

Term Life Insurance

Developed for the Employees of
H&R Block Management, LLC



Who Needs Life Insurance?

You do. Single or married. Buying your first home or preparing for retirement. Raising children or sending them off to college. No matter where you are in life, insurance should be part of your financial plan.

By purchasing this insurance product through your employer, you benefit from:

- Affordable group rates
- Convenient payroll deduction
- Access to knowledgeable service representatives.

Who Is Eligible For Coverage?

You — If you are an active employees classified by H&R Block as a common law employee and scheduled to work 20 or more hours per week on a regular, non-seasonal basis, excluding Employees classified as Executives, you will be eligible to elect insurance for you and your dependents on the first day of the calendar month next following the date you become a member.

Your Spouse* — Is eligible provided that you apply for and are approved for coverage for yourself.

Your Unmarried, Dependent Children — Under age 26 as long as you apply for and are approved for coverage for yourself. One low premium will insure all your eligible children, regardless of the number of children you have.

No one may be covered more than once under this plan. If covered as an employee, you can not also be covered as a dependent.

* *Domestic Partner is defined in the Group Policy. For purposes of this brochure, wherever the term Spouse appears, it shall also include Domestic Partner. Additional information is available from your Benefit Services Representative.*

How Much Coverage Can You Buy?

You — You can select life insurance coverage of \$35,000, \$50,000, \$75,000, \$100,000, \$200,000, \$300,000, \$400,000 or \$500,000. The maximum for any employee is \$500,000. The guaranteed coverage* amount for you is \$500,000.

Your Spouse and Unmarried, Dependent Children — You may choose from several flat benefit amounts available for your spouse or your children. You may choose coverage for your spouse, or for your children, or for both.

Benefit Amounts for Spouse

\$10,000, \$25,000, \$50,000, \$100,000 or \$200,000

The maximum benefit for your spouse is \$200,000, limited to 100% of your benefit amount.

The guaranteed coverage amount for your spouse is \$50,000.

Benefit Amounts for Children

\$5,000 or \$10,000

The guaranteed coverage amount for your child(ren) is \$10,000.

* See Guaranteed Coverage

How Much Your Coverage Will Cost

The monthly cost of insurance will depend on your ages and the amount of insurance you wish to purchase for you, your spouse and children. As shown in the following chart, the cost of insurance increases with your age. Note that at age 70 benefits for you and your spouse are reduced.

To calculate your monthly cost:

1. Find your age group in the following table;
2. Multiply the rate by the number of coverage units you want;
3. Calculate the cost of coverage for your spouse, using your spouse's age, then calculate the cost of coverage for your children;
4. Add the premiums for you, your spouse and your children to get your total monthly cost.

Example::				
Employee (age 38)	300 units (\$300,000)	x	\$0.09 per unit	= \$27.00
Spouse (age 29)	100 units (\$100,000)	x	\$0.06 per unit	= \$6.00
Children	\$10,000	@	\$0.56	= \$0.56
Total Monthly Cost				\$33.56

To calculate your cost, complete this chart:

Employee	___ units	x	\$___ per unit	= \$___
Spouse	___ units	x	\$___ per unit	= \$___
Children	\$_____	@	\$___	= \$___
Total Monthly Cost				\$___

Employee/ Spouse Age	Employee Monthly Cost per \$1,000 Unit	Spouse Monthly Cost per \$1,000 Unit
Under 25	\$.05	\$.05
25 to 29	.06	.06
30 to 34	.08	.08
35 to 39	.09	.09
40 to 44	.10	.10
45 to 49	.17	.17
50 to 54	.23	.23
55 to 59	.45	.45
60 to 64	.66	.66
65 to 69	1.27	1.27
70 to 79	3.25	3.25
80 to 89	7.80	7.80
90 & over	14.93	14.93

The monthly cost for children is \$0.28 for \$5,000 of coverage, or \$0.56 for \$10,000 of coverage. One premium will insure all your eligible children, regardless of the number of children you have.

Costs are subject to change.

When You Reach Age 70

By the time you and your spouse reach age 70, chances are that your children will be grown and your mortgage paid. At age 70, providing you are still employed, coverage for you and your spouse will decrease to 95% of the benefit amount. It will decrease to 65% at age 75, to 40% at age 80 and to 20% at age 85.

Guaranteed Coverage

If you and your dependents are eligible and you apply during the initial enrollment period, or within 31 days after you are eligible to elect coverage, you are entitled to choose any of the offered amounts of coverage up to the guaranteed coverage amount, as shown on your application, without having to provide evidence of good health.

If you apply for an amount of coverage for yourself or your spouse greater than the guaranteed coverage amount, coverage in *excess* of the guaranteed coverage amount will not be issued until the insurance company approves acceptable evidence of good health. Evidence of good health may include a paramedical exam or physician's statement.

If you apply for coverage for yourself or your spouse more than 31 days from the date you become eligible to elect coverage under this plan, the guaranteed coverage amounts will not apply. Coverage will not be issued until the insurance company approves acceptable evidence of good health. Evidence of good health may include a paramedical exam or physician's statement.

Other Benefit Features

Accelerated Death Benefit — Terminal Illness

If you or your spouse is diagnosed by two unaffiliated physicians as terminally ill with a life expectancy of 12 months or less, the accelerated payment benefit for terminal illness provides for up to 80% of the life insurance coverage amount in force or \$500,000, whichever is less, to be paid to the insured. This benefit is payable only once in the insured's lifetime, and will reduce the life insurance death benefit.

The terminal illness benefit may be taxable. As with all tax matters, an insured should consult with a personal tax advisor to assess the impact of this benefit.

Annual Enrollment Period

Each year, during your re-enrollment period, you have the opportunity to enroll in the plan or increase your voluntary coverage. We require no evidence of good health for additional amounts equal to one benefit level increase, subject to the group policy guaranteed coverage amount. We do require evidence of good health for amounts above the guaranteed coverage amount.

Continuation for Disability for Employees Age 60 or over

If your active service ends due to disability, this plan provides a continuation of coverage feature. If you are disabled at age 60 or over, your coverage will continue while you are disabled. This benefit will remain in force until the earliest of the following dates: the date you are no longer disabled, the date the policy terminates, the date you are disabled for 9 consecutive months, or the day after the last period for which premiums are paid.

You are considered disabled if, because of injury or sickness, you are unable to perform all the material duties of your Regular Occupation, or you are receiving disability benefits under your Employer's plan. "Regular Occupation" means your occupation, as routinely performed in the general labor market, at the time your disability begins.

Extended Death Benefit with Waiver of Premium

Extended Death Benefit

If you become Disabled — The extended death benefit ensures that if you become disabled prior to age 60, and die before you qualify for Waiver of Premium, we will pay the life insurance benefit if you remain disabled during that period. If you qualify for this benefit and have insured your spouse or children, their coverage is also extended.

You are considered disabled if, because of injury or sickness, you are unable to perform all the material duties of your Regular Occupation, or you are receiving disability benefits under your Employer's plan. "Regular Occupation" means your occupation, as routinely performed in the general labor market, at the time your disability begins.

Waiver of Premium

If you become totally disabled — To make sure you can keep the life insurance protection you need during a difficult period of your life, this plan provides a *waiver of premium* feature. If you are totally disabled prior to age 60 and can't work for at least 6 months, you won't need to pay premiums for your coverage while you are disabled, provided the insurance company approves you for this benefit. You are considered totally disabled when you are completely unable to engage in any occupation for wage or profit because of injury or sickness. This benefit will remain in force until age 65, subject to proof of continuing disability each year. If you qualify for this benefit and have insured your spouse or children, the premium for their coverage is also waived.

What Is Not Covered

The voluntary portion of your plan will not pay benefits if loss of life is the result of suicide (while sane or insane) that occurs within one year of the date your coverage becomes effective or the effective date of any additional benefits or increases in coverage. Premiums will be refunded if the loss is the result of suicide within one year of your coverage effective date.

When Your Coverage Begins and Ends

The date your coverage begins is called its “effective date.” Your employer will let you know the effective date of your coverage. If you are not actively at work on the effective date of coverage, your coverage will not begin until you return to work.

For coverage for your spouse and/or children to be effective, they must not be hospitalized or confined at home under the care of a doctor.

Your coverage cannot be terminated as long as you remain eligible, the premium is paid and the group policy remains in force.

For your spouse and children, coverage ends when your coverage ends, when their premiums are not paid or when they are no longer eligible.

If You Leave Your Employer

To help you keep your life insurance coverage during the years when your family needs financial protection, the plan allows you to continue all of your voluntary coverage if you leave your employer. Premiums may change at this time. Just make arrangements to pay your premiums directly to the insurance company after you leave your current employer. Coverage may be continued for you and your spouse until age 70. Coverage may also be continued for your children. As long as the group policy remains in force, the option of continuing this coverage is available.

Converting Your Coverage to Permanent Life Insurance

If group life insurance coverage is reduced or ends for any reason except nonpayment of premiums, you can convert to an individual policy. No medical certification is needed. To convert coverage, you must apply for the conversion policy and pay the first premium payment within 31 days after your group coverage ends. Family members may convert their coverage as well. Converted policies are subject to certain benefits and limits as outlined in the conversion brochure which may be requested as needed. Premiums may change at this time.

Payroll Deduction

You pay your premiums through payroll deduction. The total depends on how much coverage you select, your age, your spouse's age and the amount of coverage you buy for your spouse and children.

Apply Today

In order to apply for coverage, you must complete an application form. Be sure to answer all questions accurately, and indicate how much coverage you wish to have.

Designating Your Beneficiary

Your term life benefit will automatically be paid to the first beneficiary listed below who is living at the time of your death if you do not designate a specific beneficiary:

- 1) Your Spouse*
- 2) Your Child(ren)
- 3) Your Parents
- 4) Your Siblings
- 5) Your Estate

If you wish to designate different beneficiaries, or to indicate percentages, you may do so on your application. If the listed beneficiary is a trustee or a trust, you will need to indicate the trustee's name, the name of the trust and the date of the trust agreement. The trust document must be presented in order for the claim to be processed.

** Benefits will not be paid to your Domestic Partner if he or she is not specifically designated.*

How Your Claims Are Paid

Your employer has all the forms your beneficiary will need and can provide assistance in completing them.

Questions?

Cigna Group Insurance has courteous, knowledgeable customer service representatives who can assist you with the completion of your enrollment form by calling 1-800-732-1603 toll-free anytime from Monday through Friday, 8 a.m. to 6 p.m. Eastern time. Cigna does not have your coverage election information on file. For specific benefit/account inquiries on what is available under your plan, please contact your Human Resource department.

This information is a brief description of important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in Group Policy No. FLX-964386, on Policy Form TL-004700, issued in Missouri. The group policy is subject to the laws of the state in which it is issued. The availability of this offer may change. Please keep this material as a reference.

Coverage is underwritten by
Life Insurance Company of North America
1601 Chestnut Street
Philadelphia, PA 19192

