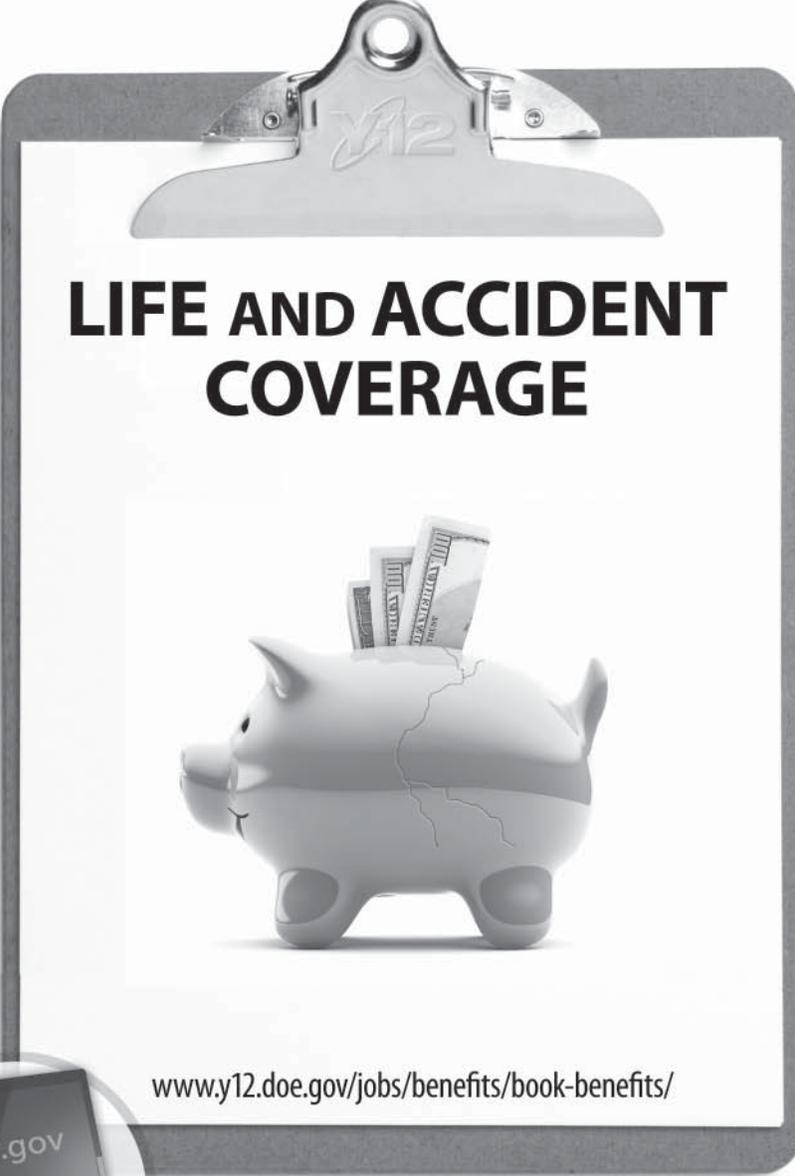


Y-12 BOOK OF BENEFITS



LIFE AND ACCIDENT COVERAGE



www.y12.doe.gov/jobs/benefits/book-benefits/



YOUR BOOK OF BENEFITS—ACTIVE EMPLOYEES

Y-12 BOOK OF BENEFITS

Life and Accident benefits are designed to provide beneficiaries some financial security when a life-altering event occurs.

Life and Accident Coverage:

- Provides security for your family through basic life coverage

Your basic life insurance coverage pays a benefit of at least two times your Pay before age 65 to your beneficiary in case of your death from any cause. At age 65, your coverage is reduced. You and the Company share the cost of this coverage.

- Offers the opportunity for added protection through supplemental, spouse and dependent life coverage

You may purchase supplemental life insurance coverage from one to five times your Pay to provide greater security for your beneficiary in case of your death from any cause. You may also purchase spouse life insurance in amounts from \$10,000 to \$50,000 and dependent life insurance in the amount of \$10,000.

- Automatically provides business travel accident coverage

Business travel accident insurance coverage pays a benefit of four times your Pay, up to \$500,000, to you or your beneficiary in case of accidental death, dismemberment, or Total and Permanent Disability (as defined in the Glossary) while you are traveling on a Business Trip (as defined in the Glossary). This coverage is provided automatically, at no cost to you.

- Gives you extra security through special accident coverage

Special accident insurance coverage from \$20,000 to \$500,000 can provide extra financial security for you or your beneficiary in the event of accidental death, dismemberment, or paralysis. Family coverage is also available.

What happens to your benefits when?

For more information about what happens to your life and accident benefits when certain changes or events occur, see “How Changes Affect Your Benefits” in the “About Your Benefits” section.

Basic Life Insurance

Basic life insurance is available on an optional contributory basis. This coverage pays benefits to your beneficiary in the event of your death from any cause while you are insured.

Benefit Amounts

During Active Service – Before Age 65

If you are actively working at the Company and are under age 65, your basic life insurance amount is equal to two times your annual Pay (rounded to the next higher \$1,000 if your annual Pay is not an even multiple of \$1,000).

“Pay” is defined in the Glossary.

When your Pay increases enough to put you in a new insurance bracket, your insurance amount will automatically increase. If your Pay decreases, your insurance amount will not change unless the decrease is enough to put you in a new bracket and you request in writing to be insured for the lower amount. There is one important exception to this “no change” rule. If the decrease is part of a general reduction in Pay or hours affecting all employees in your plant, department or other identifiable group, your insurance will be reduced if your new Pay rate puts you in a lower insurance bracket.

Any change will be effective immediately. If you are on leave of absence, long-term disability, or strike at that time, the increase or reduction in insurance will take place upon your return to work.

During Active Service – At Age 65 and After

If you continue working after you reach age 65, your basic life insurance coverage in effect at age 65 will be reduced 10% a year until it reaches 50% of the amount in effect on your 65th birthday. Any Pay increases you receive after age 65 will not increase your insurance coverage.

The initial 10% reduction will become effective on the first day of the month following your 65th birthday. Subsequent reductions will become effective on the anniversary of that date each year.

Your contributions for basic life insurance will be reduced when your insurance coverage is reduced.

The balance between your reduced amount and the original amount of coverage can be converted to an individual policy. Refer to “Conversion Privileges” at the end of this section for more information.

During Disability

If you become Totally Disabled, as defined in the Glossary, during active service and before age 63, your basic life insurance will continue at the level in effect at the time your Total Disability began, for as long as you remain Totally Disabled, or until you reach age 65, whichever is earlier. After you have been continuously disabled for 13 weeks, this coverage will continue providing you pay any required cost. For hourly employees, the 13 weeks’ coverage continues at no cost.

However, if your Total Disability begins after your 63rd birthday your insurance will continue for two years, but not beyond age 70. At age 65, or at the expiration of the two-year period, if later, you may be eligible to continue a portion of your insurance amount or convert the coverage to an individual policy.

About Your Basic Life Insurance Amount

If your annual Pay is not an even multiple of \$1,000, it is rounded up for purposes of determining your basic life insurance amount. This rounding of your Pay means that insurance amounts are actually provided in \$2,000 steps as shown by the examples in the following chart.

If your annual Pay is:	Your basic life insurance amount is:
\$24,000.01 to \$25,000	\$50,000
\$25,000.01 to \$26,000	\$52,000
\$26,000.01 to \$27,000	\$54,000
\$27,000.01 to \$28,000	\$56,000
\$28,000.01 to \$29,000	\$58,000
\$29,000.01 to \$30,000	\$60,000
\$30,000.01 to \$31,000	\$62,000
\$31,000.01 to \$32,000	\$64,000
\$32,000.01 to \$33,000	\$66,000
\$33,000.01 to \$34,000	\$68,000
etc. in steps of \$1,000	etc. in steps of \$2,000

During Retirement – At Age 65 and After

If you retire at age 65 or later, a reduced amount of basic life insurance coverage (described below) will continue for the rest of your life, provided you had basic life insurance coverage for at least one year immediately preceding retirement. This reduced coverage is currently provided at no cost to you.

If you had basic life insurance coverage for at least one year but less than five years immediately preceding your retirement, your reduced insurance will be \$625.

If you had basic life insurance coverage for at least five years immediately preceding your retirement, the amount of your reduced insurance will be the greater of:

- 1% of your basic life insurance amount just before retirement times your years of service (including any fraction of a year), plus \$500, with a minimum of \$2,500 or 25% of your basic life insurance just before retirement, up to a maximum of \$10,000
- 20% of your basic life insurance just before retirement.

If you continue working after age 65, the amount of your reduced life insurance will be calculated using the amount of your basic life insurance in force at age 65.

During Retirement – Before Age 65

If you retire before age 65, are eligible for an immediate pension benefit, and had basic life insurance coverage for at least one year immediately preceding retirement, you can:

- continue your full basic life insurance amount until age 65 by continuing to make your regular premium payments
- take the reduced basic life insurance amount (as described under “During Retirement – At Age 65 and After”) immediately at no cost to you.

Supplemental Life Insurance

Supplemental life insurance is available on an optional contributory basis. This coverage provides added protection to your beneficiary in the event of your death from any cause while you are insured. You must elect basic life insurance in order to elect this coverage.

In addition, you may purchase supplemental life insurance coverage for **your spouse** (up to age 70) and **your eligible dependent children from 6 months to 19 years** (up to age 24 years if a full-time student). You may purchase \$10,000 to \$50,000 in increments of \$10,000 for your spouse and \$10,000 for each dependent child.

Evidence of Insurability is required for a spouse and/or eligible children if:

- you are enrolling for coverage after the 30 days of becoming eligible
- the dependent was hospitalized within 90 days prior to enrolling
- you are requesting more than \$10,000 in coverage for your spouse.

Eligible dependent coverage ends when an active employee terminates employment. It would also stop at retirement, when an individual goes on long-term disability, upon divorce, or when a dependent is no longer eligible. Refer to "Conversion Privileges" at the end of this section if you would like to convert to an individual policy.

Benefit Amounts

During Active Service – Before Age 65

If you are actively working and are under age 65, you can elect a supplemental life insurance amount equal to 1 to 5 times your annual Pay (rounded to the next higher \$1,000 if not an even multiple of \$1,000) up to a maximum of \$500,000 with evidenced insurability.

"Pay" is defined in the Glossary.

When your Pay increases enough to put you in a new insurance bracket, your insurance amount will automatically increase. If your Pay decreases, your insurance will decrease if you request the change in writing, or if the Pay decrease is part of a general reduction.

During Active Service – At Age 65 and After

If you continue working after you reach age 65, your supplemental life insurance coverage in effect at age 65 will be reduced 10% a year until it reaches 50% of the amount in effect on your 65th birthday. Any Pay increases you receive will not increase your insurance coverage.

The effective dates for the reductions are the same as those for reductions in your basic life insurance.

Your contributions for supplemental life insurance will not be reduced when your insurance is reduced. This means that your cost per \$1,000 in supplemental life insurance coverage will increase.

Your supplemental coverage can be converted to an individual policy when your employment ends.

During Disability

If you become Totally Disabled, as defined in the Glossary, during active service and before age 63, your supplemental life insurance will continue at the level in effect at the time your Total Disability began, for as long as you remain Totally Disabled, or until you reach age 65. After you have been continuously disabled for 13 weeks, this coverage will continue providing you pay any required cost. For hourly employees, coverage continues during the 13 weeks at no cost.

However, if your Total Disability begins after your 63rd birthday your insurance will continue for two years, but not beyond age 70. At age 65, or at the expiration of the two-year period; if later, you may be eligible to continue a portion of your insurance amount or convert to an individual policy.

During Retirement – At Any Age

Your supplemental life insurance coverage terminates unless you convert it to an individual policy or elect the portability option. Refer to “Conversion Privileges” at the end of this section if you would like to convert to an individual policy, or see “Portability” if you would like to elect the portability option.

Living Benefit

If you are diagnosed with a terminal illness, with six months or less to live, and have at least \$10,000 of life insurance (basic and supplemental coverage combined), you may make a one-time request to receive a portion of your life insurance benefit before you die. You must furnish satisfactory proof of your illness to the insurance company before any benefits can be paid.

You may receive up to 50% of the amount of your basic and supplemental life insurance coverage, with a maximum living benefit of \$250,000 of your basic life insurance coverage and \$250,000 of your supplemental life insurance coverage. Benefits will be paid in a lump sum.

Living benefit payments may be taxable and may affect your eligibility for certain government benefits, such as Medicaid. In addition, the amount of benefits payable to your beneficiary upon your death will be reduced by the amount of the living benefit that you receive.

If you wish to apply for a living benefit, please contact the Benefit Plans Office for forms and instructions.

Payment of Benefits

Basic and Supplemental Life death proceeds are deposited into a Total Control Account (TCA) Money Market Option. Interest is paid on the fund from the date of death.

The beneficiary can choose among other long term settlement options at any time including:

- guaranteed interest certificates (6 months – 7 years)
- annuity options, which provide a guaranteed income for life.

Business Travel Accident Insurance

Business travel accident insurance pays benefits to you if you should lose sight, speech, hearing or limb or become paralyzed or Totally and Permanently Disabled. Benefits are also payable to your beneficiary in case of your death as a result of an accident that occurs while you are traveling on a Business Trip (as defined in the Glossary). This does not include commuting to or from work. If your spouse and/or eligible dependent children are authorized to travel with you, they will also be covered for accidental death or dismemberment.

Coverage is provided 24 hours a day during a "Business Trip" (as defined in the Glossary), starting when you leave your home or place of business (whichever is later) and continuing until you return to your home or place of business (whichever is earlier). Coverage is also provided while you are on a side trip or vacation that is taken in conjunction with a business trip, or on the Company premises to which you are permanently assigned in the event of a bomb scare, bomb search, bomb explosion, or felonious assault (committed by someone other than a fellow employee or family member).

Business travel accident insurance benefits are paid in addition to any other life and accident insurance benefits you are eligible to receive.

Benefit Amounts

While you are actively employed, and until age 70, your business travel accident benefit amount equals four times your annual Pay, with a minimum benefit of \$50,000 and a maximum benefit of \$500,000. In a Company aircraft accident, your minimum benefit is \$100,000.

Your spouse's benefit amount is \$50,000, and the benefit amount for each eligible dependent child is \$25,000. In a Company aircraft accident, however, their individual benefits increase to \$100,000.

A combined maximum benefit of \$5,000,000 is payable on behalf of all covered individuals in one aircraft accident. Therefore, for any aircraft accident in which more than \$5,000,000 is claimed, there will be a proportionate distribution of the \$5,000,000 maximum. In addition, a combined maximum benefit of \$10,000,000 is payable on behalf of all covered individuals involved in one On Premises Terrorism, On Premises Bomb Scare, Search, Explosion or On Premises Felonious Assault Accident. Therefore, for any such accident in which more than \$10,000,000 is claimed, there will be a proportional distribution of the \$10,000,000 maximum for those eligible.

As an active employee age 70 and older, your benefit amount will be reduced as follows:

If you are at least this age:	Your benefit will be this percentage of your pre-age-70 benefit:
70	82.5%
75	57.5%
80	37.5%
85	20%

Dismemberment Benefits

If you, your spouse or your eligible dependent children should lose sight, speech, hearing or limb or become paralyzed as a result of and within one year after an accident which occurs while you are

traveling on a Business Trip, you, your spouse and your eligible dependent children will receive the following benefits in a lump sum:

For loss of:	The plan pays:
Any combination of one hand, one foot, or sight of one eye	100% of the benefit amount
Both hands, both feet, or sight of both eyes	100% of the benefit amount
Both speech and hearing (both ears)	100% of the benefit amount
Quadriplegia (total paralysis of both upper and lower limbs)	100% of the benefit amount
One hand, one foot, sight of one eye, speech, or hearing (both ears)	50% of benefit amount
Paraplegia (total paralysis of both lower limbs) or Hemiplegia (total paralysis of upper and lower limbs on one side of the body)	50% of benefit amount
Thumb and index finger of same hand	25% of benefit amount

If two or more of these losses are sustained in the same accident, your benefit amount will be for the loss with the largest percentage amount payable. For example, if you sustain an injury that entitles you to 25% of your benefit amount and another from the same accident that entitles you to 50%, you will be paid 50% of your benefit amount.

"Loss" is defined in the Glossary.

Payment of Benefits

Death Benefits

If you should die as a result of and within one year after an accident which occurs while you are traveling on a Business Trip, the full amount of your business travel accident benefit will be paid to your beneficiary in a lump sum. In the event of your spouse's or eligible dependent child's death, you will receive their full benefit amount.

Unless you have otherwise submitted in writing, your beneficiary will be the beneficiary designated under your basic Group Life benefit.

Seat Belt Benefit

An extra benefit is payable if you or an eligible dependent on a Business Trip dies as a result of injuries sustained while driving or riding in a private passenger car equipped with seat belts. If the eligible person was wearing a seat belt (or protected by a child restraint as defined by state law) certified in the official report of the accident, or by the investigating officer at the time of the accident, that person's benefit will be increased 10%, up to an additional \$10,000.

If it is unclear whether the eligible person was wearing the required protection, the plan will pay \$1,000 to the beneficiary.

Total and Permanent Disability Benefits

If within 365 days of a covered accident you become Totally and Permanently Disabled as a result of an injury sustained in the accident, you will receive a lump-sum payment after you have been Totally and

Permanently Disabled for 12 consecutive months. The amount of this payment will be your full benefit amount, less any other amount payable from this plan as a dismemberment benefit for the same accident.

You must have been under age 70 at the time of the covered accident to receive Total and Permanent Disability benefits under this plan.

Exclusions

Business travel accident benefits are not payable for losses or death caused by:

- illness or disease
- bacterial infections; this exclusion does not apply to infection in an accidental cut or wound, or due to food poisoning
- commission of a common law felony by the covered individual
- intentionally self-inflicted injury or suicide
- flying in a rocket-propelled aircraft
- flying in any private aircraft being used on Company business
- crop dusting
- war or any act of war in the United States or any nation of which you permanently reside (there is war risk coverage outside the United States); this exclusion does not apply to the hijacking or air piracy of any conveyance used during a covered trip or acts of terrorism while traveling on a covered trip, or on any premises of the Company
- service in the armed forces of any country
- a motor vehicle accident, if driving is a primary duty of your occupation (e.g., truck driver, courier, etc.)
- commuting to and from work
- flying in any aircraft other than a properly licensed and piloted commercial, chartered, corporate, or other Company-approved aircraft.

Travel Assistance Services – Business Travel

Travel assistance services are available 24 hours a day, 365 days a year while traveling on Company business at least 100 miles from your place of residence. Services range from pre-departure information to replacing lost passports to coordinating emergency medical evacuations. Please call 1-888-226-4567 within the United States and Canada or call collect 1-202-331-7635 from any other location. Travel assistance services are provided by Worldwide Assistance Services, Inc. (WA). WA ID cards are available from the travel office.

Emergency Medical Evacuation

When necessary, WA will arrange and pay for your transportation to the nearest adequate medical facility that can properly treat your condition.

Repatriation Benefit

If you die while traveling, WA will arrange and pay for all necessary government authorization, and pay for the return of your remains to your place of residence for burial.

Special Accident Insurance

Special accident insurance is available on an optional contributory basis. This coverage provides extra financial security for you and your family in the event of accidental death, dismemberment, or paralysis.

Coverage is provided 24 hours a day anywhere in the world, on or off the job, on business or vacation, and at home.

Special accident insurance benefits are paid in addition to any other life and accident insurance benefits you are eligible to receive.

Benefit Amount

If you want to cover your spouse and eligible dependent children, you can elect family coverage. The benefit amount for family members is a percentage of your benefit amount and is based on the composition of your family at the time of loss, as follows:

If you have these dependants at the time of loss:	Your spouse's benefit will be:	Each child's benefit will be:
Spouse & children	90%	20%
Spouse only	100%	n/a
Children only	n/a	30%

You can elect special accident insurance coverage for yourself from \$20,000 to \$500,000 in \$10,000 increments. You may elect coverage greater than \$250,000, only if the amount you choose does not exceed ten times your annual Pay. Hourly employees receive a Total and Permanent Disability feature. Note: additional coverage above \$250,000 will not increase the coverage for the Total and Permanent Disability benefit.

In any case, your total coverage may not exceed \$500,000. (Regardless of the coverage you elect, if you die or suffer a covered loss while serving as a licensed pilot or crew member of an aircraft, your maximum benefit will be \$100,000.)

As an active employee age 70 and older, your benefit amount will be reduced as follows:

If you are at least this age:	Your benefit will be this percentage of your pre-age-70 benefit:
70	82.5%
75	57.5%
80	37.5%
85	20%

Your contributions for special accident insurance will not be reduced when your benefit is reduced.

Payment of Benefits

Death Benefits

If you or a covered eligible dependent should die as a result of and within one year after an accident, the full benefit amount is payable to you or your beneficiary, as applicable, in a lump sum. If you and your covered spouse should both die in the same accident or separate accidents that occur within a 24-hour period, your spouse's benefit will increase to 100% of your benefit. However, the combined benefit will not be more than \$1,000,000.

Seat Belt Benefit

An extra benefit is payable if you or a covered eligible dependent dies as a result of injuries sustained while driving or riding in a private passenger car equipped with seat belts. If the covered person was wearing a seat belt (or protected by a child restraint as defined by state law) at the time of the accident, that person's benefit will be increased 10%, up to an additional \$10,000.

If it is unclear whether the covered person was wearing the required protection, the plan will pay \$1,000 to the beneficiary.

Child Care Center Benefit

If you elect family coverage and you or your spouse dies as a result of an accident, an additional annual benefit of up to 3% of your special accident insurance benefit (to a maximum of \$5,000 per year for each child) will be payable for a licensed child care center to care for your surviving child.

To be eligible for this payment, your child must have been enrolled in a legally licensed child care center prior to your death (or your spouse's death) or within 365 days thereafter. This benefit will be paid once a year for up to four years, or until your child reaches age 13, whichever comes first.

After the child has been in child care for 12 months following the accident, the claim for child care should be submitted to the Benefit Plans Office for reimbursement. If the surviving spouse has custody of the child, benefits will be paid to the surviving spouse. If there is no surviving spouse or the child does not live with the spouse, benefits will be paid to the child's legally appointed guardian.

If you had family coverage at the time of the accident, but no children are eligible for the child care benefit, a one time \$1,500 payment will be made to your beneficiary.

Education Benefit

If you elect family coverage and then lose your life as the result of an accident, an annual education benefit of an additional 5% of your benefit amount, up to \$15,000 a year, is payable on behalf of any dependent child who, on the accident date, is:

- enrolled as a full-time student in any institution of higher learning beyond the 12th grade
- or*
- enrolled in the 12th grade and, within 365 days after the accident, enrolls as a full-time student in an institution of higher learning beyond the 12th grade.

Benefits are payable for four years provided your child remains a full-time student.

If you have family coverage at the time of the accident but no dependent children who qualify for the education benefit, your beneficiary will receive an additional \$5,000 lump-sum benefit.

Spouse Retraining Benefit

If you elect family coverage and then lose your life as the result of an accident, a “spouse retraining benefit” is payable to your surviving spouse who enrolls in any professional or trade school or training program in order to obtain an independent source of income and support. The plan will pay up to \$5,000 toward the cost of training received within 30 months after the date of your death.

Surviving Spouse Benefit

If you choose family coverage and you or your covered spouse dies as a result of an accident, an additional 1/2% of your special accident insurance amount will be payable to the surviving spouse each month for 12 months.

Continuation of Special Accident Coverage After Employee’s Death

If you choose family coverage and you die as a result of an accident, coverage for your eligible spouse and children will continue, at no cost, for 36 months.

Dismemberment Benefits

If you or a covered eligible dependent should suffer a loss as a result of and within one year after an accident, you or your family member will receive the following benefits in a lump sum:

For loss of:	The plan pays:
Any combination of one hand, one foot, or sight of one eye	100% of the benefit amount
Both hands, both feet, or sight of both eyes	100% of the benefit amount
Both speech and hearing (both ears)	100% of the benefit amount
Total paralysis of both upper and lower limbs (Quadriplegia)	100% of the benefit amount
One hand, one foot, sight of one eye	50% of benefit amount
Speech, or hearing (both ears)	50% of benefit amount
Total paralysis of both lower limbs (Paraplegia)	50% of benefit amount
Total paralysis of upper and lower limbs on one side of body (Hemiplegia)	50% of benefit amount
Thumb and index finger of same hand	25% of benefit amount

If two or more of these losses are sustained in the same accident, your benefit amount will be for the loss with the largest percentage amount payable. If your covered dependent child suffers a dismemberment loss as described above, the plan will pay double the benefit amount indicated up to a maximum of \$200,000.

“Loss,” “Paralysis,” and “Limb” are defined in the Glossary.

Total and Permanent Disability Benefit Feature – Available to Hourly Employees Only

If within 365 days of a covered accident you become Totally and Permanently Disabled as a result of an accident, you will receive a monthly benefit after you have been Totally and Permanently Disabled for 12 consecutive months. The amount of this monthly benefit is 2% of your benefit amount, up to \$5,000 a month with a maximum of \$250,000. Benefits are payable for up to 50 months or until you recover, whichever comes first.

If you should die before receiving the maximum benefit – 100% of your benefit amount – your beneficiary will receive the remaining benefit.

You must have been under age 70 at the time of the covered accident to receive Total and Permanent Disability benefits under this plan.

There are no Total and Permanent Disability benefits for dependents or salaried employees.

Rehabilitation Benefit

If you or an eligible dependent are injured as a result of an accident, an additional benefit of up to \$50,000 will be payable for approved rehabilitation expenses incurred within two years of the accident.

Covered expenses include physical therapy, home reconstruction, and outfitting of special vehicles. This benefit will be reduced by any other rehabilitation benefits that are payable, such as health or accidental insurance, workers' compensation, occupational disease, or similar law.

You must notify the Benefit Plans Office in writing of your injury before any rehabilitation benefits are payable.

Exclusions

Special accident insurance benefits are not payable for losses or death caused by:

- illness or disease
- bacterial infection (except an infection resulting from an accidental cut, wound, or ingestion of a poisonous food or substance)
- intentionally self-inflicted injury or suicide
- commission of a common law felony by a covered individual
- war or any act of war in the United States; this exclusion does not apply to acts of terrorism in the United States
- service of more than 30 days in the armed forces, other than Reserve or National Guard active duty for training
- traveling or flying in any aircraft or device, other than hang gliders or parachutes, if the aircraft or device does not have a valid certificate of air worthiness, or is being used:
 - for travel, or is designed for travel beyond the earth's atmosphere
 - crop dusting; spraying or seeding; firefighting; skywriting; pipeline or powerline inspection; aerial photography or exploration, except for plant site selection or inspections, inventory inspections, and quarry site selection; racing, endurance tests, stunt or acrobatic flying; or any operation which

requires a special permit from the FAA, even if it is granted (this does not apply if the permit is required only because of the territory flown over or landed on)

- test or experimental purposes
- any military authority [aircraft flown by the U.S. Military Airlift Command (MAC) or similar service, or another country are not excluded].

If the Company requests participation in any activity listed in paragraphs 2 or 3 above, the aircraft exclusions will be modified. However, a \$100,000 maximum benefit limitation will apply.

Other Important Information

The following information applies to your life and accident insurance benefits.

Naming Your Beneficiary

You may name anyone as your beneficiary and you may change your beneficiary designation at any time by completing the appropriate form available from the Benefit Plans Office. Forms are also available on the Forms web page. The beneficiary you name for basic life insurance benefits will automatically be your beneficiary for supplemental life and business travel accident insurance, unless you elect otherwise in writing. You may also name anyone as your beneficiary for special accident insurance.

If you do not designate a beneficiary, basic and supplemental life insurance benefits will be paid to your estate. Business travel accident and special accident insurance benefits will be paid to the first survivor among the following beneficiaries:

- your spouse
- your child or children
- your mother or father
- your sisters or brothers.

If you do not have any living beneficiaries, your business travel accident and special accident insurance benefits will be paid to your estate.

If you elect dependent life coverage or family coverage under the special accident insurance plan, you will automatically be the beneficiary in case of the death of a family member, unless you elect otherwise in writing.

Costs for Coverage

As described in the "About Your Benefits" section, you and the Company share the cost of basic life insurance coverage. You pay the full cost of all supplemental life insurance and special accident insurance coverage. The Company pays the cost of business travel accident coverage.

Tax Consequences

Under current tax law, employer-paid insurance coverage in excess of \$50,000 may result in additional taxable income for federal income and FICA tax purposes. This additional taxable income, called imputed income, is reported on your W-2 earnings statement as "other income."

Claiming Benefits

You or your beneficiary must file a claim with the Benefit Plans Office in order to receive any life and accident insurance benefits. By contacting the Benefit Plans Office, you or your beneficiary will receive the necessary forms, as well as instructions and assistance in filing forms.

When Coverage Ends

Basic life insurance ends on the date your employment terminates for any reason other than retirement, after you become eligible for an immediate pension benefit, or Total and Permanent Disability.

Supplemental life insurance ends on the date your employment terminates unless you are approved for Total and Permanent Disability. Dependent coverage ends on the date your employment terminates. Business travel accident insurance and special accident insurance coverages end on the date your employment terminates for any reason.

If you are on temporary suspension of work or an approved leave of absence, you may continue your basic life insurance and supplemental life insurance coverage until the end of the third month following the month in which your absence began. In addition, you may elect to continue your special accident insurance coverage for up to 12 months if you are on an approved leave of absence or long-term disability, provided you pay the 12 months' premium in advance.

Basic life insurance, supplemental life insurance, business travel accident insurance, and special accident insurance coverages may end before termination of employment. However, these coverages will end on the earliest of the following dates:

- the date you are no longer considered eligible because of a change in your employment status and (if eligible) you elect not to continue coverage
- the last day of the period for which your last contribution was made
- the date the plan is terminated.

If you should die (in a circumstance or event otherwise covered by the life insurance benefits provided under this plan) within the 30-day period after your coverage terminates, basic life insurance and supplemental life insurance benefits will be paid.

Special accident insurance coverage for a dependent child will end the earlier of 120 days after your child stops being a full-time student or if your child turns age 28, marries, or begins full-time employment.

Employment during school break periods is not considered full-time employment. If the dependent child is not enrolled in school full-time, coverage for that child will end at age 18.

Conversion Privileges

Within 30 days after your basic life insurance, supplemental life insurance, spouse and dependent life insurance and special accident insurance coverages terminate, you may convert all or part of these coverages to individual insurance policies without taking a medical examination. The cost for individual coverage will be based on the insurance company's regular premium rates for the type and amount of insurance available to you through the conversion privilege. The conversion privilege under the special accident insurance plan ends at age 70.

If your basic life coverage is reduced, you will also have an opportunity to convert the amount of discontinued insurance to an individual policy within 30 days after the reduction without taking a medical examination.

If your life and/or accident insurance coverages terminate, you may contact the insurance company to request a conversion form. For a special accident conversion form, contact the Benefit Plans Office.

Business travel accident insurance may not be converted.

Portability

Although your costs may differ from what you are currently paying, the cost to continue your supplemental life coverage under the portability option is generally less expensive than converting to an individual life insurance policy. When you elect to continue coverage under the portability option you won't lose the valuable features of the Total Control Account (TCA) or the Accelerated Benefits Option (ABO).

Within 30 days after your supplemental life insurance coverage terminates due to voluntary termination, retirement, or dismissal, you may port all of the coverage without taking a medical examination. The cost for the ported coverage will be based on your age and will increase incrementally as you get older.

The portable coverage reduces at age 70 and terminates at age 80. (You may convert the ported coverage when the benefit reduces at age 70 and when it terminates at age 80.)

The minimum amount of coverage that you can port is \$20,000 and the maximum amount is the amount of supplemental life coverage you had at the time your group supplemental life benefits ended. Once you select a coverage amount, you may only decrease coverage in the future; you cannot increase the amount.

If your supplemental life benefits terminate, you may contact the insurance company to request an Election of Portable Coverage Form.

You may not continue group coverage under portability AND convert the coverage to an individual policy. If you elect portable coverage and it is reduced or ends due to age, new conversion rights may be triggered.

