



Personal Accident Insurance (PAI)

Accidents happen — help your family prepare

IMPORTANT: This program provides accident insurance only. It does not provide comprehensive/major medical coverage and does not satisfy the minimum essential coverage requirements of the Patient Protection Affordable Care Act.



For the retirees of
Army & Air Force Exchange Services (AAFES)
dba Exchange, the Policyholder

Insurance underwritten by:
National Union Fire Insurance Company of Pittsburgh, Pa.

Why Personal Accident Insurance?

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

Army & Air Force Exchange Service (The Exchange) is providing you with the opportunity to purchase a personal accident insurance plan through convenient payroll deductions. You can purchase coverage for yourself, your Eligible Spouse and/or your Eligible Dependent Child(ren). You choose the coverage limits that fit your needs.

How Does Personal Accident Insurance Work?

You can choose a Principal Sum amount in \$25,000 increments, subject to a minimum of \$50,000 and a maximum of either: 1) 10 times your annual salary to a maximum of \$500,000; or 2) \$300,000. "Annual salary" means your base annual salary, exclusive of overtime, bonuses, tips, commission and special compensation.

If an insured spouse suffers a loss for which a benefit is payable under the policy and there is an insured dependent child(ren) on the date of the accident causing the loss, the insured spouse's Principal Sum is 50 percent of the Insured's Principal Sum on the date of the accident causing the loss. If there is no insured dependent child(ren) on the date of the accident causing the loss, the insured spouse's Principal Sum is 60 percent of the Insured's Principal Sum on the date of the accident causing the loss.

If an insured dependent child(ren) 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(ren)'s Principal Sum is 15 percent of the Insured's Principal Sum on the date of the accident causing the loss, to a maximum of \$25,000. If there is no insured spouse on the date of the accident causing the loss, the insured dependent child(ren)'s Principal Sum is 20 percent of the Insured's Principal Sum on the date of the accident causing the loss, to a maximum of \$25,000.

Eligibility

You're eligible to participate in the plan if you are a retired employee of AAFES dba the Exchange or former assigned military person under age 65 who has qualified for immediate retirement benefits under the AAFES dba the Exchange or Armed Services Retirement Plans and your eligible dependents. All enrollment forms must be completed by the enrollee and validated by AAFES dba the Exchange.

And you may enroll your Eligible Spouse and Eligible Dependent Child(ren), too. (See Definitions section for more details.)

Effective Date

Coverage for an Insured, spouse or dependent child(ren) begins on the latest of: 1) the policy effective date; 2) the date the first premium for 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(ren) 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 in writing that his or her coverage be terminated; or 4) the date the Insured Person, spouse or dependent child(ren) ceases to be a member of any eligible class of persons as described in this brochure.

What Can Personal Accident Insurance Offer Me?

- **Accident insurance coverage:** Your plan provides the covered accident benefits described on the next page.
- **Guaranteed acceptance:** Coverage is provided regardless of your health history.
- **Flexible planning:** You select the amount of coverage you need. Up to \$500,000 in coverage may be available.
- **Opportunity to supplement other insurance:** Benefits are paid directly to you (unless you specify otherwise), in addition to any other insurance you may have at the time of the accident.
- **Economical cost:** Coverage purchased at affordable group rates may cost less than an individual policy.
- **Family coverage available:** You may also insure your Eligible Spouse and Eligible Dependent Child(ren).
- **24/7 worldwide coverage:** Your coverage is in force around-the-clock — anywhere in the world.

Semi-Annual Costs

Benefit Amount	Employee	Employee & Family	Benefit Amount	Employee	Employee & Family
\$50,000	\$6.59	\$10.20	\$225,000	\$29.66	\$45.90
\$75,000	\$9.89	\$15.30	\$250,000	\$32.95	\$51.00
\$100,000	\$13.18	\$20.40	\$300,000	\$39.54	\$61.20
\$125,000	\$16.48	\$25.50	\$350,000	\$46.13	\$71.40
\$150,000	\$19.77	\$30.60	\$400,000	\$52.72	\$81.60
\$175,000	\$23.07	\$35.70	\$450,000	\$59.31	\$91.80
\$200,000	\$26.36	\$40.80	\$500,000	\$65.90	\$102.00

Amounts selected in excess of \$300,000 may not exceed 10 times your basic annual salary.

Benefits and Coverage Limits

Accidental Death, Accidental Dismemberment and Paralysis

Subject to all policy terms and conditions, if Injury to an eligible insured person directly results in any of the losses specified below within 365 days of the date of a covered accident that caused the Injury, we will pay, in one sum, the percentage of the Principal Sum shown for that loss:

Loss of	Percentage of Principal Sum
Life	100
Both hands or both feet	100
Sight of both eyes	100
One hand and one foot	100
One hand and the sight of one eye	100
One foot and the sight of one eye	100
Speech and hearing in both ears	100
Sight of one eye	50
One hand or one foot	50
Speech or hearing in both ears	50
Hearing in one ear	25
Thumb and index finger of the same hand	25
Paralysis	
Quadriplegia	100
Paraplegia	75
Hemiplegia	50
Uniplegia	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.

“Quadriplegia” means the complete and irreversible paralysis of both upper and lower limbs. “Paraplegia” means the complete and irreversible paralysis of both lower limbs. “Hemiplegia” means the complete and irreversible paralysis of the upper and lower limbs on the same side of the body. “Uniplegia” means the complete and irreversible paralysis of one limb. “Limb” means entire arm or entire leg.

If more than one loss listed above is sustained by an eligible insured person as a result of a single accident, only one amount, the largest, will be paid.

Children's Additional Indemnity for Dismemberment and Paralysis

Pays a benefit amount equal to the amount payable under the Accidental Dismemberment or Paralysis benefit, to a maximum of \$100,000, if the dependent child(ren) suffers an accidental dismemberment or paralysis.¹

Coma

Pays a monthly benefit of two percent of the Principal Sum, up to 100 percent 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.¹

Common Disaster

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 will be increased to equal the lesser of: 1) 100 percent of the Insured's Principal Sum; or 2) \$500,000.²

Day Care (only available with Family Coverage)

Helps pay covered day care expenses equal to the lesser of: 1) the actual cost of care for that year; 2) two percent 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 four years after the date of loss or the date of enrollment in day care, whichever is later.²

In-Hospital Indemnity

If an Insured Person suffers a covered Injury that, within 365 days of the date of the Injury, required him or her to be confined in the hospital as an inpatient, the plan will pay a monthly benefit equal to the lesser of: 1) one percent of Principal Sum; or 2) \$5,000.

Repatriation of Remains

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, reasonable covered expenses incurred to return his or her body to his or her current place of primary residence will be paid, up to a maximum of \$10,000.

Tuition

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. 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 student; 2) five percent of the Insured's Principal Sum on the date of the accident causing death; or 3) \$8,000.²

Reduction Schedule

The amount payable for a loss will be reduced if an Insured Person is age 70 or older on the date of the accident causing the loss with respect to 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 the benefit is a percentage of the amount that would otherwise be payable, according to the following schedule:

Age on Date of Accident	Percentage of Amount Otherwise Payable
70-74	65
75-79	45
80-84	30
85 and older	15

Travel Assistance Services

Services are provided while the Insured Person is traveling a distance of 100 miles or more away from his or her residence or permanent place of assignment for business or leisure travel. For more detailed description, please visit assistance@aig.com or call:

Within the U.S. (Toll Free): 877-244-6871

Outside the U.S. (Collect/Reverse Charge): +1 715-346-0859

Services include, but are not limited to:

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

*Identity theft services are not available for residents in New York or outside the United States.

Definitions

Eligible Dependent Child(ren): The Insured's unmarried children, including natural children from the moment of birth, step, foster or adopted children while in the custody of the Insured and the Insured is a party to a proceeding in which adoption of the child by the Insured is sought, and grandchildren who are living with and in the household of the Insured, under age 25 (26 if attending an accredited institution of higher learning on a full time basis), and primarily dependent on the Insured for support and maintenance.

Any unmarried child of the Insured covered under the policy before reaching the age limit specified above, who are incapable of self-sustaining employment by reason of mental or physical incapacity, and who are primarily dependent on the Insured for support and maintenance, may continue to be eligible beyond the age limit for as long as the policy is in force, but only if they remain continuously covered under the policy. The company may request that the Insured submit satisfactory proof of the eligible dependent child(ren)'s incapacity and dependency to the company within 31 days after the eligible dependent child(ren) reach the age limit specified above. If the Insured fails to furnish the requested proof before the eligible dependent child(ren) reach the age limit, coverage for the eligible dependent child(ren) will not be extended past the age limit. If coverage is extended, the company may request that the Insured submit satisfactory proof of the eligible dependent child(ren)'s continued incapacity and dependency to the company on an annual basis. If the Insured fails to furnish the requested proof within 31 days of the request, coverage for the eligible dependent child(ren) will terminate at the end of that 31-day period.

Eligible Spouse: The Insured's legal spouse or domestic partner.

Injury: Bodily injury: 1) which is sustained as a direct result of an unintended, unanticipated accident that is external to the body and that occurs while the injured person's coverage under the Policy is in force; and 2) which directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss.

Insured: A person: 1) who is a member of an eligible class of persons as described in the Classification of Eligible Persons section of the Master Application; 2) who has enrolled for coverage under the Policy, if required; 3) for whom premium has been paid; and 4) while covered under the Policy. However, an Insured does not include any person covered under the Policy solely as an Insured Dependent.

Insured Person: An Insured or an Insured Dependent as defined in the Family Coverage Rider.

Enroll Today!

To learn more about this valuable benefit offering or to enroll or change existing coverage, active employees should access eBenefits through Employee Self Service or at <https://exchangebenefits.ehr.com>.

Exclusions

The plan will not cover any losses caused in whole or in part by, or resulting in 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 auto-eroticism.
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 policy holder 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 Insured 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.

1. Also available to Eligible Spouse and/or Eligible Dependent Child(ren) if enrolled. Not available outside the United States.
2. Only available if you elect to cover your spouse and dependent children.

www.aig.com/us/benefits

This is a brief description of the coverage(s) available under policy series C11656(REV 3-99)DBG-TX(ER/EE). The Policy contains reductions, limitations, exclusions, and termination provisions. Full details of the coverage are contained in the Policy. If there are any conflicts between this document and the Policy, the Policy shall govern. Insurance underwritten by National Union Fire Insurance Company of Pittsburgh, Pa., a Pennsylvania insurance company, with its principal place of business at 175 Water Street, 15th Floor, New York, NY 10038. It is currently authorized to transact business in all states and the District of Columbia. NAIC No. 19445. Travel Assist services are provided by Travel Guard Group, Inc., an AIG company. Coverages may not be available in all states. For additional information, please visit our website at www.aig.com.

Any rates shown are based on the information provided at the time of quoting and are subject to adjustment.

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Retirees (\$50K)



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