

## Group insurance benefits

Proposal for: Sikeston Board of Municipal Utilities  
Effective date: January 1, 2020  
Prepared by: Drew Roberts  
Mitchell Insurance Group

Thanks for considering group insurance from Principal® for your employee benefits program. This proposal includes rates and benefit information for:

- Group term life
- ✓ Voluntary term life
- Short-term disability
- Long-term disability
- ✓ Dental
- ✓ Vision
- ✓ Critical illness
- ✓ Accident

### Benefits you can depend on

You can count on Principal for the choice, flexibility and support you need. Choose from our broad portfolio of products which includes life, short-term disability, long-term disability, dental, vision, critical illness and accident insurance. These comprehensive benefits can help you attract and retain the best employees.

Also, take advantage of our service. Professional staff helps you with employee education, enrollment and account management. And you benefit from our experienced local sales and service teams who are here to address your needs – every step of the way.

## Voluntary rates

# Sikeston Board of Municipal Utilities



Effective date: January 1, 2020

The volume, lives, monthly costs and annual costs will be determined upon final enrollment.

Voluntary term life monthly rate <sup>1</sup> per \$1,000 all members		
Age	Employee	Spouse
29 & under	\$.102	\$.102
30 - 34	\$.110	\$.110
35 - 39	\$.159	\$.159
40 - 44	\$.248	\$.248
45 - 49	\$.413	\$.413
50 - 54	\$.655	\$.655
55 - 59	\$1.008	\$1.008
60 - 64	\$1.557	\$1.557
65 - 69	\$2.530	\$2.530
70 & over	\$4.201	\$4.201
<b>Rate guarantee:</b> two years, unless volume increases or decreases by more than 25%		
<sup>1</sup> Voluntary term life rates do not include the AD&D rate. The spouse is charged based upon his/her individual age.		
<b>Child(ren) monthly rate:</b> \$5,000 of coverage for \$1.00 per family \$10,000 of coverage for \$2.00 per family		

Voluntary Accidental Death and Dismemberment (AD&D) monthly rate per \$1,000	
<b>Employee and spouse</b>	\$.037
AD&D is automatically added to any voluntary term life benefit elected. Employee and spouse are charged separately.	

Voluntary dental	
	Monthly rate
Employee	\$22.90
Employee & spouse	\$46.34
Employee & child(ren)	\$60.08
Family	\$83.52
<b>Rate guarantee:</b> two years	

## Voluntary rates

# Sikeston Board of Municipal Utilities



Effective date: January 1, 2020

Voluntary vision	
	Monthly rate
Employee	\$8.50
Employee & Spouse	\$18.00
Employee & Child(ren)	\$20.00
Family	\$28.00
Rate guarantee: two year	

Voluntary critical illness monthly rate <sup>1</sup> per \$1,000 all members		
Age	Employee	Spouse
24 & under	\$ .484	\$ .484
25 - 29	\$ .557	\$ .557
30 - 34	\$ .667	\$ .667
35 - 39	\$ .846	\$ .846
40 - 44	\$ 1.162	\$ 1.162
45 - 49	\$ 1.925	\$ 1.925
50 - 54	\$ 3.005	\$ 3.005
55 - 59	\$ 4.499	\$ 4.499
60 - 64	\$ 7.162	\$ 7.162
65 - 69	\$ 9.407	\$ 9.407
70 & over	\$ 12.803	NA <sup>2</sup>

Rate guarantee: one year

**Child(ren) monthly rate:**  
\$2,500 of coverage for \$0.75 per family

<sup>1</sup>Employee and spouse are charged separately, based on individual ages.

<sup>2</sup>Spouse coverage terminates at age 70

CRITICAL ILLNESS INSURANCE PROVIDES LIMITED BENEFITS.

## Voluntary rates

## Sikeston Board of Municipal Utilities



Effective date: January 1, 2020

Off-the-job accident all members	
	Monthly rate
Employee	\$16.08
Employee & spouse	\$24.17
Employee & child(ren)	\$28.54
Family	\$43.37
Rate guarantee: one year	
Rates include:	
<ul style="list-style-type: none"><li>• Accidental Death and Dismemberment (AD&amp;D)</li><li>• Wellness benefit</li></ul>	

ACCIDENT INSURANCE PROVIDES LIMITED BENEFITS.

## Voluntary term life

Effective date: January 1, 2020

Voluntary term life for all members		
	Employee	Spouse
<b>Life benefit</b>	<p>Employees choose to purchase benefits in \$10,000 increments.</p> <p>Minimum amount: \$10,000</p> <p>Maximum amount: \$500,000</p>	<p>Eligible spouses choose an amount in \$5,000 increments.</p> <p>Minimum amount: \$5,000</p> <p>Maximum amount: Up to \$100,000.</p> <p>Employee coverage is required for spouse to elect coverage.</p> <p>Spouse benefits cannot exceed 100% of the employee's coverage.</p>
<b>Accidental Death and Dismemberment</b>	<p>Included. Benefit equal to the base voluntary term coverage.</p> <p>This is automatically included for employees electing voluntary term life insurance.</p>	<p>Included. Benefit equal to the base voluntary term coverage.</p> <p>This is automatically included for employees electing spouse voluntary term life insurance.</p>
<b>Benefit age reduction</b>	<p>35% reduction of benefits at age 65 and an additional 15% reduction at age 70</p> <p>Age reductions apply to the benefit amount after proof of good health.</p>	<p>35% reduction of benefits at age 65 and an additional 15% reduction at age 70</p> <p>Age reductions apply to the benefit amount after proof of good health.</p>
<b>Proof of good health</b>	<p>Required for life insurance amounts greater than:</p> <p>Under age 70: \$150,000</p> <p>Age 70 and over: \$10,000</p> <p>Guaranteed coverage may be limited to the amount insured under the prior carrier based upon the method of enrollment.</p>	<p>Required for life insurance amounts greater than:</p> <p>Under age 70: \$30,000</p> <p>Age 70 and over: \$10,000</p> <p>Guaranteed coverage may be limited to the amount insured under the prior carrier based upon the method of enrollment.</p>

## Voluntary term life

Effective date: January 1, 2020

### ...continued

#### Child life benefit

For eligible children 14 days of age or older, employees may elect coverage in the amount of:

- \$5,000, or
- \$10,000

For eligible children under 14 days of age, employees who elect child coverage receive \$1,000 of coverage.

Child benefits cannot exceed 100% of the employee's coverage.

### Additional benefits

<b>Accelerated benefits</b>	Terminally ill employees can receive up to 75% of their life insurance benefit, up to \$250,000, if their life expectancy is 12 months or less (as diagnosed by a physician) and the death benefit is at least \$10,000. When an employee uses the accelerated benefit, the death benefit is reduced by the accelerated benefit payment. There are possible tax consequences to receiving an accelerated benefit payment and the employee should contact a tax advisor for details. Receipt of accelerated benefits could also affect eligibility for public assistance.
<b>Coverage during disability</b>	If an employee becomes totally disabled before age 60, coverage will continue and premium will be waived for the employee and any covered dependents. The employee must be totally disabled for 180 days before the waiver begins. Coverage continues without premium payment until the employee recovers or turns age 65, whichever occurs first. No benefits will be paid for any disability that results from: willful self-injury or self-destruction, while sane / war or act of war / voluntary participation in an assault, felony, criminal activity, insurrection, or riot.
<b>Accidental Death and Dismemberment</b>	Benefit is paid when the loss occurs within 365 days of the accident. <ul style="list-style-type: none"> <li>• Full benefit - Loss of life, loss of both hands, both feet, sight of both eyes, one hand and sight of one eye, one foot and sight of one eye, or one hand and one foot.</li> <li>• Half the benefit - Loss of one hand, one foot, or sight of one eye.</li> <li>• One fourth the benefit - Loss of thumb and index finger on the same hand.</li> </ul> Additional AD&D benefits: <ul style="list-style-type: none"> <li>• Standard package - Seatbelt/airbag, education, repatriation, loss of use/paralysis, loss of speech and/or hearing, exposure, disappearance.</li> </ul>
<b>Portability</b>	Employees may continue coverage for themselves and any covered dependents until age 70 if the employee ceases to qualify as a member. The employee or spouse must enroll within 60 days from the date they cease to qualify as a member. Maximum age requirements apply. Portability is not available if: coverage is continued during disability / the employee has received accelerated benefits / individual purchase rights have been exercised / the employee dies / a dependent no longer meets the eligibility requirements.

## Voluntary term life

Effective date: January 1, 2020

### ...continued

<b>Individual purchase rights</b>	Several circumstances exist where employees and covered dependents can convert to individual policies. Upon coverage termination, employers are required to inform employees of their individual purchase rights to convert to an individual policy without proof of good health. The purchase amount varies depending on the termination situation.
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### Highlights

<b>Participation</b>	20% or 5 lives, whichever is greater. All eligible employees may enroll for coverage.
<b>Eligibility</b>	<p><b>Employee:</b> Eligible employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p><b>Dependent:</b> Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
<b>Express claim processing</b>	For claims meeting certain criteria, decisions are reached within 5 working days without the employer or beneficiary submitting paperwork.
<b>Open enrollment</b>	<p>One month before the policy anniversary date, an employee can request to add or increase existing life insurance coverage for themselves or eligible dependents up two benefit increments without providing proof of good health, not to exceed the maximum life insurance benefit allowed.</p> <p>Higher amounts of coverage can be requested, but will require approval of proof of good health.</p>
<b>Life benefit limitations and exclusions</b>	Benefits are not paid if you or your dependents are outside the United States for certain reasons for more than six months.
<b>AD&amp;D limitations</b>	Unless otherwise covered in the policy or required by state or federal law, AD&D benefits are not paid for losses resulting from: willful self-injury or self-destruction / disease or treatment of disease or complications following the surgical treatment of disease / participation in certain criminal activities / participation in certain activities such as flying, ballooning, parachuting, parasailing, bungee jumping or other aeronautic activities / duty as a member of a military organization / war or act of war / the use of alcohol, if the insured's alcohol concentration level exceeds the legal limit in the jurisdiction where the injury occurs / the insured's operation of a motor vehicle or motor boat if the insured's alcohol concentration level exceeds the legal limit in the jurisdiction where the injury occurs / the insured's use of certain drugs, narcotics or hallucinogens not prescribed by a licensed physician / a work-related sickness or injury for an insured spouse.

Policy Form GC 6000

Effective date: January 1, 2020

Voluntary dental PPO network benefit design						
all members						
	Calendar year deductible		Coinsurance (policy pays)		Calendar year maximum benefit	
	In-network	Non-network	In-network	Non-network	In-network	Non-network
<b>Preventive</b>	\$0	\$0	100%	100%	\$1,000	\$1,000
<b>Basic</b>	\$50	\$50	80%	80%	\$1,000	\$1,000
<b>Major</b>	\$50	\$50	50%	50%	\$1,000	\$1,000

Family deductible = 3 x per person deductible.

Combined deductibles: deductibles for basic and major in-network and non-network services are combined.

Combined maximums: calendar year maximums for preventive, basic and major services are combined.

We process claims using prevailing fees at the 90<sup>th</sup> percentile.

The maximum accumulation plan was elected. This allows for a portion of unused dollars to roll over to next year's maximum benefit amount. To qualify, a member must have had a dental service performed within the calendar year and use less than a maximum threshold. The threshold is equal to the lesser of 50% of the maximum benefit or \$1000. If qualification is met, 50% of the threshold will be carried over to next year's maximum benefit. Individuals with fourth quarter effectives will start qualifying for rollover at the beginning of the next calendar year. A member can accumulate no more than four times the carry over amount. The entire accumulation amount will be forfeited if no dental service is submitted within a calendar year.

**Participation:** 20% or 5 lives, whichever is greater

Covered services	
<b>Preventive</b>	Exams (1 per 6 months ) Second opinion consultation Cleanings ( 1 per 6 months) <ul style="list-style-type: none"> <li>Expectant mothers, diabetics and those with heart disease receive one additional routine or periodontal cleaning.</li> </ul> Fluoride application (1 per calendar year); covered only for dependent children under age 16 Sealants on first and second permanent molars for dependent children under age 16 (1 per 36 months) Harmful habit appliance (covered only for dependent children under age 16)



Effective date: January 1, 2020

...continued	
<b>Basic</b>	<p>Emergency exams ( 1 per 6 months)</p> <p>Periodontal maintenance (if 3 months have elapsed after active surgical periodontal treatment; subject to routine cleaning frequency limit )</p> <ul style="list-style-type: none"> <li>• Expectant mothers, diabetics and those with heart disease receive one additional routine or periodontal cleaning.</li> </ul> <p>X-rays</p> <ul style="list-style-type: none"> <li>• Bitewing (1 per calendar year)</li> <li>• Occlusal (2 per calendar year)</li> <li>• Periapical (4 per calendar year)</li> <li>• Full mouth survey (1 per 36 months)</li> <li>• Extraoral (2 per 12 months)</li> </ul> <p>Space maintainers (covered only for dependent children under age 16; repairs not covered)</p> <p>Fillings</p> <p>Composite fillings on molars</p> <p>Stainless steel crowns</p> <p>General anesthesia/IV sedation</p>
<b>Major</b>	<p>Simple oral surgery</p> <p>Complex oral surgery</p> <p>Periodontics (non-surgical), including scaling and root planing (1 per quad per 24 months)</p> <p>Periodontal surgical procedures (1 per quad per 36 months)</p> <p>Simple endodontics (root canal therapy for anterior teeth)</p> <p>Complex endodontics (root canal therapy for molar teeth)</p> <p>Crowns (1 per tooth per 120 months) if tooth cannot be restored by a filling</p> <p>Inlays, onlays, cast post and core, core buildup (1 per tooth per 120 months)</p> <p>Bridges - initial placement; replacement after 120 months</p> <p>Complete or partial dentures - initial placement; replacement after 60 months</p> <p>Repairs - partial denture, bridge, crown, relines, rebasing, tissue conditioning and adjustment to bridge/denture (within policy limitations)</p>

Effective date: January 1, 2020

Highlights	
<b>Coordination of benefits</b>	As allowed by state law, we coordinate benefits with coverage provided by any other employer, trust, union, association, or educational institution - other than student accident policies, governmental program or state law. Total benefits from all sources cannot exceed 100% of covered charges.
<b>Eligibility</b>	<p><b>Employee:</b> Eligible employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p><b>Dependent:</b> Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
<b>Waiting periods</b>	None
<b>Prior dental coverage</b>	This proposal assumes the group had prior dental coverage for preventive/basic/major services.
<b>Open enrollment period</b>	Any employee or dependent that didn't enroll within 31 days of being eligible can only enroll during the open enrollment period.
<b>Limitations</b>	<p>The proposed policy contains restrictions and limitations. Before making a purchase decision, review the following limitations and resolve any questions. The following limitations and restrictions are applied as required by state law or as otherwise described in the group policy.</p> <p>The insurance does not pay for treatment or services above: unless specifically mentioned above, veneers, anterior ¾ cast crowns, personalization or cosmetic reasons / performed by an immediate family member / performed by any person who is not a dentist, dental hygienist, or other authorized provider / that do not meet professionally recognized standards of quality / that are not for a covered charge / that exceed prevailing fee charges / unless specifically mentioned above, implants / to alter or maintain vertical dimension or restore or maintain occlusion / that are temporary / for provisional and permanent splinting / for a work related sickness or injury / paid for by U.S. government or its agencies (except Medicaid or as required under state or federal law) / resulting from participation in certain criminal activities / resulting from war or an act of war / for which there would be no cost in the absence of insurance / for duplicating or replacing lost or stolen appliances or prosthetic devices / for replacing tooth structure lost from abrasion or attrition / not expected to correct your dental condition for more than 3 years / for services performed outside a dental office / for patient management / unless specifically mentioned above, occlusal guards / that are an experimental or investigational measure / paid for by a Medicare Supplement Insurance Plan. The insurance also does not cover: drugs or medicines other than antibiotic injections / instructions for plaque control, oral hygiene, or diet control / bite registration or occlusal analysis / orthodontic treatment, service, appliance, or bands / temporomandibular joint (TMJ) disorders.</p>

Effective date: January 1, 2020



Voluntary vision for all members		
VSP choice network		
Covered charges	Benefit	Frequency
<b>Exams</b>	\$10 copay	1 per 12 months
<b>Prescription glasses</b>	\$25 copay	1 pair per 12 months
<b>Lenses</b>	Single vision, lined bifocal, lined trifocal, and lenticular lenses; polycarbonate lenses for dependent children under age 18	
<b>Frames*</b>	\$130 allowance for a wide selection of frames; 20% off amount over allowance <sup>1</sup>	
<b>Elective contacts</b>	Up to \$60 copay for standard and premium elective contact lens exams (fitting and evaluation)	1 per 12 months
	\$130 allowance for elective contacts	Instead of lens and frames benefit
<b>Necessary contacts<sup>2</sup></b>	\$25 copay	1 per 12 months
	Covered in full for members who have specific conditions.	Instead of lens and frames benefit
<b>Lens enhancements</b>	Most popular options are covered after a copay, saving members an average of 20-25%. Members should see their doctor for special pricing on additional lens enhancements.	
<b>Additional savings<sup>1</sup></b>	Savings on laser vision correction and additional pairs of prescription glasses and non-prescription sunglasses.	

Effective date: January 1, 2020



...continued		
Non-network providers		
Covered charges	Benefit <sup>3</sup>	Frequency
Vision exams	Up to \$45	1 per 12 months
Single vision lenses	Up to \$30	1 pair per 12 months
Lined bifocal lenses	Up to \$50	1 pair per 12 months
Lined trifocal lenses	Up to \$65	1 pair per 12 months
Lenticular lenses	Up to \$100	1 pair per 12 months
Frames	Up to \$70	1 set per 24 months
Elective contacts	Up to \$105	1 per 12 months Instead of lens and frame benefits
Necessary contacts <sup>2</sup>	Up to \$210	1 per 12 months Instead of lens and frame benefits

<sup>1</sup> Based on applicable laws; benefit may vary by doctor location.

<sup>2</sup> Prescribed to correct extreme visual problems that cannot be corrected with regular lenses.

<sup>3</sup> The benefit amount is the lesser of the maximum payment limit or billed amount minus the applicable copay.

\*VSP has agreements established with some participating retail chain providers that may also provide benefits for this covered service. Up to a \$70 allowance is given for a wide selection of frames from Costco or Walmart/Sam's Club. Please talk to your provider or contact VSP customer care for further details.

Highlights	
Participation	20% or 5 lives, whichever is greater
Eligibility	<p><b>Employee:</b> Eligible Employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p><b>Dependent:</b> Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
Open enrollment period	Any employee or dependent that didn't enroll within 31 days of being eligible can only enroll during the open enrollment period.
Coordination of benefits	Benefits from two or more carriers are limited up to 100% of the claimant's covered expenses.

Vision



Effective date: January 1, 2020



...continued

<p><b>Limitations</b></p>	<p>The proposed policy contains restrictions and limitations. Before making a purchase decision, review the following limitations and resolve any questions. The following limitations and restrictions are applied as required by state law or as otherwise described in the group policy.</p> <p>No benefits will be paid for: visual analysis or vision aids that are not medically necessary / services and/or materials not specifically included in the benefit schedule / plano lenses / two pairs of glasses instead of bifocals / replacement of lenses, frames and/or contact lenses furnished under this plan which are lost or damaged / orthoptics, vision training or supplemental testing / medical or surgical treatment of the eyes / contact lens insurance policies or service agreements / refitting of contact lenses after the initial fitting period / contact lens modification, polishing or cleaning, local state and/or federal taxes, except where required by law. Benefits will not be paid for any vision care expense for: which proof is submitted by a person who is part of the member's or dependent's immediate family / vision aids provided outside the United States.</p>
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**VSP is not a member of the Principal Financial Group.**

Critical illness



Effective date: January 1, 2020

Voluntary critical illness for all members		
Covered illnesses/benefits		
	% of benefit for first occurrence	% of benefit for additional occurrences
Cancer one	100%	100%
Cancer two	25%	25%
Coronary artery bypass graft	25%	25%
Heart attack	100%	100%
Major organ failure	100%	100%
Stroke	100%	100%

To qualify for a benefit under this policy, the definition of the incurred critical illness must be satisfied.

**Multiple payouts**

- Benefits for a first occurrence of a different critical illness will be payable if incurred more than 12 months after the preceding critical illness.
- Benefits for additional occurrences of the same critical illness will be payable if incurred more than 12 months after the preceding critical illness and 12 months treatment free.
- Maximum lifetime benefit: Two times the scheduled benefit.

Scheduled benefit		
	Employee	Spouse
<b>Increments</b>	Benefits available in \$5,000 increments	Benefits available in \$2,500 increments
<b>Minimum amount</b>	\$5,000	\$2,500
<b>Guarantee issue amount<sup>1</sup></b>	\$15,000	\$7,500
<b>Maximum amount</b>	\$100,000	Cannot exceed 50% of employee's scheduled benefit amount, up to \$50,000
<b>Children</b> \$2,500		

<sup>1</sup>Guarantee issue is the maximum scheduled benefit amount available during the initial enrollment period with no proof of good health required.

Critical illness



Effective date: January 1, 2020

...continued	
Additional benefits	
<b>Wellness</b>	Employees or spouses who have a covered wellness test performed may be eligible for a \$50 benefit. This benefit is payable only once per calendar year and does not count toward the maximum lifetime benefit.
<b>Portability</b>	<p>If employees cease to meet the definition of an employee, they may be eligible to continue insurance, for themselves and their covered dependents, without submitting proof of good health.</p> <p>To continue insurance, the employee must have been insured for 12 consecutive months, be less than age 70 and not incurred a critical illness.</p> <p>Ported insurance will terminate on the earliest of:</p> <ul style="list-style-type: none"> <li>• May 1 following the employee’s 70th birthday</li> <li>• Date the maximum lifetime benefit is paid</li> </ul>

Definitions <sup>1</sup>	
<b>Cancer one</b>	A malignant tumor characterized by uncontrolled growth of malignant cells and invasion of normal tissue, and blood cancers (lymphoma, leukemia and multiple myeloma).
<b>Cancer two</b>	Chronic lymphocytic leukemia, carcinoma in situ, early stage melanoma, early stage prostate cancer, papillary microcarcinoma of the thyroid and noninvasive papillary cancer of the bladder. Excludes all skin cancers.
<b>Coronary artery bypass graft</b>	Major surgery, which requires division of the breast bone to correct narrowing or blockage of one or more coronary arteries with bypass grafts.
<b>Heart attack</b>	Death of heart muscle due to inadequate blood supply. All of the following criteria must be satisfied: typical clinical symptoms, such as central chest pain; diagnostic increase of specific cardiac markers for myocardial infarction; and new electrocardiographic changes of infarction.
<b>Major organ failure</b>	Irreversible end-stage failure of bone marrow, heart, kidney, liver, lung or pancreas and for kidney failure, dialysis is initiated, or for other organs listed above, a transplant is recommended as soon as the appropriate donor is located and the insured is either listed with the United Network of Organ Sharing or a suitable donor is found.
<b>Stroke</b>	Death of brain tissue due to an acute cerebrovascular event: clinical evidence of infarction of brain tissue or intracranial or subarachnoid hemorrhage; clear evidence on a CT, MRI or similar imaging technique that a stroke has occurred; and permanent neurologic deficit measured thirty days or more after the event that results in a score of 2 or higher on the modified Rankin Scale for Stroke outcome.

<sup>1</sup> See policy for complete definitions. Additional guidelines apply.

Highlights	
<b>Participation</b>	10% or 5 lives, whichever is greater.

Critical illness



Effective date: January 1, 2020

...continued	
<b>Eligibility</b>	<p><b>Employee:</b> Eligible employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p><b>Dependent:</b> Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
<b>Preexisting conditions</b>	6 months prior/12 months insured
<b>Incurred date</b>	No benefits will be paid for a critical illness that is not diagnosed while the employee or covered dependent is alive.
<b>Limitations and exclusions</b>	<p><b>CRITICAL ILLNESS INSURANCE PROVIDES LIMITED BENEFITS</b></p> <p><b>Limitations</b> Benefits will not be paid for a critical illness caused by, contributed to, or resulting from willful self-injury or self-destruction, while sane or insane; or war or act of war; or voluntary participation in an illegal occupation or the commission of or attempted commission of a felony; or duty as a member of a military organization; or conditions diagnosed outside of the United States unless the diagnosis can be confirmed by a licensed physician in the United States; or the use of any drug, narcotic, or hallucinogen not prescribed for the member or dependent by a licensed physician, or if prescribed, not used in a manner consistent with that prescription; or the use of alcohol, including the operation of a motor vehicle if, at the time of operation, the operator's alcohol concentration exceeds the legal limit allowed by the jurisdiction where the injury occurs; or a cosmetic surgery or other elective procedures that are not medically necessary; or a preexisting condition.</p> <p><b>Exclusions</b> No benefits will be paid for any critical illness incurred while residing outside the United States for more than six months; or incurred while incarcerated in any type of penal or detention facility; or unless the critical illness is diagnosed while the member or dependent is alive; or for which proof is submitted by a physician who is part of the member's or dependent's immediate family.</p> <p><b>Preexisting conditions</b> A preexisting condition is any sickness or injury, including all related conditions and complications, or a pregnancy, for which a member or dependent received medical treatment, consultation, care, or services; or was prescribed or took prescription medications; in the six month period before the member or dependent became insured under the group policy.</p> <p>No benefits will be paid for a critical illness that results from a preexisting condition unless, on the date the member or dependent incurs the critical illness, the member has been actively at work for one full day for the member's critical illness or the dependent has been insured for one full day for a dependent's critical illness, after completing 12 consecutive months during which the member or dependent was insured under the group policy.</p>



## Accident

Sikeston Board of Municipal  
Utilities



Effective date: January 1, 2020

Off-the-job accident for all members	
Benefits payable	
Injury	Benefit
Burn	Up to \$5,000
Coma	\$15,000
Concussion	\$500
Dental injury	\$500
Dislocation	Up to \$7,500
Eye injury with surgical repair	\$500
Fracture	Up to \$10,000
Injuries not specifically listed	\$100
Internal injury	\$1,500
Knee cartilage injury with surgical repair	\$1,500
Ruptured disc with surgical repair	\$1,500
Tendon / ligament / rotator cuff injury with surgical repair	\$1,500
Accidental Death and Dismemberment (AD&D)	
Employee	\$25,000
Spouse	\$12,500
Children	\$6,250
Covered loss	% of Benefit
Loss of life; loss of both hands or both feet or one hand and foot; quadriplegia; loss of speech and hearing in both ears; or loss of sight in both eyes	100%
Loss of one hand or foot; paraplegia; hemiplegia; loss of use of one hand and foot or both hands or feet; or loss of speech, hearing in both ears, or sight in one eye	50%
Loss of thumb and index finger on the same hand; loss of use of one arm, leg, hand or foot; or loss of hearing in one ear	25%
Common carrier	200%
Seat belt/airbag	25%
Repatriation	Up to 10%

Insurance issued by Principal Life Insurance Company, 711 High Street, Des Moines, IA 50392

GP61989-01 | 03/2018 | Proposal number: 09091910360-13 | Today's date: 12/27/2019 | SIC code: 4911

## Accident

Effective date: January 1, 2020

...continued	
Additional benefits	
<b>Wellness</b>	Employees or spouses who have a covered wellness test performed may be eligible for a \$50 benefit. This benefit is payable once per calendar year.
<b>Portability</b>	If employees cease to meet the definition of an employee, they may be eligible to continue insurance for themselves and their covered dependents. To continue insurance, the employee must have been insured 12 consecutive months and be less than age 70. Ported insurance will terminate on May 1 following the employee's 70th birthday.
Highlights	
<b>Participation</b>	10% or 5 lives, whichever is greater.
<b>Eligibility</b>	<p><b>Employee:</b> Eligible employees include all active, full-time employees living in the United States (except part-time, seasonal, temporary or contract employees) who work at least 30 hours per week. Employees must be enrolled with coverage before it can be offered to their dependents.</p> <p><b>Dependent:</b> Eligible dependents include the employee's spouse and children. Additional eligibility requirements may apply.</p>
<b>Limitations</b>	<p><b>ACCIDENT INSURANCE PROVIDES LIMITED BENEFITS.</b></p> <p>Benefits will not be paid for an injury resulting from willful self-injury or self-destruction / an auto-erotic activity / war or act of war / participation in certain criminal activities / duty as a member of a military organization / injuries diagnosed outside of the United States unless confirmed by a physician in the United States / the use of any drug not prescribed by a physician or not used in a manner consistent with a prescription / deliberate use of poison, gas, fumes, or household items / intoxication / sickness, disease, treatment of disease, or complications following the surgical treatment of disease / participation in certain activities such as flying, ballooning, parachuting, parasailing, bungee jumping or other aeronautic activities / riding in any vehicle in a race, stunt show or speed test / any dental injury from biting or chewing / participating in any semi-professional or professional competitive athletic activity / any injury to a child received during child birth / injury arising from employment.</p>
<b>Exclusions</b>	No benefits will be paid for any injury incurred while residing outside the United States for more than six months / incurred while incarcerated in any type of penal or detention facility / for which proof is submitted by a physician who is part of the covered person's immediate family.

## Discounts and services

Effective date: January 1, 2020

Discounts and services	
<b>Laser vision correction</b>	Through the National Lasik Network, administered by LCA-Vision, Inc., employees, their spouses and dependent children receive savings on one of the most frequently performed elective surgeries in America. The discount includes 15% off standard pricing or 5% off promotional pricing.
<b>Hearing aid program</b>	Through American Hearing Benefits, Inc. (AHB), employees and their families are eligible for up to 60% off hearing aids.
<b>Will &amp; legal document center</b>	Employees and their spouses have free access to resources and tools provided by ARAG <sup>2</sup> to create a will, living will, healthcare power of attorney, durable power of attorney and medical treatment authorization for minors. Estate planning resources and a personal information organizer are also included.
<b>Identity theft kit</b>	This valuable resource from ARAG provides employees with information on how to protect their identity and restore it if stolen.
<b>Beneficiary support</b>	Beneficiaries receive grief support services from Magellan Healthcare. <sup>3</sup>  Financial professionals are available to help beneficiaries with insurance proceeds.  Spouses and dependents also receive three months of free online access to will preparation services provided by ARAG. <sup>2</sup>
<b>Dental Health Edge<sup>SM4</sup></b>	This resource helps employees make better decisions about oral health care. Certified dentists can answer questions, and a dental cost estimator shows approximate costs in a specific ZIP code. The site is also available in Spanish.
<p><b>These discounts are not insurance.</b></p> <p>The discounts and services listed here are available to members, and/or their dependents or beneficiaries, with group coverage underwritten by or with administrative services provided by Principal Life Insurance Company. The discounts and services are not a part of the policy or contract and may be changed or discontinued at any time. Although Principal has arranged to make these programs available to you, the third party providers are solely responsible for their products and services.</p> <p><sup>2</sup>The use of the services provided by ARAG® Services, LLC should not be considered as a substitute for consultation with an attorney.</p> <p><sup>3</sup>The use of services provided by Magellan Healthcare is not a substitute for consultation with a licensed medical professional. Principal Life Insurance Company is not responsible for any loss, injury, claim, liability, or damages related to the use of Grief Support Services. Magellan Healthcare is not a member of the Principal Financial Group®.</p> <p><sup>4</sup>The articles and resources on Employers Dental Health Edge are made available for the sole purpose of general education on dental health related matters. This information is not intended as medical advice. For answers to your own health concerns, contact your dentist or other health care provider. Employers Dental Services (EDS) does not provide dental or medical advice. EDS is a member of the Principal Financial Group®.</p>	

Effective date: January 1, 2020

Our services	
<b>Online benefit administration</b>	eService offers free administration and management of all group insurance for employers and employees. Employers can add or remove employees, view and update employee information, pay premiums and more. Employees can view statuses of claims, confirm covered dependents and more.
<b>Claim services</b>	At Principal Life, we know filing a claim is a defining moment for clients. That's why we strive to make the claims process quick and easy for our customers. Vision claim services are handled by VSP.
<b>Simple payroll deduction</b>	We make employee payroll deductions easy by aligning your bill with your employees' pay frequency: weekly, bi-weekly, monthly and bi-monthly.
General provisions	
<b>Renewing your coverage</b>	Your insurance runs annually or based on your rate guarantee period, but no less than annually, unless the policy terminates before that date. While the insurance is in force and subject to its termination provisions, you may renew at the applicable premium rates in effect on your anniversary.
<b>Termination and renewability of your coverage</b>	The insurance is renewable at your option. Principal Life has the right to nonrenew or terminate the insurance if: you fail to pay premium / fraud or misrepresentation occurs / your company relocates to a state where Principal Life does not offer group coverage(s) provided by your policy / your company no longer meets the participation or contribution rules / you no longer qualify as an eligible business or group / we give you advance notice of termination as required by your state.
<b>Policy changes</b>	Principal Life has the right to modify coverage under the group policy at any time to meet legal requirements or to ensure consistent application of policy provisions. In addition, you may request coverage changes, subject to approval by Principal Life.
<b>Federal and state laws</b>	Various federal and state laws may affect the rights of insureds to continue coverage. The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Family Medical Leave Act (FMLA) and the Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA) are examples. As an employer, you are responsible for meeting the obligations imposed by any federal and state continuation laws. However, we design and administer our policies to comply.

## Rating assumptions

Sikeston Board of Municipal  
Utilities



Effective date: January 1, 2020

### Rating assumptions

#### These rates are based on the following:

**Missouri as the contract state. If you have employees located in other states, we may apply benefits based on those states' provisions, when applicable.**

An effective date of January 1, 2020. Suggested premiums and benefits are provided for illustration purposes only. Acceptance of your group, the final premium rates and actual benefits cannot be offered to you until all necessary information about your group has been received and reviewed by home office underwriters of Principal Life and approved by an officer of Principal Life. Rates will be recalculated based on actual enrollment under the policy and are subject to change if the number of employees on the effective date varies by more than 15% from the sold proposal. Changes in assumptions, group demographics, policy design and policy effective date may also affect your rates. Final rates will apply for the period of time specified in the contract. Rates may increase on renewal in accordance with the terms of the policy.

There are limitations, restrictions and exclusions in this policy. There are also certain restrictions involving payment of premium, termination, fraud, eligibility and participation. Final rates are dependent on entering into an insurance contract where all limitations, exclusions, and restrictions are taken into consideration.

As a result of this sale, your broker may receive commissions, administrative service fees, other compensation including non-cash compensation, and bonuses based on factors such as total premium volume and persistency or profitability of the business. The cost of this compensation may be directly or indirectly reflected in the premium or fee for this product. This compensation is in addition to any compensation your broker may receive from you. Contact your broker for further details.

This proposal is a general description. It is not a policy and does not modify or change the provisions of any policy or rider. If there is a discrepancy, the policy is the final arbiter of the coverage. Policy definitions and provisions may vary by state, read your policy carefully for the exact definitions and provisions. Policy limitations and exclusions apply. Benefits are limited when living outside the United States. Insurance issued by Principal Life Insurance Company, a member of the Principal Financial Group®.

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