



## Notice of Conversion Privilege Federal Employees' Group Life Insurance Program

### Part A - Instructions to Employing Agency

<p>Complete Part A of this form whenever an employee's life insurance coverage terminates due to separation, resignation, retirement, death or end of 12 months in non-pay status. On the date insurance terminates (except by waiver), give this notice to every employee and/or the assignee(s), if applicable, and to the family of each deceased employee who had the Option</p>		<p>C-Family coverage. Also, upon request, give this notice to the family of an eligible employee who does not convert his or her Option C-Family insurance. If this notice is prepared for a retiring employee, forward Part 2 (duplicate) to OPM with the employee's retirement papers. Otherwise, place Part 2 (duplicate) in the employee's Official Personnel Folder.</p>	
1. Name of employee	2. Date of birth ( <i>mo., day, yr.</i> )	3. Date insurance terminated	
4. Was employee insured for Option C-Family insurance on date in item 3?		Yes	No
<b>Agency Certification</b> <i>I certify that the above information has been obtained from, and correctly reflects, official personnel records.</i>			
5. Signature of authorized agency official		6. Name and mailing address of agency	
7. Typed name of authorized agency official			
8. Title			
9. Telephone number	10. Date of this notice ( <i>mo., day, yr.</i> )		

### Part B - Conversion Information for Employees, Assignees, and Family Members Who are Losing FEGLI Coverage

If you are eligible and you will be carrying all of your Federal Employees' Group Life Insurance (FEGLI) coverage into retirement, do not apply for conversion. Employees (and assignees, if applicable) and their family members who are losing FEGLI coverage, however, may be eligible and wish to convert some or all of their coverage to an individual direct-pay policy.

**Employees** - If you have not assigned your FEGLI coverage, you are entitled to convert to an individual direct-pay policy unless, within 3 calendar days after the date your insurance terminates, you return to a Government position that qualifies you to reacquire FEGLI coverage. You may purchase an individual policy in an amount equal to or less than your Basic life insurance plus any optional coverage you may have.

**Assignees** - You are entitled to convert your share of the insured's FEGLI coverage to an individual direct-pay policy unless, within 3 calendar days after the date the insured's insurance terminated, he/she returns to a Government position that qualifies him/her to reacquire FEGLI coverage. If that is the case, his/her previous assignment is still valid. You may purchase an individual policy in an amount equal to or less than the amount of insurance which the insured assigned to you.

**Family members** - If, upon termination of the employee's FEGLI coverage, he/she does not convert Option C-Family coverage (if any), you, as an eligible family member, may do so. Spouses may convert up to \$5,000, and eligible children up to \$2,500 each. Eligible family members are the employee's spouse and unmarried dependent children under age 22 (including adopted children, stepchildren who lived with the employee in a regular parent-child relationship, and recognized natural children) and unmarried dependent children over age 22 who are incapable of self-support because of a mental or physical disability that existed before they reached age 22.

**Your time to convert is limited** - You must mail your request for information regarding conversion within 31 days of the date in item 3 of Part A above, or within 31 days of the date you receive this notice, whichever gives you more time. If you fail to request conversion information within the 31-day time limit due to a cause beyond your control, you may be allowed to convert your life insurance within six months after the date in item 3, provided you attach a full explanation of what prevented you from making a timely request. If approved, the effective date of the conversion policy will be retroactive to the day following the day group coverage ended.

**Note:** Under certain circumstances, life insurance is payable if death occurs within 31 days after the group life insurance terminates, regardless of whether conversion has been requested. However, extension of the conversion privilege beyond 31 days does not extend coverage under any circumstances. If death occurs within the 31-day period, further information concerning possible benefits may be obtained from the agency named in item 6 above.

#### General information about conversion

- If you have assigned your FEGLI coverage, you can **only** convert your Option coverage (if any). Your assignee(s) retain(s) the right to convert your other coverage(s).
- No medical examination is required.
- You or the assignee(s), if applicable, must pay the premium applicable to the individual policy.
- The government will not pay any part of the individual policy premium.
- The individual policy will be issued by an insurance company you select from the list of eligible companies you will receive if you apply for conversion.
- The individual policy may be an ordinary life policy or a variation of ordinary life (see Part D). It must be a type of insurance customarily issued by the insurance company you select. However, it cannot be term insurance or universal life insurance or any other form of life insurance that has an indeterminate premium. It cannot have disability or accidental death and dismemberment benefits.

#### How to convert

1. Complete the appropriate eligibility statement on the reverse side of this form and mail it to the Office of Federal Employees' Group Life Insurance (OFEGLI), 200 Park Avenue, New York, NY 10166-0188.
2. If you have an SF 2821, Agency Certification of Insurance Status, attach the original (Part 1) to this form when you mail it to OFEGLI. Note: Retiring employees (and assignees of those employees) who are continuing Basic Life insurance but converting one or more of the options should submit their duplicate (Part 2) of the SF 2821 with this form to OFEGLI. The original (Part 1) of the SF 2821 should be submitted with the retirement application. OFEGLI will mail you detailed information on how to apply for conversion, together with a list of eligible insurance companies. You have 31 days (from the date in item 3 of Part A above, or the date you receive this notice, whichever gives you more time) to request conversion information from OFEGLI.
3. In the event you do not have an SF 2821, you should request a completed form from the employing agency before the expiration of your 31 day time limit and forward it to OFEGLI at the address given in item 1 above. **However, don't delay sending the SF 2819 requesting conversion information to OFEGLI -- send it anyway while you await the SF 2821.**
4. If you are using this form to convert some of your life insurance coverage, but not Option C, have your employing office prepare another SF 2819 for your family members.

## Part C - Eligibility Statement

1. Please check the correct box(es).		Basic		Option A-Standard		Option B-Additional	
I have read Part B on page 1 and am interested in converting my insurance to an individual policy. Please send additional information.							
I have read Part B on page 1. The family members listed in item 7 below are eligible for conversion of Option C-Family insurance to a direct-pay policy. Please send me additional information.							
2. Signature of person completing this statement		3. Date ( <i>mo., day, yr.</i> )		4. Full name and address of person completing this statement ( <i>including ZIP code</i> )			
5. Was the FEGLI coverage assigned?		Yes No					
If Yes, are you the assignee of the insured's FEGLI coverage?		Yes No					
6. Check <b>one</b> :		I have attached an SF 2821.		I am a family member and do not need an SF 2821.		I will obtain and submit an SF 2821 later.	
7. Eligible family members		Birth date		Relationship		Eligible family members	
a.						d.	
b.						e.	
c.						f.	

## Part D - Information About Individual Policies

### Types of Policies

There are two basic types of life insurance available.

- **An Ordinary Life** policy, also known as a Whole Life policy or a Straight Life policy, provides lifetime protection in return for premium payments throughout the insured's entire life (or to age 100). The policy builds a CASH VALUE after one, two, or three years. The cash may be withdrawn if premium payments are stopped. You may borrow against the cash value of the policy at any time for any purpose.
- **A variation of Ordinary Life** provides for a shorter premium payment period, usually to age 95, at which time the policy becomes paid-up for the remainder of the insured's life. This variation provides the same lifetime protection and benefits as an Ordinary Life policy, provided that premiums are paid for the prescribed premium payment period. However, since premiums are payable for a shorter period of time, they normally would be higher. And, because the premiums are normally higher, the policy's CASH VALUE usually increases more quickly.

### Assignment

If you have assigned (given up ownership of) your insurance, only the assignee(s) has (have) the right to convert your non-option C coverage. If an assignee converts his/her share of your insurance, he/she (1) is responsible for paying the premiums, (2) will receive the dividends, if any, (3) may withdraw

the cash if he/she stops paying premiums, and (4) may borrow against the cash value.

### Cost of Individual Policy

Life insurance policies (whether Ordinary Life or a variation) are issued on a participating or non-participating basis.

Premiums for participating policies are higher than those charged for non-participating policies. Part of the premium is refunded in the form of an annual dividend to the policyholder - the part found not needed to furnish protection. The first dividend is usually available after premiums have been paid for one, two, or three years. To obtain the net cost of a participating policy, deduct these yearly dividends from the premiums.

For non-participating policies, premiums are set as close as possible to the actual cost of insurance protection. The premium is the guaranteed cost to the policyholder. No dividends are paid under these policies.

The following are approximate premium rates on a participating basis for Ordinary Life policies with premiums payable for life (or to age 100) and for Ordinary Life policies with premiums payable to age 95. Premium rates for non-participating policies are somewhat lower and no dividends will be paid under these policies. **The rates shown below are examples only and are not rates for any one company.**

**Sample Annual Premium Rates per \$1,000 of Insurance**  
Participating Insurance (any dividends paid will reduce these costs)

Age of insured at issuance of policy	Ordinary Life	Life Paid-Up at Age 95	Age of insured at issuance of policy	Ordinary Life	Life Paid-Up at Age 95
20	\$ 9.00	\$10.50	45	\$24.50	\$28.00
25	\$10.50	\$12.50	50	\$31.50	\$36.50
30	\$12.50	\$14.50	55	\$40.50	\$48.00
35	\$15.50	\$17.50	60	\$53.00	\$64.00
40	\$19.50	\$21.50	65	\$66.50	\$77.50

**Privacy Act Statement** - Title 5, United States Code, Chapter 87, Life Insurance, authorizes solicitation of this information. The data you furnish will be used by the Office of Federal Employees' Group Life Insurance to determine eligibility for conversion of life insurance coverage. This information may be shared with national, state, local, or other charitable or social security administrative agencies to determine and issue benefits under their programs, or law enforcement agencies, when they are investigating a violation or potential violation of the civil or criminal law.



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C-Family coverage. Also, upon request, give this notice to the family of an eligible employee who does not convert his or her Option C-Family insurance. If this notice is prepared for a retiring employee, forward Part 2 (duplicate) to OPM with the employee's retirement papers. Otherwise, place Part 2 (duplicate) in the employee's Official Personnel Folder.

1. Name of employee	2. Date of birth (mo., day, yr.)	3. Date insurance terminated
4. Was employee insured for Option C-Family insurance on date in item 3?	Yes	No

### Agency Certification *I certify that the above information has been obtained from, and correctly reflects, official personnel records.*

5. Signature of authorized agency official	6. Name and mailing address of agency
7. Typed name of authorized agency official	
8. Title	
9. Telephone number	

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5. Family members may apply for conversion by sending a completed SF 2819 (this form) to OFEGLI, 200 Park Avenue, New York, NY 10166-0188. (Note: Family members do not need an SF 2821.)