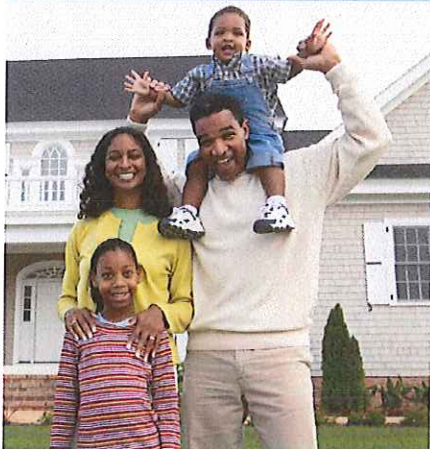


# Enroll Now



## Protect Your Loved Ones—And Your Income

### **TOWN OF NORTH ANDOVER, MASSACHUSETTS**

**All Active Full Time Employees Working a Minimum of 30 Hours Per Week and All Retirees  
Who Are Eligible For Basic Life Coverages Only**

Basic Term Life Insurance

Basic Accidental Death & Dismemberment Insurance

Optional Term Life Insurance



**Prudential**

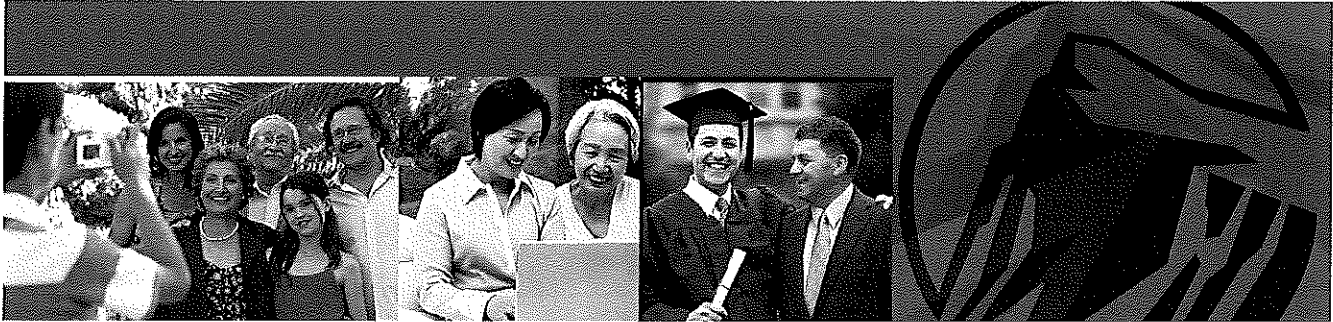
The Prudential Insurance Company of America

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## WHAT'S INSIDE

Why you may need more life insurance.....	4
Why you should buy it at work.....	5
How much you may need.....	7
How much insurance can I buy?.....	8
How much it will cost.....	9
How to enroll.....	12
Plus, plan features and answers to common questions	



Dear Valued Employee:

After careful review, we've selected a group plan issued by The Prudential Insurance Company of America (Prudential)--a name you know and trust. An insurance leader for over 130 years, they have financial strength. With your family's future at stake, you owe it to them to consider the opportunity described in this kit.

TOWN OF NORTH ANDOVER, MASSACHUSETTS is very pleased to provide you with Basic Term Life and Basic Accidental Death & Dismemberment Insurance as employee benefits.

Because you may need additional coverage, we offer you an opportunity to purchase-- at competitive group rates--extra financial security, including:

**Basic Term Life**--\$2,000.

**Basic AD&D**--Equal to your Basic Term Life coverage amount.

**Optional Term Life** --For you.

**How can I enroll?**

Complete the attached Enrollment Form and return it.  
Don't miss out on this valuable employee benefit!



**ENROLL NOW with the  
enclosed Enrollment Form!**

## **"Why do I need life insurance?"**

Life is full of pleasant surprises and, at the same time, life holds uncertainties. It's easier to plan for happy events you know will occur, and more difficult to plan for the unexpected--such as a death.

If you were no longer there to help support your family, how would they be able to...

- ✓ Pay off loans--credit cards, mortgage, and auto?
- ✓ Maintain their standard of living--utilities, food, clothing, and personal expenses?
- ✓ Pay monthly rent or mortgage?
- ✓ Provide for your children's future--tuition for their education and weddings?
- ✓ Pay your final expenses--medical care, burial, estate settlement, and inheritance taxes?

A sufficient amount of life insurance can give you peace of mind now and help your family financially recover from your loss during a very stressful time.

## **"I already have life insurance-- why do I need more?"**

Research has shown that 77% of households, earning between \$35,000 and \$125,000 per year, say they do not have adequate resources to replace lost income. Thirty-four percent of households within the same range of earnings report not having enough life insurance.<sup>1</sup>

You may be underinsured if your salary has increased since you last purchased insurance. Plus, when you consider new family responsibilities - a new home or child - and inflation, the life insurance coverage you have now may not offer enough protection for your family.

## **"How can I help protect my loved ones?"**

Buy life insurance at work. Your employer offers you the opportunity to purchase Optional Term Life Insurance issued by The Prudential Insurance Company of America.

As millions of Americans have discovered, insurance at group rates from Prudential is a smart choice.

**LIMRA's Factbook, 2009 Trends in the United States**

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## "What are the advantages of buying life insurance at work?"

- ✓ **It's convenient.** There are no confusing quotes to sort through. And with automatic payroll deductions, you never have to worry about late payments.
- ✓ **It's economical.** The cost of group insurance may be lower than insurance you could find on your own.
- ✓ **It's flexible.** You may choose the level of coverage that's right for you and your family.
- ✓ **It's convertible.** You and your family can convert your coverage to an individual Prudential insurance policy if you leave the company for any reason.

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**Read on to select the amount of insurance that's right for you!**



## Peace of Mind from Prudential

Prudential's resources, financial strength, and stability allow us to honor long-term commitments, which means that we'll be here when you and your family need us. We've been a top insurance provider for over 130 years.

Plus, we have caring professionals to provide your beneficiaries with the kind of customer support they want and deserve. Our Customer Service Representatives are well-trained, knowledgeable professionals who can quickly answer your family's questions.

By choosing the insurance protection from Prudential, you give yourself peace of mind, knowing you are providing for your loved ones.

For more information about Prudential's Group Insurance, visit us online at:  
[www.prudential.com/gi](http://www.prudential.com/gi).

### **The Booklet-Certificate**

you will receive after your insurance becomes effective gives more details.

### **For your convenience,**

visit our website to use an online life insurance needs calculator.

**[www.prudential.com/howmuchdoineed](http://www.prudential.com/howmuchdoineed)**

## **"What does group insurance offer my family?"**

You get affordable premiums for yourself. Plus, you'll get the special features mentioned below.

**Accelerated Benefit Option-** If terminally ill, you can get a partial payment of your group term life insurance benefit. You can use this payment as you see fit. In the event of your death, your beneficiary will receive a benefit payout which has been reduced by the amount you receive.

**Waiver of Premium -** Payment of your premium can be waived if you meet all these conditions: 1) you are less than 60 years old when your disability begins, 2) you are totally disabled and unable to work for at least 9 continuous months, and 3) you continue to be totally disabled. This provision may vary by state.

**Conversion to Individual Insurance Coverage -** Upon termination of employment, you may convert your coverage to a Prudential individual life insurance policy, without having to provide evidence of good health.

**Portability of Group Insurance Coverage -** Upon termination of employment, you may continue a certain level of your employee and dependent coverage, without having to provide evidence of good health.

## "How much life insurance is enough?"

The right amount of insurance can help your family. It helps replace your income for a number of years to maintain their standard of living and pay for major financial obligations, such as home mortgage and college tuition.

According to a recent LIMRA report, 39% of households believe they do not have enough life insurance ("Life Insurance in a Tough Economy," LIMRA, 2010). While rules of thumb may be helpful, they do not take each individual's personal situation into consideration. This worksheet provides a simple method to estimate the amount of life insurance you may need.

### Income Needs

1. **Your annual income.** (What your family would need if you die today.) Enter a number that's between 60–70% of your total income. 1. \$
2. **Annual replacement income.** (Available to your family after you die.) Enter a number that includes Social Security benefits, if applicable. 2. \$
3. **Total annual income to be replaced.** Subtract line 2 from line 1. 3. \$
4. **Funds needed to provide income for \_\_\_\_\_ years.** Choose the number of years your family needs your replacement income. Multiply line 3 by the appropriate factor below.<sup>†</sup> 4. \$   

10 yrs x 8.1	15 yrs x 11.1	20 yrs x 13.6	25 yrs x 15.6	30 yrs x 17.3	35 yrs x 18.7	40 yrs x 20.0
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### Expenses

5. **Burial expenses.** (The average cost of an adult funeral is about \$10,000.) 5. \$
6. **Mortgage and other major debts.** Include mortgage, credit card debt, car loan, home equity loans, etc. 6. \$
7. **College costs.**<sup>‡</sup> (Current cost of a 4 year education: public—\$62,264; private—\$127,664.) Multiply the college costs by the appropriate factor, based on the number of years between now and when your child begins college. 7. \$   

5 yrs x .82	10 yrs x .68	15 yrs x .56	20 yrs x .46
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Child 1: \$  Child 3: \$   
Child 2: \$  Child 4: \$

8. **Total capital required.** Add lines 4, 5, 6 and 7. 8. \$

### Assets

9. **Savings and investments.** Include bank accounts, CDs, stocks, bonds, mutual funds, real estate/rental property, etc. 9. \$
10. **Retirement savings.** Include 401(k) plans, Keogh, pension and profit sharing plans. 10. \$
11. **Present amount of life insurance.** Include group insurance and personal insurance purchased on your own. 11. \$
12. **Total of all assets.** Add lines 9, 10 and 11. 12. \$
13. **Estimated amount of life insurance needed.** Subtract line 12 from line 8. 13. \$

<sup>†</sup> Inflation is assumed to be 4%. The rate of return on investments is assumed to be 8%.

<sup>‡</sup> The College Board, **Trends in College Pricing 2005**. Costs include tuition, room, board, books and supplies, transportation, and other expenses.

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## "How much insurance can I buy?"

You can customize coverage to fit your needs. Your salary determines the maximum coverage amount available to you. See the chart below for details.

Coverage Options	
EMPLOYEE	<ul style="list-style-type: none"><li>• Purchase coverage in increments of \$5,000 to \$20,000.</li><li>• <b>New Hires:</b> Get up to \$20,000 - no medical questions asked - when enrolling when first eligible.</li><li>• <b>Current Participants:</b> Your current coverage amount will be continued. Evidence of insurability satisfactory to The Prudential Insurance Company of America is required for all increases in coverage amounts.</li><li>• <b>Current Employees who were denied coverage in the past or Late Entrants:</b> Evidence of insurability satisfactory to The Prudential Insurance Company of America is required for all coverage amounts.</li></ul>



## "How much does life insurance cost?"

Use the grids below to find the cost of insurance for yourself.

Optional Term Life - Employee Bi-Weekly Cost per Coverage Amount				
Age	\$5,000	\$10,000	\$15,000	\$20,000
0-19	\$0.19	\$0.39	\$0.58	\$0.78
20-24	\$0.19	\$0.39	\$0.58	\$0.78
25-29	\$0.19	\$0.39	\$0.58	\$0.78
30-34	\$0.22	\$0.44	\$0.66	\$0.88
35-39	\$0.27	\$0.54	\$0.80	\$1.07
40-44	\$0.41	\$0.83	\$1.24	\$1.65
45-49	\$0.70	\$1.41	\$2.11	\$2.82
50-54	\$1.16	\$2.33	\$3.49	\$4.65
55-59	\$1.82	\$3.64	\$5.46	\$7.27
60-64	\$2.84	\$5.67	\$8.51	\$11.34
65-69	\$5.09	\$10.18	\$15.27	\$20.35
70-74	\$9.11	\$18.22	\$27.33	\$36.44
75-79	\$9.11	\$18.22	\$27.33	\$36.44
80-84	\$9.11	\$18.22	\$27.33	\$36.44
85-100	\$9.11	\$18.22	\$27.33	\$36.44

Rates may change as the insured enters a higher age category. Also, rates may change if plan experience requires a change for all insureds.

## **IMPORTANT NOTICE**

A record of your beneficiary is required for  
Basic Term Life Insurance, Basic AD&D Insurance, and Optional Term Life Insurance

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## **"Who can answer my questions?"**

Here are the answers to some common questions regarding these insurance coverages. **For additional information**, contact your Human Resources Department or Benefits Administrator.

## **"Does this plan pay Optional Term Life benefits in addition to my basic plan?"**

Yes, this plan pays in addition to any Basic Term Life Insurance coverage offered by your employer.

## **"When can I enroll for life insurance coverage?"**

The easiest way to enroll and guarantee a certain level of coverage is to sign up when first eligible. If you enroll at any other time or for more than the guaranteed coverage amount, you will need to provide evidence of good health satisfactory to Prudential.

## **"Can I drop this life insurance coverage at any time?"**

Yes, subject to your employer's administrative policies.

## **"What is the difference between a primary and contingent beneficiary?"**

Your primary beneficiary is the person you designate to receive your life insurance benefit when you die. You can name more than one primary beneficiary and assign a different percentage of your benefit to each, if you like. If you name a contingent beneficiary, that person will receive the life insurance benefit when you die only if all primary beneficiaries are not living at the time of your death. You can name more than one contingent beneficiary and assign different percentages to them, too.

## **"What if I want to change my beneficiary?"**

Beneficiary Change Forms and related information may be obtained by contacting your Human Resources Department or Benefits Administrator.

## **"When is a medical exam required and who pays for it?"**

A medical exam may be required if you elect more coverage than the guaranteed amount. We will pay the cost of any required medical exam when

you are first eligible. Late entrants must pay for medical exams. Generally, medical exams are conducted by an examiner who is chosen by Prudential.

### **"When will coverage go into effect?"**

For your coverage to become effective, you must be actively at work during the enrollment period and on the effective date of your coverage. If you apply for an amount that requires evidence of good health, you must be actively at work on the date of approval for the amount requiring evidence of good health. If your dependents are confined for medical treatment at home or elsewhere, their coverage will begin when confinement ends. Refer to the Booklet-Certificate for details.

### **"Can I increase my coverage in the future?"**

Yes, you can increase your coverage up to your plan's maximum coverage amount. However, evidence of good health satisfactory to Prudential will be required as previously noted.

### **"How can I enroll?"**

To enroll, simply complete the Enrollment Form with Beneficiary Designations. Then, return it as instructed. After the date your group insurance becomes effective, you will receive a Booklet-Certificate that details your plan provisions.

Implementation of the insurance plan(s) will depend upon having a specific percentage of all eligible employees enrolling in the plan(s). In the event the minimum participation level is not met, Prudential retains the right to re-evaluate the rates, require a re-enrollment, reduce the rate guarantee period, or terminate coverage.

**Receipt of accelerated death benefits may affect eligibility for public assistance programs and may be taxable. There is no administrative fee to accelerate death benefits. The accelerated amount is not discounted.**

All benefit features may not be available in all states.

Group Term Life and Disability coverages are issued by The Prudential Insurance Company of America, **a New Jersey Company**, 751 Broad Street, Newark, NJ 07102. Life Claims: 1-800-524-0542 and Disability Support: 1-800-842-1718. This brochure is intended to be a summary of your benefits and does not include all plan provisions, exclusions and limitations. Please refer to the Booklet-Certificate, which is made a part of the Group Contract, for all plan details, including any exclusions, limitations and restrictions which may apply. If there is a discrepancy between this document and the Booklet-Certificate/Group Contract issued by The Prudential Insurance Company of America, the terms of the Group Contract will govern. Contract provisions may vary by state. Contract Series: 83500. California COA #1179 NAIC # 6824.

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## **IMPORTANT NOTICE**

A record of your beneficiary is required for  
Basic Term Life Insurance, Basic AD&D Insurance, and Optional Term Life Insurance

751 Broad Street • Newark, NJ 07102

(For office use only)

Control No.:30027

## Human Resources

## Mi

Zip Code

Your Date of Birth (mm/dd/yyyy)

WTS Personen: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

\$ \_\_\_\_\_

**Total Cost** \$

# Prudential

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### 3. Authorization

Yes    No    I am enrolling for insurance issued by The Prudential Insurance Company of America as indicated on the previous page and  
☐    ☐    authorize my employer to deduct the required contribution from my paycheck. I certify that the information contained in this  
enrollment form is true and complete, and understand that my contribution is based on that information. I also understand that there  
are criminal and civil penalties for giving false information, including but not limited to fines and confinement in prison. Detailed and  
state-specific warnings appear below.

#### **IMPORTANT NOTICE:**

**For residents of all states except Alabama, District of Columbia, Florida, Kentucky, Maryland, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Virginia, Vermont and Washington -**

**WARNING:** Any person who knowingly and with intent to injure, defraud, or deceive any insurance company or other person, or knowing that he is facilitating commission of a fraud, submits incomplete, false, fraudulent, deceptive or misleading facts or information when filing an insurance application or a statement of claim for payment of a loss or benefit commits a fraudulent insurance act, is/may be guilty of a crime and may be prosecuted and punished under state law. Penalties may include fines, civil damages and criminal penalties, including confinement in prison. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant or if the applicant conceals, for the purpose of misleading, information concerning any fact material thereto.

**Receipt of accelerated death benefits may affect eligibility for public assistance programs and may be taxable. There is no administrative fee to accelerate death benefits. The accelerated amount is not discounted.**

Employee Signature (Sign in ink.) \_\_\_\_\_ Date \_\_\_\_\_

Group Term Life and Accidental Death and Dismemberment coverages are issued by The Prudential Insurance Company of America, a **New Jersey Company**, 751 Broad Street, Newark, NJ 07102. Please refer to the Booklet-Certificate, which is made a part of the Group Contract, for all plan details, including any exclusions, limitations and restrictions which may apply. If there is a discrepancy between this document and the Booklet-Certificate/Group Contract issued by The Prudential Insurance Company of America, the Group Contract will govern. Contract provisions may vary by state. Contract Series: 83500. California COA # 1179 NAIC # 68241

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**Please indicate your beneficiary designation(s) on the next page.**

#### 4. Employee Beneficiary Designations

Last Name	First Name	MI	Social Security Number
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I designate the following beneficiary(ies) to receive my insurance proceeds. I understand that the primary beneficiary(ies) will receive payment upon my death. If all primary beneficiaries predecease me, the insurance will be paid to the contingent beneficiary(ies). If no beneficiary is named, or no beneficiary survives me, payment will be made according to the terms of the Group Contract. I can change my beneficiary in the future by completing a new Beneficiary Designation Section. Insurance proceeds from Dependent Term Life Insurance coverage will be paid to me.

<b>Primary Beneficiary</b>						<b>Relationship to You</b>	<b>Share to Beneficiary*</b> (Use %, \$ amount, or fractions)
Last Name	First Name	MI	Social Security Number				
No. Street ( )	City	State	ZIP Code	Date of Birth			
Phone number							

<b>Primary Beneficiary</b>						<b>Relationship to You</b>	<b>Share to Beneficiary*</b> (Use %, \$ amount, or fractions)
Last Name	First Name	MI	Social Security Number				
No. Street ( )	City	State	ZIP Code	Date of Birth			
Phone number							

<b>Contingent Beneficiary</b>						<b>Relationship to You</b>	<b>Share to Beneficiary*</b> (Use %, \$ amount, or fractions)
Last Name	First Name	MI	Social Security Number				
No. Street ( )	City	State	ZIP Code	Date of Birth			
Phone number							

<b>Contingent Beneficiary</b>						<b>Relationship to You</b>	<b>Share to Beneficiary*</b> (Use %, \$ amount, or fractions)
Last Name	First Name	MI	Social Security Number				
No. Street ( )	City	State	ZIP Code	Date of Birth			
Phone number							

<b>Contingent Beneficiary</b>						<b>Relationship to You</b>	<b>Share to Beneficiary*</b> (Use %, \$ amount, or fractions)
Last Name	First Name	MI	Social Security Number				
No. Street ( )	City	State	ZIP Code	Date of Birth			
Phone number							

\*If more than one primary or contingent beneficiary is designated, the total shares must equal 100% of your death benefit.

Employee Signature (Sign in ink.) \_\_\_\_\_ Date \_\_\_\_\_

Group Term Life and Accidental Death and Dismemberment coverages are issued by The Prudential Insurance Company of America, a New Jersey Company, 751 Broad Street, Newark, NJ 07102. Please refer to the Booklet-Certificate, which is made a part of the Group Contract, for all plan details, including any exclusions, limitations and restrictions which may apply. If there is a discrepancy between this document and the Booklet-Certificate/Group Contract issued by The Prudential Insurance Company of America, the Group Contract will govern. Contract provisions may vary by state. Contract Series: 83500. California COA # 1179 NAIC # 68241

**Disclosure For Accelerated Benefits**

Return completed notice with your Enrollment Form

Last Name

First Name

MI

Social Security Number

**Limitations of the Accelerated Benefit**

Accelerated Death Benefit option is a feature that is made available to group life insurance participants. It is not a health, nursing home, or long-term care insurance benefit and is not designed to eliminate the need for those types of insurance coverage. The death benefit is reduced by the amount of the accelerated death benefit paid. There is no administrative fee to accelerate benefits. Receipt of accelerated death benefits may affect eligibility for public assistance and may be taxable. The federal income tax treatment of payments made under this rider depends upon whether the insured is the recipient of the benefits and is considered "terminally ill" or "chronically ill." You may wish to seek professional tax advice before exercising this option.

**A. Consequences of This Benefit**

Receipt of accelerated benefits MAY AFFECT MEDICAID and SUPPLEMENTAL SECURITY INCOME ("SSI") ELIGIBILITY. The mere fact that you own a policy with an accelerated benefit product may affect your eligibility for these government programs. In addition, exercising the option to accelerate death benefits and receiving those benefits before you apply for these programs, or while you are receiving government benefits, may affect your initial or continued eligibility. Contact the Medicaid Unit of your local Division of Medical Assistance and the Social Security Administration for more information.

**B. Medical Condition Enabling Accelerating of Life Benefit**

*Terminal Illness* means a condition that a physician certifies will reasonably be expected to result in death in 24 months or less.

**C. Options**

- ☐ Acceleration of 50% of the total death benefit, up to \$50,000 as LUMP SUM.
- ☐ Acceleration of 50% of the total death benefit, up to \$50,000, in 6 equal monthly payments.

Employee Signature (Sign in ink.) \_\_\_\_\_ Date \_\_\_\_\_



