



LIFE INSURANCE and ACCIDENTAL DEATH & DISMEMBERMENT (AD&D)

Life insurance provides financial protection for your family or Beneficiary when you die. See below for highlights of the benefits provided under the Life Insurance and AD&D Options.

The following classes apply to the Life and AD&D coverage:

- Class 1 - all active full-time associates at the VP level and above
- Class 2 – all other eligible full-time associates

Type of Coverage	Coverage Amounts Available*
Basic Life / Basic AD&D (Associate Only)	• Coverage for Basic Life is 1 x benefits base salary, rounded to the next higher \$1,000, to a maximum benefit of Class 1: \$500,000 or Class 2: \$250,000. • Coverage for AD&D is an amount equal to your Basic Life amount • An Accelerated Death Benefit is available for up to 90% of your Basic Life amount, not to exceed \$500,000.
Supplemental Life	• Class 1: Coverage available from 1 - 7 x benefits base salary, rounded to next higher \$1,000, to a max combined benefit (includes Basic and Supplemental Life) of \$3M. • Class 2: Coverage available from 1 - 7 x benefits base salary, rounded to next higher \$1,000, to a max combined benefit (includes Basic and Supplemental Life) of \$2.25M. • An Accelerated Death Benefit is available for up to 90% of your Supplemental Life face amount, not to exceed \$1M. Note: Guaranteed Issue is the lesser of 3 x your benefits base salary or \$500,000.
Dependent Life (Spouse/Domestic Partner)	• Coverage is available in \$10,000 increments, up to a maximum benefit of \$250,000 • Total amount of Dependent Life cannot be more than 100% of the associate Basic and Supplemental Life combined. • An Accelerated Death Benefit is available for up to 90% of the face value amount, not to exceed \$250,000. Note: Guaranteed Issue is \$50,000.
Dependent Life (Child)	• Coverage is available in \$5,000 increments, up to a maximum benefit of \$25,000, for each of your eligible child(ren). Enrollment in Child Life includes coverage for all eligible children.
Voluntary AD&D	• Coverage tiers include Associate Only or Associate + Family. • Coverage available from 1 - 7 x benefits base salary, up to a maximum of \$2M. • When an accident occurs, the following benefits apply: – Spouse/DP benefit with Children elected – 40% of associate's elected benefit – Spouse/DP benefit without Children elected – 50% of associate's elected benefit – Child benefit with Spouse/DP elected – 10% of associate's elected benefit – Child benefit only – 15% of associate's elected benefit • Spouse/DP maximum benefit is \$1M; Child maximum benefit is \$300,000.

* Evidence of Insurability may be required.



What is imputed income?

“Imputed income” is the term that the IRS applies when the value of a benefit or service should be considered as income for calculating federal taxes. It is calculated from an IRS table based on your age and the amount of coverage you have over the \$50,000 amount.

If you are subject to imputed income, it will appear on your pay earnings statement as GTL Imputed Income (Group Term Life). This amount is **NOT** a deduction but is added to your taxable income for calculating federal taxes (and some state taxes).

If you are Age 65 or Older

The amount of Basic Life, Basic AD&D and Employee Supplemental Life Insurance will be a percentage of the amount otherwise provided by the plan of insurance in accordance with the following:

<u>Age</u>	<u>Percentage of Benefit</u>
65 but less than 70	65%
70 but less than 75	45%
75 but less than 80	30%
80 but less than 85	20%
85 or older	15%

Important Notes:

- Age reduction amounts are not rounded up.
- Total Dependent Life (Spouse & Child) cannot exceed 100% of the Associate’s combined Basic & Supplemental coverage amount.
- If you do not enroll in Supplemental Life when initially eligible and choose to enroll during a subsequent Annual Enrollment period, you will be subject to Evidence of Insurability.