

Personal Accident Insurance

Developed for the Employees of
Georgia Institute of Technology



Who Needs Personal Accident Insurance?

You do. Accident insurance can help you pay expenses if you or your spouse is seriously injured or killed in a covered accident. This coverage can help ensure that tragedy doesn't take both an emotional and a financial toll on your family.

By purchasing this insurance product through your employer, you benefit from:

- ◆ Affordable group rates
- ◆ Convenient payroll deduction

Who Is Eligible For Coverage?

You — You are eligible for coverage if you are a permanent faculty or staff member, working one-half time or more.

Your Family — You may elect to cover your lawful spouse/ domestic partner* under age 70, and your unmarried dependent children who are under age 19 (or under age 25 if they are full-time students). Children must be dependent upon you for support and maintenance and must reside with you.

No one may be covered more than once under this plan. If covered as an employee, you cannot also be covered as a dependent.

**For purposes of this brochure, wherever the term Spouse appears it shall also include Domestic Partner. Your domestic partner is eligible for insurance if you have not been married to any person within the last 12 months and if he or she meets specific criteria stated in the Group Policy. Additional information is available from your Benefit Services Representative.*

How Much Coverage Can You Buy?

You — You may select from \$10,000 to \$500,000 of coverage, in units of \$10,000, at an affordable price.

Your Family — Your spouse's benefit amount will be 50% of yours, or 60% if you have no dependent children. Each of your covered children's benefit amount will be 10% of yours, or 20% if you are a single parent.

Each family member's coverage is a percentage of the benefit amount you select. It will depend on who your insured family members are at the time of a covered accidental loss.

Your Bi-weekly Cost

Your cost will depend on the benefit amount and coverage option you select. The chart shows the most common benefit amounts. Other amounts are available, subject to the maximums indicated above.

Your Bi-monthly Cost (24 pay periods)

| Your Benefit Amount | Bi-weekly Cost for You and Your Family | Bi-Weekly Cost for You Only |
|---------------------|--|-----------------------------|
| \$ 500,000 | \$12.50 | \$ 7.50 |
| 400,000 | 10.00 | 6.00 |
| 300,000 | 7.50 | 4.50 |
| 200,000 | 5.00 | 3.00 |
| 150,000 | 3.75 | 2.25 |
| 100,000 | 2.50 | 1.50 |
| 50,000 | 1.25 | .75 |

Costs are subject to change. Spouse and children coverages are a percentage of your benefit amount. Benefit amounts cannot exceed \$250,000 for your spouse and \$25,000 for each child.

The bi-monthly rate per \$1,000 of coverage is \$.015 for Employee Only, or \$.025 for the Employee and Family Plan. To calculate your bi-monthly cost, divide the amount you select by 1,000 and multiply that number by the appropriate cost.

For example, if you choose the Family Plan and select \$220,000 of coverage, then:

$$\begin{aligned} & \$220,000 \div 1,000 = 220 \\ & 220 \times \$.0250 = \$5.50 \text{ Your Bi-monthly Cost} \end{aligned}$$

Benefit Reductions

When you reach age 70, your benefits will be reduced to 70% of the benefit amount selected; at age 75, 45%; at age 80, 30%, and at age 85, 15%. If you elect coverage for your family members, Accidental Death & Dismemberment benefits for your insured family members will be based on your selected benefit amount. Other plan benefits based on your selected benefit amount will be determined by this reduction schedule. Coverage for your spouse ends when he or she reaches age 70. These reductions also apply if you elect coverage after age 69.

Your Monthly Cost for a 12-Month Pay Cycle

Your cost will depend on the benefit amount and coverage option you select. The charts below show the most common benefit amounts. Other amounts are available, subject to the maximums indicated.

| Your Benefit Amount | Monthly Cost for You and Your Family | Monthly Cost for You Only |
|---------------------|--------------------------------------|---------------------------|
| \$ 500,000 | \$25.00 | \$ 15.00 |
| 400,000 | 20.00 | 12.00 |
| 300,000 | 15.00 | 9.00 |
| 200,000 | 10.00 | 6.00 |
| 150,000 | 7.50 | 4.50 |
| 100,000 | 5.00 | 3.00 |
| 50,000 | 2.50 | 1.50 |

Costs are subject to change. Dependent coverages are a percentage of your benefit amount and cannot exceed \$250,000 for your spouse and \$25,000 for each child. Benefit amounts over \$150,000 cannot be greater than 10 times your annual earnings.

The monthly rate per \$1,000 of coverage is \$.03 for Employee Only, or \$.05 for the Employee and Family Plan. To calculate your monthly cost, divide the amount you select by 1,000 and multiply that number by the appropriate cost.

For example, if you choose the Family Plan and select \$220,000 of coverage, then:

$$\begin{aligned} \$220,000 \div 1,000 &= 220 \\ 220 \times \$0.05 &= \$11.00 \end{aligned}$$

Your Monthly Cost for a 12-Month Pay Cycle

Your Monthly Cost for a 10-Month Pay Cycle

| Your Benefit Amount | Monthly Cost for You and Your Family | Monthly Cost for You Only |
|---------------------|--------------------------------------|---------------------------|
| \$ 500,000 | \$30.00 | \$ 18.00 |
| 400,000 | 24.00 | 14.40 |
| 300,000 | 18.00 | 10.80 |
| 200,000 | 12.00 | 7.20 |
| 150,000 | 9.00 | 5.40 |
| 100,000 | 6.00 | 3.60 |
| 50,000 | 3.00 | 1.80 |

Costs are subject to change. Dependent coverages are a percentage of your benefit amount and cannot exceed \$250,000 for your spouse and \$25,000 for each child. Benefit amounts over \$150,000 cannot be greater than 10 times your annual earnings.

The monthly rate per \$1,000 of coverage is \$.036 for Employee Only, or \$.06 for the Employee and Family Plan. To calculate your monthly cost, divide the amount you select by 1,000 and multiply that number by the appropriate cost.

For example, if you choose the Family Plan and select \$220,000 of coverage, then:

$$\begin{aligned} \$220,000 \div 1,000 &= 220 \\ 220 \times \$0.06 &= \$13.20 \end{aligned}$$

Your Monthly Cost for a 10-Month Pay Cycle

A Valuable Combination of Benefits

Personal Accident Insurance helps protect you against losses due to accidents. A covered accident is a sudden unforeseeable event that results in injury or death and that occurs while coverage is in force. We will pay the full benefit amount in the event of accidental loss of life occurring within 365 days of a covered accident. To help survivors of severe accidents adjust to new living circumstances, we will pay benefits for paralysis, dismemberment, loss of eyesight, speech or hearing according to the chart below.

| If, within 365 days of a covered accident, bodily injuries result in: | We will pay this % of the benefit amount: |
|--|---|
| Loss of life, or Total paralysis of upper and lower limbs, or Loss of any combination of two: hands, feet or eyesight, or Loss of speech and hearing in both ears | 100% |
| Total paralysis of both lower limbs, or Total paralysis of upper and lower limbs on one side of the body, or Loss of one hand, foot, or sight in one eye, or Loss of speech, or Loss of hearing in both ears | 50% |
| Loss of thumb and index finger of the same hand | 25% |

If the same accident causes more than one of these losses, we will pay only one amount, but it will be the largest amount that applies.

Loss of a hand or foot means complete severance through or above the wrist or ankle joint. Loss of sight means the total, permanent loss of sight of the eye. The loss of sight must be irrecoverable by natural, surgical or artificial means. Loss of speech means total, permanent and irrecoverable loss of audible communication. Loss of hearing means total and permanent loss of hearing in both ears which cannot be corrected by any hearing aid or device. Loss of a thumb and index finger means complete severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand). California Residents: Loss of a thumb and index finger means complete severance of at least one whole phalanx (a bone of the finger) of each. South Carolina Residents: Loss of four whole fingers from one hand means the loss of one hand. Paralysis means loss of use, without severance, of a limb. This loss must be determined by a doctor to be complete and not reversible. Severance means complete separation and dismemberment of the limb from the body.

Additional Benefits

For College Education

The education benefit can give employees who sign up for coverage for their family members extra peace of mind if their children are either in college or college-bound.

If you or your insured spouse die in a covered accident, we will pay an extra benefit for each insured child who is enrolled in college or is in the 12th grade and enrolls in college within one year of the accident. To help pay college expenses, we will increase your benefit amount by 5% (up to \$5,000) for each qualifying child. This benefit is payable each year for four consecutive years as long as your children continue their college education.

If there is no qualifying child, we will pay an additional \$1,000 to the insured's beneficiary.

For Training for Spouse

If you have elected spouse coverage, your spouse will receive educational reimbursement if he or she enrolls, within one year of your death in a covered accident, in an accredited school to gain skills needed for employment. We will pay the actual cost of this education or training program, for not more than one year after enrollment begins, up to a maximum of \$5,000.

For Wearing a Seatbelt

This benefit is payable if an insured person dies as a result of injuries sustained in a covered accident while driving or riding in a private passenger car* equipped with seatbelts. If that person was wearing a properly fastened seatbelt (or if the insured is a child, a child restraint as defined by state law), that person's death benefit will be increased by 10%, but not less than \$1,000 nor by more than \$10,000.

If it is unclear whether the insured had been wearing the required protection, the plan will pay a benefit of \$1,000. No benefit is payable if the official accident report is either not provided to us or it indicates that no seatbelt was worn.

** A validly registered four-wheel private passenger (or policyholder-owned) car, station wagon, jeep, pickup truck, or van-type car that is not licensed commercially or being used for commercial purposes.*

For Comas

Personal Accident Insurance pays an additional benefit if you or an insured family member enter a coma.

If you, your spouse, or your children are in a coma as a result of a covered accident, we will pay a Coma Benefit as long as the insured person entered the coma within 31 days of the accident.

After the insured person has been in a coma for 31 days, we will begin to make monthly payments of 1% of the covered person's full benefit amount. We will make 11 monthly payments, provided the person remains in a coma during this period. If the person recovers, the payments will stop.

If the insured person dies, as a result of a covered accident, while the monthly Coma Benefit payments are being made, or if the insured person remains in a coma after the 11 monthly payments have been made, he or she will be entitled to a lump sum payment equal to the full benefit amount, minus any amounts we have paid or owe under the schedule of losses. This lump sum payment will end the insured person's coverage under the policy. No further benefit will be paid.

What Is Not Covered

Plan benefits are not payable if a loss results, directly or indirectly, from or is caused by, self-inflicted injuries or suicide; any felony committed by the insured; any act of war, declared or undeclared; sickness, disease, physical or mental impairment or medical or surgical treatment thereof, or bacterial or viral infection, regardless of how contracted. (This does not include bacterial infection that is the natural and foreseeable result of an accidental external cut or wound, or accidental food poisoning.)

Benefits are also not payable if the loss occurs while the covered person is engaged in the activities of active duty service in the military, navy or air force of any country or international organization (covered accidents that occur while engaged in Reserve or National Guard training are not excluded until training extends beyond 31 days); traveling in an aircraft that is owned, leased or controlled by the sponsoring organization; traveling in an experimental aircraft or one designed to be used in outer space; traveling in an aircraft that is being operated by or for a military authority other than U.S. Military Airlift Command, or similar foreign service; hang gliding; parachuting, except for self-preservation; piloting or serving as a crew member in any aircraft; and taking a flying lesson in any aircraft.

When Your Coverage Begins and Ends

Current employees can sign up during this enrollment period. New employees have 31 days from the date they begin employment to enroll. Coverage becomes effective on the first of the month after receipt of your application. Provided the application has been received and the appropriate premium paid, dependent coverage will start when your coverage begins.

If you are not actively at work, the effective date of your insurance will be deferred until you are actively at work. If your spouse is not actively at work or if your spouse or children are unable to engage in all the usual duties of a person of like age and sex, the effective date of their insurance will be deferred until they return to work or resume their usual duties.

Your coverage will continue as long as you remain an eligible employee, pay your premium when due, do not serve more than 30 days' full-time active duty in any Armed Forces, and we agree with your employer to continue this group policy. For your spouse and dependent children, coverage ends when your coverage terminates, when their premiums are not paid, or when he or she is no longer eligible, whichever occurs first.

Changing from the Group Plan to Individual Coverage

If, before you reach age 70, this group coverage ends for any reason except non-payment of premium, you can convert to an individual policy. No medical certification is needed. To continue coverage, you must apply for the conversion policy and pay the first premium in effect for your age and occupation within 31 days after your group coverage ends. Family members may convert their coverage as long as they have not reached the maximum age limitation. Converted policies are subject to certain benefits and limits as outlined in your certificate, should you become insured under the plan.

Signing Up Is Easy

No medical examination is required to apply!

Just follow these steps.

1. Choose the benefit amount and coverage option that are right for you.
2. Fill out the enrollment form and return it to your Human Resources Department.

Don't forget to...

Use the full name of your beneficiary. For example, use "Mary Jones Smith" not "Mrs. John A. Smith."

If you have any questions about the plan, please contact your Human Resources Department.

This plan provides ACCIDENT insurance only. It pays benefits for bodily injury. It does not provide coverage for sickness. This information is a brief description of important features of the plan. It is not a contract. Terms and conditions of coverage are set forth in Policy OK-817077 on Policy Form No. LM-2L60, issued in Georgia. The group policy is subject to the laws of the state in which it is issued. The availability of this offer may change. Please keep this material as a reference.

*Coverage is underwritten by
Life Insurance Company of North America
1601 Chestnut Street
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