

Term Life Insurance

Retiree Benefit Booklet



REGENTS OF NEW MEXICO STATE UNIVERSITY

GFZ02001-0001

CLASS II

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National® Life Insurance Company (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands, the British Virgin Islands, Guam and Puerto Rico.

08/17/2016

Dearborn National[®] Life Insurance Company

Administrative Office:
1020 31st Street
Downers Grove IL 60515-5591

(A stock life insurance company, herein called the “We” “Us” or “Our”)

CERTIFICATE

We agree to pay benefits subject to the provisions, definitions, limitations, and conditions of the master policy. The master policy (herein called the Policy) is a contract issued by Dearborn National Life Insurance Company to your Employer (herein called the Policyholder). The Policy may be changed at any time by a written agreement between Dearborn National Life Insurance Company and the Policyholder.

This is your certificate of coverage as long as you are eligible for insurance. It is not a contract or a part of one. Your benefits are described in plain English, but a few terms and provisions are written as required by insurance law.

PLEASE READ CAREFULLY

If you have any questions, please contact the Benefits Administrator at your place of employment or write to us. We will assist you in any way we can to help you understand your benefits.



President



Secretary

<p>Group Insurance Certificate Non-Participating Term Life Insurance</p>

TABLE OF CONTENTS

Schedule of Benefits..... 1

Definitions 2

Eligibility and Effective Dates 3

Group Term Life Insurance Benefit 3

Conversion of Life Insurance 4

Termination Provisions 6

General Provisions..... 6

SCHEDULE OF BENEFITS

Effective July 1, 2013 (amended effective July 1, 2016)

POLICYHOLDER: Regents of New Mexico State University

POLICY NUMBER: GFZ02001

**CLASS OF
INSUREDS**

DEFINITION

II

All eligible Retirees who are not enrolled under the Policy as active employees.
An eligible Retiree is one:
Who will be considered eligible for certain university retirement benefits if the following criteria are met:

1. An employee has at least 10 continuous years of service, in the status of regular employee at .5 FTE or more, without a break in service during the 10 years prior to the date of retirement, and receives NM ERB or NM ARP benefits immediately upon termination of employment;
2. An employee is eligible for retirement under NM ERB rules/regulations at the time of termination of employment at the university.
3. An employee of the Cooperative Extension Service must be eligible for and receive federal retirement.

Amount of Insurance – The amount of insurance for a Retired Employee will be determined in accordance with the following schedule and by the election of coverage(s) by the Retired Employee.

Group Term Life Insurance for Retirees

Employees who retired prior to January 1, 2013: The amount of coverage in force on December 31, 2012 or \$10,000 if the Retiree life benefit amount was less than \$10,000 on December 31, 2012 and You made a timely election of the \$10,000 benefit as specified by the Policyholder.

Employees who retired on or after January 1, 2013: \$10,000.

DEFINITIONS

This section tells You the meaning of special words and phrases used in this Certificate. To help You recognize these special words and phrases, the first letter of each word, or each word in the phrase, is capitalized wherever it appears.

Application means the document which sets forth the eligible classes, the amounts of insurance, and other relevant information pertaining to the plan of insurance for which the Policyholder applied.

Contributory means You pay for all or a portion of the premium for this insurance coverage.

Insured means a Retiree covered under the Policy.

Male Pronoun whenever used includes the female.

Policy means this contract between the Policyholder and Us including the attached Application, which provides group insurance benefits.

Policyholder means Regents of New Mexico State University.

Renewal Date or Renewal means July 1 of each year.

We, Our and Us means Dearborn National Life Insurance Company, Chicago, Illinois.

You or Your means the Retiree to whom this Certificate has been delivered.

ELIGIBILITY AND EFFECTIVE DATE PROVISIONS

Eligibility

All Retirees who belong to an eligible class are eligible for group insurance.

Retiree Effective Date of Coverage (Contributory Benefits)

You may apply for Contributory insurance coverage only at retirement. Your coverage will become effective as follows:

1. Your coverage will become effective on Your date of retirement if:
 - a. You sign the enrollment form within 31 days from the date Your coverage ends as an active Employee; or
 - b. You were denied Waiver of Premium while insured as an active Employee under the Policy, and enroll within 120 days of the date of retirement; provided all back premium due is paid at time of enrollment.
2. Your coverage will become effective on the date You are no longer eligible and insured under the Waiver of Premium provision for active Employees; provided You enroll for Retiree benefits within 30 days of Waiver of Premium benefits terminating, and You are not eligible to enroll as an active Employee.

If You do not enroll within the defined period of time following retirement, You will no longer be eligible for group insurance.

Effective Date of Changes in Amount of Benefit

Any change in the amount of your benefits caused by a change in class or amendment to the Policy will become effective on the effective date of the change.

Eligibility after Termination and Reinstatement

If insurance ends because You cease to be eligible for coverage as defined in this Certificate, coverage may not be reinstated.

GROUP TERM LIFE INSURANCE BENEFIT

Benefit

We will pay your beneficiary the amount of life insurance in force as of the date of your death provided:

1. You are insured under the Policy on the date of death, and
2. We receive proof of death within two (2) years after the date of death.

The amount of insurance payable is based upon the Policyholder's Application, and it is set forth on the Schedule of Benefits.

Beneficiary

Your beneficiary designation must be made on a form which We provide or on a form accepted by Us. If it is not, We may make all payments to the last person named by You as a beneficiary under a certificate that ended before becoming insured under this Certificate.

We may use information from the prior carrier's records to determine any payment made such as:

1. information about the last beneficiary named by you under this Certificate, or any other group certificate; or
2. information that You named no beneficiary under this Certificate, or any other group certificate.

If two or more beneficiaries are named, payment of proceeds will be apportioned equally unless You had specified otherwise. The Policyholder may not be named as beneficiary.

Unless You provided otherwise, if a beneficiary dies before You, We will divide that beneficiary's share equally between any remaining named beneficiaries.

If no named beneficiary survives You or if You did not designate a beneficiary, We will pay the amount of insurance:

1. to Your Spouse or Qualified Domestic Partner, if living; if not,
2. in equal shares to Your then living natural or adopted children, if any; if none,
3. in equal shares to Your father and mother, if living; if not,
4. in equal shares to Your brothers and sisters, if any, if none,
5. to Your estate.

If a beneficiary is a minor, or is not able to give a valid release for any payment of benefits made, We will not make payment until a claim is made by the person or entity which, by court order, has been granted control of the estate of such beneficiary. This provision does not prevent Us from making payment to or for the benefit of a minor beneficiary in accordance with the applicable state law.

If any benefits under this provision are to be paid to your estate, We may pay an amount not greater than \$2,000 to any person We consider to be equitably entitled by reason of having incurred funeral or other expenses incident to Your death. Any and all payments made by Us shall fully discharge Us in the amount of such payment.

Change of Beneficiary

You may change Your beneficiary at any time by completing a change request form, on a form accepted by Us, and sending it to the Policyholder. Your written request for change of beneficiary will not be effective until it is recorded by the Policyholder. After it has been so recorded, it will take effect on the later of the date You signed the change request form or the date you specifically requested. If You die before the change has been recorded, We will not alter any payment that We have already made. Any prior payment shall fully discharge Us from further liability in that amount. Please note that if You previously designated an irrevocable beneficiary, further documentation will be required for the change in beneficiary to become effective.

Important Note for Married Retirees: If You reside in a community property state in which life insurance is considered community property and You name someone other than Your spouse as primary beneficiary, Your spouse must sign the enrollment form. Payment of benefits may be delayed or disrupted unless Your spouse signs.

Conversion of Life Insurance

Conversion if Eligibility Terminates:

You may convert to an individual policy of life insurance if Your life insurance, or a portion of it, ceases because You are no longer in a class which is eligible for life insurance.

You may convert all or any portion of your life insurance which was in force at the date of termination.

Conversion if Policy is Terminated or Amended:

You may also convert to an individual policy of life insurance if your life insurance ceases because:

1. life insurance benefits under the Policy cease; or
2. the Policy is amended making You ineligible for life insurance; however, in either of these situations,

You must have been insured under the Policy for at least five (5) years. The amount of insurance converted in either of these situations will be the lesser of:

1. the amount of life insurance in force, less any amount for which you become eligible under this or any other group policy within 31 days after the date your life insurance ceased; or
2. \$10,000.

Conditions for Conversion:

We must receive written application and the first premium for the individual life insurance policy within 31 days after insurance under the Policy ceases. No evidence of insurability will be required.

The individual policy will be a policy of whole life insurance. It will not contain disability benefits, accidental death and dismemberment benefits or any other supplemental benefits.

The premium for the individual policy will be based on:

1. Our current rates based upon Your attained age on your nearest birthday; and
2. the amount of the individual policy.

If application is made for an individual policy, the coverage under the individual policy will be effective on the day following the 31 day period during which You could apply for conversion.

If You die during a period when You would have been entitled to have an individual policy issued to You and if You die before such an individual policy becomes effective, We will pay your beneficiary the greatest amount of group term life insurance for which an individual policy could have been issued, provided:

1. Your death occurred during the 31 day period within which You could have made application; and
2. We receive proof of death within two (2) years of the date of death.

If life insurance benefits are paid under the Policy, payment will not be made under the converted policy, and premiums paid for the converted policy will be refunded.

Notice. If the Policyholder fails to notify You at least 15 days prior to the date insurance under the Policy would cease, You shall have an additional period within which to elect conversion coverage; but nothing herein shall be construed to continue any insurance beyond the period provided for in the Policy. The additional election period

shall expire 15 days immediately after the Policyholder gives You notice, but in no event shall it extend beyond 60 days immediately after the expiration of the 31 day period explained above.

TERMINATION PROVISIONS

Termination of the Policy under any conditions will not prejudice any claim which is incurred while the Policy is in force.

Termination of Retiree Coverage

Your insurance coverage will end on the earliest of:

1. the date the Policy is cancelled; or
2. the date You are no longer in an eligible group; or
3. the date Your eligible group is no longer covered; or
4. the last day of the period for which You made any required premium contribution.

GENERAL PROVISIONS

Entire Contract

The Policy, the Application, and the enrollment forms of the Insureds are considered to be the entire contract.

Statements

We consider any statements made by You, in the absence of fraud, to be representations and not warranties. No such statement shall be used in defense to a claim under the Policy unless it is contained in a written application.

Incontestability

We will not contest the validity of the Policy, except for nonpayment of premium, after it has been in force for two (2) years from its effective date. We will not contest the validity of your insurance after Your insurance has been in force for two (2) years during Your lifetime.

Misstatement of Age

If You misstated Your age the true age will be used to determine:

1. the effective date or termination date of insurance; and
2. the amount of insurance; and
3. any other rights or benefits.

Premiums will be adjusted to reflect the premiums that would have been paid if the true age had been known.

Conformity with State Law

If any part of the Policy does not conform to a state statute in the state in which it is issued or delivered, it is amended to conform with the minimum requirements of the statutes of that state.

Assignment

You may assign the life insurance benefits under the Policy, and You may assign to anyone other than the Policyholder any incident of ownership you may possess. We are not responsible for the validity or legal effect of any assignment. Collateral assignments, by whatever name called, are not permitted.

Retention of Discretion

Dearborn National Life Insurance Company shall have the exclusive right to interpret the terms of the Certificate, Schedule of Benefits, Riders and Endorsements. The decision about whether to pay any claim, in whole or in part, is within the sole discretion of Dearborn National and such decisions shall be final and conclusive.



Administrative Office:
1020 31st Street • Downers Grove, Illinois 60515-5591

Products and services marketed under the Dearborn National® brand and the star logo are underwritten and/or provided by Dearborn National® Life Insurance Company (Downers Grove, IL) in all states (excluding New York), the District of Columbia, the United States Virgin Islands, the British Virgin Islands, Guam and Puerto Rico.