



Covenant Life Options

Long-Term Disability and Life Insurance Plan Highlights

The Global Methodist Church (GMC) requires eligible participants to enroll in long-term disability (LTD) and life insurance benefits administered through Unum. Long-term disability benefits are for active participants and life insurance is for active or retired participants. Participants can also purchase additional life insurance directly with Unum for themselves or dependents.

Long-Term Disability

BENEFITS

60%

Monthly Disability Income: Replacement income equals 60% of pre-disability compensation—subject to a maximum monthly benefit of \$5,000 and an offset of Social Security disability income. Replacement income increase of up to 80% of pre-disability compensation if a claimant becomes incapable of two Activities of Daily Living (ADLs).

90-day

Elimination Period: 90-day elimination period—time that must elapse after the date of a claimant’s disability, before benefits begin.

24-mos.

Benefit Duration: The plan provides benefits to disabled claimants (i.e., claimants who cannot perform the customary duties of their “own occupation”) for up to 24 months. After 24 months of disability, the plan only provides benefits to claimants whose disability prevents them from engaging in “any occupation” for which they are reasonably qualified.

If a claimant becomes disabled before age 60, their benefits may continue to age 65, as long as they remain disabled. If a claimant becomes disabled at age 60 or older, the plan provides benefits on a declining benefit duration scale, pursuant to the terms of the Policies, for a maximum of five years.

ELIGIBILITY CRITERIA

Active participants with the following minimum hours of service:

- Clergy: Appointed 75%
- Lay: Working 30 hours/week minimum

Waiting Period:

- Clergy: None
- Lay: 3 months

Minimum Age:

- 18 years old

FEATURES

- **Plan Sponsor Retirement Contribution:** The plan will contribute up to 3% of pre-disability compensation to a disabled claimant’s Wespath-administered 403(b) retirement plan if that claimant’s plan sponsor was making contributions for at least three months prior to the date of disability.
- **Return-to-Work Incentive:** Replacement income may increase by 10% if disabled claimant complies with certain vocational, rehabilitation or return-to-work plans.
- **Travel Assistance Program:** Assist America provides transportation assistance, medical evacuation and prescription replacement services for participants and their families when they travel more than 100 miles from home for business or pleasure.

The Global Methodist Church (GMC) offers eligible participants long-term disability (LTD) and life insurance benefits administered through Unum.

Covenant Life Options (continued)

Long-Term Disability and Life Insurance Plan Highlights

Life Insurance Plan

BENEFITS

Active Participants¹

Death Benefit^{2,3}

Flat-dollar coverage amount: \$50,000

Spousal Death Benefit³

Flat-dollar amount: \$15,000

Child Death Benefit⁴

Flat-dollar amount: \$8,000

Retired Participants⁵

Death Benefit

Flat-dollar coverage amount: \$20,000

An individual must have 5 years of service with the Global Methodist Church to be eligible for retiree life insurance.

FEATURES

- **Accelerated Death Benefit:** Provides payment of up to 50% of the insured's face-value coverage amount, for circumstances in which the insured is terminally ill, with a life expectancy of less than 12 months.
- **Portability:** Portable coverage may be elected at group rates, allowing active participants, and their covered spouses and dependents to take the coverage with them when participants retire, terminate or reduce hours. Covered spouses and dependents may also be able to port in the event of divorce from the participant or the participant's death.
- **Convertibility:** Active participants and their covered spouses and dependents may convert their group coverage to individual whole-life insurance policies without evidence of insurability, if their group coverage ends.
- **Survivor Grief and Financial Counseling:** Provides telephone-based grief counseling and financial planning assistance (e.g., estate planning and budgeting) to survivors at no-cost.

Optional Life Insurance

Please note participants will need to re-elect optional life insurance coverage once enrolled in Covenant Life Options if they were previously enrolled in another optional life insurance plan through Wespath/Unum.

The voluntary Optional Life Insurance Plan gives eligible active clergy and lay employees the option to purchase additional life insurance coverage. Participants may elect and purchase optional life insurance to supplement coverage provided through this plan.

Guarantee issue is the amount of life insurance Unum will provide without requiring participants to complete a medical questionnaire. For life insurance over the guarantee issue amount, participants must complete a medical questionnaire. Unum may also deny the requested coverage amount above the guarantee issue.

AVAILABLE COVERAGE LEVELS

This plan offers the following types and amounts of life insurance benefits, on a guaranteed issue basis (coverage will not be refused for medical reasons during certain enrollment and coverage periods).

Active Clergy and Lay¹ Death Benefits^{1,2}

- **Flat-dollar amounts:** in increments of \$10,000, up to \$500,000; minimum coverage of \$10,000
- **Guaranteed issue:** up to \$100,000
- **Maximum coverage:** \$500,000

Spousal Death Benefit³

- **Flat-dollar amounts:** in increments of \$5,000, up to \$100,000; minimum coverage of \$5,000
- **Guaranteed issue:** up to \$25,000
- **Maximum coverage:** the lesser of \$100,000 or 100% of participant coverage

Child Death Benefit⁴

- **Flat-dollar amounts:** in increments of \$1,000, up to \$25,000; minimum coverage of \$1,000
- **Guaranteed issue:** up to \$25,000
- **Maximum coverage:** the lesser of \$25,000 or 100% of participant coverage

¹ Participants do not have to elect coverage for a spouse or child, but if they do, they must also elect coverage for themselves.

² An individual cannot be covered as both a participant and as a dependent. The

participant's benefit amount must exceed a dependent's benefit amount.

³ Reduction in benefit amount payable to 65% at age 70 and 50% at age 75.

⁴ A child cannot be covered by more than one participant in the plan.

⁵ There is no spouse or child coverage available for retirees.