

Group Universal Life Insurance

For employees of Farm Credit Foundations



Important insurance enrollment materials

Underwritten by Minnesota Life





Dear Farm Credit Foundations Employee,

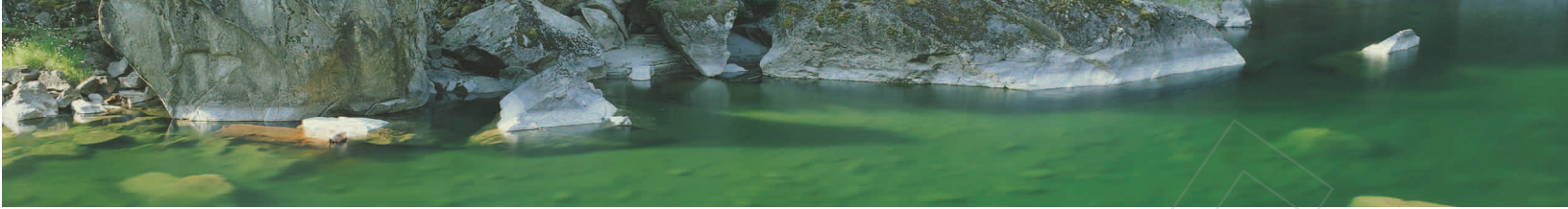
To help you protect your family's financial future, Farm Credit Foundations offers the group insurance coverage options through Minnesota Life:

Employee Group Universal Life Coverage with optional Cash Accumulation Fund
Spouse Group Universal Life Coverage with optional Cash Accumulation Fund
Basic Term Life and AD&D Insurance
Optional Basic Term Life and AD&D Insurance
Optional Dependent Term Life Insurance for your children
Voluntary AD&D coverage for yourself
Voluntary AD&D coverage for you and your family

This enrollment booklet contains information and instructions to apply for Group Universal Life and Optional Cash Accumulation Fund. See your employer-provided Enrollment Guide for additional information on other life insurance options.

Sincerely,

Minnesota Life
Group Customer Service



Your Group Universal Life Insurance Plan Overview

Group Universal Life (GUL) Coverage

For you

- You have the opportunity to elect GUL coverage in multiples of one to ten times your Total Compensation*, to a maximum of \$1,500,000.
- GUL coverage of one times your Total Compensation up to a maximum of \$500,000 is guaranteed — no health questions or medical exam required — as long as you elect coverage within 45 days of your hire date.

**Total Compensation is equal to your current base salary plus all prior year variable pay. As a new hire your Total Compensation is your current base salary.*

For your spouse

- Your spouse is eligible to elect GUL coverage in increments of \$25,000 up to \$250,000.
- Spouse GUL coverage of up to \$50,000 is guaranteed — no health questions or medical exam — as long as you elect coverage within 45 days of your hire date.

Plan Features

Accelerated benefit

Up to 100 percent of the policy's face amount, to a maximum of \$1,000,000, can be paid as an accelerated benefit if the insured person becomes terminally ill.

Cash value account

In addition to life insurance protection, GUL gives you the option to set aside money in the cash value account. With GUL, the money earns a fixed rate of interest and grows tax-deferred — you don't pay taxes on any earnings unless you withdraw more than you've contributed.

Convenience

Life insurance premium payments and contributions to the cash value account are automatically payroll deducted. You never need to worry about a late or missed premium payment.

Portability

If you no longer meet the eligibility requirements as an active employee under the plan, you may take the coverage with you.

Additional Services

Beneficiary Financial Counseling

Upon the death of a loved one, beneficiaries may take advantage of independent financial counseling services from PricewaterhouseCoopers.



Your Group Universal Life insurance benefits from Farm Credit Foundations

Life insurance that changes with you

As your personal and financial obligations grow, so does your need for life insurance protection. When you marry, buy a home or have children, you need an affordable, flexible way to protect the lifestyle you've built.

Who is eligible?

All full-time and part-time employees actively working a minimum of 20 hours per week on a consistent basis are eligible to apply for coverage. If you are not actively at work on the date your coverage would otherwise become effective, the new insurance or increase in insurance amount will be delayed until you return to active employment.

Coverage options

Group Universal Life (GUL) insurance is life insurance protection to help secure the future for those who depend on you. You can insure yourself and your spouse. Group Universal Life also has a savings component. You can make additional voluntary premium contributions to the cash value account and earn a fixed rate of interest. These additional savings can help you meet future financial opportunities and obligations — expected or unexpected. You may use the money for whatever you choose, and you aren't taxed on withdrawals until you withdraw more money than you've contributed.

After enrolling in the Group Universal Life plan you may elect to increase or decrease your coverage amount, change the amount of your monthly cash value account contribution or add spouse coverage.

And, as your Total Compensation increases, your coverage increases automatically up to the \$1,500,000 maximum. No evidence of insurability is required for increased coverage resulting from a salary increase.

When will coverage be effective?

To take advantage of guaranteed amounts, you must enroll within 45 days of your hire date (or within 31 days of your eligibility date if you experience a qualifying status change). If you apply for a guaranteed amount of coverage before the 15th of the month, your coverage is effective the first day of the next month. If you apply for a guaranteed amount after the 16th of the month, your coverage is effective the first day of the month following the next month. If you apply for more than the guaranteed amount of insurance, the additional amount will become effective on the first day of the month following the date you are approved and the new premium will be deducted from your next paycheck.

If you become terminally ill

If you become terminally ill with a life expectancy of 12 months or less, the Accelerated Death Benefit feature allows you to elect a lump-sum advance of up to 100 percent of your total death benefit, up to a maximum of \$1,000,000, in lieu of the death benefit being paid to the policy beneficiary.

If you terminate or change to an ineligible status

When you retire or leave Farm Credit you may keep some of the insurance coverages for which you're eligible by paying premiums directly to Minnesota Life. Employees may elect to continue all or a portion of their Employee GUL and Spouse GUL insurance. The premium you pay may increase.



Choosing a beneficiary

Designating your beneficiary is an important right of life insurance ownership — it allows you to determine who receives your policy benefits. Under current tax law, life insurance benefits paid to a beneficiary are not taxable income. Some common beneficiary choices are:

- **Primary beneficiary:** The person or persons named will receive the policy benefits.
- **Contingent (Secondary) beneficiary:** Policy benefits will be paid to the contingent beneficiary(ies) if the primary beneficiary(ies) is not living.
- **Default beneficiary:** If you do not name a beneficiary, policy benefits will be paid in order of the policy's default beneficiary definition, as follows — spouse, children, parents, brothers and sisters, your estate.

Beneficiary financial counseling from PricewaterhouseCoopers

Beneficiaries of the group life insurance program who receive at least \$25,000 in policy benefits may choose to use the independent beneficiary financial counseling services from PricewaterhouseCoopers LLP (PwC). PwC is a professional services firm with decades of experience in personal financial counseling and education. The PwC financial counseling services are designed to help families understand and address financial decisions at a difficult time. PwC advisors do not sell investments or other financial products, and no information will be given to PwC without the beneficiary's written consent.

What is cash value?

Your GUL insurance through Farm Credit Foundations has a cash value feature. This feature lets you contribute premium in addition to the amount you pay for your insurance coverage. The money can stay in the policy to increase the death benefit or be used during your lifetime for long-term financial goals, such as health care, retirement, college, a down payment on a home, remodeling or any other expense.

Building cash value in a group life insurance policy is attractive because:

- You can start, change or stop contributions at any time.
- You can make contributions through the convenience of payroll deduction or send lump-sum contributions to Minnesota Life at any time.
- Your after-tax contributions grow tax deferred at a competitive rate of interest — guaranteed at a minimum 4 percent.
- You may access cash accumulated in the policy by withdrawal or loan for any reason.

How does it work?

The monthly premium contributions you choose to make to the cash value account are deducted from your paycheck along with your premium for the cost of the life insurance. Contributions are deposited less a 3.00 percent premium charge. These contributions grow tax deferred in Minnesota Life's Guaranteed Account and earn a fixed rate of return guaranteed not to fall below 4 percent.

Use your cash value when you want

Most people think of life insurance only as a legacy — something that gets left behind after they die. But if you're saving for the long term, you can build cash in your GUL policy to use during your lifetime.

You are not taxed on any earnings until you withdraw more than you've contributed to the policy. Withdrawals and loans reduce the policy's total death benefit, which is a combination of the policy's face amount and any cash value. Your policy may lapse if a premium payment is missed and there is not sufficient cash value in the policy to cover it.

Here are a few other things to keep in mind:

- The minimum withdrawal is \$100.
- The minimum loan amount is \$100. You don't have to pay the loan back, but interest continues to be added to any outstanding loan balance.

Minnesota Life charges 8 percent interest and credits back 6 percent.

Run a cash value illustration

To see how cash value builds with additional amounts you contribute, go to www.lifebenefits.com and use the cash value calculator.



How much life insurance do I need?

This worksheet provides an estimate of the amount of insurance your family would need to maintain its current lifestyle.

I. Monthly Expenses

How much a month would your family need for mortgage or rent? \$ _____

How much a month would your family need to pay for all other financial obligations — utilities, car payment, credit cards, personal loans or day care? \$ _____

A. Total monthly expenses \$ _____

B. Total annual expenses (Line A x 12) \$ _____

C. Estimate the number of years your family will need this income. _____

D. Total current income replacement needs (Line B x Line C) \$ _____

II. Additional expenses

What additional expenses would your family incur in the event of your death — funeral expenses, legal fees or unpaid medical expenses? \$ _____

Estimate the total cost of your children's education (\$10,000 for public, \$20,000 for private, per-year). Source: www.savingforcollege.com \$ _____

E. Total additional expenses \$ _____

III . Current assets

Estimate the amount of personal savings, life insurance or other assets you already have in place. \$ _____

Estimate any Social Security benefit you anticipate receiving. \$ _____

F. Total current assets \$ _____

IV. Need for additional life insurance

Generally, your current assets less your income replacement needs and additional expenses equal the amount of coverage needed.

G. Total current income replacement needs and expenses (Line D + Line E) \$ _____

H. Total current assets (amount from line F above) \$ _____

Additional life insurance need (Line G – Line H) \$ _____



Premium Rates

Employee & Spouse Group Universal Life Rates

Age	Rates per \$1,000 of coverage per month
Under 25	\$0.038
25 – 29	0.038
30 – 34	0.045
35 – 39	0.050
40 – 44	0.075
45 – 49	0.105
50 – 54	0.165
55 – 59	0.270
60 – 64	0.420
65 – 69	0.683
70 – 74	1.665
75+	2.530

Rates are not guaranteed, and are subject to change and increase as you age.

Calculating your premium

Example

A 42-year-old employee who earns \$50,000 per year, elects three times his Total Compensation in Group Universal Life coverage and \$100,000 of Group Universal Life for his 38-year-old spouse.

Group Universal Life for employee

Number of insurance units (\$150,000/\$1,000)		150
Rate per \$1,000	X	<u>\$0.075</u>
Monthly premium		\$11.25

Group Universal Life for spouse

Number of insurance units (\$100,000/\$1,000)		100
Rate per \$1,000		<u>\$0.050</u>
Monthly premium		\$5.00

Total monthly premium		\$16.25
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It's easy! Enroll for Group Universal Life insurance for yourself and/or your spouse using our LifeBenefits online tool.

Gather necessary information before you begin:

- Your User ID and initial password.
 - **User ID:** FC + your six digit Ceridian Clock Number (e.g., FC123456) **Note:** Your Ceridian Clock Number is provided to you by your Farm Credit HR Representative.
 - **Initial password:** Your date of birth + the last four digits of your Social Security Number (e.g., MMDDYYYY####).
- Social security number for you and your spouse.
- If you are enrolling for coverage over your guaranteed issue amount, you will need:
 - Name and address of physicians, hospitals and clinics visited in the past three years.
 - Reason for visits, diagnosis, etc.
 - Full name and Social Security number of any beneficiary you wish to designate.

Log on to www.lifebenefits.com using your User ID and initial password listed above. Follow the instructions on the web site to enroll for Group Universal Life insurance for yourself and/or your spouse and designate your beneficiaries.

Note: Use LifeBenefits to designate and manage your beneficiaries for all life coverages you are enrolled in through Minnesota Life.

Questions?

- Visit the “Help” section of LifeBenefits;
- Call Minnesota Life at 800-843-8358 Monday through Friday, 7:00 a.m. to 6:00 p.m. Central Time; or
- E-mail lifebenefits@minnesotalife.com.

About Minnesota Life

Minnesota Life is:

- A leader in the group life insurance industry, providing group life insurance since 1917.
- Among the most highly rated insurance companies in the country. For current ratings, see our web site, www.lifebenefits.com under "About Us." Ratings for financial strength and claims-paying ability are important; however, they are not reflective of the performance of any registered securities or variable subaccounts.
- Customer service-oriented. We combine people and technology to provide you with the best service possible.

A+ *(Superior)*

A.M. Best

(second highest of 16 categories)

AA *(Very strong)*

Fitch

(third highest of 22 categories)

AA- *(Very strong)*

Standard & Poor's

(fourth highest of 23 categories)

Aa2 *(Excellent)*

Moody's Investors Service

(third highest of 19 categories)

As of July 2007, Minnesota Life was rated A+ (Superior) by A.M. Best for financial condition (second highest of Best's 16 categories), AA- (Very strong) by Standard & Poor's for financial strength and credit quality of debt issues (fourth highest of 23 categories), AA (Very strong) by Fitch for claims-paying ability of life, health, property casualty, bond and annuity insurers (third highest of 22 categories), and Aa2 (Excellent) by Moody's Investors Service for insurance financial strength (third highest of 19 categories).

Questions? Contact Minnesota Life

Call 800-843-8358 or find us on the internet,
www.lifebenefits.com.



Underwritten by Minnesota Life
Group Insurance
400 Robert Street North
St. Paul, MN 55101-2098

Farm Credit Foundations
Enrollment Materials

Prepared for Farm Credit Foundations

For Internal Employee Use Only

Group Universal Life is offered under policy form series 00-30252 or 01-30287T or a state variation thereof. Voluntary Accidental Death and Dismemberment is offered under policy form series 02-30428 or 02-30475T or a state variation thereof.

If there are any differences between these materials and the policy or certificate, the policy and certificate govern.

MINNESOTA LIFE

Minnesota Life Insurance Company
A Securian Financial Group Affiliate

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