

Group Life Insurance Plan

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Plan Document

**International Monetary Fund
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Group Life Insurance Plan

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ARTICLE 1. INTRODUCTION

The Group Life Insurance Plan (GLI), ‘the Plan,’ was established December 1, 1953 and last amended June 5, 2006. The Plan is designed to help Participants meet burial and other last expenses (including bills unpaid at time of death) and to help provide for the financial security of their survivors. The Plan consists of a combination of contributory group term life insurance, noncontributory group term life insurance, and noncontributory accidental death and dismemberment benefits. The Plan is currently funded through a life insurance policy issued by MetLife.

Three benefits are available on a noncontributory basis:

- Basic Life Insurance (Article 4)
- Accidental Death and Dismemberment Insurance (Article 8)
- Basic Life Insurance for eligible former Employees (Article 5)

Two optional benefits are generally available on a contributory basis:

- Optional Life Insurance for eligible Employees and eligible former Employees (Article 5)
- Dependent Life Insurance (Article 6)

THIS DOCUMENT SETS FORTH THE PROVISIONS OF THE PLAN. ANY CONFLICT OR AMBIGUITY ARISING BETWEEN THIS DOCUMENT AND THE UNDERLYING INSURANCE POLICY SHALL BE RESOLVED IN FAVOR OF THE INSURANCE POLICY.

ARTICLE 2. DEFINITIONS

2.01 Actively at Work

“Actively at Work” means that, on a specified day, an Employee is not absent from work on account of an occupational or nonoccupational illness or injury, or leave of absence and the Employee is physically capable of performing the regular duties of his occupation.

2.02 Adjusted Employment Date

“Adjusted Employment Date” means an employment date which has been adjusted to reflect reinstatement of prior Service, upon return to active employment following a break in Service. When no break in Service has occurred, Adjusted Employment Date is the same as Current Employment Date.

2.03 Approved Form

“Approved Form” means a form approved by the Employer in consultation with the Insurance Company for a particular communication or administration purpose under the Plan. Approved Forms may be paper, electronic or any other media so approved.

2.04 Assignee

“Assignee” means the person to whom the Participant has assigned rights in respect of his Coverage.

2.05 Beneficiary

“Beneficiary” means the person to whom a Benefit will be paid in accordance with the terms of the Plan.

2.06 Benefit

“Benefit” means death or dismemberment benefits payable on account of Coverage. For the purpose of determining the Benefit under this Plan, and its associated cost, the Option elected is multiplied by the Participant’s Net Salary and then rounded to the next higher \$1,000 of Coverage.

2.07 Coverage

“Coverage” means the group term life insurance coverage or accidental death and dismemberment coverage provided on the life of a Participant under the Plan. Coverage also means the Dependent group term life insurance on the life of such Dependent under the Plan.

2.08 Current Employment Date

“Current Employment Date” means the first day of work in the latest period of continuous employment.

2.09 Dependent

“Dependent” is the Participant’s Spouse or Domestic Partner, unless such person is also an eligible Employee participating in the Plan.

2.10 Dependent Child

“Dependent Child” is a Participant’s natural, legally adopted, or step-child. A Dependent Child must be unmarried; be under 19 years of age (under 24 if a full-time student); reside in the Participant’s household as his principal home; be dependent on the Participant for over 50 percent of his support; and not be employed on a full-time basis except during school vacation periods. In addition, a Dependent Child can have earned income that does not exceed a specified ceiling in a Plan Year. The ceiling is adjusted annually on May 1 with the increase in the U.S. All Urban Consumer Price Index. If a Dependent Child’s earned income exceeds the ceiling, he may still be considered a Dependent Child if the Participant affirms that more than half of the child’s total financial support is provided by the Participant. Specific evidence of such support may be required by the Plan Administrator.

A child may qualify as a Dependent Child even though he does not reside in the Participant’s household, provided such nonresidence is the result of the Participant’s divorce or the child’s full time attendance at school.

A Dependent Child who is or who becomes incapable of self-support because of a mental or physical handicap and who depends on the Participant for over half his support will be a Dependent Child as long as such incapacity and dependency exist.

Dependent Child includes a newborn Dependent Child but not a stillborn child.

2.11 Disabled Person

“Disabled Person” is any person who is approved for a disability pension under the Employer’s Staff Retirement Plan.

2.12 Domestic Partner

“Domestic Partner” is one who has been accepted as such according to the Fund’s procedures, including but not limited to the completion of a Registry of Domestic Partnership, Declaration of Domestic Partnership Form and Personal Data Form along with acceptable documentation establishing that the domestic partnership has existed for one year or more.

2.13 Election

“Election” means an election by a person under Article 3 to make Elections to commence, increase or decrease Coverage for a period of Coverage. An Election shall designate one Option for such period of Coverage. An Election is deemed to be made on the date of the Election.

2.14 Employee

“Employee” is any person who is employed by the Employer as a regular, fixed-term or limited-term staff member, the Managing Director, any Executive Director, Alternate Executive Director, Senior Advisor or Advisor to Executive Director, Assistant to Executive Director, or contractual appointee with a full-time appointment of at least one year or a contractual appointee with more than one year of service, (provided that eligibility to participate is specified in the letter of appointment and any attachments thereto), special appointee, the Director and Non-Contractual Employees of the Independent Evaluation Office and Technical Assistance Expert with a contract of at least six months.

“Employee” does not include a Short-Term Contractual Employee or a contractual employee hired locally by a Resident Representative or Overseas Office.

2.15 Employer

“Employer” is the International Monetary Fund, or “IMF” or “Fund.”

2.16 Insurance Company

“Insurance Company” is MetLife, One Madison Avenue, New York, New York 10010-3690 and any other insurance company which may issue one or more group policies to the Employer for Coverage under the Plan.

2.17 Net Salary

“Net Salary”, except as described later in this Section 2.17, is an Employee’s individual annual rate of net pay, or net pay equivalent of gross pay, in effect on January 1, May 1, July 1 and November 1 of that year. Net Salary does not include overtime or shift allowance.

NOTES:

1) When an Employee’s employment classification changes from an ineligible class to an eligible class, the Net Salary is adjusted as of the date of reclassification for determining Coverage. Contributions reflecting the change are effective in the first pay period following the change in Coverage.

2) Effective Date: The effective date of a Net Salary used to calculate the GLI’s Basic and Optional Life Insurance(s) is as set forth in the first sentence of this Section, except as indicated below:

i) Net Salary for a new Employee is that in effect on the employment date.

ii) The Net Salary of an Employee reinstated or reemployed in the same calendar year in which terminated, if not an Employee on January 1, May 1, July 1 or November 1 of that year is that in effect on the date of current reinstatement or reemployment.

iii) The Net Salary of an Employee reinstated or reemployed in a calendar year subsequent to that in which last terminated is that in effect on the date of the current reinstatement or reemployment.

iv) The Net Salary of Retirees who satisfy requirements described in Section 4.03 and/or Section 5.05 is that in effect on the day immediately before the effective date of retirement.

v) The Net Salary of Disabled Persons is that in effect on the day immediately before the effective date of the disability pension.

3) The Net Salary equivalent of a U.S. national Employee paid a gross salary is 75 percent of such gross salary.

4) When an Employee’s work schedule changes through a request for personnel action from part-time to full-time, the Net Salary is adjusted as of the effective date of personnel action for determining Coverage. Similarly, when an Employee’s work schedule changes through a request for personnel action from full-time to part-time, the Net Salary is adjusted as of the effective date of personnel action for determining Coverage. Contributions reflecting the change are effective the first pay period following the change in Coverage. An Employee who transfers from full-time to part-time employment may continue Coverage at the level in effect just prior to the transfer to part-time employment provided the Employee makes an election to that effect and pays the required contribution, if applicable.

2.18 Option

“Option” means the level of Coverage provided in accordance with an election which determines the amount of Benefit payable in the event of death of the Participant or Dependent, as appropriate.

2.19 Overseas Office

“Overseas Office” means an organizational unit of the Employer located outside of the United States, including but not limited to offices in Paris, Tokyo and Geneva.

2.20 Participant

“Participant” is an Employee, former Employee, Disabled Person or Retiree who is covered under the Plan.

2.21 Participation Service

For the purpose of eligibility for coverage in retirement, “Participation Service” means a period of Coverage under the Plan, including periods of Coverage under the prior Plan design or while covered under the provisions of Section 14.01 (g). A year of coverage as an Employee working a part-time schedule is treated as equal to a year of coverage as an Employee working a full-time schedule.

Such Service, as used in this Plan, means the elapsed days, months, and years since the Employee’s Adjusted Employment Date during which the Employee participated in the Plan. Consequently, Participation Service, as adjusted, is the aggregate of days, months, and years of such Service credit resulting from the linkage of the current span of employment with one or more spans of prior Participation Service. (Thirty days equate to one month; the twelve months equate to one year.) Such Service includes any service recognized by the Employer unless preempted by contractual agreements.

Continuous Service is the period of elapsed days, months, and years of Participation Service which has not been interrupted since the Employee’s Current Employment Date. Continuous Service includes any service recognized by the Employer unless preempted by contractual agreements. Employment interruptions, and corresponding interruptions in Coverage, related to leaves of absence, or military service are considered as Continuous Service if such persons resume employment with the Employer within 30 days following such interruptions.

Furthermore, Participation Service of certain Employees will be adjusted as indicated in Appendix A.

Note that each Employee who was an active employee of the World Bank on the day before the date he or she became an Employee, will be credited with Service as though such person had been an Employee during the entire period of his or her employment with the World Bank to the extent such person had participated in the World Bank’s life insurance program immediately prior to becoming an Employee.

2.22 Plan Year

“Plan Year” is the Employer’s financial year beginning May 1 and concluding April 30. It coincides with the insurance policy year.

2.23 Qualifying Event

“Qualifying Event” means an event which changes the Participant’s status and is limited to the following for the purposes of this Plan:

- gaining a Dependent Child through birth, adoption or otherwise (but not including a foster child);
- gaining a Dependent through marriage or domestic partnership,
- losing a Dependent or Dependent Child through death, divorce, legal separation, or end of the domestic partnership;
- where applicable, the Dependent or Dependent Child loses eligible status;
- A Dependent loses a job;
- A Dependent is transferred from part-time to full-time employment or from full-time to part-time employment.

2.24 Resident Representative

“Resident Representative” means an official of the Employer on assignment outside of the Headquarters duty station.

2.25 Retiree

“Retiree,” as used in this Plan, is a former Employee who:

- (i) is entitled to receive an immediate pension or elect a deferred pension under the Fund’s Staff Retirement Plan, and who separated at age 50 or older, with at least 5 years or more of Participation Service in the Plan and who maintained Coverage in the Plan continuously from the date of separation from employment through the commencement of his retirement benefits, i.e., no break in Participation Service following the conclusion of employment and the commencement of retirement benefits for those who elect a deferred pension; or
- ii) is a Disabled Person or
- iii) took up his position at the Fund after his 62nd birthday and who did not participate in, and is not entitled to a pension from, the SRP for the sole reason that he took up his position after age 62, but who satisfies all other eligibility requirements for post-retirement coverage set out in section 2.25 (i).

Participation Service in the Plan must be continuous, i.e., no break occurred following the conclusion of employment and the commencement of retirement benefits for those who elect a deferred pension.

The minimum period of Plan Participation Service includes periods of Participation Service under a contractual or staff appointment.

Employees who are covered under the post-employment extension option as of January 1, 2004 and who met the eligibility rules on separation age and GLI Participation Service are also considered “Retirees.” The 18-month period of post-employment extension coverage counts toward eligibility (see Section 14.01 (g)).

2.26 Short Term Contractual Employee

“Short Term Contractual Employee” is a person who is hired by the Employer for the specified purpose of meeting short term needs of less than six continuous months in any consecutive 12 month period and who is designated as a Short Term Contractual Employee in his appointment letter.

2.27 Spouse

“Spouse” is a Participant’s partner in a marital relationship recognized by the Employer under the relevant section of General Administrative Order No. 28.

ARTICLE 3. ELIGIBILITY, ELECTION OF COVERAGE AND EFFECTIVE DATES

3.01 Eligibility

a) Employees. Except as provided for in Section 3.02 (a), each Employee employed on or after January 1, 2004 is automatically covered under Basic Life Insurance. Each such Employee, except as provided for in Section 3.02 (b) (1), is also eligible to participate in Optional Life Insurance and, if he or she has a Dependent, Dependent Life Insurance.

Employees are covered for Accidental Death and Dismemberment Insurance under the Plan.

b) Disabled Persons. Disabled Persons cannot enroll in, or increase Coverage under the Plan. However, subject to Section 5.04, Disabled Persons can continue some or all of the Coverages set forth below to the extent that they maintained such Coverages immediately before their effective date of disability:

- Basic Life Insurance
- Optional Life Insurance

Disabled Persons are ineligible for Accidental Death and Dismemberment Insurance and Dependent Life Insurance.

c) Retirees. Retirees cannot enroll in, or increase Coverage under the Plan. However, Retirees can continue some or all of the Coverages set forth below to the extent that they maintained such Coverages immediately before their effective date of retirement:

- Basic Life Insurance
- Optional Life Insurance

Retirees are ineligible for Accidental Death and Dismemberment insurance and Dependent Life Insurance.

d) A Retiree who is employed by the Employer as a contractual appointee:

1) and who retired prior to the effective date of the new Plan will be eligible only for the Coverages provided on a noncontributory basis during the period of employment, as an Employee, or if the Retiree enrolled in the new Plan's Optional Life Insurance as an eligible contractual appointee. Upon cessation of employment as a contractual appointee, the Retiree will continue to be eligible for Coverage under the prior Plan's Coverage provisions, affecting Participants who are Retirees, based on the Net Salary at the point in time at which he retired under the Staff Retirement Plan;

2) and who retired on or after the effective date of the new Plan will be eligible only for the Coverages provided during the period of employment, as an Employee, or if the Retiree enrolled in the new Plan's Optional Life Insurance as an eligible contractual appointee. Upon cessation of employment as a contractual appointee, the Retiree will continue to be eligible for Coverage under the Plan's Coverage provisions, affecting Participants who are Retirees, based on the Net Salary in effect as of the date immediately preceding the date of his retirement under the Staff Retirement Plan;

3) and who participates in the Plan as an eligible contractual appointee shall not have such participation count towards eligibility for post-retirement coverage under the Plan.

3.02 Election of and Effective Date of Coverage

a) Basic Life Insurance.

1) General.

Except as provided below, an eligible Employee's Basic Life Insurance Coverage becomes effective automatically on the first day that he is Actively at Work.

If an eligible Employee who was not previously enrolled under the prior Plan provisions wishes to obtain Basic Life Insurance Coverage, he must make an election for such Coverage on an Approved Form which contains or includes a certification of good health (also known as "Evidence of Insurability") and may be required to pass a physical examination at his expense. Thereafter, Coverage becomes effective at 12:01 am on January 1, 2004, if the Election is approved by the Insurance Company prior to that date or, if on or after that date, the first of the month following the month in which the Election is approved by the Insurance Company; provided, however, that if such eligible Employee is not Actively at Work on the date when such Coverage is to become effective, such Coverage will become effective on the first of the month following the month in which he is Actively at Work.

Employees may use the above-described certification of good health procedure only once in any period of twelve consecutive months

2) Enrollment due to a Qualifying Event

An eligible Employee, not previously enrolled in the Plan, may elect to obtain Basic Life Insurance Coverage without satisfying the certification of good health requirements of Section 3.02(a) (1) if he experiences a Qualifying Event.

In order for the eligible Employee to obtain or increase Coverage, an Approved Form signed by the Employee electing Coverage and written proof, acceptable to the Employer, certifying the Qualifying Event must be received by the Employer no later than 60 days after the Qualifying Event.

Coverage, or changes to Coverage, as a result of a Qualifying Event, is effective on the date the Employee is Actively at Work provided such date coincides with or occurs on the first of the month following the month in which the later of (i) the date of the Qualifying Event occurs, or (ii) the date the Approved Form electing Coverage and signed by the Employee is received by the Employer. However, if acceptable written proof of the Qualifying Event is not received within the 60 day period described above, Coverage will not be changed. A person may still apply to increase Coverage after 60 days but such a change will require that a certification of good health be provided to and accepted by the Insurance Company.

If an eligible Employee dies after meeting all the requirements described above except the written proof requirement, Coverage will be deemed effective if such proof is received by the Employer within 90 days after the Qualifying Event.

3) Increased Coverage

An increase in insurance Coverage due to a change in class of Employee, an increase in an Employee's earnings, or a requested increase in insurance Coverage will take effect as follows:

- If an Employee is required to give evidence of insurability for the entire increase in insurance and the Insurance Company approves, the increase will take effect on the first of the month following the month in which the Insurance Company states in writing. If the Insurance Company does not approve the Employee's evidence of insurability, or the Employee does not submit evidence of insurability, the increase in insurance will not take effect.
- If the Employee is required to give evidence of insurability for a portion of the increase in insurance:
 - The portion of the increase in insurance that is not subject to evidence of insurability will take effect on the first of the month following the month in which the Employee's request was made or the date of the increase in the Employee's earnings, except that increases in Coverage due to normal merit increases will occur on May 1 or November 1, as appropriate. If the Insurance Company approves the Employee's evidence of insurability, the portion of the increase in insurance that is subject to evidence of insurability will take effect

on the first of the month following the month in which the Insurance Company states in writing.

- If the Insurance Company does not approve the Employee's evidence of insurability or the Employee does not submit evidence of insurability, the portion of the increase in insurance requiring evidence of insurability will not take effect.

If the Employee is not required to give evidence of insurability, the increase will take effect on the first of the month following the month of the Employee's request or the date of the increase in the Employee's earnings except that increases in Coverage due to normal merit increases will occur on May 1 or November 1, as appropriate. If the Employee is not Actively at Work on the date insurance would otherwise take effect, insurance will take effect on the first of the month following the month in which the Employee resumes Active Work.

4) Decreased Coverage.

A Participant may decrease Coverage at any time, effective on the first day of the month following the month that a request on an Approved Form signed by the Participant is received by the Employer.

Coverage decreases automatically at certain ages as described in Article 4.

5) Deferral of Effective Date of Coverage.

The effective date of initial amounts or increases in an Employee's Coverage is deferred if, within 90 days of the effective date, the Employee has been hospitalized or has been confined at home under a physician's care or is receiving or has applied to receive disability insurance from any source. The effective date of Coverage is the first of the month following the month in which the earlier date occurs: the date the insurer accepts the certification of good health (also known as Evidence of Insurability) or the date 90 days from the date that the Employee has been discharged from a hospital or is no longer confined at home under a physician's care or has ceased to receive disability insurance from any source.

b) Optional Life Insurance.

1) General.

Optional Life Insurance Coverage for an eligible Employee who elects Coverage before the first day that he is Actively at Work becomes effective on (but not before) that day. Coverage for an eligible Employee who makes an election within 31 days after the first day that he is Actively at Work (including that first day) becomes effective on date an Approved Form for such an Election, signed by the Employee, is received by the Employer. If an eligible Employee is not Actively at Work on the date Coverage is to become effective, it will become effective on the first of the month following the month in which he is first Actively at Work.

If an eligible Employee who was not previously enrolled under the prior Plan provisions wishes to obtain Optional Life Insurance Coverage, he must make an Election for such Coverage on an Approved Form which contains or includes a certification of good health (also known as “Evidence of Insurability”) and may be required to pass a physical examination at his expense. Thereafter, Coverage becomes effective at 12:01 am on January 1, 2004, if the Election is approved by the Insurance Company prior to that date or, if on or after that date, on the first of the month following the month in which the Election is approved by the Insurance Company; provided, however, that if such eligible Employee is not Actively at Work on the date when such Coverage is to become effective, such Coverage will become effective on the first of the month following the month in which he is Actively at Work

If an eligible Employee elects to obtain or increase Optional Life Insurance Coverage more than 31 days after the first day that he is Actively at Work (including that first day), he may obtain Coverage in accordance with the certification of good health provision of Section 3.02(a)(1). An Employee may elect to increase his Optional Life Insurance Coverage by use of the above referenced certification of good health procedure no more than once in any period of twelve consecutive months. If the Coverage elected exceeds \$500,000, then before the Coverage in excess of this amount can become effective the certification of good health provision of Section 3.02 (a) (1) must be met.

2) Enrollment due to a Qualifying Event

An eligible Employee may elect to obtain or increase Optional Life Insurance Coverage without satisfying the certification of good health requirements of Section 3.02(a)(1) if he experiences a Qualifying Event.

In order for the eligible Employee to obtain or increase Coverage, an Approved Form signed by the Employee electing Coverage and written proof, acceptable to the Employer, certifying the Qualifying Event must be received by the Employer no later than 60 days after the Qualifying Event.

New or increased Coverage is effective on the date the Employee is Actively at Work provided such date coincides with or occurs on the first of the month following the month in which the later of (i) the date of the Qualifying Event occurs, or (ii) the date the Approved Form electing Coverage and signed by the Employee is received by the Employer. However, if acceptable written proof of the Qualifying Event is not received within the 60—day period described above, Coverage will not be changed. If, after 60 days an Employee wishes to obtain Optional Life Insurance, a certification of good health will be required for the entire amount of Coverage requested, and Coverage is effective on the first day of the month following the month in which the Insurance Company’s written statement that it accepts the Employee’s certification of good health.

If an eligible Employee dies after meeting all the requirements described above except the written proof requirement, Coverage will be deemed effective if such proof is received by the Employer within 90 days after the Qualifying Event.

3) Increased Coverage

An increase in insurance Coverage due to a change in class of Employee, an increase in an Employee's earnings, or a requested increase in insurance Coverage will take effect as follows:

- If an Employee is required to give evidence of insurability for the entire increase in insurance and the Insurance Company approves, the increase will take effect on the first of the month following the month in which the Insurance Company states in writing. If the Insurance Company does not approve the Employee's evidence of insurability, or the Employee does not submit evidence of insurability, the increase in insurance will not take effect.
- If the Employee is required to give evidence of insurability for a portion of the increase in insurance:
 - The portion of the increase in insurance that is not subject to evidence of insurability will take effect on the first of the month following the month in which the Employee's request was made or the date of the increase in the Employee's earnings, except that increases in Coverage due to normal merit increases will occur on May 1 or November 1, as appropriate. If the Insurance Company approves the Employee's evidence of insurability, the portion of the increase in insurance that is subject to evidence of insurability will take effect on the first of the month following the month in which the Insurance Company states in writing.
 - If the Insurance Company does not approve the Employee's evidence of insurability or the Employee does not submit evidence of insurability, the portion of the increase in insurance requiring evidence of insurability will not take effect.

If the Employee is not required to give evidence of insurability, the increase will take effect on the first of the month following the month of the Employee's request or the date of the increase in the Employee's earnings except that increases in Coverage due to normal merit increases will occur on May 1 or November 1, as appropriate. If the Employee is not Actively at Work on the date insurance would otherwise take effect, insurance will take effect on the first of the month following the month in which the Employee resumes Active Work.

4) Decreased Coverage.

A Participant may decrease Coverage at any time, effective on the first day of the month following the month that a request on an Approved Form signed by the Participant is received by the Employer.

Coverage decreases automatically at certain ages as described in Article 5.

5) Deferral of Effective Date of Coverage.

The effective date of initial amounts or increases in an Employee's Coverage is deferred if, within 90 days of the effective date, the Employee has been hospitalized or has been confined at home under a physician's care or is receiving or has applied to receive disability insurance from any source. The effective date of Coverage is the first of the month following the month in which the earlier date occurs: the date the insurer accepts the certification of good health (also known as Evidence of Insurability) or the date 90 days from the date that the Employee has been discharged from a hospital or is no longer confined at home under a physician's care or has ceased to receive disability insurance from any source.

c) Dependent Life Insurance.

1) General.

An eligible Employee on January 1, 2004, is eligible for Dependent Life Insurance on the later of the first day of the month following the date he enters a class eligible for insurance or the date he obtains a Dependent. An Employee becomes eligible for Dependent Life Insurance after January 1, 2004 on the later of the last day of the month he enters a class eligible for insurance or the date he obtains a Dependent.

An eligible Employee must first be enrolled or elect to be enrolled in the Optional Life Insurance before he can elect Dependent Life Insurance. For an eligible Employee who elects Dependent Life Insurance Coverage before the first day that he is Actively at Work, such Coverage becomes effective on (but not before) that day. For an eligible Employee who elects Coverage within 31 days after the first day that he is Actively at Work (including that first day), Coverage becomes effective on the date on which an Approved Form electing such Coverage and signed by the Employee is received by the Employer.

An eligible Employee who elects Dependent Life Insurance Coverage more than 31 days after the first day that he is Actively at Work may obtain Coverage in accordance with the certification of good health provision of Section 3.02(a) (1), except that the Dependent must undergo the certification of good health and not the Employee. Coverage will take effect on the first of the month following the month in which the Insurance Company states in writing, if the Employee is Actively at Work on that date, or if not, on the first day of the month following the month that the Employee is Actively at Work.

2) Enrollment due to a Qualifying Event

An eligible Employee who did not have a Dependent on his enrollment date and who thereafter experiences a Qualifying Event may elect to obtain Dependent Life Insurance without the need for the Dependent to satisfy the certification of good health requirements of Section 3.02(a) (1) for Coverage up to \$25,000.

In order for the eligible Employee to obtain or increase Coverage, an Approved Form signed by the Employee electing Coverage and written proof, acceptable to the Employer, certifying the Qualifying Event must be received by the Employer no later than 60 days after the Qualifying Event.

New or increased Coverage is effective on the date the Employee is Actively at Work provided such date coincides with or occurs on the first of the month following the month in which the later of (i) the date of the Qualifying Event occurs, or (ii) the day the Approved Form electing Coverage and signed by the Employee is received by the Employer. However, if acceptable written proof of the Qualifying Event is not received within the 60—day period described above, Coverage will not be granted. If, after 60 days an Employee wishes to obtain Dependent Life Insurance, a certification of good health will be required for the entire amount of Coverage requested, and Coverage is effective on the first day of the month following the month in which the Insurance Company's written statement that it accepts the Dependent's certification of good health.

If an eligible Employee dies after meeting all the requirements described above except the written proof requirement, Coverage will be deemed effective if such proof is received by the Employer within 90 days after the Qualifying Event.

If a Dependent dies within the 60 day period after delivery to the Employer of an Approved Form electing such Coverage but before delivery of acceptable written proof, Coverage will be deemed effective if such proof is received by the Employer within 90 days after the event.

Coverage elected in excess of \$25,000 is subject to the Dependent submitting to the certification of good health requirement described in Section 3.02(a) (1).

3) Deferral of Effective Date of Coverage.

The effective date of initial amounts or increases in Coverage of a Dependent is deferred if, within 90 days of the effective date, the Dependent has been hospitalized or has been confined at home under a physician's care or is receiving or has applied to receive disability insurance from any source. The effective date of Coverage is the first of the month following the month in which the earlier date occurs: the date the insurer accepts the certification of good health (also known as Evidence of Insurability) or the date 90 days from the date that the Dependent has been discharged from a hospital, or is no longer confined at home under a physician's care or has ceased to receive disability insurance from any source.

In addition, Coverage will not begin while the Dependent is totally disabled, i.e., the Dependent is unable to engage in substantially all of the normal activities of a healthy person of the same age and sex.

d) Accidental Death and Dismemberment Insurance.

Participation is automatic. No action is required by the eligible Employee. Accidental Death and Dismemberment Insurance is effective on the first day of the month in which an eligible Employee meets the requirements of Section 3.01 (a).

ARTICLE 4. BASIC LIFE INSURANCE

4.01 Purpose

Basic Life Insurance provides group term life insurance coverage over a Participant's lifetime to help meet burial and other final expenses and to help provide for the financial security of his survivors.

4.02 Coverage for Employees

The amount of Basic Life Insurance for an eligible Employee is one times Net Salary rounded to the next higher \$1,000.

4.03 Coverage for Retirees and Disabled Persons

a) Retirees.

Prior to Age 65, Coverage is one times Net Salary. Upon reaching age 65 Coverage is provided as described in Section 5.06.

To continue Coverage upon retirement, an eligible Retiree must have at least five years of Participation Service on either a continuous or adjusted service basis and must have maintained Basic Life Insurance coverage continuously during any period of employment since January 1, 2004.¹

In the case of separation from employment for any reason, the 5 year period is deemed not to be interrupted if return to work occurs within 30 calendar days after the date of separation or if applicable Coverage is maintained while available over the period of separation.

If the continuous Coverage requirement described above has not been met, coverage cannot be continued into retirement.

Eligible Retirees who are reemployed will have no less coverage in a subsequent retirement than they had in an earlier retirement.

b) Disabled Persons.

The amount of Basic Life Insurance for an eligible Disabled Person is one times Net Salary up to age 65. Thereafter, Coverage is provided as described in Section 5.06.

4.04 Cost

The Employer pays the full cost of Basic Life Insurance.

4.05 Exclusions

A Benefit is not payable if death occurs as a result of suicide during the first 24 months of Coverage.

ARTICLE 5. OPTIONAL LIFE INSURANCE

5.01 Purpose

Optional Life Insurance provides flexibility to meet individual needs by giving eligible Employees the option to have additional life insurance coverage. Optional Life Insurance is available on a contributory basis, at age related contribution rates, for all eligible Employees.

¹ Transitional rule: Participation Service and continuous Coverage during a period of employment under the prior Plan provisions apply towards this requirement.

Following disability or retirement, Optional Life Insurance is provided to eligible Participants on a noncontributory basis through the Basic Life Insurance policy. The full cost of contributory coverage is paid by the Participants.

5.02 Coverage for Employees

Eligible Employees up to age 65 may elect one of seven Options of Optional Life Insurance Coverage, i.e., 1, 2, 3, 4, 5, 6, or 7 times Net Salary rounded to the next higher \$1,000. For Participants who are Employees reaching age 65 on or after January 1, 2004 and who continue employment with the Employer, Coverage would be reduced to the following levels:

- 65 percent the first of the month following attainment of age 65;
- 35 percent at age 70;
- 25 percent at age 75; and
- 15 percent at age 80.

Participants who are at least age 65 before January 1, 2004 and who continue to work, retain the level of Coverage elected under the prior Plan design. Those employed by the Fund on that date who are age 65 or older are “grandfathered” under the prior Plan provisions, which allows the Participant to retain the full level of life insurance until retirement.

5.03 Contribution Rates for Participants

The rate used to compute Participant contributions during any Plan Year is based on the Participant’s current age and is determined in accordance with the following table effective May 1, 2009:

Optional Life Insurance	
—— Monthly Contribution Rates ——	
Age	Rate per \$1,000 of Coverage
Under 30	\$0.03
30 - 34	\$0.03
35 - 39	\$0.05
40 - 44	\$0.07
45 - 49	\$0.13
50 - 54	\$0.21
55 - 59	\$0.35
60 - 64	\$0.49
65 - 69	\$0.78
70 - 74	\$0.84
75 and over	\$3.96

Contributions for a year are based on the Employee's Net Salary as of January 1, May 1, July 1 and November 1 of that Plan Year. The rate per \$1,000 of coverage is established to cover the full cost of Optional Life Insurance (including the cost of administrative services performed by the Employer), and is therefore subject to adjustment as necessary to meet the experience of the Participants in the Plan.

5.04 Coverage for Disabled Persons

The Optional Life Insurance Coverage in force on the date before the disability pension becomes effective may be continued by an eligible Disabled Person on the following basis:

a) Noncontributory. An amount equal to no more than two times Net Salary will be provided without contributions from the eligible Disabled Person if an Option of at least two times Net Salary of Optional Life Insurance was in effect on the day before the disability pension became effective. No Optional Life Insurance will be provided to the eligible Disabled Person if none was carried on the day before the disability pension became effective. Noncontributory Optional Life Insurance is provided to Disabled Persons as part of the noncontributory portion of the contract (see Section 3.01(b)).

b) Contributory. No contributory Optional Life Insurance is available to a Disabled Person.

5.05 Coverage for Retirees

To have noncontributory coverage upon retirement, an eligible Retiree must have at least five years of Participation Service on either a continuous or adjusted service basis and must have maintained Optional Life Insurance coverage continuously during any period of employment since January 1, 2004.²

In the case of separation from employment for any reason, the 5 year period is deemed not to be interrupted if return to work occurs within 365 calendar days after the date of separation and if applicable coverage is not available or is maintained while available over the period of separation.

Eligible Retirees who are reemployed will have no less coverage in a subsequent retirement than they had in an earlier retirement, subject to the age related reductions set forth below.

5.06 Combined Basic Life Insurance and Optional Life Insurance in Retirement:

The maximum amount of Basic Life Insurance and Optional Life Insurance Coverages which can be maintained in retirement is as follows:

Prior to age 65: one or two times final net salary

At age 65: one times final net salary subject to a cap of \$50,000

At age 70: \$25,000

² Transitional rule: Participation Service and continuous Coverage during a period of employment under the prior Plan provisions apply towards this requirement.

At age 75 and over: \$15,000

Noncontributory Optional Life Insurance is provided to Retirees through the Basic Life Insurance contract (see subsection 3.01(c)).

Any age-related change in Basic Life Insurance and Optional Life Insurance Coverages for eligible Retirees is effective on the first of the month following the month in which the ages shown in this section are reached.

5.07 Cost

Participants pay the full cost of Optional Life Insurance, except for the Coverage provided under the noncontributory portion of the contract for eligible Disabled Persons (see Section 5.04(a)) and for eligible Retirees (see Section 5.05).

5.08 Exclusions

A Benefit is not payable if death occurs as a result of suicide during the first 24 months of Coverage.

ARTICLE 6. DEPENDENT LIFE INSURANCE

6.01 Purpose

Dependent Life Insurance provides life insurance coverage to a Participant on the life of his Dependent to help meet burial and other final expenses and to help provide for his financial security.

6.02 Coverage

Eligible Employees may elect either of the following levels of Coverage:

- \$5,000 benefit for those electing this Coverage under the prior Plan design; or
- 50 percent of the Option elected by the Employee for Optional Life Insurance subject to a maximum of \$100,000.

The Insurance Company allows Coverage up to \$25,000 to be issued without certification of good health. Amounts in excess of \$25,000 require such certification of good health, as described in Section 3.02 (a)(1). Dependent Life Insurance cannot be continued into retirement.

6.03 Cost

Participants pay the entire cost of Coverage. The cost of this Coverage is based on the U.S. Internal Revenue Code Section 79 rates and the age of the Dependent. The Participant's monthly cost is as follows:

Dependent Life Insurance	
—— Monthly Contribution Rates ——	
Age	Rate per \$1,000 of Coverage
Under 25	0.05
25-29	0.06
30-34	0.08
35-39	0.09
40-44	0.10
45-49	0.15
50-54	0.23
55-59	0.43
60-64	0.66
65-69	1.27
70-74	2.06

6.04 Reductions in Coverage

Dependent Life Insurance is reduced to the following levels based on the Employee's age:

- 65 percent at age 65;
- 35 percent at age 70;
- 25 percent at age 75; and
- 15 percent at age 80

Dependent Life Insurance ends when the Dependent reaches age 70.

6.05 Exclusions

A Benefit is not payable if death occurs as a result of suicide during the first 24 months of Coverage.

ARTICLE 7. ACCELERATED DEATH BENEFIT

7.01 Purpose

This provision helps defray costs associated with a terminal illness. Terminal illness refers to a condition that is expected to result in the Participant's death within twelve months and from which there is no reasonable prospect of recovery. The terminal nature of the condition is based on consultations between the Insurance Company and the Participant's attending physician and the physicians retained by the Insurance Company. The twelve-month period

used for such a determination is an insurance industry standard based on the experience of medical practitioners.

7.02 Coverage

This accelerated benefit provision applies separately to the Basic Life Insurance and Optional Life Insurance Coverages for Participants. At the Participant's election, a portion of the Coverage would be paid once to the Participant upon the diagnosis of a terminal illness. The accelerated benefit allowable is up to 80 percent of the Participant's Basic Life Insurance or Optional Life Insurance Coverages in force on the application date, not to exceed the lesser of : (a) 80 percent of the maximum Basic Life insurance or Optional Life Insurance amounts; and (b) \$500,000. The Benefit would be paid to the Participant in one lump sum unless the Participant or his legal representative selects another payment method. The payment of an accelerated benefit reduces the amount Basic Life Insurance or Optional Life Insurance, as applicable.

7.03 Cost

The cost of the Accelerated Death Benefit is reflected in the rates for the Basic Life Insurance and Optional Life Insurance Coverages.

7.04 When the Availability of the Option Ends

The accelerated benefit option is no long available once the Participant attains age 70.

ARTICLE 8. ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

8.01 Purpose

Accidental Death and Dismemberment Insurance provides group term life insurance Coverage over the lifetime of a Participant who is an Employee to help meet burial and other final expenses and to provide for the financial security of his survivors in the event of accidental death or to compensate the Participant for the loss of members or sight as specified below in the event of accidental dismemberment.

8.02 Coverage for Employees

The full amount of Accidental Death and Dismemberment Insurance Coverage for an eligible Employee is one and one-half times Net Salary. The schedule of covered losses for this Coverage is as follows. Coverage for each type of loss is expressed as a percentage of the full amount of such insurance.

- 100% in the event of loss of (i) life, or (ii) both hands and both feet, or the sight of both eyes³, or one hand and one foot, or either one hand or one foot and the sight of one eye, or (iii) loss of speech and loss of hearing,⁴ or (iv) paralysis of both arms and both legs⁵.

³ Loss of sight means permanent and uncorrectable loss of sight in the eye. Visual acuity must be 20/200 or worse in the eye or the field of vision must be less than 20 degrees.

- 75% for loss of arm permanently at or above the elbow or loss of leg permanently severed at or above the knee.
- 50% for loss of (i) a hand permanently severed at or above the wrist but below the elbow or (ii) loss of a foot permanently severed at or above the ankle but below the knee, or (iii) loss of sight in one eye, or (iv) loss of speech or loss of hearing, or (v) paralysis of both legs, or (vi) paralysis of the arm and leg on either side of the body.
- 25% for loss of the thumb and index finger of the same hand or paralysis of one arm or leg.

For a Benefit to be payable, the loss must occur within 365 days of the accident.

8.03 Additional Benefits

The Plan provides additional benefits under the circumstances described below. The term, “**Passenger Car,**” as used in this Article, means any validly registered four-wheel private passenger car, four-wheel drive vehicle, sports-utility vehicle, pick-up truck or mini-van. It does not include any commercially licensed car, any private car being used for commercial purposes, or any vehicle used for recreational or professional racing.

a) Seat Belt Use

If a Participant dies as a result of an accidental injury, the Insurance Company will pay this additional Seat Belt Use benefit if:

1. The Insurance Company pays a benefit for loss of life under this Article;
2. this Benefit is in effect on the date of the injury; and
3. The Insurance Company receives Proof that the deceased person:
 - was in an accident while driving or riding as a passenger in a Passenger Car;
 - was wearing a Seat Belt which was properly fastened at the time of the accident; and
 - died as a result of injuries sustained in the accident.

A police officer investigating the accident must certify that the Seat Belt was properly fastened. A copy of such certification must be submitted to the Insurance Company with the Claim for Benefits.

⁴ Loss of speech means the entire and irrecoverable loss of speech that continues for six consecutive months following the accidental injury. Loss of hearing means the entire and irrevocable loss of hearing in both ears that continues for six consecutive months following the accidental injury.

⁵ Paralysis means loss of use of a limb without severance. A physician must determine the paralysis to be permanent, complete and irreversible.

Seat Belt means any restraint device that:

- meets published United States Government safety standards;
- is properly installed by the car manufacturer; and
- is not altered after the installation.

Amount of Benefit

The Seat Belt Use benefit is an additional benefit equal to 10 percent of the Benefit otherwise payable under this Article. The amount the Insurance Company will pay for this Benefit will not be less than \$1,000 or more than \$25,000.

b) Air Bag Use

If the Participant or a Dependent die as a result of an accidental injury, the Insurance Company will pay this additional Benefit if:

1. the Insurance Company pays a Benefit for loss of life under this Article;
2. this Benefit is in effect on the date of the injury; and
3. the Insurance Company receives Proof that the deceased person:
 - was in an accident while driving or riding as a passenger in a Passenger Car equipped with an Air Bag(s);
 - was riding in a seat protected by an Air Bag;
 - was wearing a Seat Belt which was properly fastened at the time of the accident; and
 - died as a result of injuries sustained in the accident.

A police officer investigating the accident must certify that the Seat Belt was properly fastened and that the Passenger Car in which the deceased was traveling was equipped with Air Bags. A copy of such certification must be submitted to the Insurance Company with the Claim for Benefits.

Air Bag means an inflatable restraint device that:

- meets published United States government safety standards;
- is properly installed by the car manufacturer; and
- is not altered after the installation.

Amount of Benefit

The Air Bag Use Benefit is an additional benefit equal to 5 percent of the Benefit otherwise payable under this Article. The amount the Insurance Company will pay for this benefit will not be less than \$1,000 or more than \$10,000.

c) Child Care

If the Participant dies as a result of an accidental injury, the Insurance Company will pay this additional Child Care benefit if:

1. The Insurance Company pays a Benefit for loss of life under this Article;
2. this Benefit is in effect on the date of the injury; and
3. The Insurance Company receives Proof that:
 - on the date of the Participant's death a Child was enrolled in a Child Care Center; or
 - within 12 months after the date of the Participant's death a Child was enrolled in a Child Care center.

Child Care Center means a facility that:

- is operated and licensed according to the law of the jurisdiction where it is located; and
- provides care and supervision for children in a group setting on a regularly scheduled and daily basis.

Amount of Benefit

For each Child who qualifies for this benefit, the Insurance Company will pay an amount equal to the Child Care Center charges incurred for a period of up to 4 consecutive years, not to exceed:

- an annual maximum of \$5,000; and
- an overall maximum of 12 percent of the Benefit otherwise payable under this Article.

The Insurance Company will not pay for Child Care Center charges incurred after the date a Child attains age 12. The Insurance Company may require Proof of the Child's continued enrollment in a Child Care Center during the period for which a Benefit is claimed.

Timing of Benefit Payment

The Insurance Company will pay this benefit quarterly when the Insurance Company receives Proof that Child Care Center charges have been paid. Payment will be made to the person who pays such charges on behalf of the Child.

If this Benefit is in effect on the date the Participant dies and there is no Child who could qualify for it, the Insurance Company will pay \$1,000 to the Participant's Beneficiary in one sum.

d) Child Education

If the Participant dies as a result of an accidental injury, the Insurance Company will pay this additional Child Education benefit if:

1. The Insurance Company pays a Benefit for loss of life under this Article;
2. this Benefit is in effect on the date of the injury; and
3. The Insurance Company receives Proof that on the date of the Participant's death a Child was:
 - enrolled as a full-time student in an accredited college, university or vocational school above the 12th grade level; or
 - at the 12th grade level and, within one year after the date of the Participant's death, enrolls as a full-time student in an accredited college, university or vocational school.

Amount of Benefit

For each Child who qualifies for this Benefit, the Insurance Company will pay an amount equal to the tuition charges incurred for a period of up to 4 consecutive academic years, not to exceed:

- an academic year maximum of \$10,000; and
- an overall maximum of 20 percent of the Benefit otherwise payable under this Article.

The Insurance Company may require Proof of the Child's continued enrollment as a full-time student during the period for which a benefit is claimed.

Timing of Benefit Payment

The Insurance Company will pay this benefit semi-annually when the Insurance Company receives Proof that tuition charges have been paid. Payment will be made to the person who pays such charges on behalf of the Child.

If this Benefit is in effect on the date the Participant dies and there is no Child who could qualify for it, the Insurance Company will pay \$1,000 to the Participant's Beneficiary in one sum.

e) Spouse Education

If the Participant dies as a result of an accidental injury, the Insurance Company will pay this additional Spouse Education benefit if:

1. The Insurance Company pays a Benefit for loss of life under this Article;
2. this Benefit is in effect on the date of the injury; and
3. The Insurance Company receives Proof that:
 - on the date of The Participant's death, the Participant's Spouse was enrolled in an accredited school; or
 - within 12 months after the date of the Participant's death, the Participant's Spouse enrolls in an accredited school.

Amount of Benefit

The Insurance Company will pay an amount equal to the tuition charges incurred for a period of up to 1 academic year, not to exceed an academic year maximum of \$5,000.

The Insurance Company may require Proof of the Spouse's continued enrollment as a full-time student during the period for which a benefit is claimed.

Timing of Benefit Payment

The Insurance Company will pay this benefit semi-annually when the Insurance Company receives Proof that tuition charges have been paid. Payment will be made to the Spouse.

If this Benefit is in effect on the date the Participant dies and there is no Spouse who could qualify for it, the Insurance Company will pay \$1,000 to the Participant's Beneficiary in one sum.

f) Hospital Confinement

Subject to the provisions of this Article, the Insurance Company will pay this additional benefit if:

1. The Insurance Company receives Proof that the Participant is confined in a Hospital as a result of an accidental injury which is the Direct and Sole Cause of such confinement; and
2. This Benefit is in effect on the date of the injury.

Amount of Benefit

The Insurance Company will pay an amount for each full month of Hospital Confinement equal to the lesser of:

- 1 percent of the Benefit otherwise payable under this Article; and
- \$2,500.

Timing of Benefit Payment

The Insurance Company will pay this benefit on a monthly basis to the Participant beginning on the 5th day of confinement, for up to 12 months of continuous confinement. This benefit will be paid on a pro-rata basis for any partial month of confinement.

The Insurance Company will only pay benefits for one period of continuous confinement for any accidental injury. That period will be the first period of confinement that qualifies for payment.

g) Common Carrier

If the Participant or a Dependent die as a result of an accidental injury, the Insurance Company will pay this additional benefit if:

1. The Insurance Company pays a Benefit for loss of life under this Article;
2. this Benefit is in effect on the date of the injury; and
3. The Insurance Company receives Proof that the injury resulting in the deceased's death occurred while traveling in a Common Carrier.

Amount of Benefit

The Common Carrier Benefit is equal to the full amount of the Accidental Death and Dismemberment Insurance Coverage of one and one-half times Net Salary.

Payment of Benefit

For loss of the Participant's life the Insurance Company will pay Benefits to the Participant's Beneficiary.

For loss of a Dependent's life, the Insurance Company will pay Benefits to the Participant.

8.04 Cost

The Employer pays the full cost of Accidental Death and Dismemberment Insurance.

8.05 Exclusions

A Benefit is not payable if death or injury occurs under the following circumstances or through the use of the substances indicated below:

a) physical or mental illness or infirmity, or the diagnosis or treatment of such illness or infirmity;

b) infection, other than infection occurring in an external accidental wound;

c) suicide or attempted suicide;

d) intentionally self-inflicted injury;

e) service in the armed forces of any country or international authority;

f) any incident related to:

- travel in an aircraft as a pilot, crew member, flight student or while acting in any capacity other than as a passenger;
- travel in an aircraft for the purpose of parachuting or otherwise exiting from such aircraft while it is in flight;
- parachuting or otherwise exiting from an aircraft while such aircraft is in flight, except for self-preservation;
- travel in an aircraft or device used for testing or experimental purposes by or for any military authority; or
- for travel or designed for travel beyond the earth's atmosphere;

g) committing or attempting to commit a felony;

h) the voluntary intake or use by any means of any drug, medication or sedative, unless it is taken or used as prescribed by a Physician, or an "over the counter" drug, medication or sedative taken as directed; alcohol in combination with any drug, medication, or sedative; or poison, gas, or fumes;

i) war, whether declared or undeclared; or act of war, insurrection, rebellion, riot or terrorist act.

j) The Plan will not pay Benefits under this Section for any loss if the injured Participant is intoxicated at the time of the incident and is the operator of a vehicle or other device involved in the incident.

“Intoxicated” means that the injured Participant’s blood alcohol level met or exceeded the level that creates a legal presumption of intoxication under the laws of the jurisdiction in which the incident occurred.

ARTICLE 9. BENEFICIARIES

9.01 Beneficiaries

a) Dependent Life Insurance. The Beneficiary is the Participant. If the Participant dies and, the covered Dependent dies within 24 hours of the Participant, then the Benefit is paid to the Participant’s beneficiary or estate as applicable.

b) All Other Plan Benefits. A Participant may name Beneficiaries for Basic Life Insurance. Unless the Participant designates otherwise, these Beneficiaries will also be the designated Beneficiaries for Optional Life Insurance, and Accidental Death and Dismemberment Insurance, except that the Participant is the Beneficiary for the dismemberment Benefit payable under the Accidental Death and Dismemberment Insurance Coverage.

The Participant can name one or more primary Beneficiaries plus one or more contingent Beneficiaries to receive any Benefit with respect to the Participant. If a Beneficiary dies before the Participant dies, the rights and interest of that Beneficiary automatically terminate.

All Beneficiary designations must be made in a manner prescribed by, and on Approved Forms submitted to, the Employer.

9.02 Changing a Beneficiary

With the exception of Dependent Life Insurance, a Participant can change his GLI Beneficiaries at any time without the consent of those Beneficiaries. All notices of Beneficiary change must be made on Approved Forms. A new Beneficiary designation automatically invalidates all prior Beneficiary designations received by the Employer with respect to the Plan. When the notice of change is received by the Employer, it will take effect on the date the notice was signed, whether or not the Participant is living at the time such notice is received. However, both the Employer and the Insurance Company are discharged from any further liability if a previously named Beneficiary is paid before the Employer receives a change of Beneficiary on Approved Forms.

9.03 If No Beneficiary is Named

Any Basic Life Insurance, Optional Life Insurance or Accidental Death and Dismemberment Insurance Coverages in force when the Participant dies will be paid to the Beneficiaries. If there is no named Beneficiary, if no named Beneficiary is living, or if the Beneficiary designation is invalid, payment will be made to the Participant’s surviving Spouse; if none, to the Participant’s Domestic Partner; if none, to the Participant’s surviving children in equal shares; if none, to the Participant’s surviving parents in equal shares; if none, to the Participant’s siblings; if none, to the Participant’s estate.

9.04 Facility of Payment

a) Payment of Funeral Expenses: The Insurance Company may, at its option, deduct part of the Life Insurance payable to the Beneficiary for the purpose of reimbursing any person who incurred funeral expenses for the Participant's death. The Insurance Company may make such payment after it receives Proof that such expenses were incurred. The payment will be equal to the expense incurred, up to the maximum allowed for such payment as set forth in the law of the jurisdiction where the group policy is issued.

b) Payment to Minors: If a Beneficiary or a payee is a minor or incompetent to receive payment, the Insurance Company will pay that Beneficiary's guardian or to any other party or institution that demonstrates custody or has assumed principal support of the Beneficiary.

9.05 Simultaneous Death of Participant and Beneficiary

If the Beneficiary dies on the same day or within 24 hours of the Participant, the Insurance Company will pay the Benefit as if the Beneficiary died before the Participant. This provision is waived if proof of the Participant's death is delivered to the Insurance Company before the date of the Beneficiary's death.

9.06 Where there is an Assignment under this Plan

Where a Participant has made an assignment, or has been deemed to have made an assignment, in accordance with Section 10, if there is no Beneficiary, whether because there is no valid Beneficiary designation in effect or because no designated Beneficiary is living at the time of the Participant's death, payment of the Benefit will be made to the Assignee.

9.07 Designation under Prior Plan Design

A Participant who has a valid Beneficiary designation under the prior Plan design is deemed to have made such designation under this Plan.

ARTICLE 10. IRREVOCABLE ASSIGNMENT

10.01 GLI – Irrevocable Assignment

Any assignment that is not made in accordance with the requirements of this Article 10 shall not be recognized.

a) Rights may be assigned. The Participant's rights of ownership in the Group Life Insurance Plan may be assigned to another person or a trust, other than the Employer, for any purpose other than as security for a loan.

b) Form of Assignment. An assignment must encompass the entire Benefit payable with respect to a Participant (rather than a portion of such Benefit). The assignment must encompass all of the Participant's rights under the Plan in a manner similar to the assignment of an individual life insurance policy. The assignments must be made to not more than one Assignee and must be irrevocable. The assignment shall take effect when made on an Approved Form, properly completed, submitted to and approved by the Employer and the Insurance Company.

c) Rights of Assignee. An Assignee shall have all of the rights under the Plan that were possessed by the Participant, including, without limitation, the right to decrease Coverage, the right to make and change a Beneficiary designation, the right to elect a Benefit payment option, the right to continue Coverage by making Participant contributions, and the right to convert Coverage into an individual life insurance policy in accordance with Section 14.04. An Assignee shall have the right to increase Coverage.

d) Assignments under Prior Plan design. Irrevocable assignments under the prior Plan design are deemed an irrevocable assignment of corresponding amounts of the Participant's Coverage and rights under the Plan in accordance with Article 10 regardless of whether such assignment satisfies the requirements of Section 10.01(b).

ARTICLE 11. CONTRIBUTIONS AND FUNDING

11.01 First and Last Contribution

Participant contributions required for Optional Life Insurance and/or Dependent Life Insurance are taken from the first pay period following the effective date of Coverage through the end of the month in which Coverage terminates or, where Coverage changes from contributory to noncontributory, through the end of the final month of contributory Coverage.

Retroactive adjustments for either reimbursement to the Participant of overpayments or recovery by the Employer of underpayments are limited to a six month period counted from the date of notification (via receipt of the relevant pay advice) of a change in the amount of the contribution.

11.02 Contribution Changes: Net Salary Initiated

A change in Net Salary will result in a corresponding change in required contributions for Optional Life Insurance Coverage.

11.03 Contribution Changes: Participant Initiated

Optional Life Insurance contributions for a Participant initiated change in Coverage begin with the first pay period following the effective date of the new Coverage Option.

11.04 Contribution Changes: Age Related

For eligible Employees, Optional Life Insurance rates change based on a change in age in the first pay period following the month in which the birthday occurs (See Section 5.03). Dependent Life Insurance rates change based on a change in the Dependent's age in the first pay period following the month in which the birthday occurs (See Section 6.03).

11.05 Funding

The Plan is funded by means of one or more group term life insurance policies. Contributions by the Employer and the Participants pay the premium required by the Insurance Company to keep the policy in effect.

Note: As of the effective date of disability retirement or normal or early retirement, Optional Life Insurance Coverage is provided on a noncontributory basis through the Basic Life Insurance policy.

ARTICLE 12. PAYMENT OF BENEFITS

12.01 Basic Life Insurance, Optional Life Insurance and Accidental Death and Dismemberment Insurance

a) Benefits Provided under the Plan. Upon the death (or injury, in the case of Accidental Death and Dismemberment Insurance) of the Participant, the Benefit shall be Payable in accordance with the Option, as applicable, then in effect, subject to all terms, conditions and limitations of the Plan.

b) Payment of Benefits. Payment of Benefits for Basic Life Insurance, Optional Life Insurance and Accidental Death and Dismemberment Insurance may be made under a number of options, including a lump sum settlement, period installments, a life income arrangement, an interest option, or a combination of these. The Participant may leave the election to his Beneficiary or he may make his election (revocably or irrevocably) in advance.

The number and form of the payment options, as well as the applicable interest rates, can change from time to time as determined by the Insurance Company.

c) Payment to a Minor. Any Benefit payable to a minor shall be paid to the legal guardian of the minor's property.

12.02 Dependent Life Insurance

Dependent Life Insurance is paid in a lump sum.

12.03 Claim for Benefit

The Beneficiary must submit a claim to the Insurance Company through the Employer in such form as the Insurance Company shall prescribe. The notice of claim and the required proof of loss may be submitted within 90 days of the date of such loss.

ARTICLE 13. MAXIMUM BENEFITS

13.01 Basic Life, Optional Life Insurances and Accidental Death and Dismemberment Insurance

The maximum aggregate amount payable for Basic Life Insurance and Optional Life Insurance is \$4,000,000. If this \$4,000,000 maximum is reached, coverage is reduced in the following sequence:

- a) Optional Life Insurance
- b) Basic Life Insurance

13.02 Dependent Life Insurance

The maximum amount payable under Dependent Life Insurance is \$100,000 per Spouse or Domestic Partner. Only one Dependent may be covered at any one time.

13.03 Accidental Death and Dismemberment Insurance

The maximum amount payable under Accidental Death and Dismemberment Insurance is \$1,000,000.

ARTICLE 14. COVERAGE — CONTINUATION, TERMINATION, CONVERSION, ON RETURN TO WORK

14.01 Coverage Continuation

a) Leave without pay. If a Participant is on leave without pay for more than 30 consecutive days before having completed one year's continuous participation in the Plan, coverage will be suspended until the Participant returns to pay status (shorter periods of leave without pay will not result in suspension of coverage). However, if the Participant has been enrolled for at least one year prior to the date that his leave without pay commences, then coverage can be treated as follows:

(i) Leave Without Pay in the Interest of the Fund. If the Participant's leave without pay is determined to be in the interest of the Fund, all Coverages may be continued during the period of such leave. The cost of the Coverages during this period will be calculated on the same basis as for a Participant who is Actively at Work. Alternatively, a Participant may suspend enrollment in the Plan until he returns to pay status.

(ii) Leave Without Pay for Personal Reasons. If the Participant's leave without pay is not in the interest of the Fund, he may continue all Coverages under the Plan for up to 24 months; thereafter, enrollment will be suspended until the Participant returns to pay status. If the Participant elects to continue Coverage, the Participant will pay the cost of all Coverages, i.e., Basic Life Insurance, Optional Life Insurance and Dependent Life Insurance. A Participant also has the option of suspending coverage under the Plan for the entire period of his leave without pay.

(iii) Optional Life Insurance and Dependent Life Insurance Coverages may be continued (but not enrolled in initially or increased) during the leave if, before the leave, the Participant makes arrangements to pay his contributions during the leave. Contributions will change if GLI contribution rates change.

(iv) If an eligible Employee who was not a Participant before the leave began returns to work without a termination of employment, an enrollment in GLI can be effected only under the terms prescribed in Article 3.

(v) If a Participant reduces his Optional Life Insurance coverage during a leave and returns to work without a termination of employment, the Participant can reinstate coverage up to the

level that existed at the time the leave began (subject to the maximums specified by Articles 5 and 13). Such reinstatement of Coverage will not become effective until the Participant returns to work.

(vi) If a Participant who carried Coverage during a leave fails to return to work when the leave expires, Coverage ends on the last day of the month in which the leave expires. If, before the leave expires, the Employer receives notification that the Participant does not intend to return to work, Coverage ends on the last day of the month in which such notification is received.

b) Reduction in Strength, Abolition of Position or Change in Job Requirements.

(i) Continuation of Coverage. Coverage of Participants who were covered at the time they were affected by a reduction in strength, abolition of position or change in job requirements, as described in the relevant provisions of General Administrative Order No. 16 will continue for the Participants and their Dependents on the same basis as for Employees for the duration of the separation leave. If the Participant accepts a transfer to a position on a temporary basis prior to the separation, continuation benefits will not begin until he terminates such temporary employment. If the Participant transfers to a permanent position, benefits based on the separation are forfeited.

(ii) Return to Work. Covered persons will have continuous Plan Coverage if they return to work prior to the exhaustion of separation leave following the month of employment termination and elect to continue Coverage.

c) Discharge or Voluntary Termination. In the event of discharge or voluntary termination (including resignation), Coverage is continued through the end of the month in which employment terminates.

d) Sick Leave. Where the employment of a Participant terminates upon the exhaustion of sick leave payable under the relevant provisions of the Employer's General Administrative Order No. 13 and the Participant does not qualify for benefits under the Employer's Staff Retirement Plan, Coverage continues through the end of the month in which employment terminates.

e) Retirement or Disability Retirement. If a person was a Participant immediately before his effective date of retirement or disability retirement, Coverage continues as provided in Articles 4, 5, and 7.

f) Contractual Employment Completed. Coverage continues through the end of the month in which contractual employment terminates.

g) Extension Option. If a Participant terminates employment and would otherwise lose Coverage under the Plan, Coverage may be continued by making an election and paying the entire applicable premium prior to termination of employment. Coverage includes Basic Life Insurance, Optional Life Insurance and Dependent Life Insurance. The Coverage becomes

effective when coverage would otherwise have ceased. Coverage may be continued for up to 18 months. **This extension option is not available to Technical Assistance Experts or contractual appointees with less than two years of service.**

14.02 When Coverage Ends

Basic Life Insurance, Optional Life Insurance, Accidental Death and Dismemberment Insurance and Dependent Life Insurance Coverages end at midnight on the last day of the month in which the earliest of the following events occurs:

- a) The Coverage termination date communicated by the Participant to the Employer in a written notice is received.
- b) Employment is terminated except as specified in Section 14.01.
- c) The group policies are discontinued.
- d) Optional Life Insurance Coverage also ends, or is reduced, as applicable, at midnight on the last day of the month in which the earliest of the following events occurs:
 - i) The Participant fails to make a required monthly contribution for contributory Coverages.
 - ii) The Participant retires and experiences a reduction in coverage as a result of such retirement or the retired Participant reaches his 65th birthday, 70th birthday or 75th birthday and as a result experiences a reduction in coverage.
- e) Dependent Life Insurance Coverage also ends at midnight on the last day of the month in which the earliest of the following events occurs, except that if (ii) below is the earliest event, Coverage ends on the last day of the month before the effective date of retirement:
 - i) The Participant fails to make a required monthly contribution.
 - ii) The Participant retires.
 - iii) The Participant dies.
 - iv) The Participant no longer has a Dependent. It is the Participant's responsibility to notify the Employer when this event occurs.
 - v) The Dependent of an Employee attains age 70.
- f) Accidental Death and Dismemberment Insurance also ends at midnight on the last day of the month in which the Participant terminates employment or the last day of the month before the effective date of retirement.

14.03 Portability

Under this provision, those wishing to continue Coverage at their own cost, can elect to participate in a group program maintained by the Insurance Company⁶. This group will consist of persons from other employers and the rates will reflect the experience of the group. These rates are expected to be somewhat higher than the Plan's group rates but lower than the cost of individual life insurance policies. The maximum portable life insurance is \$1,000,000. Certification of good health (also known as evidence of insurability) for this portable Coverage is not required. The Participant must apply for portable Coverage and pay the first premium directly to the Insurance Company within 31 days after Coverage provided through the Employer ends.

This following provision applies to current and future retirees who are below the age of 75 as of January 1, 2004. Beginning from that date, Retirees can limit reductions in Coverage, provided they make an election within 31 days of the date the reduction would otherwise become effective. The example below illustrates how reductions in Coverage and portability work in retirement. This example assumes a Participant retires at age 62 with a net salary of \$90,000 and Optional Life Insurance of eight times Net Salary prior to retirement.

Example of Portability and Retiree Coverage 1/		
	Coverage after reductions	Portable amount
Prior to retirement: Total life insurance of \$720,000	N/A	N/A
Retirement at age less than 65	2 times net salary (\$180,000)	\$540,000 ²
At age 65	1 times net salary up to \$50,000 (maximum)	\$130,000
At age 70	\$25,000	\$ 25,000
At age 75	\$15,000	\$ 10,000
Total portable coverage		\$705,000
1/Participants who were covered only by the Basic Life Insurance will only retain 1 times Net Salary at retirement prior to age 65.		
2/\$40,000 above limit would not be eligible for portable coverage.		

14.04 Conversion Privilege

⁶Dependent life insurance and accidental death and dismemberment insurance are portable. Each have dollar limitations and age restrictions.

A conversion privilege is available for Basic Life Insurance, Optional Life Insurance and Dependent Life Insurance when Coverage ceases or is reduced under the circumstances described below.

a) Employment is Terminated. If employment terminates for any reason, Coverage may be continued under an individual life insurance policy, without disability or accidental death benefits. The policy may be in any form customarily issued by the Insurance Company, except term insurance. The amount of such individual policy will be equal to (or at the Participant's option, less than) the amount of his Coverage in effect on his employment termination date.

b) The Group Policy is Terminated. If the group policy is terminated, then a Participant may obtain an individual policy of life insurance, subject to the same terms and conditions as upon cessation of such Coverage due to termination of employment. However, the amount of such individual policy will not exceed the amount of the Coverage under the group policy on the date of cessation of such Coverage, reduced by any amount of Coverage for which he may be or may become eligible under any group policy issued or reinstated by the Insurance Company or any other insurer after such cessation. The Participant may convert the lesser of:

- the amount of his Life Insurance that ends under the Group Policy less the amount of life insurance for which he becomes eligible under any group policy within 31 days after the date insurance ends under the Group Policy; or
- \$2,000.

c) Attainment of Certain Ages. If the amount of the Participant's Coverage is reduced, for any reason upon attainment of age 65 or later, the life insurance conversion privilege described above will be available to him on the date of the reduction. For any subsequent reduction in the amount of his Coverage, the conversion privilege will again be available. The amount of any individual policy issued, as a result of any reduction, will not be more than the amount of the reduction. However, in the event that the Participant does not apply for that amount during the conversion period described below, he will not be able to apply for that amount during a later conversion period which may be available to him.

d) Conversion Periods. "Conversion periods" begin on the first day following the day on which Coverage terminates or is reduced and end 31 days thereafter. If the Participant should die during a conversion period, the amount of his Coverage will be payable to his Beneficiary whether or not he applied for an individual policy.

If a Participant is not given written notice at least 15 days after the first day of the conversion period of the right to obtain an individual life insurance policy, he will have additional time in which to apply for such a policy. If such notice is given more than 15 days but less than 60 days after the first day of the conversion period, he will then have 45 days from the date notice is given in which to apply for an individual policy. In no event may a Participant apply later than the 91st day after the first day of the conversion period.

In any of the cases described above, to obtain an individual policy, a Participant must apply to the Insurance Company in writing and must pay the applicable premium no later than the

last day of the conversion period. The individual policy will become effective when the group Coverage terminates.

There is no conversion privilege available for Accidental Death and Dismemberment Insurance.

14.05 Coverage on Return to Work After Termination or Leave of Absence

Eligibility for enrollment in the Plan on reemployment, reinstatement (including return from retirement or disability under the Employer's Staff Retirement Plan), or return from leave of absence is based on the following provisions:

- a) If a person was covered under the Plan continuously from the date of leaving to the date of return, such Coverage is continued upon return. Individuals who have previously had an opportunity to enroll in the Plan but who did not elect to do so must provide certification of good health satisfactory to the Insurance Company before an Election of Coverage can become effective.
- b) For a person enrolling in the Plan on return from termination or leave without pay, the provisions determining Benefits and Options of Coverage for newly hired Employees apply, subject to the following provisions. No certification of good health is required unless the Employee is returning to work from disability under the Employer's Staff Retirement Plan or leave of absence and wishes to increase Coverage beyond the levels in effect at termination or at commencement of the leave of absence.

ARTICLE 15. PLAN ADMINISTRATION

15.01 Roles of the Employer and Insurance Company

- a) **Responsibilities of the Parties.** The Employer shall have the authority to determine eligibility for Coverage. It will also work with the Insurance Company to make changes to the insurance policy to reflect changes made by the Employer to the Plan.

The Insurance Company shall have responsibility to administer claims under the Plan in accordance with its terms. The Insurance Company shall have the authority that may be necessary or helpful to enable it to discharge its responsibilities under the insurance policy. Without limiting the generality of the preceding sentence, the Insurance Company shall have the exclusive right: to interpret the policy (but not to modify or amend the Plan); to determine eligibility for Benefits; to construe any ambiguous provision of the policy after consultation with the Employer; to correct any default; to supply any omission; to reconcile any inconsistency; and to decide any and all questions arising in the administration of the policy.

- b) **Discretionary Authority.** Subject to the terms of the insurance policy, the Insurance Company shall have discretionary authority in matters related to the discharge of his responsibilities and the exercise of its authority under the Plan. It is the intent of the Plan that the decisions of the Insurance Company and its actions shall be conclusive and binding upon all persons having or claiming any right or interest in or under the Plan.

15.02 Claims Procedures

- a) **Claims Submission.** A Beneficiary must submit a claim to the Insurance Company through the Employer at the time and in the manner prescribed under Section 12.03. The Insurance Company has 90 days following the date on which it receives a claim to allow any claim in whole or in part. Under special circumstances, the Insurance Company may require an additional 90 days to make its decision. However, in order to require such additional 90 days, the Insurance Company must notify the claimant in writing within the first 90 day period that it requires an additional 90 days.
- b) **Allowance of a Claim.** If the claim is allowed in whole or in part, the Insurance Company shall pay the Benefit as provided in Sections 12.01(b), 12.01(c), or 12.02, as appropriate.
- c) **Denial of a Claim.** If a claim is denied in whole or in part, the Insurance Company will provide a written notice of the denial to the Beneficiary in his capacity as claimant. Detailed instructions and procedures on how to appeal the Insurance Company's determination can be found in the certificate that each Participant is provided by the Insurance Company. Additional copies of the certificate can be obtained from the Insurance Company or from the IMF Human Resources Department.

15.03 Claim and Appeal Procedures Are Conditions Precedent to Benefits

The claim and appeal procedures described in the Plan are integral parts of the Plan and the entitlement of any claimant to a Benefit is subject to a condition precedent that such claimant comply with the claim and appeal procedures in proper and timely fashion. It is the intent of the Plan that no Benefit be paid and no denial of a Benefit be subjected to administrative or judicial review unless the claimant first complies fully with the claim procedures and, if the claim is denied or deemed denied, the appeal procedures described in the Plan will be followed first before other recourse is sought.

ARTICLE 16. GENERAL PROVISIONS

16.01 General Information

The Employer is the International Monetary Fund, 700 19th Street NW, Washington, DC 20431.

The Plan Type is an employee welfare benefit plan providing group term life insurance benefits.

The Insurance Company is MetLife, One Madison Avenue, New York, New York 10010-3690.

16.02 Construction

Headings of articles, sections, subsections and paragraphs are inserted for convenience of reference; they are not part of this Plan and shall not be considered in construing it. Any reference herein to an article, section, subsection or paragraph shall be a reference to an article, section, subsection or paragraph of this Plan unless the context clearly indicates

otherwise. The term “person” shall be construed to include an individual (or natural person); an entity such as a corporation, partnership, trust or association; or a division or department of such an entity.

16.03 Legal Process

For disputes arising under those portions of the Plan insured by the Insurance Company, service of legal process may be made upon the Insurance Company at one of its local offices, or upon the supervisory official of the Insurance Department of the state in which the Participant resides.

16.04 No Employment Rights

Nothing contained in this Plan shall give any Employee the right to be retained in the employment of the Employer or affect the right of the Employer to dismiss the Employee. The adoption and maintenance of this Plan shall not constitute a contract between the Employer and the Employee for consideration for, or inducement or condition of, the employment of the Employee.

16.05 No Guarantee of Tax Consequences

No person connected to the Plan in any capacity, including but not limited to the Employer and the directors, officers and employees of the Employer, makes any representation, commitment or guarantee of any tax treatment, including, but not limited to federal, state and local, income, estate and gift tax treatment under any countries’ laws, will be applicable with respect to amounts paid to or for the benefit of a Participant or a Beneficiary in connection with this Plan, or that any such tax treatment will apply to or be available to the Participant or Beneficiary on account of any Coverage or any action (including action permitted or required under the Plan) taken in connection with such Coverage.

16.06 Plan Amendment, Suspension, or Termination

While the Employer intends to continue the Plan indefinitely, it assumes no contractual obligation to do so. The Employer may amend or terminate the Plan in whole or in part at any time. However, no amendment or termination will affect adversely any claim for benefits arising from a death that occurred before the amendment or termination.

16.07 Governing Principles

This document shall be construed and governed in accordance with 1) the decisions of the Executive Board concerning the Plan and 2) accepted life and accidental death and dismemberment insurance industry practices in the United States.

16.08 Gender and Number

Throughout this document, the masculine includes the feminine and the singular includes the plural unless the context indicates otherwise.

16.09 Replacement of Certificates

Whenever a covered Employee or covered Disabled Person retires, the insurance certificates shall be replaced by certificates describing the provisions that apply specifically to him.

Employment, Compensation and Benefits Division
Human Resources Department
International Monetary Fund

Appendix A

RECOGNITION OF SERVICE WITH FORMER EMPLOYERS

Employees identified below will be credited with Participation Service for certain periods of employment before becoming an Employee as hereinafter specified:

Former staff of the World Bank who transfer directly to the Employer and who have participated on a continuous basis in the World Bank's life insurance plan will be credited with Participation Service for purposes of this Plan as though such person had been an Employee during the period of such employment with the World Bank and enrollment in its life insurance plan.