

# Conversion and portability for employees

## Keeping your life insurance active

**Stay protected. Keep life insurance active by electing CONVERSION or PORTABILITY.**

When eligibility for coverage ends under the group contract, an insured may have the following two options to continue coverage.

**Conversion:** An employee's group term life insurance is converted to an individual permanent Life insurance policy. Accidental Death and Dismemberment (AD&D) coverage is not available.

**Portability:** An employee's group term life insurance is continued through a separate policy. If the insured has Accidental Death and Dismemberment (AD&D) coverage may also be ported alongside your Life coverage.



Employees may be eligible to convert or port basic life or voluntary life coverage. Certain limits and restrictions may apply.

## How do Conversion and Portability compare?

Conversion	Portability
<b>Type of Coverage</b> Individual Life	<b>Type of Coverage</b> Term life insurance (typically matches coverage in-force at time of port).
<b>Coverage Amount</b> An employee can apply for individual life insurance coverage equal to or less than the benefit amount of the group term life insurance that was in effect with the employer when the coverage ended.  Conversion is <b>NOT</b> available on AD&D coverage.	<b>Coverage Amount</b> An employee can apply for Portability coverage equal to or less than the benefit amount of the group term life insurance that was in effect with the employer when coverage ends.  AD&D coverage can also be ported alongside your life coverage.

Conversion	Portability
<p><b>Eligibility</b></p> <p>An employee can convert their group life insurance coverages to individual life insurance policies if their coverage terminates in whole, or in part, due to:</p> <ul style="list-style-type: none"> <li>▪ Retirement or termination of employment</li> <li>▪ Retiree coverage ended</li> <li>▪ Reduction in coverage due to age</li> <li>▪ A change in employee status that results in a loss of eligibility</li> </ul> <p>An employee's dependents and/or spouse can also continue their coverage due to:</p> <ul style="list-style-type: none"> <li>▪ Employee's death</li> <li>▪ Divorce from employee</li> <li>▪ When the employee's child is no longer a dependent</li> <li>▪ Employee approved for waiver</li> </ul>	<p><b>Eligibility</b></p> <p>An employee can port their group life insurance coverages to a separate group term life insurance policy if their coverage terminates in whole due to:</p> <ul style="list-style-type: none"> <li>▪ Termination of employment</li> <li>▪ Retirement prior to Social Security Normal Retirement Age (SSNRA)</li> <li>▪ Reduction in hours</li> <li>▪ Loss of coverage because employer policy ended</li> </ul> <p>An employee's dependents and/or spouse can also continue their coverage due to:</p> <ul style="list-style-type: none"> <li>▪ Employee's death</li> <li>▪ Divorce from employee</li> </ul>
<p><b>Evidence of Insurability (<i>documentation of health history</i>) and Cost of Coverage</b></p> <p>Evidence of Insurability is not required.</p> <p>Several factors, including the individual's age, gender, state of residence and tobacco status at the time of conversion, determine the planned premium for the Individual policy. The policy features a flexible premium design that can change over time based on policy performance and adaption to the insured's changing needs.</p>	<p><b>Evidence of Insurability (<i>documentation of health history</i>) and Cost of Coverage</b></p> <p>Evidence of Insurability is not required.</p> <p>The cost of coverage typically matches the amount of monthly premium paid under the group policy that was active prior to port.</p>
<p><b>Increasing Coverage Amounts After the Initial Application</b></p> <p>Once coverage is converted, employees may not increase the coverage amount selected at initial enrollment.</p>	<p><b>Decreasing Coverage Amounts</b></p> <p>Coverage may be decreased; however, specific rules apply as follows:</p> <ul style="list-style-type: none"> <li>▪ Coverage can be decreased as needed, but not to exceed minimums outlined in your life insurance policy.</li> </ul>
<p><b>Coverage Reduction or Termination*</b></p> <p>Coverage will reduce or terminate at policy maturity. The following applies:</p> <ul style="list-style-type: none"> <li>▪ Policy maturity varies between ages 95 to 121 and this is based on premium contribution and the benefit amount selected; and</li> <li>▪ Cash value is paid out as a living benefit if the insured is alive on the policy maturity date.</li> </ul>	<p><b>Coverage Reduction or Termination*</b></p> <ul style="list-style-type: none"> <li>▪ <b>Employee:</b> Reduces at 65; terminates at SSNRA</li> <li>▪ <b>Spouse:</b> Reduces at 65; terminates when employee terms</li> <li>▪ <b>Child(ren):</b> Reductions don't apply; terminates at 26</li> </ul>

\*Contract rules may vary; please see contract for specific detail.

Conversion	Portability
<b>Cash Value and Loans</b> Yes, the policy builds cash value. Insureds may borrow against the cash value on a tax-advantage basis.	<b>Cash Value and Loans</b> No, this policy will not build a cash value. Since there is no cash value, loans are not permissible.
<b>Surrendering the Policy</b> Policies can be surrendered for cash value.	<b>Surrendering the Policy</b> As there is no cash value, there is no option to surrender. The employee may stop paying premiums at any time and the policy will lapse.
<b>Canceling the Policy</b> The insured is the only one who can cancel a policy prior to the scheduled maturity date. <ul style="list-style-type: none"> <li>After the maturity date, the insurance company may also cancel the policy.</li> </ul>	<b>Canceling the Policy</b> The policy can be canceled by the policy holder or the insurance company with notice.

## How do I apply?

Conversion	Portability
Within 31 days from your loss of coverage, contact Lincoln Financial Group at 877-321-1015.	You will receive a notification from your employer either directly or through the mail. Your application and first premium payment must be received within 31 days of the date your coverage would otherwise end.  Lincoln Life Assurance Company of Boston PO Box 0821 Carol Stream, IL 60132-0821
<b>What happens after I submit my application?</b> Once we have received and processed your completed paperwork and premium, you will receive documentation of your new individual policy within three to four weeks.	<b>What happens after I submit my application?</b> Your coverage continues as long as you pay the premiums, per the terms of coverage until the maximum contractual duration after coverage.
<b>Additional questions?</b> Please contact the Customer Care Center at Service at 877-321-1015.	<b>Additional questions?</b> If you have additional questions regarding life portability, you may contact the Customer Care Center at 877-321-1015.

Please always refer to your contract first to determine if an employee qualifies for port or conversion.

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