

## Life and AD&D Insurance

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The Life and Accidental Death and Dismemberment (AD&D) Insurance Program of the Mashantucket Pequot Tribal Nation (MPTN) can provide financial assistance in case of death or severe injury to you and your family.

- With life insurance coverage, you and your family have financial protection if a covered family member dies.
- AD&D insurance coverage pays benefits if you die or are seriously injured as the result of a covered accident.

This SPD supersedes all earlier descriptions of the plans, as of January 1, 2024.

Because the benefits and other programs described in this SPD may change, MPTN will provide updated information as necessary and as required by tribal, federal or other applicable law.

### **For More Information...**

If you have questions about your coverage or how to enroll, contact Human Resources at 1-888-287-4369.

## Eligibility and Participation

Your family members are not eligible for AD&D coverage.

You are eligible for Basic Life and AD&D insurance coverage if:

- you are employed by an MPTN division that participates in the applicable plan,
- you are a regular full-time team member actively at work
- you are a regular part-time team member actively at work
- you have been employed continuously for 90 days.

If your regularly scheduled work week or your average hours worked per week change, your eligibility to participate in MPTN benefits may change.

The plan does not include coverage for temporary or seasonal team members, nor does it cover team members who work less than the required minimum hours per week.

If you are not eligible for benefits but later change to an eligible status — for example, if you change from a seasonal to a full-time team member — you must be employed continuously for 90 days in the new status before you become eligible for benefits. If you enroll for benefits, in most cases coverage begins on the first of the month following the day you complete 90 days of service in the new status.

### Eligibility for Family Members

If you are enrolled for Basic Life and AD&D insurance coverage, you may enroll your spouse (husband or wife) for Spousal Life insurance coverage, as long as he or she is your legal spouse according to the laws where you work. You may also enroll your spouse if you are legally separated.

You can also enroll your eligible dependent children for Children's Life insurance if you are enrolled for Basic Life and AD&D insurance coverage. Eligible dependent children include your:

- children by birth,
- adopted children or foster children,
- stepchildren,
- children for whom you are legally responsible, or
- children for whom you are a guardian.

Your children (as defined above) must:

- be younger than age 26,
- be unmarried.

Your spouse and dependent children are not eligible for AD&D insurance.

### Disabled Dependents

If your spouse or dependent child is totally disabled on the date that coverage would otherwise be effective, coverage will be delayed and will begin on the date that he or she is no longer totally disabled.

### Enrolling Family Members

If you are enrolled for Basic Life insurance, you can enroll your spouse and eligible dependent children for life insurance coverage.

For purposes of life insurance coverage, “totally disabled” means that, as a result of an injury, a sickness, or a disorder, your spouse or child:

- is confined in a hospital or similar institution,
- is unable to perform two or more activities of daily living, such as bathing or dressing, because of a physical or mental incapacity resulting from an injury or sickness,
- is cognitively impaired (for example, is brain damaged), or
- has a life-threatening condition.

If your child becomes physically or mentally disabled before age 26, life insurance coverage will be continued if:

- the child is unmarried,
- the disability was acquired before the child’s coverage would have ended,
- the child is incapable of self-support, and
- you are the main source of support and maintenance.

You will have to provide proof of disability within 31 days of the date your child reaches age 26 and as requested during the next two years. After that, you will be required to provide continuing information only once a year.

If your spouse becomes disabled after coverage begins, his or her life insurance coverage will continue as long as you continue to make contributions.

## **How to Enroll**

You do not need to enroll for Basic Life and AD&D insurance coverage. You are automatically enrolled by MPTN as of the date you are first eligible.

The process for enrolling for Supplemental Life insurance coverage for yourself, your spouse and your eligible children depends on when you choose to enroll for coverage if:

- you enroll when you are first eligible, or
- you enroll at a later time.

## **Supplemental Life and Dependent Life Insurance**

You may purchase Supplemental, Spousal, and/or Children’s Life insurance coverage that is effective when you become eligible to participate in the plan. You may purchase Dependent Life insurance coverage even if you don’t purchase Supplemental Life insurance coverage for yourself.

To purchase Supplemental, Spousal or Children’s Life insurance coverage when you first become eligible, complete your enrollment form, which is included in your enrollment kit, and return it to Human Resources before your 90th day of employment.

You will not be required to provide evidence of insurability — that is, proof of good health — if you apply for any amount of supplemental coverage up to:

- \$350,000 for yourself, or
- \$30,000 for your spouse.

If you apply for Supplemental Life insurance coverage for yourself or life insurance coverage for your dependents after you first become eligible, you will be required to provide proof of good health and be approved before coverage becomes effective. See “Evidence of Insurability” in “When Coverage Begins” within this section.

## **Changing Coverage**

At each annual enrollment period or within 31 days of a qualified change in status, you will be given the opportunity to change your insurance coverage. For more information, see “Qualified Change in Status” in the *Rules and Regulations* section.

You can apply to increase your coverage by one level or you can decrease your coverage any number of levels. However, you will be required to provide proof of good health and be approved to increase your coverage by more than one level. Your spouse and eligible dependent children also will be required to provide proof of good health and be approved if you apply to increase their coverage amounts by more than one level.

A change in coverage that is made during annual enrollment will be effective as of the following January 1, provided that any necessary proof of good health has been received and accepted.

If you wish to change your coverage because of a qualified change in status, you have 31 days from the date of a qualified change in status to change your coverage. Provided you meet this 31-day deadline and any necessary proof of good health has been received and accepted, the new coverage you choose will generally be effective on the first of the month following 31 days from the qualified event.

To make a change, you must notify Human Resources.

## Naming a Beneficiary

Your beneficiary is the person(s) or institution you name to receive your Life and AD&D insurance benefits when you die.

Although Basic Life and AD&D insurance coverage are provided automatically, **you must name a beneficiary** for these coverages.

- For your Basic Life insurance coverage, your beneficiary can be any person(s) or organization you choose, except MPTN.
- For your AD&D coverage, you are automatically the beneficiary for any benefits paid as the result of a serious, accidental injury. Your beneficiary to receive the death benefit can be any person(s) or organization you choose, except MPTN. You can choose a different beneficiary than the person you named for your Basic Life insurance coverage.

When you enroll for Supplemental Life insurance, you will need to name a beneficiary. This can be the same person that you named for your Basic Life and AD&D insurance, or it may be a different person.

- For your spouse's coverage, you are automatically the beneficiary, unless your spouse names another person.
- For your dependent children's coverage, you are automatically the beneficiary, unless you name another person.

If you choose to name more than one designated beneficiary, you must indicate the percentage of your benefit you wish each person to receive. If you do not indicate how you want your benefit divided, it will be shared equally among all your beneficiaries. In each case, the total payable to all beneficiaries must equal 100%.

You may change your designated beneficiary at any time by making a request in writing. Your beneficiary designation must be on file with Human Resources at the time of your death for your beneficiary to receive benefits.

## When Coverage Begins

In general, your Basic Life and AD&D insurance coverage begins when you first become eligible. For Supplemental Life insurance coverage, you may need to provide proof of good health before coverage begins.

### Basic Life and AD&D Coverage

Basic Life and AD&D insurance coverage generally begins as of the date you become eligible, as long as you are actively at work on that date. If you are not

## If No Beneficiary Is Named

If you die and you have not elected a beneficiary for your insurance coverage, or if the beneficiary you named is not alive, the insurance company has the option either to pay benefits to your estate or to pay benefits to your first surviving relatives, in the following order:

- Your spouse
- Your children
- Your parents
- Your brothers and sisters

## Total Amount of Coverage

The total amount of team member Basic Life insurance and Supplemental Life insurance coverage you can purchase is limited to \$1,250,000.

actively at work because of an injury, a sickness, temporary layoff, or leave of absence on the day your basic coverage is supposed to begin, coverage begins when you return to active work status

### **Supplemental Life Insurance Coverage for Team Members**

If you enroll for Team Member Supplemental Life insurance coverage of up to \$350,000 when you first become eligible...

- no proof of good health is required, and your Supplemental Life insurance coverage begins on the date you become eligible (so long as you are actively at work on that date).
- if you are not actively at work on the day your Supplemental Life insurance coverage is supposed to begin, coverage begins when you return to active status.

If proof of good health is required for your Supplemental Life insurance coverage...

- your coverage begins the day the insurance company approves your application, so long as you are actively at work on that date.

If you enroll for Supplemental Life insurance coverage of more than \$350,000, or you enroll after you first become eligible — for example, after a qualified change in status or at annual enrollment...

- the Supplemental Life insurance coverage you chose begins after your proof of good health is accepted by the insurance company, so long as you are actively at work on that date.

### **Life Insurance Coverage for Family Members**

If you enroll your spouse for life insurance coverage up to \$30,000, no proof of good health is required, and your spouse's coverage begins on the date he or she became eligible. You'll have to provide proof of good health if:

- you enroll your spouse for life insurance coverage for more than \$30,000,
- you apply for dependent coverage more than 31 days after a qualified change in status, or
- you apply for dependent coverage during the annual enrollment period.

Coverage for your dependents begins on the latest of:

- the date your dependents first become eligible for coverage, if you apply for insurance before that date,
- the date you apply for dependent insurance, if you apply within 31 days after a qualified change of status, or
- the date the insurance company approves your dependent's application for coverage if proof of good health is required.

Once you enroll and begin to receive Supplemental and/or Dependent Life and AD&D insurance, your participation automatically continues for the next year, unless you waive coverage. In other words, you do not need to elect this coverage each year.

### **Evidence of Insurability**

In some cases, you must provide evidence of insurability — that is, proof of good health — before life insurance coverage can begin. (Because your basic life insurance coverage is automatic, no evidence of insurability is required for that coverage.)

- **Supplemental Life Insurance** — You must provide proof of good health if you enroll:
  - during the annual enrollment period,
  - more than 31 days after a qualified change in status, or
  - for coverage of more than \$350,000.
- **Spousal Life Insurance** — Proof of good health is required if you purchase coverage:
  - during the annual enrolment period,
  - more than 31 days after a qualified change in status, or
  - for more than \$30,000.
- **Children's Life Insurance** — You'll need proof of good health if you purchase coverage:
  - during the annual enrollment period, or

- o more than 31 days after a qualified change in status.

To provide proof of good health you will need to complete a medical questionnaire, which is available from Human Resources. You may also be required to take certain medical tests at the insurance company's expense.

## When Coverage Ends

Your Basic Life and AD&D insurance coverage and your Supplemental insurance coverage end on the earliest of the following dates:

- The date the policy or plan is cancelled.
- The date you are no longer eligible.
- The last day of the period for which you made any required contributions for your supplemental coverage.
- The last day you are actively employed, unless your coverage is continued due to a covered layoff, leave of absence, or an injury or sickness.
- The day you die.

If you die within 31 days of the date your coverage ends but before you convert your insurance to an individual policy, your beneficiary receives a lump-sum payment of the amount you were entitled to continue or convert, even if you did not apply for continuation or conversion.

For more information, see "What Happens ..." within this section.

## Coverage for Your Family Members

If you have enrolled for Spousal and/or Children's Life insurance coverage, that coverage ends on the earliest of the following dates:

- The date the policy or plan is cancelled.
- The date you are no longer eligible.
- The last day you are actively employed, unless your coverage is continued due to a covered layoff, leave of absence, or an injury or sickness.
- The date your coverage under the plan ends.
- The day you die.
- The date your dependent no longer meets the eligibility requirements for coverage.
- The last day of the period for which you made any required contributions.
- For a spouse, the date of divorce or annulment.
- The day the covered family member dies.

When a spouse or child is no longer eligible, be sure to notify Human Resources promptly so you can stop paying the required contributions for coverage.

## Canceling Coverage

You may discontinue your Supplemental Life insurance coverage as well as coverage for your spouse or dependent children at any time. If you wish to reapply for Supplemental Life insurance at a future date, you will need to furnish proof of good health at your own expense. If you wish to enroll your spouse or children again at a future date, you will need to submit a new application to the insurance company and provide the required proof of good health.

## Paying for Coverage

### When a Family Member's Eligibility Ends

When your spouse's or child's eligibility ends, notify Human Resources so you can stop paying the required contributions for their coverage.

### Contributions for Coverage

Contact Human Resources at 1-888-287-4369 for more information about contributions for:

- Supplemental Life insurance coverage for yourself, and

MPTN pays the full cost of your Basic Life and AD&D insurance. You pay for your Supplemental Life insurance coverage, as well as coverage for your spouse and dependent children, through after-tax payroll deductions. Your contributions begin after your coverage goes into effect.

- [Spousal and Dependent Life insurance coverage.](#)

When you are not an active team member (for example, while you are on an unpaid leave), or if you have a negative paycheck you can make weekly or monthly payments for your benefit elections directly to payroll. If payment is not made, your weekly contributions will go into arrears and will be deducted from your weekly pay check until all arrears are caught up.

### **Cost of Supplemental Life Insurance Coverage**

The cost of Supplemental Life insurance coverage is based on your covered annual earnings, your age, whether or not you are a smoker, and the amount of coverage you choose. Your contributions increase automatically when your covered annual earnings increase and when you reach the next higher age bracket. Contribution increases become effective with the first pay period following the increase in your earnings or your birthday, whichever is causing the contribution change. If the premiums increase, contribution increases will take effect on the following January 1.

The age bands defining when the cost changes are:

- younger than 30
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- 60-64
- 65-69
- 70-74
- 75 or older

### **Cost of Spousal and Children's Life Insurance Coverage**

Costs for Spousal Life insurance coverage are based on your spouse's age and the amount of coverage. Contributions increase automatically when your spouse reaches the next higher age bracket.

For Children's Life insurance coverage, you pay a flat dollar amount based on the amount of coverage. The contributions are the same whether you insure one or more eligible dependent children.

### **What Happens ...**

In certain circumstances, your coverage may continue, even if your employment with MPTN ends.

#### **If You Become Disabled**

Your life insurance coverage may be continued for a specific time and your life insurance premium may be waived if you qualify as disabled, as described below:

- during the first nine months of your disability (the "elimination period"), you are not working in any occupation due to your injury or sickness, and
- after the first nine months of your disability, if you are still disabled due to the same injury or sickness, you are unable to perform the duties of any gainful occupation for which you are reasonably suited by training, education or experience.

### **Contributions When Not on Payroll**

If you are eligible to continue participating in the Life and AD&D insurance plan when you are not an active team member (for example, while you are on family leave), your contributions will be deferred during your leave. The deferred premiums will be deducted from your first paycheck upon returning to work. For more information, see ["Continuing Coverage"](#) within this section.

### ***For More Information ...***

*... on disability coverage, see the [Disability Insurance Plans](#) section.*

The loss of a professional or occupational license or certification does not, in itself, constitute a disability.

### Waiver of Premium

Any premiums that you would pay for your Supplemental Life insurance coverage may be waived if:

- you become disabled and remain disabled during the elimination period (the nine months starting with the first day you are disabled),
- you notify the insurance company that you are disabled and file a claim for a waiver of premium, and
- your claim is approved by the insurance company.

After your claim is approved, you will not be required to make any further premium payments as long as you remain disabled.

While your premiums are being waived:

- your life insurance coverage will not be increased, even if your annual earnings increase,
- your life insurance coverage will be reduced at any time it would be reduced if you were not disabled, for example, if you reach age 65 while you are disabled, and
- your life insurance coverage would end at any time it would end if you were not disabled, for example, if your employment with MPTN terminates or if MPTN no longer provides life insurance coverage to team members.

The life insurance premium waiver will end and you will be required to pay contributions to continue your life insurance coverages if:

- you recover and are no longer disabled,
- you fail to provide proof that you remain disabled, or
- you refuse to have an examination by a doctor chosen by the insurance company.

If Your Disability Begins ...	Your Basic, Supplemental and Dependent Life Insurance Coverages ...
<b>Before Age 65</b>	are continued to age 65, but not for less than 12 months.
<b>Age 65 and older</b>	are continued for 12 months.

*If your coverage ends, you and your dependents may be able to convert your coverage to an individual policy. See “Continuing Coverage” below for more information.*

### If You Take a Leave of Absence

If you take an approved leave of absence, life insurance coverage for you and your family members continues for the entire period of your leave, provided you make the required contributions.

For information on paying contributions when on leave, see “Paying for Coverage” within this section.

### **For More Information ...**

[... about converting coverage or the portability feature, call Human Resources at 1-888-287-4369.](#)

### If Your Employment Ends

If your regular hours change to less than 26 hours a week or you stop working for MPTN, your Basic Life and AD&D insurance coverage end. However, you may be able to continue your insurance coverage without providing proof of good health. The rates for continuing coverage are generally better than rates for purchasing an individual policy or for converting your coverage to an individual policy.



When your hours are reduced or you are planning to leave MPTN, contact Human Resources for an application for continuing insurance coverage.

You may also be able to convert life insurance coverage for your spouse or children. For more information, see “Converting Your Life Insurance Coverage” below.

### **If You Die**

If you die, your manager will notify Human Resources and Human Resources will contact the beneficiary (see “Naming a beneficiary” within this section) on file.

If your spouse and children have Dependent Life insurance coverage and wish to continue that coverage, they may apply for portable coverage within 31 days after the date you die.

For more information, see “Continuing Coverage” below.

### **Continuing Coverage**

When your MPTN-provided coverage ends, you may be able to convert your coverage to an individual policy or continue your coverage using the plan’s portability feature. Both options are described in more detail below.

- If you convert your coverage, you will pay individual policy premiums, which are significantly higher than the premiums for group coverage through the corporation.
- If you continue your coverage through the portability feature, you will receive a group rate. You’ll pay more than you did as an active team member, but less than if you convert to an individual policy.

### **Converting Your Life Insurance Coverage**

When your Basic or Supplemental Life insurance coverage ends, you may either let the coverage lapse or convert the coverage to an individual policy with the insurance company as long as you do so within 31 days. You will not be required to provide proof of good health.

The maximum amount you can convert is the same amount that you were insured for under the MPTN Plan. You may convert a lower amount of life insurance.

If you convert to an individual policy, then return to work, and again become insured by the MPTN Plan, you can’t convert to an individual policy again. However, you don’t need to surrender the individual life policy when you return to work.

If you die during the 31 days before your insurance is converted to an individual policy, generally, life insurance benefits of less than \$10,000 are paid in one lump sum to the designated beneficiary as soon as administratively possible. For more information about designating a beneficiary, see “Naming a Beneficiary” within this section.

Benefits of \$10,000 or more are paid through the plan administrator’s security account. This is an interest-bearing account that will be established in the beneficiary’s name. He or she will then be able to write a check for the full amount or for \$250 or more, as needed, until the funds are used up.

If none of your named designated beneficiaries are alive when you die or you have not named a beneficiary, benefits will be paid to your estate.

If you have questions about continuing your life insurance coverage, call Human Resources at 1-888-287-4369.

### **In Case of Disability**

You may convert your Basic and Supplemental Life insurance coverage to an individual policy if your life insurance coverage terminates because you are disabled. If you return to work and again become covered under the MPTN Life Insurance Plan, you may not convert your coverage a second time if you stop working for MPTN.

For more information on disability, see “If You Become Disabled” within this section.

### **Life Insurance for Family Members**

Life insurance for your spouse or dependent children can be converted to an individual policy with the insurance company without evidence of insurability. The premium is determined by insurance company rates. The maximum you can convert is the amount that your dependents were insured for under the plan. You may also convert a lower amount of life insurance.

You also have the option to use the plan's portability feature to continue dependent coverage at group rates.

You must apply for coverage within 31 days after your spouse or dependent children's group coverage ends.

For more information about converting coverage for your dependents, call Human Resources at 1-888-287-4369.

### **Life Insurance Coverage Portability Option**

Continuing coverage through the portability feature is less expensive than if you were to convert your coverage to an individual policy or purchase life insurance on your own. You may apply for the portability option if your insurance is discontinued because you terminate employment or change to a regularly scheduled work week of less than 20 hours.

If your life insurance is discontinued for one of these reasons, you may apply for the portability option, provided you do so within 31 days of the date you terminate employment or change your hours. You are not required to submit evidence of insurability. There will be no lapse in your coverage.

You will be billed directly for life insurance coverage. All payments must be made promptly to maintain your life insurance.

### **AD&D Coverage Portability Option**

You may use the plan's portability feature to continue your AD&D coverage. You must apply for the portability option provided you do so within 31 days of the date you terminate employment or change your hours.

Your portable AD&D insurance coverage will be the same as your current coverage under the plan. The minimum amount of coverage you can have is \$5,000.

However, the maximum amount of portable coverage is limited to the lesser of:

- the highest amount of AD&D insurance available for team members under the plan,
- five times your annual earnings, or
- \$750,000 from all group life and AD&D plans combined.

You are not eligible to apply for portable coverage for yourself if:

- you have an injury or sickness that has a material effect on life expectancy,
- the policy is canceled, or
- you fail to pay the required premiums.

You may increase or decrease the amount of AD&D coverage, but not below the minimum of \$5,000 or above the maximums shown above.

Portable coverage will also be reduced at ages 65 and 70 in the same way that basic AD&D coverage is reduced. For more information, see "AD&D Insurance for Team Members" within this section.

If you have questions about portable coverage, call Human Resources at 1-888-287-4369.

For your Basic Life and AD&D insurance, your Supplemental Life or your Dependent Life insurance coverage, you have an option in addition to conversion. You may use the plan's portability feature to continue your coverage at group rates somewhat higher than those available to active team members but lower than individual policy rates.

### **Portable Coverage**

If you have questions about portable coverage, call Human Resources.

## Your Insurance Options

If you are an eligible team member, you automatically receive basic team member Life and Accidental Death and Dismemberment (AD&D) insurance coverage from MPTN, at no cost to you.

In addition to your Basic Life insurance, you can purchase:

- Additional Life insurance coverage for yourself (called “Supplemental Life insurance”),
- Spousal Life insurance for your spouse, and
- Children’s Life insurance for your eligible dependent children.

### Basic Team Member Life Insurance

MPTN automatically provides basic team member Life insurance coverage at no cost to you. Your basic coverage is equal to your annual earnings, up to a maximum of \$500,000.

Coverage is provided in \$1,000 increments, so to determine your coverage, your covered annual earnings are rounded to the next higher \$1,000. For example, if your covered earnings are \$24,300, your Basic Life insurance coverage equals \$25,000.

For purposes of your life insurance coverage, “annual earnings” are defined as your usual annual rate of pay from the Employers as of your last day worked plus the tips and tokens, as determined by Employer, as of the date of loss. It includes income actually received from commissions, but does not include:

- bonuses,
- overtime pay, shift differential or
- any other fringe benefit or extra compensation.

Commissions will be average for the lesser of:

- the 12 full calendar month period of your employment with your Employer just prior to the date of loss; or
- the period of actual employment with your Employer.

### Changes in Covered Earnings

If your covered earnings increase during the year — for example, because you get a raise or a promotion — your Basic and Supplemental Life insurance coverage also increases automatically, up to the maximum amount allowed.

If your covered earnings decrease during the year for example, because you transferred to another job or because you change from full-time to part-time status — your insurance coverage is adjusted accordingly.

If you are absent from work due to an injury or illness, your change in coverage due to the change in your covered earnings will begin on the date you return to active employment.

### Life Insurance Age Reductions

If you work past age 65, there will be no further increases in your Basic Life insurance coverage, even if your annual earnings increase. Your Basic Life

### Customize Your Coverage

When you’re deciding how much life insurance you need, you should consider several factors, for example:

- your marital status,
- the number of children you have and their ages,
- your spouse’s employment status, and
- other financial assets available to your family in the event of your death.

### Calculating Your Imputed Income

The amount of your additional tax liability depends on your personal situation, but here’s an example to help you get an idea of the tax you might owe.

Suppose you are 50 years old and have Basic Life insurance coverage of \$70,000. This means that you must pay taxes on the value of \$20,000 of coverage. The monthly value for each \$1,000 over \$50,000 for

insurance benefit will be reduced as follows:

When You Are Age ...	Your Coverage Will Be ...
<b>65 to 69</b>	65% of the coverage amount before reaching age 65
<b>70 and older</b>	50% of the coverage amount before reaching age 65

someone who is 50 years old is \$0.23. Therefore, your additional taxable income — or imputed income — is \$4.60 per month (20 times \$0.23), or \$55.20 per year.

The \$55.20 is not the tax you would pay — it is the income subject to FICA and income taxes. If your income tax rate were 30%, the additional annual tax you would pay for this coverage would be \$16.56.

Contact your tax advisor or your insurance agent if you have questions about life insurance coverage and imputed income.

### Taxes on Imputed Income

Under federal tax law, the “value” of any employer-paid life insurance coverage above \$50,000 is considered “imputed income” and is subject to taxes. The taxable value of your insurance is not the face amount of your life insurance coverage over \$50,000. Instead, the Internal Revenue Service (IRS) assigns a dollar amount (premium) of taxable income for each \$1,000 of life insurance over \$50,000.

The IRS determines the value of life insurance above \$50,000 using a life insurance table that reflects your age as of the last day of the year.

The following chart shows the monthly value of each \$1,000 of coverage greater than \$50,000. The monthly value is the amount added to your paycheck as taxable income on a monthly basis and is reported on your W-2 form.

If You Are ...	The Monthly Value for Each \$1,000 of Coverage Over \$50,000 is ...
<b>Under Age 25</b>	\$0.05
<b>Age 25 to 29</b>	\$0.06
<b>Age 30 to 34</b>	\$0.08
<b>Age 35 to 39</b>	\$0.09
<b>Age 40 to 44</b>	\$0.10
<b>Age 45 to 49</b>	\$0.15
<b>Age 50 to 54</b>	\$0.23
<b>Age 55 to 59</b>	\$0.43
<b>Age 60 to 64</b>	\$0.66
<b>Age 65 to 69</b>	\$1.27
<b>Age 70 and over</b>	\$2.06

## Supplemental Team Member Life Insurance Coverage

As an eligible team member, you may purchase additional life insurance — called “Supplemental Life insurance” — coverage for yourself. This coverage can be in the amount of one, two, three, four, or five times your covered annual earnings, rounded to the next higher \$1,000. For example, suppose your covered earnings equal \$22,300 and you want to purchase coverage of two times your covered earnings. Since two times \$22,300 equals \$44,600, you would purchase coverage of \$45,000.

Although Basic Life insurance coverage is automatic, you may need to provide evidence of insurability — that is, proof of good health — before any supplemental coverage can begin. You will be required to provide proof of good health if you want to purchase coverage that is more than \$350,000. For more information, see “When Coverage Begins” within this section.

You are limited to a maximum of \$1,250,000 life insurance coverage for both Basic Life insurance and Supplemental Life insurance combined.

## Spousal Life Insurance

If you are enrolled in Basic Life insurance under the MPTN Life Insurance Plan, you may also purchase coverage for your spouse, in the following amounts:

- \$10,000
- \$20,000
- \$30,000
- \$40,000
- \$60,000
- \$80,000
- \$100,000

If you want to purchase Spousal Life insurance for more than \$30,000, your spouse will need to provide proof of good health before any coverage can begin.

Please note the amount of your spouse’s life insurance will reduce by the same percentage and at the same time your life insurance reduces.

When Your Spouse Is Age ...	Your Spouse’s Coverage Will Be ...
<b>65 to 69</b>	65% of the coverage amount before reaching age 65
<b>70 and older</b>	50% of the coverage amount before reaching age 65

## Children’s Life Insurance

If you are enrolled in Basic Life insurance under the MPTN Life Insurance Plan, you may also purchase coverage for your eligible dependent children, in the following amounts:

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

### If both you and your spouse are team members of MPTN:

- you may not purchase Spousal Life insurance coverage on each other, and
- you may not purchase Children’s Life insurance coverage on the same dependent child.

**If your child is also employed by MPTN... he or she can’t be covered as both a team member and a dependent.**

If you enroll for Children’s Life insurance coverage, each of your eligible dependent children is covered at the full amount. For example, if you have four children, ages 2 to 12, and you choose coverage of \$5,000, each is covered for the full amount.

Infants are insured from the date of birth; however, there is a special limit on coverage for newborns. Whether you enroll for \$5,000 or \$10,000 of children’s coverage, if the child dies before he or she is 15 days old, the plan only pays \$1,000.

**AD&D Insurance for Team Members**

If you die or are seriously injured as the result of a covered accident, Accidental Death and Dismemberment (AD&D) insurance coverage can pay benefits. MPTN provides AD&D insurance for the amount of your covered annual earnings, rounded to the next higher \$1,000, up to a maximum of \$500,000 of coverage. This coverage is the full benefit amount that is payable if you die in an accident. This is also known as the “death benefit.”

If you are seriously injured as the result of an accident, the plan pays a percentage of the death benefit.

The percentage of your AD&D benefit that you will receive depends on the type of loss you experience, as shown in the following chart:

If a Covered Accident Causes ...	AD&D Insurance Pays This Percentage of the Full Benefit Amount*
Loss of life	100%
Loss of sight of both eyes, two hands, or two feet	100%
Loss of one hand and one foot	100%
Loss of one hand and sight in one eye	100%
Loss of one foot and sight in one eye	100%
Loss of sight in one eye, hand, or foot	50%

\* The most you will receive for any combination of covered losses from any one accident is the full amount of the benefit.

For example, if you lose sight in one eye, your benefit would be 50% of your AD&D benefit amount or 50% of your earnings.

The loss of a foot means that all of the foot is cut off at or above the ankle joint. The loss of a hand means that all four fingers are cut off at or above the knuckles joining each finger to the hand. Loss of sight means that the eye is totally blind and that no sight can be restored in that eye.

**AD&D Age Reductions**

Once you reach age 65, there will be no further increases in the death benefit portion of your AD&D insurance, even if your annual earnings increase.

Further, if you work past age 65, the death benefit portion of your AD&D insurance will be reduced as follows:

When You Are Age ...	Your Death Benefit Will Be ...
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**Evacuation and Repatriation**

If you have a fatal accident that is covered by the plan at least 75 miles away from your principal place of residence, the plan will cover the cost of returning your remains to your home, up to a maximum benefit of \$5,000.

<b>65 to 69</b>	65% of the coverage amount before reaching age 65
<b>70 and older</b>	50% of the coverage amount before reaching age 65

### Seatbelt and Air Bag Benefits

The plan provides an additional benefit of \$10,000 if you die as a result of a covered automobile accident while you were driving or riding in a private passenger car and you were wearing a properly fastened seatbelt at the time of the accident. (The position of the seatbelt must be confirmed in an official report of the accident or by the investigating officer.)

The plan will pay a second additional benefit of \$5,000 if you die as a result of a covered automobile accident while you were driving or riding in a private passenger car equipped with air bags and you were wearing a properly fastened seatbelt.

A private passenger car means a validly registered four-wheel private passenger car (including employer-owned cars), station wagons, sport utility vehicles, pick-up trucks, and vans that are used only as private passenger cars.

If you die as a result of a covered automobile accident as described above and the car was equipped with seatbelts but it can't be confirmed that your seatbelt was properly fastened, the plan will pay an additional benefit of \$1,000 instead of \$10,000.

### College Education Benefits

If you die in a covered accident, your eligible dependent children enrolled in college as full-time students can receive an additional benefit. Each academic term, each eligible dependent child will receive the lesser of:

- 12.5% of the death benefit for your AD&D coverage, or
- \$12,500.

There is a maximum of eight benefit payments per lifetime to each eligible child and a maximum benefit amount of \$100,000.

### SurvivorSupport® Service

The SurvivorSupport® service helps team members and their survivors develop strategies to protect resources, preserve current lifestyles, and build future security. At no time will the Ayco counselor offer or sell any product or service.

### Other Benefits

In addition to Basic Life and AD&D insurance coverage, MPTN provides additional assistance to survivors and terminally ill team members as well as to team members who are traveling on business for MPTN.

### Survivor Assistance

You and your dependents have access to SurvivorSupport®, a personalized financial counseling service offered through The Ayco Company. This service provides expert, objective financial counseling to terminally ill team members and to survivors of team members who die, at no cost to them. This service is also extended to team members upon the terminal illness or death of their spouse, if the spouse is enrolled for life insurance coverage.

For more information, you may contact Human Resources toll free at 1-888-287-4369.

### Coverage While Traveling on Business

When you are traveling on business more than 100 miles from home, you can obtain emergency medical and legal resources 26 hours a day through Assist America®. You have access to a global network of qualified professionals trained to manage any travel emergency.

If you are traveling and need assistance, you should contact Assist America at 1-800-445-0402.

Spouses traveling on business with team members are not eligible for this coverage.

### What's Not Covered

If a covered person's death results from suicide during the first two years that life insurance coverage is in effect, no benefits from Supplemental or Dependent Life insurance coverage will be paid.

AD&D coverage is for losses caused by accidents. Benefits will not be paid for losses caused by, contributed to, or resulting from any of the following:

- Disease of the body or diagnostic, medical or surgical treatment of mental disorder as set forth in the latest edition of the Diagnostic and Statistical Manual of Mental Disorders,
- Suicide, self-destruction while sane, intentionally self-inflicted injury while sane, or self-inflicted injury while insane,
- War, declared or undeclared, or any act of war,
- Active participation in a riot,
- Attempt to commit or commission of a crime under state, federal or tribal law,
- The voluntary use of any controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless used according to the prescription or direction of your doctor, or
- Operating any motorized vehicle while intoxicated. (Intoxicated means that the individual's blood alcohol level equals or exceeds the legal limit for operating a motor vehicle in the state where the accident occurred.)



## How Benefits Are Paid

Generally, life insurance benefits and AD&D death benefits of less than \$10,000 are paid in one lump sum to the designated beneficiary as soon as administratively possible. For more information about designating a beneficiary, see “Naming a Beneficiary” within this section.

Benefits of \$10,000 or more are paid through an account the plan administrator will establish. This is an interest-bearing account that will be established in the beneficiary’s name. He or she will then be able to write a check for the full amount or for \$250 or more, as needed, until the funds are used up.

If none of your named designated beneficiaries are alive when you die or you have not named a beneficiary, benefits will be paid to your estate.

### Accelerated Life Insurance Benefit

If you or your dependent becomes terminally ill, you may have as much as 75% of your life insurance — up to \$500,000 — paid to you before you die.

For you to receive an accelerated benefit:

- you must request the election in writing on a form acceptable to the insurance company,
- your physician must certify in writing that you are terminally ill and that you have a life expectancy of not more than 12 months, and
- your physician’s certification must be accepted by the insurance company.

Any amounts paid through this feature will reduce the benefit payable at your death. Also, you must continue to pay premiums on the full amount of your life insurance coverage unless you qualify to have your premium waived. See “If You Become Disabled” under “What Happens ...” within this section.

There are tax implications to taking an accelerated benefit. You should consult a tax advisor before taking an early payment since the tax treatment may be less favorable than a death benefit. Call Human Resources at 1-888-287-4369 for more information about the accelerated benefit.

### Assigning Your Benefits

The plan allows transfer of ownership of your Basic and Supplemental Life insurance benefits to another person or organization. However, there are considerations to take into account before making this decision, so you may want to consult your tax or legal advisor before doing so. For more information about assigning your benefits, contact Human Resources.

### Filing a Claim

To file a claim for either life or AD&D insurance benefits, notify Human Resources. A representative will explain the benefits that are provided and what is needed to process the claim. If you or your beneficiary is to receive benefits from this plan, you must file a written claim with the insurance company. In the case of your death, your manager will notify Human Resources, and Human Resources will contact the beneficiary on file.

Before death benefits can be paid, the insurance company must receive a certified copy of the death certificate and a written claim. Payment is usually made within 90 days after all the proper documentation has been received.

### Claiming Death Benefits

To file a claim, notify Human Resources at 1-888-287-4369 and file a written claim with the insurance company. Before death benefits can be paid, the insurance company must receive a certified copy of the death certificate and a written claim.