

A Voluntary Personal Accident Insurance designed for the Eligible Retirees of



Why You Need Personal Accident Insurance

Today, more than ever, shouldn't you be prepared for the unexpected? Accident insurance can be extremely important to you and your family in the event one of you is involved in an accident. No matter what precautions we take, accidents DO happen.

AAFES is providing you with the opportunity to purchase Accidental Death & Dismemberment (AD&D) coverage from Accident & Health, a division of Chartis, through convenient direct billing. You choose the level of coverage that fits your needs.

Enrolling is Easy

You are eligible to participate in the Plan if you are:

a retired employee¹ of AAFES or former assigned military person under age 65 who have qualified for immediate retirement benefits under the AAFES or Armed Services Retirement Plans, and your eligible dependents. All enrollment forms must be completed by the enrollee and validated by AAFES.

To enroll or change existing coverage, contact Maksin Group directly at 866-506-1561.

Rates

The Semi-annual Rates are shown below:

Benefit Amount	Bi Weekly Rates	
	Insured	Insured + Family
\$50,000	\$9.52	\$14.76
\$75,000	\$14.28	\$22.14
\$100,000	\$19.04	\$29.52
\$125,000	\$23.80	\$36.90
\$150,000	\$28.56	\$44.28
\$175,000	\$33.32	\$51.66
\$200,000	\$38.08	\$59.04
\$225,000	\$42.84	\$66.42
\$250,000	\$47.60	\$73.80
\$300,000*	\$57.12	\$88.56
\$350,000*	\$66.64	\$103.32
\$400,000*	\$76.16	\$118.08
\$450,000*	\$85.68	\$132.84
\$500,000*	\$95.20	\$147.60

* Amounts selected in excess of \$300,000 may not exceed 10 times your annual salary prior to retirement.

How It Works

You choose a principal sum coverage amount in \$25,000 increments, subject to a minimum of \$50,000 and a maximum of either: \$300,000; or 10 times your basic annual salary prior to retirement to a maximum of \$500,000. "Annual Salary" means the Insured's base annual salary exclusive of overtime, bonuses, tips, commission, and special compensation.

For an Insured Dependent Child. If an Insured Dependent Child suffers a loss for which a benefit is payable under the Policy and there is an Insured Spouse on the date of the accident causing the loss, the Insured Dependent Child's Principal Sum is 15% of the Insured's Principal Sum on the date of the accident causing the loss. If there is no Insured Spouse on the date of the accident causing the loss, the Insured Dependent Child's Principal Sum is 20% of the Insured's Principal Sum on the date of the accident causing the loss.

For an Insured Spouse. If an Insured Spouse suffers a loss for which a benefit is payable under the Policy and there is an Insured Dependent Child on the date of the accident causing the loss, the Insured Spouse's Principal sum is 50% of the Insured's Principal Sum on the date of the accident causing the loss. If there is no Insured Dependent Child on the date of the accident causing the loss, the Insured Spouse's Principal Sum is 60% of the Insured's Principal Sum on the date of the accident causing the loss.

Benefits

Accidental Death, Dismemberment, and Paralysis

If a covered loss occurs within 365 days after the date of the covered accident causing the loss, the Plan will pay in one sum the indicated percentage of Principal Sum as follows:

<u>Loss of</u>	<u>Percentage</u>	<u>Paralysis of</u>	<u>Percentage</u>
Life.....	100%	Quadriplegia.....	100%
Both Hands or Both Feet.....	100%	Triplesia.....	75%
Sight of Both Eyes.....	100%	Paraplegia.....	50%
One Hand and One Foot.....	100%	Hemiplegia.....	50%
One Hand and the Sight of One Eye.....	100%	Uniplegia.....	25%
One Foot and the Sight of One Eye.....	100%		
Speech and Hearing in Both Ears.....	100%		
One Hand or One Foot.....	50%		
Sight of One Eye.....	50%		
Speech or Hearing in Both Ears.....	50%		
Thumb and Index Finger of Same Hand.....	25%		

"Loss" of a hand or foot means complete severance through or above the wrist or ankle joint. "Loss" of sight of an eye means total and irrecoverable loss of the entire sight in that eye. "Loss" of hearing in an ear means total and irrecoverable loss of the entire ability to hear in that ear. "Loss" of speech means total and irrecoverable loss of the entire ability to speak. "Loss" of thumb and index finger means complete severance through or above the metacarpophalangeal joint of both digits. "Loss" with regard to Quadriplegia, complete and irreversible paralysis of both upper and lower limbs; with regard to Triplesia, the complete and irreversible paralysis of three limbs; with regard to Paraplegia, the complete and irreversible paralysis of both lower limbs; with regard to Hemiplegia, the complete and irreversible paralysis of the upper and lower limbs on one side of the body; and with regard to Uniplegia, the complete and irreversible paralysis of one limb. If you sustain more than one Loss as a result of the same accident, only one amount, the largest, will be paid.

Children's Additional Indemnity For Dismemberment and Paralysis Benefit

Pays a benefit of 2 times an amount equal to the amount payable under the Accidental Dismemberment or Paralysis Benefit, subject to a maximum of \$100,000, if the dependent child(ren) suffers an accidental dismemberment or paralysis of. (See Note 2.)

Coma Benefit

Pays a monthly benefit of 1% of the Principal Sum, up to 100% of the Principal Sum, if a covered person suffers a covered coma and the person remains comatose for at least 30 days. No benefits are payable for the first 30 days. (See Note 1.)

Common Disaster Benefit

If you and your covered spouse both suffer a covered accidental death in the same accident within 365 days of the covered accident, your spouse's principal sum amount is increased to equal to the lesser of 1) \$500,000 or 2) 100% of the Insured's Principal Sum. (See Note 2.)

Day Care Benefit

Helps pay covered day care expenses equal to the lesser of 1) the actual cost of care for that year; 2) 2% of your Principal Sum; or 3) \$4,000 on behalf of eligible dependent children who are enrolled or who subsequently enroll in a day care facility within 90 days of your or your spouse's covered accidental death. Coverage will terminate when your child reaches age 13 or the date 4 years after date of loss or date of enrollment in daycare, whichever is later (See Note 2.)

In-Hospital Benefit

If an Insured suffers a Covered injury that, within 365 days of the date of the injury, requires him or her to be confined in the hospital as an inpatient, the plan will pay a monthly benefit equal to the lesser of \$5,000 or 1% of the Principal Sum, after 7 day(s) of confinement due to that injury.

Repatriation of Remains Benefit

If an Insured Person suffers loss of life due to injury while outside a 100 mile radius from his or her current place of primary residence, covered expenses reasonably incurred to return his or her body to his or her current place of primary residence, up to a maximum of \$10,000, will be paid.

Tuition Benefit

If an Insured suffers an accidental death such that an Accidental Death benefit is payable under the Policy, a benefit will be paid to or on behalf of any Child(ren) and eligible Spouse(s). The total amount of benefit each year is equal to the lesser of (1) the actual tuition charged by that institution for enrollment during that year for that Child; (2) 5% of the Insured's Principal Sum on the date of the accident causing death; or (3) \$8,000.

War Risk (Not applicable to Insured Dependents)

Provides limited coverage under the Plan while you are traveling in designated war risk territories and suffer covered losses caused by declared or undeclared war, or any act of declared or undeclared war.

Travel Guard Services

Travel Assistance Services are provided to you by Travel Guard Group, Inc., a Chartis Company. Travel Assistance Services are provided while the covered individual is traveling a distance of 100 miles or more away from their residence or permanent place of assignment for business or leisure travel. For a more detailed description please call the number below:

Toll Free: 1-877-244-6871
Overseas Collect: +1 715-346-0859

Services include, but are not limited to:

- Pre-Departure Services • Lost Baggage/Passport • Insurance Coordination • Emergency Cash • Travel Medical Emergency Services • Legal Assistance • Evacuation & Repatriation • Travel Agency • General Assistance • Emergency Message Center • Concierge Services • Identity Theft Restoration Services

FamilyKeys Software

Full access to a software that will help you: 1) create, store, and locate important financial information; 2) maintain health records for each family member; and 3) inventory household property and validate ownership in the event you need to file insurance claims. You will also have access to a Mortgage Refinancing Calculator as well as creating your own Medical ID and Information Card. For more information visit www.mymemberinfo.com/mrpsd/familykeys.htm.

Reduction Schedule

The amount payable for a loss will be reduced if an Insured Person is age 65 or older on the date of the accident causing the loss. Premium for an Insured Person age 65 or older is based on 100% of the coverage that would be in effect if the Insured Person were under age 65. This applies for any Benefit provided by the Policy where the amount payable for the loss is determined as a percentage of his or her Principal Sum. The amount payable for the Insured Person's loss under that Benefit is a percentage of the amount that would otherwise be payable, according to the following schedule:

<u>Age on Date of Accident</u>	<u>Percentage</u>
65-69	70%
70-74	50%
75-79	40%
80-84	30%
85 and older	15%

Effective Date

Coverage for an insured, spouse, or dependent child begins on the latest of: (1) the policy effective date; (2) the date the first premium for the insured, spouse, or dependent child's coverage is paid when due; (3) if individual enrollment is required, the date written enrollment is received by the policyholder; (4) the date the person becomes a member of an eligible class of persons as described in the Eligibility section of this brochure; or (5) the coverage effective date.

Termination Date

Coverage for an insured, spouse, or dependent child ends on the earliest of: (1) the date the policy is terminated; (2) the premium due date if premiums are not paid when due; (3) the date the insured person requests that his or her coverage be terminated (notification to the insurance carrier), or (4) the date the insured person, spouse, or dependent child ceases to be a member of any eligible class(es) of persons as described in the Classification of Eligible Persons section of the master application.

Policy Exclusions

No coverage shall be provided under the Policy and no payment shall be made for any loss resulting in whole or in part from, or contributed to by, or as a natural and probable consequence of any of the following excluded risks even if the proximate or precipitating cause of the loss is an accidental bodily injury.

1. suicide or any attempt at suicide or intentionally self-inflicted Injury or any attempt at intentionally self-inflicted Injury or autoeroticism;
2. sickness, or disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from either of these;
3. travel or flight in or on (including getting in or out of, or on or off of) any vehicle used for aerial navigation, if the Insured Person is:
 - a. riding as a passenger in any aircraft not intended or licensed for the transportation of passengers; or
 - b. performing, learning to perform or instructing others to perform as a pilot or crew member of any aircraft; or
 - c. riding as a passenger in an aircraft owned, leased or operated by the Policyholder or the Insured Person's employer;
4. declared or undeclared war, or any act of declared or undeclared war. (This exclusion is waived by the War Risk coverage provided under War Risk Benefit.);
5. infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition, including but not limited to diabetes;
6. full-time active duty in the armed forces, National Guard or organized reserve corps of any country or international authority. (Unearned premium for any period for which the Insured Person is not covered due to his or her active duty status will be refunded.) (Loss caused while on short-term National Guard or reserve duty for regularly scheduled training purposes is not excluded.);
7. the Insured Person being under the influence of intoxicants while operating any vehicle or means of transportation or conveyance;
8. the Insured Person being under the influence of drugs unless taken under the advice of and as specified by a Physician;
9. the Covered Person's commission of or attempt to commit a crime;
10. the medical or surgical treatment of sickness, disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from the treatment;
11. stroke or cerebrovascular accident or event; cardiovascular accident or event; myocardial infarction or heart attack; coronary thrombosis; aneurysm.

Notes

1. Also available to covered spouses and/or covered dependent child(ren), if enrolled.
2. Only available if you elect to cover your spouse and dependent child(ren).

Definitions

1 "Retired Employee" means an AAFES employee or a former assigned military person who has qualified for immediate retirement benefits under the AAFES or Armed Service Retirement Plans.

2 "Eligible Dependent" means a) the spouse of an employee and b) such employee's unmarried children that are under age 25 and are chiefly dependent upon the employee for support and maintenance, excluding in every event any such person who is otherwise eligible and insured under the policy. In no event may an individual be insured as a dependent of more than one employee, nor as both employee and a dependent. A child whose insurance would be otherwise ended because of the age limit will still be an eligible dependent for as long as he or she is unable to support himself or herself due to mental retardation or permanent physical handicap. Such child must be dependent upon the employee for maintenance and support. Written proof of the child's incapacity must be furnished once a year thereafter.

