

BASIC TERM LIFE INSURANCE

Protection and security for you and your family is important, especially in the event of a death or accident. Therefore, the CHEIBA Trust is pleased to offer you this Basic Term Life Insurance Plan.



ANTHEM LIFE INSURANCE COMPANY

Maximum Benefits

The amount of life insurance benefit for active Employees is calculated on your annual base salary (ask your Human Resources/Benefits Office for specific definitions of base salary).

This plan provides the following coverage:

Under age 65.....	Two times annual base salary to a maximum of \$500,000
Age 65 through 69.....	Two times annual base salary to a maximum of \$50,000
Age 70 +.....	\$10,000

Coverage is rounded up to the nearest \$1,000.

NOTE: If an Employee takes a sabbatical and receives a lower salary during the time of the sabbatical, the life insurance benefit will be calculated at the lower salary level.

Dependent Coverage

Under this plan, your spouse, your partner in civil union and your Eligible Dependent children have a maximum benefit of \$2,000 per person. The term Dependent means:

- an Employee's legal spouse or partner in civil union under age 70,
- any married or unmarried Eligible Dependent of an Employee, either natural or legally adopted, not in military services, over 14 days of age and until the end of the month of their 26th birthday, regardless of tax dependent status.
- Eligible Dependent children age 14 days to six months are insured for \$200.
- Dependent coverage excludes the following:
 - any person who is an Employee as defined in the policy,
 - any person residing outside the United States or Canada,

Beneficiary Changes

You must submit any changes in your beneficiary designation through the Human Resources/Benefits Office.

Accidental Death and Dismemberment Benefits

Should you experience an unexpected loss due to accidental death or dismemberment, Anthem Life will pay the amount of insurance specified in the loss Schedule of Indemnities as explained in your Anthem Life brochure.

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Accelerated Benefit

If a covered person is terminally ill, he or she may be eligible for the Accelerated Benefit payment, subject to conditions and approval. If approved, a lump sum payment of 50% of the life insurance policy or \$250,000, whichever is the lesser amount, will be issued to the insured, and further premiums will be waived.

Terminally ill is defined as being diagnosed with a life expectancy of six months or less (must be certified by a physician). Age at time of illness and other restrictions may apply. Please contact your Human Resources/Benefit Office if this benefit applies to you.

Retiree Coverage

When an Employee retires on or after January 1, 1997, the Retiree may elect to continue Group Term Life Insurance under the terms of the policy by paying premiums quarterly, semiannually or annually direct to Anthem Life.

Conversion Privileges

You, your spouse or partner in civil union may convert the current group policy to an individual policy under certain conditions. This privilege is not available for dependent children. See your Anthem Life brochure for details.

Portability

Upon termination of employment, you can keep your coverage at the same group rates, provided you or your covered spouse or your Civil Union Partner are under age 70 and as long as the group continues coverage with Anthem Life. You have the option of paying premiums quarterly, semi-annually or annually. In order to continue coverage following termination you must apply within 31 days of your termination date. You can obtain a form by contacting Anthem Life at 1-866-594-0516.

Insurance Premium Waiver

If you are under age 60 and become totally disabled for nine consecutive months, your insurance will continue to age 65, without further premium payments.

Claim Notification

Written notice of the death of the person covered under the policy must be provided to Anthem Life within two years after the date of death. If such notice is not given, Anthem Life will not be liable for any benefit payments.

Imputed Income

Under IRS tax regulations, the imputed value of group term life insurance coverage in excess of \$50,000 is included as taxable income to an Employee. The amount of imputed income is computed based on IRS tables and is included in taxable income each payroll period.