%
Hemiplegia.....	50%
Thumb and Index Finger of the Same Hand .....	25%
Coma .....	1% per month up to 100 months

**Limits Per Accident:** No more than the Amount of Insurance on a person at the time of the accident will be paid for all Losses resulting from Injuries sustained in that accident.

## B. LOSSES NOT COVERED.

A Loss is not covered if it results from any of these:

- (1) Suicide or attempted suicide, while sane or insane.
- (2) Intentionally self-inflicted Injuries, or any attempt to inflict such Injuries.
- (3) Sickness, whether the Loss results directly or indirectly from the Sickness.

- (4) Medical or surgical treatment of Sickness.
- (5) Any bacterial infection. But, this does not include:
  - (a) a pyogenic infection resulting from an accidental cut or wound; or
  - (b) a bacterial infection resulting from accidental ingestion of a contaminated substance.
- (6) War, or any act of war. War means declared or undeclared war, and includes resistance to armed aggression.
- (7) An accident that occurs while the person is serving on full-time active duty for more than 30 days in any armed forces. But this does not include Reserve or National Guard active duty for training.
- (8) Travel or flight in any vehicle used for aerial navigation, if:
  - (a) the person is riding as a passenger in any aircraft not intended or licensed for the transportation of passengers;
  - (b) the person is performing as a pilot or a crew member of any aircraft; or
  - (c) the person is riding as a passenger in an aircraft owned, operated, controlled or leased by your Employer.

This includes getting in, out, on or off any such vehicle.
- (9) Commission of or attempt to commit an assault or a felony.
- (10) Being legally intoxicated or under the influence of any narcotic unless administered or consumed on the advice of a doctor.
- (11) Participation in these hazardous sports: scuba diving; bungee jumping; skydiving; parachuting; hang gliding; paragliding; paramotoring; parascending; or ballooning.

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The Claim Rules and the "To Whom Payable" part of the Schedule of Benefits apply to the payment of the benefits.

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# Additional Benefits under Accidental Death and Dismemberment Coverage

## FOR YOU

An additional benefit may be payable for a Loss for which a benefit is payable under the other terms of this Coverage or would be payable except for the Limitations of those terms. Any such benefit is payable in addition to any other benefit payable under this Coverage. The additional amount payable for each additional benefit is shown in the Schedule of Benefits. Any additional conditions that apply to an additional benefit are shown below. An additional benefit is payable only if those conditions are met.

### (1) **Additional Benefit for Loss of Life as a Result of an Accident in an Automobile While Using a Seat Belt:**

This additional benefit for your Loss of life only applies if this test is met.

You sustain an accidental bodily Injury resulting in the Loss while:

- (a) you are a driver or passenger in an Automobile;
- (b) you are wearing a Seat Belt in the manner prescribed by the vehicle's manufacturer;
- (c) the actual use of a Seat Belt at the time of the Injury is verified in an official report of the accident, or is certified in writing by the investigating official(s).

**Losses Not Covered under this Additional Benefit:** A Loss is not covered under this additional benefit if it results:

- (a) from driving or riding in any Automobile used in a race or a speed or endurance test, for acrobatic or stunt driving, or for any illegal purpose; or
- (b) from an Injury caused, wholly or partly, by riding in an Automobile being operated by another person while that person is legally intoxicated or under the influence of a narcotic.

### (2) **Additional Benefit for Loss of Life as a Result of an Accident in an Automobile Equipped with an Air Bag:**

This additional benefit for your Loss of life only applies if this test is met.

You sustain an accidental bodily Injury resulting in the Loss while:

- (a) you are a driver or passenger in an Automobile;
- (b) you are wearing a Seat Belt in the manner prescribed by the vehicle's manufacturer;
- (c) the actual use of a Seat Belt at the time of the Injury is verified in an official report of the accident, or is certified in writing by the investigating official(s);
- (d) the Automobile is equipped with a factory-installed Air Bag; and

(e) a properly functioning Air Bag was deployed for the seat that you occupied.

**Losses Not Covered under this Additional Benefit:** A Loss is not covered under this additional benefit if it results:

- (a) from driving or riding in any Automobile used in a race or a speed or endurance test, for acrobatic or stunt driving, or for any illegal purpose; or
- (b) from an Injury caused, wholly or partly, by riding in an Automobile being operated by another person while that person is legally intoxicated or under the influence of a narcotic.

### **ADDITIONAL BENEFIT FOR CRITICAL BURNS.**

This additional benefit only applies if you suffer Critical Burns:

- (1) while a Covered Person under the Coverage;
  - (2) that result in Permanent Disfigurement; and
  - (3) that were sustained while you were Working for Your Employer.
-

# Definitions under Accidental Death and Dismemberment Coverage

## FOR YOU

Some of the terms used in the Coverage:

**Air Bag:** An inflatable safety device that: (1) meets published federal safety standards; (2) is installed by the Automobile's manufacturer; and (3) is not altered after that installation.

**Automobile:** A validly registered:

- (1) vehicle that may be legally driven with the standard issue class of motor vehicle driver's license and no additional class of license is necessary to operate this vehicle; or
- (2) four wheel, two axle private passenger motor vehicle.

But Automobile does not include: (1) a motor vehicle intended for off-road use; or (2) a motor vehicle being used without the owner's permission.

**Coma:** A profound state of unconsciousness from which the person cannot be aroused, even by powerful stimulation, as determined by the person's Doctor.

**Critical Burns:** Burns that are classified by a Doctor as being more severe than second degree.

**Hemiplegia:** The total and permanent paralysis of the upper and lower limbs on one side of the body.

**Hospital Inpatient Stay:** A Hospital stay for which a room and board charge is made by the Hospital. All of the person's Hospital Inpatient Stays for treatment of bodily Injury sustained in one accident will be considered one Stay unless separated by 30 days.

**Paraplegia:** The total and permanent paralysis of both lower limbs.

**Permanent Disfigurement:** Scarring over 50% of the body that can be corrected only by cosmetic surgery.

**Quadriplegia:** The total and permanent paralysis of both upper and both lower limbs.

**Seat Belt:** Any: (1) passive restraint device for an adult that meets published federal safety standards, is installed by the Automobile's manufacturer and is not altered after that installation; or (2) federally approved, properly installed child safety seat.

# General Information

## BENEFICIARY RULES

The rules in this section apply to insurance payable on account of your death, when the Coverage states that they do. But these rules are modified by any burial expenses rule in the Schedule of Benefits and, if there is an assignment, by the following sections: Limits on Assignments; and Effect of Gift Assignment of Rights of Group Life Insurance Under Another Group Contract.

"Beneficiary" means a person chosen, on a form approved by Prudential, to receive the insurance benefits.

You have the right to choose a Beneficiary.

If there is a Beneficiary for the insurance, it is payable to that Beneficiary. Any amount of insurance for which there is no Beneficiary at your death will be payable to the first of the following: Your (a) surviving spouse; (b) surviving child(ren) in equal shares; (c) surviving parents in equal shares; (d) surviving siblings in equal shares; (e) estate. This order will apply unless otherwise provided in the Limits on Assignments.

You may change the Beneficiary at any time without the consent of the present Beneficiary. The Beneficiary change form must be filed through the Contract Holder. The change will take effect on the date the form is signed. But it will not apply to any amount paid by Prudential before it receives the form.

If there is more than one Beneficiary but the Beneficiary form does not specify their shares, they will share equally. If a Beneficiary dies before you, that Beneficiary's interest will end. It will be shared equally by any remaining Beneficiaries, unless the Beneficiary form states otherwise.

## MODE OF SETTLEMENT RULES

The rules in this section apply to Employee Life Insurance payable on account of your death. But these rules are subject to the Limits on Assignments and Effect of Gift Assignment of Rights of Group Life Insurance Under Another Group Contract sections.

"Mode of Settlement" means payment other than in one sum.

Employee Life Insurance is normally paid to the Beneficiary in one sum. But a Mode of Settlement may be arranged with Prudential for all or part of the insurance, as stated below.

**Arrangements for Mode of Settlement:** You may arrange a Mode of Settlement by proper written request to Prudential. If, at your death, no Mode of Settlement has been arranged for an amount of your Employee Life Insurance, the Beneficiary and Prudential may then mutually agree on a Mode of Settlement for that amount.

**Conditions for Mode of Settlement:** The Beneficiary must be a natural person taking in the Beneficiary's own right. A Mode of Settlement will apply to secondary Beneficiaries only if Prudential agrees in writing. Each installment to a person must not be less than \$20.00. A change of Beneficiary will void any Mode of Settlement arranged before the change.

**Choice by Beneficiary:** A Beneficiary being paid under a Mode of Settlement may, if Prudential agrees, choose (or change the Beneficiary's choice of) a payee or payees to receive, in one sum, any amount which would otherwise be payable to the Beneficiary's estate.

Prudential Life Record Keeping has prepared information about the modes of settlement available. You can call them at 1-800-778-3827.

## **INCONTESTABILITY OF LIFE INSURANCE**

This limits Prudential's use of your statements in contesting an amount of Life Insurance for which you are insured. These are statements made to persuade Prudential to accept you for insurance. They will be considered to be made to the best of your knowledge and belief. These rules apply to each statement:

- (1) It will not be used in the contest unless:
    - (a) It is in a written application signed by you; and
    - (b) A copy of that application is or has been furnished to you or to your Beneficiary.
  - (2) If it relates to your insurability, it will not be used to contest the validity of insurance which has been in force, before the contest, for at least two years during your lifetime.
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## **LIMITS ON ASSIGNMENTS**

You may assign your insurance under a Coverage. Unless the Schedule of Benefits states otherwise, the following rules apply to assignments: (1) Insurance under any Coverage providing either death benefits or periodic benefits on account of disability may be assigned only as a gift assignment; (2) Insurance under any other Coverage may be assigned without restriction. Any rights, benefits or privileges that you have as an Employee may be assigned. This includes any right you have to choose a Beneficiary or to convert to another contract of insurance. Prudential will not decide if an assignment does what it is intended to do. Prudential will not be held to know that one has been made unless it or a copy is filed with Prudential through the Contract Holder.

This paragraph applies only to insurance for which you have the right to choose a Beneficiary, when that right has been assigned. If an assigned amount of insurance becomes payable on account of your death and, at your death, there is no Beneficiary chosen by the assignee, it will be payable to:

- (1) the assignee, if living; or
- (2) the estate of the assignee, if the assignee is not living.

It will not be payable as stated in the Beneficiary Rules.

## **EFFECT OF GIFT ASSIGNMENT OF RIGHTS OF GROUP LIFE INSURANCE UNDER ANOTHER GROUP CONTRACT**

This Section applies to all Coverages providing Employee death benefits.

If you are eligible for insurance under the Group Contract on the Group Contract's effective date you will have no rights, benefits or privileges under any such Coverage if, on the day before that date, all the following were true:

- (1) You were insured for group life insurance under another group contract. That contract was issued by Prudential or another insurance carrier to cover Employees of the Employer.
- (2) Your group life insurance under the other group contract ended.
- (3) An irrevocable and absolute gift assignment made by you was in effect. It was made before the other contract ended. That assignment was of all your rights, benefits and privileges of the group life insurance under the other group contract. Those rights were owned by the assignee or the assignee's successor.

The owner of those rights of the group life insurance under the other group contract on the day before this Group Contract's effective date will be the owner of the rights, benefits, and privileges you would have had under a Coverage if this section did not apply. This includes, but is not limited to, any right of assignment you would have had under the Limits on Assignments section above. The term "assignee" as used in that section includes such an owner.

The term "group life insurance", as used above, means only group life insurance provided under a group contract in effect on the day before the date the Employer became included under the Group Contract.



## DEFINITIONS

**Active Work Requirement:** A requirement that you be actively at work on a full time basis at the Employer's place of business, or at any other place that the City of Chicago requires you to go. You are considered actively at work during normal vacation or paid sick leave if you were actively at work on your last regular scheduled workday.

**Calendar Year:** A year starting January 1.

**Contributory Insurance, Non-contributory Insurance:** Contributory Insurance is insurance for which the Contract Holder has the right to require your contributions. Non-contributory Insurance is insurance for which the Contract Holder does not have the right to require your contributions. The Schedule of Benefits shows whether insurance under a Coverage is Contributory Insurance or Non-contributory Insurance.

**Coverage:** A part of the Booklet consisting of:

- (1) A benefit page labeled as a Coverage in its title.
- (2) Any page or pages that continue the same kind of benefits.
- (3) A Schedule of Benefits entry and other benefit pages or forms that by their terms apply to that kind of benefits.

**Covered Person under a Coverage:** An Employee who is insured for Employee Insurance under that Coverage; a Qualified Dependent for whom an Employee is insured for Dependents Insurance, if any, under that Coverage.

**Dependents Insurance:** Insurance on the person of a dependent.

**Doctor:** A licensed practitioner of the healing arts acting within the scope of the license.

**Earnings:** This is the gross amount of money paid to you by the Employer in cash for performing the duties required of your job. Overtime pay, Earnings for more than 35 hours per week, and all other benefits are not included.

**Employee:** A person employed by the Employer; a proprietor or partner of the Employer. The term also applies to that person for any rights after insurance ends.

**Employee Insurance:** Insurance on the person of an Employee.

**The Employer:** The City of Chicago.

**Injury:** Injury to the body of a Covered Person.

**Life Event:** Any of the following which constitute a change in family status:

- (1) your marriage, divorce or cessation of domestic partnership;
- (2) the death of your spouse/domestic partner or child;
- (3) the birth or adoption of your child;
- (4) employment or termination of employment of your spouse/domestic partner;

- (5) switching from part-time to full-time Employee status (or vice versa) by you or your spouse/domestic partner;
- (6) you or your spouse/domestic partner taking an unpaid leave of absence;
- (7) a significant change in your health coverage that is attributable to your spouse/domestic partner's employment.

**Prudential:** The Prudential Insurance Company of America.

**Sickness:** Any disorder of the body or mind of a Covered Person, but not an Injury; pregnancy of a Covered Person, including abortion, miscarriage or childbirth.

**You:** An Employee.

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## CLAIM RULES

These rules apply to payment of benefits under a Coverage when the Coverage states that they do.

**Proof of Loss:** Prudential must be given written proof of the loss for which claim is made under the Coverage. This proof must cover the occurrence, character and extent of that loss. It must be furnished within 90 days after the date of the loss, except that:

- (1) If any Coverage provides for periodic payment of benefits at monthly or shorter intervals, the proof of loss for each such period must be furnished within 90 days after its end.
- (2) If payment under a Coverage is to be made for charges incurred during a Calendar Year, the proof for that Calendar Year must be furnished within 90 days after its end.

A claim will not be considered valid unless the proof is furnished within these time limits. However, it may not be reasonably possible to do so. In that case, the claim will still be considered valid if the proof is furnished as soon as reasonably possible.

**When Benefits are Paid:** Benefits are paid when Prudential receives written proof of the loss. But, if a Coverage provides that benefits are payable at equal intervals of a month or less, Prudential will not have to pay those benefits more often.

A benefit unpaid at your death will be paid to your estate. But this does not apply if the Coverage or the Limits on Assignments section on an earlier page states otherwise.

**Physical Exam:** Prudential, at its own expense, has the right to examine the person whose loss is the basis of claim. Prudential may do this when and as often as is reasonable while the claim is pending.

**Legal Action:** No action at law or in equity shall be brought to recover on the Group Contract until 60 days after the written proof described above is furnished. No such action shall be brought more than three years after the end of the time within which proof of loss is required.

## INCONTESTABILITY OF INSURANCE TO WHICH THE CLAIM RULES APPLY

This limits Prudential's use of your statements in contesting an amount of that insurance for which you are insured. These are statements made to persuade Prudential to effect an amount of that insurance. They will be considered to be made to the best of your knowledge and belief. These rules apply to each statement:

- (1) It will not be used in a contest to avoid or reduce that amount of insurance unless:
  - (a) It is in a written application signed by you; and
  - (b) A copy of that application is or has been furnished to you.
- (2) It will not be used in the contest after that amount of insurance has been in force, before the contest, for at least two years during your lifetime.

# When Your Insurance Ends

## EMPLOYEE AND DEPENDENTS INSURANCE

Your Employee Insurance under a Coverage or your Dependents Insurance under a Coverage will end when the first of these occurs:

- Your membership in the Covered Classes for the insurance ends because your employment ends (see below) or for any other reason.
- The part of the Group Contract providing the insurance ends.
- For Contributory Insurance under a Coverage of the Group Contract, you fail to pay, when due, any contribution required. But if Employee Insurance is Contributory, failure to contribute for Dependents Insurance will not cause your Employee Insurance to end.
- The insurance is Dependents Insurance under the Dependents Term Life Coverage and your Employee Insurance under the Employee Term Life Coverage ends.

Your Dependents Insurance for a Qualified Dependent under a Coverage will end when that person ceases to be a Qualified Dependent for that Coverage.

**End of Employment:** For insurance purposes, your employment will end when you are no longer a full-time Employee actively at work for the Employer. But, under the terms of the Group Contract, the Contract Holder may consider you as still employed in the Covered Classes during certain types of absences from full-time work. This is subject to any time limits or other conditions stated in the Group Contract.

For the purpose of your life insurance under the Group Contract, your employment in the Covered Classes will not be considered to end while:

(1) For absence due to duty disability, there is no time limit for Basic Employee Term Life Coverage and Basic Accidental Death and Dismemberment paid by the Employer.

For Optional Employee Term Life Coverage, time limit is up to a maximum of six months paid by Employee.

(2) Class I: for absence due to an authorized medical leave of absence, Basic Employee Term Life Coverage and Basic Accidental Death and Dismemberment are continued for six months paid by the Employer.

For Optional Employee Term Life Coverage, time limit is up to a maximum of six months paid by Employee.

(3) Class II: for absence due to ordinary disability, for which ordinary disability benefits are being paid by the Policemen's Annuity and Benefit Fund of Chicago or the Firemen's Annuity and Benefit Fund of Chicago, Basic Employee Term Life Coverage and Basic Accidental Death and Dismemberment are continued by the Employer for the length of the ordinary disability benefit, not to exceed five years.

For Optional Employee Term Life Coverage, time limit is up to a maximum of six months paid by Employee

(4) For absence due to military leave, Basic Employee Term Life Coverage and Accidental Death and Dismemberment Coverage will continue during the term of paid and unpaid military leave.

(5) For absence due to military leave, Optional Employee Term Life Coverage terminates on the last day of paid military leave unless the Employee elects to pay premiums for up to a six month period.

(6) For absence due to other leaves of absence, Basic Employee Term Life Coverage, Basic Employee Accidental Death and Dismemberment and Optional Employee Term Life Coverage, the time limit is up to a maximum of six months paid by Employee.

If you stop active full-time work for any reason, you should contact the The Prudential Insurance Company, Life Record Keeping at once to determine what arrangements, if any, have been made to continue any of your insurance.

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## THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

# Certificate of Coverage

**Prudential** certifies that insurance is provided according to the Group Contract(s) for each Insured Employee. Your Booklet's Schedule of Benefits shows the Contract Holder and the Group Contract Number(s).

**Insured Employee:** You are eligible to become insured under the Group Contract if you are in the Covered Classes of the Booklet's Schedule of Benefits and meet the requirements in the Booklet's Who is Eligible section. The When You Become Insured section of the Booklet states how and when you may become insured for each Coverage. Your insurance will end when the rules in the When Your Insurance Ends section so provide. Your Booklet and this Certificate of Coverage together form your Group Insurance Certificate.

**Beneficiary for Employee Death Benefits:** See the Booklet's Beneficiary Rules.

**Coverages and Amounts:** The available Coverages and the amounts of insurance are described in the Booklet.

If you are insured, your Booklet and this Certificate of Coverage form your Group Insurance Certificate. Together they replace any older booklets and certificates issued to you for the Coverages in the Booklet's Schedule of Benefits. All Benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate.

**The Prudential Insurance Company of America**

