

Group Universal Life Insurance from CIGNA

Enhance your employees' financial health

Many of us have concerns about financial security, especially in today's tougher economic environment. A group universal life (GUL) insurance plan can help address these concerns with solid financial planning. By adding a voluntary (employee-paid) GUL plan to your overall benefits package, you can more effectively help your employees and their families maintain their financial health and build savings for future needs.



A GUL plan combines the protection of life insurance with the option to build additional savings through a cash accumulation fund¹ (CAF). Employees can use the money they save in the cash accumulation fund to pay for future premiums or expenses such as buying a house, paying for college, retirement and more.

Flexible Financial Solutions

Employees can count on earning a guaranteed interest rate on their cash accumulation fund, plus tax savings because interest earnings are tax deferred. CIGNA GUL plans include several competitive features such as:

- Guaranteed interest rate of 4% on a CAF.
- Lump sum contributions can be made towards a CAF at no additional cost.
- Flexibility to start/stop contributions towards a CAF at any time.
- Coverage that goes up to age 99 for employees and spouse.
- Benefits that do not decline with age.
- Separate coverage for spouse so he/she can participate in the CAF plan.
- Covered dependent child(ren), who are no longer eligible for dependent coverage, can get up to five times the amount of coverage they have without medical evidence of insurability and can begin to participate in the CAF.

Additionally, our GUL plan offers employees:

- **Portability** – flexibility to continue coverage if they change jobs or retire (higher rates may apply).
- **Affordability** – access to affordable group rates for themselves and their families.
- **Convenience** – easy payroll deduction for premiums and cash accumulation fund contributions.
- **Accessibility** – access to the cash value through loans or withdrawals at any time during the life of the policy.
- **Valuable extras** – an extensive suite of programs is included at no additional cost. Employees can take advantage of health and wellness programs at discounted fees, save money by creating wills and legal documents online, and much more.



More Savings in a GUL Plan

Here's an example of how savings can grow in a CAF, versus a traditional savings account. A CAF can grow rapidly at a guaranteed minimum interest rate of 4%. When compared with a traditional savings account earning the same 4% interest rate*, this example shows the difference in total savings for the same monthly contribution of \$100.00. The tax deferred advantage of the CAF allows the interest to compound and grow with contributions. In this example, a person could see a difference in savings of more than \$16,300 over a 30-year period.

Years	Cash Accumulation Fund 4% guaranteed interest rate	Savings Account 4% interest rate (not guaranteed)	Savings Account cumulative tax paid on interest earnings	Savings Account net savings after tax
5	\$6,507.21	\$6,482.97	\$160.99	\$6,321.98
10	\$14,424.23	\$14,018.82	\$672.94	\$13,345.88
15	\$24,056.48	\$22,778.55	\$1,592.85	\$21,185.70
20	\$35,775.60	\$32,960.93	\$2,986.98	\$29,973.95
25	\$50,033.70	\$44,796.99	\$4,932.33	\$39,864.66
30	\$67,380.86	\$58,555.32	\$7,518.44	\$51,036.88

*The chart assumes that the CAF contributions, cost of insurance and deposits to a traditional savings account are paid on a monthly basis and no withdrawals are made. The CAF contribution scenarios reflect a 2% premium tax/administration fee. The traditional savings account scenarios assume a 25% tax bracket. The actual CAF interest rate can adjust quarterly but will never be less than 4%. Savings account interest rates are not guaranteed because they fluctuate with market conditions and vary among financial institutions. Current savings account interest rates are below 4%. Actual results can be more or less favorable than shown. Contributions to the CAF are optional and determined by you. Maximum contributions are subject to Internal Revenue Code (IRC) limits.

Easy Access to Money

Employees can use the money in their CAF as their financial needs arise. They can borrow against their CAF or make a withdrawal. If employees withdraw money from the CAF, they will pay taxes only if the withdrawal amount exceeds the amount of their total premium contributions (cost of insurance plus CAF contributions).

Example: Davis, age 35, contributes \$50 per month to his CAF over a 10-year period.

Description	Annual	After 10 years
Cost of GUL insurance	\$500	\$5,000 (\$500 x 10)
Contribution to CAF	\$600	\$6,000 (\$600 x 10)
Total premium contribution		\$11,000 (cost of insurance \$5,000 + contribution to CAF \$6,000)
Tax-deferred interest on CAF	4%	\$1,527
Total Value of CAF/ amount available for loan or withdrawal		\$7,527 (contribution to CAF \$6,000 + interest earned \$1,527)

This chart is for illustration purposes, actual results could vary. The minimum loan or withdrawal amount is \$250, and there is a \$25 charge for each withdrawal. Taxes on a CAF withdrawal will vary by state. If individuals take a loan on their CAF, they will be assessed 8% interest annually on the outstanding loan amount, but will continue to be credited with 6% on the loan account value.

Service Options For You

Our full suite of administrative services offers comprehensive solutions. In addition to providing your employees with CIGNA's Trusted Advisor® website, we give you:

- **Flexible online and paper administration** – allows you to work with the option that's right for you.
- **Dedicated implementation coordinators** – makes setting up your plan easy.
- **Expert enrollment strategy and support** – provides employee education support to maximize plan participation.
- **Responsive account management team** – helps to ensure plan design effectiveness.
- **Eligibility management** – eliminates day-to-day eligibility verification for enrollment and claims.
- **List billing with payroll deductions** – provides you with flexible methods to receive the monthly premium and payroll deductions needed to load into your payroll system (available in several formats).
- **Remittance and reconciliation** – flexibility to support various formats and methods.
- **Call center support** – provides your employees access to service professionals before, during and after enrollment.
- **Easy claim reporting via phone, fax, mail or email** – helps families/beneficiaries during their time of need.

Consider Additional Coverage Options

CIGNA's GUL plan has several competitive features, which you may want to consider offering your employees. Some of these options include:

- **Accidental Death & Dismemberment** – a supplemental benefit if the loss results from a covered accidental bodily injury.
- **Automatic Increase Option** – an automatic increase in benefits as employees' salaries increase.
- **Accelerated Payment Benefit** – an early payout on a specified portion of the life insurance proceeds if the insured is diagnosed with a terminal illness. This portion is deducted from the policy's covered amount.
- **Waiver of Cost of Insurance** – should an employee become totally disabled before age 60, he/she will get a waiver of payment of insurance premiums up to age 65. Spouse has to continue to pay his/her premium.

Communicate the Value of GUL Insurance

CIGNA sends personalized materials directly to employees' homes to help them understand the value of a GUL plan. This makes it easier for them to make smart decisions to protect their family's future. It also makes it easier for you to expand your benefits offering while focusing on your own business priorities. We provide:

- Personalized materials that encourage enrollment
- A customized website – CIGNA Trusted Advisor® – that gives your employees the tools and information they need to make informed decisions. Employees can easily:
 - Obtain educational information
 - View available benefits
 - Get life-stage information from trusted sources
 - Use calculators to determine insurance needs
 - Enroll for benefits
 - Designate, edit or delete beneficiaries
 - Receive important messages from their employer
 - Get instant access to forms and much more



Value-Added Programs at no Additional Cost

CIGNA's GUL plan lets you offer your employees the protection of life insurance and more! Our plans also include a variety of valuable programs, offered at no additional cost for employees and their families, to help them maintain their health, well-being and security throughout their lifetimes.

CIGNA's Healthy Rewards® Program² offers employees savings of up to 60% on health and wellness products and services including weight management, tobacco cessation, acupuncture, massage and much more.

CIGNA's Will Preparation Program³ helps employees plan and protect their family's financial future by using a simple, self-service, online tool. They can build state-specific customized wills and other legal documents such as last will and testament, living will, health care and financial powers of attorney.

CIGNAssurance® Program⁴ offers supportive services in a time of need for surviving family members. Beneficiaries have access to financial, bereavement and legal services.

Choose CIGNA

Our life insurance plans come with flexible, hassle-free administrative services and robust employee education – a perfect combination for you and your employees. For more than 90 years, clients have turned to CIGNA for life insurance to protect their most valuable asset – their workforce. Here's why:

- **Security you expect** – strong reserves and capital
- **Solutions you want** – innovative, value-added offerings and expert plan design consultation
- **Service you deserve** – comprehensive tools and services for easy administration



**Take a look. Get to know CIGNA.
We think you'll like what you see.**

To learn more, contact your CIGNA representative today or write to reply@cigna.com. Please include "Group Universal Life" in the subject line of your email.

¹ Contributions to the Cash Accumulation Fund are optional and determined by the employee. Maximum contributions are subject to Internal Revenue Code (IRC) limits.

² Some Healthy Rewards are not available in all states. A discount program is NOT insurance, and the member must pay the entire discounted charge.

³ CIGNA's Will Preparation Services are provided under an arrangement with ARAG.

⁴ CIGNAssurance® is not a bank deposit, is not FDIC Insured and some features are not available in New York.

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This information is a brief description of the important features of the plan, which is underwritten by Connecticut General Life Insurance Company. Terms and conditions of coverage will be contained in the group policy that will be issued if you select to have this plan offered to your employees.