Voluntary Life

Fayette County Board of Commissioners

announces Life insurance protection for its employees

Proposed Effective Date: 06/01/2010

Voluntary Group Term Life and Accidental Death and Dismemberment (AD&D) coverage is available to you for purchase through payroll deduction. Voluntary Life insurance can be a way to protect your family in the event of your death, particularly if you have financial obligations such as a mortgage or children in college.

The plan your employer has selected includes the following features:

Eligibility

- You are eligible to participate in the plan if you are a full-time employee of the policyholder or an associated company,
  - who is at active work, and
  - who is working in the United States of America, except any temporary or seasonal worker.
  - Any other requirements set by your employer must also be met. "Full-time" means working at least 20 hours per week.
- Dependent Life insurance is available for eligible dependents, including your lawful spouse (if not disabled or hospital confined on the effective date) and unmarried children (if not hospital confined) from live birth to age 19, or to age 25 if a full-time student. The hospital confinement exception does not apply to a child born while dependent insurance is in effect.
- If you and your spouse work for the same employer and are both eligible for this insurance as employees, you cannot cover each other as dependents, and only one of you may insure any dependent children.

Voluntary Life Schedule Amounts

- Life insurance coverage is available in $10,000 units from a minimum of $20,000 to a maximum of $500,000, not to exceed 5 times your basic annual earnings.
- At age 70, we will reduce by 33% the original Life insurance amount, rounded to the next higher $10,000, if not already an exact multiple of $10,000; at age 75, reduce by 33% of the inforce amount, similarly rounded. The reduced amount will not be less than $20,000.
- If you elect coverage for yourself, you can buy up to 50% of that amount for your spouse in $5,000 units to a maximum of $250,000. If you elect child coverage, your children are eligible to be covered for $1,000, $5,000 or $10,000 each. The amount of insurance for an eligible dependent cannot be more than 50% of your Life insurance amount.

Accidental Death and Dismemberment Insurance (AD&D)

- The AD&D benefit, if elected, equals the employee or dependent Life amount, to a maximum of $500,000. You must elect AD&D for yourself in order to elect AD&D for your dependents. AD&D provides 24-hour coverage and a benefit in the event of your loss of life, limb or eyesight as a direct result of an accident, provided the loss occurs within 365 days of the accident. The coverage includes:
  - A Higher Education Benefit that pays an additional $3,000 per year for up to 4 consecutive years for eligible dependent students. (Applies to Employee AD&D Only.)
  - An Automobile Accident Benefit that pays an additional 20% of the scheduled AD&D benefit, to a maximum of $100,000, if the covered person dies from an automobile accident injury while wearing a seat belt, provided an AD&D benefit is payable. Limitations and exclusions may apply.
- **AD&D Exclusions** - We will not pay benefits if the loss results directly or indirectly from war; riot or insurrection; service in the armed forces; physical or mental disease; infection (except pyogenic infection that occurs from an accidental wound); assault or felony committed by the covered person; suicide or attempted suicide; intentionally self-inflicted injury; the use of any drug, unless it is used as prescribed by a doctor; or your intoxication, including but not limited to operating a motor vehicle while you are intoxicated.

Proof of good health requirements for employees hired before 06/01/2010

- Guarantee Issue amounts apply to timely applicants. The Guarantee Issue amount for an employee is **$180,000**; a spouse is **$50,000**; a child is **$10,000**. You are considered a timely applicant if you apply for coverage within 31 days from the date that all eligibility requirements are met. If you were eligible for coverage under the prior plan and chose not to enroll for coverage, you are considered a late applicant under our plan.
- If you had coverage with the prior carrier on the day before our plan takes effect, you may continue with that level of coverage for yourself and your dependents without proof of good health even if those amounts are in excess of the below Guarantee Issue amounts.
- In addition, there is a Special One Time "Open" Enrollment Provision that applies only on our plan effective date. This provision allows any eligible employee (even those who did not participate in the prior plan) to elect amounts of coverage up to the guarantee issue amounts shown previously. Any increases over the amounts described above will be subject to proof of good health.

Additional Features

- If you become disabled, your premiums may be waived to the earliest of age 65, recovery or retirement if disabled prior to age 60. If you become disabled at age 60 through 64, the waiver of premium will be to the earliest of one year, age 65 or retirement. You may be considered disabled for Life insurance if you are considered disabled under our Long-Term Disability policy. Any time Life insurance is continued under the Waiver of Premium, AD&D insurance will also be continued (and the premium waived) for up to 1 year from the date of disability. Limitations and exclusions apply.
- An Accelerated Benefit pays up to 80% of the Life benefit to a maximum of $250,000 in the event of a life-threatening medical condition where there is a life expectancy of 12 months or less. An Accelerated Benefit may also be available for an insured spouse. Limitations and exclusions apply.
- Plan portability allows you to continue coverage until age 65 after terminating current employment. Limitations and exclusions apply.
- A Conversion Privilege allows you to convert to an individual policy if any or all of your Life insurance ends while you are insured under our group Life policy. AD&D coverage is not eligible for conversion. Limitations and exclusions apply.

For insureds or dependents who commit suicide within the first year after the effective date of their coverage, the only benefit amount payable is a refund of the amount of the insured's contributions. This coverage has limitations and exclusions. Not all plan provisions or options are available in all states. In addition, some states require modifications to the benefits described here. For complete details, please contact your company's benefits representative or refer to your benefit booklet. This highlight sheet provides a brief description of coverage. In the event that a discrepancy exists, the policy provisions will prevail. We can cancel the policy after giving the policyholder 60 days written notice.