



27 September 2002

Information circular*

To: Members of the staff at Headquarters
From: The Controller
Subject: **United Nations group life insurance plan**

General information

1. A revised administrative instruction (ST/AI/2002/6) has been issued governing the policies and procedures for the United Nations group life insurance plan made available to staff and former staff, with effect from 1 October 2002. The present circular should be read in conjunction with that administrative instruction.
2. This circular announces several key changes in the group life insurance programme which will come into effect on 1 October 2002, as follows:
 - (a) The schedule of life insurance brackets which heretofore has been the basis for determining the level of life insurance benefit to which a participant is entitled, as well as the related monthly premium, will be replaced by a more streamlined system without brackets, as described in detail in paragraphs 7 and 8 below;
 - (b) The life insurance multiplier, i.e. the factor by which pensionable remuneration is multiplied to determine the coverage level, will increase from 2.5 to 3.0. At the same time the maximum coverage amount will increase from \$250,000 to \$300,000 (see para. 9);
 - (c) The levels of coverage for participants reaching age 62 and staff entering the plan at age 62 are increased (see paras. 10 and 11);
 - (d) The age thresholds applicable to the after-service life insurance programme are increased by five years at each level (see para. 13 (b));
 - (e) A new Accelerated Death Benefit is introduced whereby a participant may opt to receive a proportion of his or her life insurance coverage at a discount, under certain specific conditions relating to terminal illness (see paras. 16-20);
 - (f) The monthly group life insurance premium rate will remain at \$0.30 per \$1,000 of coverage, notwithstanding the increased level of benefits.

* The present circular will be in effect until further notice.

3. The present circular also includes a summary of benefits under the United Nations group life insurance plan (annex I), information about the responsibility for maintaining life insurance records (annex II), guidance regarding the steps for making a life insurance claim (annex III), additional information from Aetna about the new Accelerated Death Benefit (annex IV), sample policy conversion premium rates (annex V), and copies of the various life insurance forms (annex VI).

Eligibility criteria

4. Participation in the plan is voluntary for all eligible staff. No subsidy is paid by the Organization.

5. The eligibility criteria and enrolment rules pertaining to the group life insurance are set out in section 2 of ST/AI/2002/6 and, for convenience, are summarized below. Coverage under the plan is available to all staff members who receive a letter of appointment of six months or more and who have received medical clearance upon appointment. Enrolment in the plan is automatic if such staff members apply for coverage within 60 days of signing the qualifying letter of appointment. Eligible staff members who apply for coverage after the 60-day opportunity must do so using a special “evidence of insurability” form. The insurance company (Aetna Life Insurance Company) reserves the right to reject any application by a staff member who applies after 60 days and may require the applicant to undergo a medical examination at the applicant’s own expense. Those staff members whose applications are accepted will be covered from the date on which Aetna gives its written consent. **It should be noted that the insurer does not accept “evidence of insurability” statements that have been signed more than six months prior to their receipt by Aetna.**

Coverage and premiums

6. Subject to the terms and conditions of the policy, the insurance coverage for eligible staff members consists of: (a) the amount of life insurance payable in the event of death from any cause at any time or place; and (b) an additional sum payable in the event of accidental death and dismemberment (see annex I). **It should be noted that the plan provides term insurance only. Should a staff member elect to withdraw from the plan before a claim is paid, there is no cash value at the time of coverage termination.**

7. Heretofore, life insurance levels have been set out in a schedule that related coverage amounts to ranges of pensionable remuneration, denominated in United States dollars. The coverage amount corresponded to 2.5 times the pensionable remuneration figure at the top of each bracket. For example, a participant whose pensionable remuneration was \$35,789 fell in the pensionable remuneration bracket [\$35,001-\$37,500], and had a coverage amount of \$93,750 (equivalent to 2.5 times \$37,500). Only when that participant’s pensionable remuneration rose above the top of that bracket (i.e., above \$37,500) would the amount of life insurance increase to the next highest level. In effect, the system in place until now has meant that life insurance coverage could only be increased in discrete amounts at such times as the participant’s pensionable remuneration jumped to the next bracket. Moreover, under this system, the monthly premium payment of staff members whose pensionable remuneration is denominated in a currency other than the United States dollar varied

from month to month, depending on the rate of exchange between the local currency and the United States dollar.

8. Under the new system coming into effect on 1 October 2002, a staff member's life insurance entitlement will be directly linked to his or her pensionable remuneration and will be defined in terms of the related currency. Under the new system, whenever pensionable remuneration increases, the life insurance amount will increase proportionately also, without regard to any fixed schedule of pensionable remuneration brackets. As a result, it now becomes possible to state the required premium contribution as a percentage of pensionable remuneration, comparable to the percentage contribution rates found in the health insurance plans.

9. With effect from 1 October 2002, the normal level of coverage for staff enrolled in the plan will be that amount which is equal to three (3) times the participant's pensionable remuneration, subject to a maximum amount of \$300,000. The current premium rate of \$0.30 per \$1,000 of coverage is equivalent to .09 per cent of pensionable remuneration.¹ Thus, for example, if the level of pensionable remuneration of a participant is \$35,789, the corresponding level of life insurance would be three times that figure, \$107,367. The corresponding monthly premium payment, based on .09 per cent of pensionable remuneration, would be \$32.21. In the case of the maximum coverage amount of \$300,000, the maximum monthly premium payment will be \$90.

Other coverage provisions

10. The coverage of staff members entering the plan at age 62 is limited to \$20,000 (increased from \$14,000). The same limit applies to accidental death and dismemberment insurance coverage.

11. The maximum coverage for all staff members still in service at age 62 is \$150,000 (increased from \$125,000). The same limit applies to accidental death and dismemberment insurance coverage. If the staff member's coverage is higher than \$150,000, it will automatically be reduced to that level with effect from the first of the month following attainment of age 62.

12. Staff members whose appointments are terminated for reasons of health in accordance with staff regulation 9.1 (a) are eligible to receive life insurance coverage equal to their coverage on the date of separation, without payment of further premiums, up to age 62. Upon attainment of age 62, the percentage factors set out in paragraph 13 below apply.

Coverage following separation from service

13. Staff members who upon separation from service are participants in the group life insurance plan and who have at least 10 years contributory participation upon leaving the employment of the Organization shall receive continuing coverage, without payment of premium, as follows:

¹ For example, if pensionable remuneration were \$50,000, the life insurance amount would be \$150,000. At a premium rate of \$0.30/\$1,000, the premium would be $\$150 \times 0.3 = \45 , which is .09 per cent of the \$50,000 pensionable remuneration.

(a) *Prior to the age of 55*

One year's coverage at the level in effect at the time of separation for each completed 10-year period of contributory participation;

(b) *From the age of 55*

(i) Between the ages of 55 and 69, coverage on separation from service is 50 per cent of the level of coverage in effect at the time of separation;

(ii) Between the ages of 70 and 74, coverage is 25 per cent of the level of coverage in effect at the time of separation;

(iii) From the age of 75, coverage is 10 per cent of the level of coverage in effect at the time of separation, subject to the following conditions: the minimum benefit after age 75 is the lesser of \$5,000 or the amount to which the after-service participant would be entitled before reaching age 75, and the maximum benefit after age 75 is \$10,000;

(iv) The reduction to \$150,000 at age 62, while still in service, will be ignored in these calculations.

Adjustment of coverage level

14. As indicated in paragraph 8 above, the level of coverage and the corresponding premium will automatically be adjusted whenever an increase in pensionable remuneration occurs. **A participant who does not wish to have the increased life insurance coverage afforded by the requisite increase in pensionable remuneration must cancel his or her coverage under the plan.** If, at a later date, the staff member wishes to reinstate life insurance participation at the level to which he or she would then be entitled, a new application must be made through the "evidence of insurability" process.

15. The life insurance level of a staff member who, prior to 1 January 2001 when the option was eliminated, executed a waiver of automatic increase and thereby froze the coverage level, will be maintained at that level.

Accelerated Death Benefit

16. A new benefit called the Accelerated Death Benefit (ADB) is added to the group life insurance programme effective 1 October 2002. In essence, this optional benefit provides for the payment to the participant of a portion of his or her life insurance after he or she has been diagnosed as terminally ill, leaving the balance of the life insurance for the benefit of designated beneficiaries after the death of the insured. The addition of this benefit is cost-free to participants at large as the ADB programme will be administered by Aetna on a case-by-case basis using a "discount option". Under this arrangement, the cost of the benefit acceleration is recovered by discounting the ADB payment to the insured applicant.

17. When a participant elects the ADB option, the arrangement will work as follows. First, a gross ADB payment is determined. This amount will be based on a benefit of 50 per cent of the amount of life insurance in force on the election date, taking into account any age reduction due to occur during the terminal illness qualifying period. The appropriate discount will then be deducted from the gross

ADB payment to arrive at the net amount actually payable to the insured. Discounts will reflect the interest rate structure described in paragraph 19 below.

18. The remaining amount of life insurance carried in force, after the ADB payment is made, will be the original amount less the gross (before interest discount) ADB payment.

19. The interest rate used to calculate discounts will be the current yield on the 90-day United States Treasury bill on the date the ADB payment is issued. The period used to calculate this charge will begin on the date the ADB is paid and will always be equal to the 12 months terminal illness qualifying period regardless of the actual or expected date of death.

20. Applicants for an Accelerated Death Benefit should contact the Health and Life Insurance Section in the first instance. They will then be provided with a package comprising an application form, a request-for-medical-documentation letter, authorizations for the release of medical information and an ADB disclosure statement. Additional information (sample contract language) from Aetna on the Accelerated Death Benefit is set out in annex IV.

Conversion privilege

21. Staff members who are enrolled in the group life insurance plan at the time of their separation from the Organization may arrange directly with Aetna to convert to an individual policy at a cost determined by the insurer, without having to produce further evidence of insurability. The premium rate schedule pertaining to the conversion life insurance policy established by the insurer is age-based and bears no relationship to the premium structure of the United Nations group life insurance plan (see annex V for sample conversion premium rates). The participant is then solely responsible for remitting the related payments directly to the insurance company.

22. Inquiries as to contract terms and premium payment instructions, as well as completed applications, should be directed to:

Aetna Conversion Unit
151 Farmington Avenue
Hartford, CT 06156-1992
Tel: inside USA 800-523-5065
outside USA 860-273-7150

23. The amount of life insurance which may be converted is based on the level of coverage at the time of separation:

(a) Staff members who are under the age of 55 or who have less than 10 years of contributory participation in the plan may convert up to the full amount of their life insurance at separation;

(b) Staff members who separate before age 55 and who qualify for a year of free coverage for each 10 years of contributory participation may convert up to that amount at the end of the period of free coverage;

(c) Staff members age 55 or older who qualify for after-service life insurance (ASLI) may convert to an individual policy with Aetna the amount of the decrease in coverage at separation or, as after-service life insurance participants, at ages 70 and 75. For example, if a staff member has \$100,000 of coverage at separation, the

after-service benefit would be \$50,000. In this case, the staff member may convert up to \$50,000 of coverage. When the former staff member reaches age 70 and the after-service benefit drops to \$25,000, he or she may convert the \$25,000 difference between the new level and the prior \$50,000 after-service life insurance level.

24. The conversion privilege must be exercised within 31 days following termination of coverage under the United Nations plan or within 31 days of the date on which the after-service life insurance coverage is decreased.

Designation of beneficiary or beneficiaries

25. Since life insurance benefits are payable to the participant's beneficiary or beneficiaries, it is most important for each participant in the plan to designate the person or persons to whom the participant wishes the benefit to be paid. Special forms are available for the designation of beneficiaries (see annex VI).

26. Only the most recent, properly executed form for the designation of beneficiaries is recognized by the insurance company for the payment of benefits. It is the responsibility of the staff member or former staff member to make sure that the proper person or persons are designated, particularly after death, divorce or other change in the relationship between the person or persons previously designated and the staff member or former staff member.

27. Changes in the designation of beneficiaries may be made at any time.

Transfer between payrolling duty stations and employing organizations, and breaks in service

28. It should be noted that there is no automatic continuation of coverage when a staff member transfers from one payrolling duty station to another or from one employing organization to another. In addition, within the same organization, a staff member who has a break in service is normally terminated and reappointed. Therefore, to ensure continuity of their coverage in the group life insurance plan, staff members must make arrangements to re-enrol upon transfer to the new payrolling duty station, upon being employed by another organization, or upon reappointment after a break in service. To be assured of unbroken life insurance coverage, re-enrolment in the life insurance plan must be accomplished no later than two months following the date of transfer or reappointment; otherwise, an evidence of insurability statement will be required.

Special leave

29. Staff members who are granted special leave on partial pay or without pay may continue to participate in the plan by paying the full premium in advance. Staff members who choose not to retain coverage during a period of special leave without pay of more than two months' duration may re-enrol in the plan only on the basis of satisfactory evidence of insurability.

Information on the Internet and the United Nations Intranet

30. Information regarding the group life insurance programme may also be found on the web site of the Health and Life Insurance Section on the United Nations Intranet (click on "Insurance" on the quicklinks dropdown menu). Forms used in connection with the group life insurance programme are also available from that

web site. In addition, the same information may be accessed via the Internet at the following URL: <http://www.un.org/insurance>.

Supersession of prior circular

31. The present circular supersedes information circular ST/IC/2000/96, dated 21 December 2000, and all previously issued information circulars concerning the United Nations group life insurance plan.

It is suggested that participants in the group life insurance programme keep copies of their life insurance documents (application(s), designation of beneficiary forms) and a copy of the present circular in a secure location together with other valuable personal documents.

Annex I

Summary of benefits under the United Nations group life insurance plan^a

Life insurance benefits

1. The plan will pay a life insurance benefit in the amount for which the participant was insured at the time of death.
2. Subject to the terms and conditions of the Aetna Life Insurance Company policy, the benefit will be payable to the designated beneficiary or beneficiaries upon satisfactory proof of death from any cause, at any place and at any time while the participant was insured.

Accidental death and dismemberment benefits

3. The plan will pay the benefits determined from the table of benefits below for loss of life, loss of hand or foot (by severance through or above the wrist or ankle joint) or permanent and complete loss of sight of either eye.
4. Benefits are payable if the loss:
 - (a) Occurs within 90 days after an accident that causes an injury to the participant while insured;
 - (b) Results directly and solely from an injury caused by the accident and not excluded in the limitations section below.

Table of benefits

5. The full amount for which the participant was insured will be paid for the accidental loss of:
 - (a) Life;
 - (b) Both hands;
 - (c) Both feet;
 - (d) One hand and one foot;
 - (e) One hand and the sight of one eye;
 - (f) One foot and the sight of one eye; or
 - (g) The sight of both eyes.
6. One half of the amount for which the participant was insured will be paid for the accidental loss of one hand, one foot or the sight of one eye.

Limitations

7. Accidental death and dismemberment coverage is only for losses due to accidents.
8. Benefits will be payable, however, for a loss which is:

^a The full provisions of the plan are contained in the contract between the life insurance company and the United Nations.

- (a) Caused by a pus-forming infection resulting directly and solely from an injury that is covered under the plan; or
 - (b) Caused by a surgical operation, which is:
 - (i) Needed solely because of an injury that is covered under the plan;
 - (ii) Performed within 90 days after the injury occurs.
9. This plan does not provide a benefit for any loss, other than those mentioned in the preceding sentence, which in any way is caused by any of the following:
- (a) Bodily or mental infirmity;
 - (b) Disease, ptomaine or bacterial infections, of any kind;
 - (c) Medical or surgical treatment;
 - (d) Suicide or attempted suicide (sane or insane);
 - (e) Intentionally self-inflicted injury;
 - (f) War or any act of war (whether war is declared or not).^b

After-service benefit^c

10. Staff members who qualify for enrolment upon retirement in the after-service life insurance (ASLI) programme are reminded that their coverage is free and requires no application. The benefits for former staff members who die will be reduced, depending on the age of the participant at death, as follows:

- (a) From the age of 55 through 69, 50 per cent of their coverage on the date of separation from service, unless it had already been reduced at age 62 while in service (see para. 13 (b) (iv) of the present circular). For appointments terminated for reasons of health, this reduction will occur at age 62;
- (b) From the age of 70 through 74, 25 per cent of their coverage on the date of separation from service;
- (c) From the age of 75 onwards, 10 per cent of their coverage on the date of separation from service, subject to a maximum of \$10,000 and a minimum of \$5,000, or the amount to which the former staff member had been entitled before age 70, whichever is less.

^b Aetna has consistently interpreted the war exclusion as applying to actions by a sovereign State or Government against another. Terrorism is characterized as premeditated violence for a political purpose by a person or group other than a Government or State. Aetna, therefore, does NOT exclude terrorist acts from coverage.

^c Under the after-service **health** insurance programme (ASHI), if, as a result of a new post-retirement appointment, a former staff member again becomes a participant in the Pension Fund, the monthly pension benefit is suspended and, for the duration of this suspension, eligibility for the after-service health insurance programme is also suspended. In the case of the after-service **life** insurance programme (ASLI), however, there is no link with Pension Fund status and, therefore, a post-retirement appointment with the United Nations of any duration does not lead to a suspension of benefits under ASLI. Suspension of ASLI will occur only if a former staff member is eligible and elects to re-enrol in the life insurance programme for the period of re-employment. Assessment should be made as to whether the level of coverage as a premium-paying staff member (see para. 10 of this circular) or the after-service life insurance benefit is more advantageous. Except for periods of optional re-enrolment, the after-service life insurance entitlement remains in effect.

Annex II

Responsibility for life insurance records

1. Staff members should be aware that all group life insurance forms and records are to be maintained at the duty station where the staff member is payrolled. **Staff members away from Headquarters must submit their life insurance applications, together with proof of eligibility attesting to the type and duration of their appointment, to the relevant administrative office at their duty station.** The only exceptions pertain to the following four forms, which must be processed through the Health and Life Insurance Section:

1. Evidence of Insurability Statement (see para. 5 of the present circular and annex VI)
2. Creditor Designation of Beneficiary (see annex VI)
3. Irrevocable Designation of Beneficiary (see annex VI)
4. Assignment of Group Coverage (see annex VI)

Only if a staff member is transferred to Headquarters, separates from service (see para. 2 below) or upon the death of an insured staff member (see annex III), should the life insurance file containing the originals of all related forms and premium payment records be transmitted to the Health and Life Insurance Section. **Staff who move between duty stations should be sure that their life insurance records are transferred accordingly. Staff members whose career paths involve a high degree of mobility are advised to maintain a personal file with copies of the records of their participation in the group life insurance programme.**

2. Administrative officers at offices where the group life insurance programme is administered should be mindful that the payment of a claim or the establishment of the entitlement to after-service life insurance benefits requires that the following records and certifications be furnished to the Health and Life Insurance Section upon the death of the insured staff member, or whenever an insured staff member retires from service with the Organization:

- (a) *All group life insurance documents:*
 - (i) Every application form (initial, in connection with a change of duty station, and/or relating to re-enrolment following termination for any reason) with proof of qualifying contracts;
 - (ii) Where applicable, Evidence of Insurability approval;
 - (iii) Aetna forms changing the beneficiary designation;
 - (iv) Payroll records documenting the deduction of group life insurance premiums or the direct payment by staff members during periods of special leave without pay;
 - (v) Record(s) of termination of life insurance, where applicable, together with effective date(s);

- (b) *Certification by the **final** administrative duty station of:*
 - (i) Last date on which staff member reported for work;
 - (ii) Close of business separation date;
 - (iii) Date of the last premium deduction and, in the base currency, amount of premium and level of pensionable remuneration for the last full month of service.

Annex III

Making a life insurance claim

1. All life insurance claims must be processed through the Health and Life Insurance Section at Headquarters. Claims or notification of claims should not be transmitted to the Aetna Life Insurance Company directly.

2. The claim process is initiated when the Health and Life Insurance Section is informed about the death of a participant in the group life insurance programme or when all applicable claim documents, as set out in paragraph 3 below, are received along with notification of death. In the former case, in order to permit the insurer, Aetna, to pay the requisite benefits, the Section will provide the beneficiary with clear instructions (if so requested) regarding the documents that must be completed and submitted. In the latter case, the Section will forward the properly furnished set of claim documents to Aetna for processing.

3. The claim package, **with translations into English as necessary**, consists of:

(a) Records of life insurance participation as listed in annex II, paragraph 2, if not previously submitted to the Health and Life Insurance Section to establish an ASLI entitlement. **These records are maintained by the Organization and are not the responsibility of the claimant to furnish;**

(b) The original or a legally certified copy of the insured's death certificate (a death certificate furnished to the United Nations Joint Staff Pension Fund will not suffice for life insurance purposes);

(c) Official medical certification as to the cause of death when not stated on the death certificate;

(d) Completed United Nations group life insurance programme beneficiary certification forms. As the Aetna group life insurance plan is United States-based and subject to its federal and state regulations, either form 1 or form 2, whichever is applicable, is to be completed by **each** beneficiary. These forms are reproduced in annex VI and may be photocopied for use in this regard;

(e) Additional documentation will be required in the following circumstances:

(i) Where a beneficiary is deceased, a copy of the beneficiary's death certificate. If all beneficiaries are deceased, evidence of the legally recognized appointment of the person designated to administer the assets/property ("estate" under United States law) of the insured. Or, should any beneficiary die **after** the insured but **before** a claim is paid, court papers appointing a person to administer the "estate" of that beneficiary. Should there be no corresponding legal concept under applicable national laws, proceeds will be paid to the ESTATE of the insured (or of the beneficiary) and those closest to the deceased may seek documents under their national law governing the line of legal succession, permitting a bank to accept a deposit of a benefit cheque. In this regard, beneficiary instructions in paragraphs 25 to 27 of the current circular should be noted;

(ii) Where beneficiaries have not reached the age of majority, the legally recognized appointment of the guardian of the "estate" (assets/property) of the

minor child. Where such guardian is a surviving parent living outside the United States, a copy of the national law governing minor children, stating that the surviving parent automatically becomes the guardian of the **property** of a minor child and setting out the age of majority, along with a copy of the child's birth certificate establishing the names of the father and the mother, may be submitted in lieu of court papers. Oaths sworn before a notary do not satisfy the requirements of Aetna's legal department;

(iii) Where death may be considered accidental, the official police report, setting out the circumstances that resulted in the death of the insured (inter alia, the time of day, weather conditions, testimony of eyewitnesses, diagrams) and any autopsy statement/medical report;

(iv) Where death occurs within two years of the approval date indicated on an evidence of insurability statement, all medical records for the previous five years.

4. Staff members should be aware that the life insurance principal (the full amount of coverage regardless of how it is distributed among beneficiaries) is exempt from all United States taxes. The tax exemption may not apply if life insurance proceeds are paid to an estate that is subject to United States taxes.

5. Life insurance benefits, upon the death of the insured, earn interest at a rate determined by Aetna until the date on which proceeds are paid to beneficiaries. Unlike the life insurance proceeds, interest earned may be subject to taxation.

6. Beneficiaries should be aware that, as the United Nations group life insurance plan is a global programme administered on a highly decentralized basis, gathering together all the documentation and records required to process a claim can take some time. **Once the Health and Life Insurance Section receives all necessary documentation, properly executed, and submits the claim package to Aetna, it normally takes three to four weeks before the beneficiary is in receipt of the life insurance proceeds. Each beneficiary will receive an individual cheque (principal amount plus interest earned) by a secure mode of delivery. Aetna benefit cheques have no expiry date. It should be noted that Aetna does not deposit benefit proceeds directly into bank accounts.**

7. Group life insurance participants may wish to note that there is no prescribed time frame for submitting claims.

Annex IV

Accelerated Death Benefit

If, while covered under the group life insurance plan, a participant becomes terminally ill, he or she may apply to Aetna for an Accelerated Death Benefit (ADB). Upon Aetna's approval of such a request, Aetna will pay the amount of the ADB, subject to the following terms.

To be considered terminally ill, the applicant must:

- (a) Be diagnosed as suffering from an incurable, progressive, and medically recognized disease or condition;
- (b) To a reasonable medical probability and on the basis of generally accepted medical protocols, have a life expectancy of no more than 12 months beyond the date of the application for an ADB.

Aetna cannot furnish legal or tax advice to the applicant or to the Organization. Legal counsel and/or a tax adviser should be consulted before a request for an ADB is made.

An ADB may be requested at any time by completing an Aetna Request-For-Accelerated-Death-Benefit and submitting it to Aetna (see para. 20). The request must include the statement of a currently licensed physician certifying the terminal illness.

The physician's statement must include:

- (a) All medical test results;
- (b) Laboratory reports;
- (c) Any other information on which the statement is based, including the generally accepted prognostic protocol used by the physician to determine the expected remaining life span.

The ADB benefit is available to all group life insurance participants (active staff, retirees and those separated for medical reasons). The calculation of the ADB benefit will be based on 50 per cent of the amount of life insurance in force on the date of application, subject to the following provisions:

- (a) The request for an ADB must state the amount of the benefit requested. The minimum amount that may be requested is \$5,000;
- (b) The amount of ADB payable will be reduced by an interest charge equal to the sum of the daily interest that would have accrued on such amount during the 12-month ADB period. The rate used to calculate the interest charge will not exceed the current yield on 90-day United States Treasury bills as of the date the ADB payment is issued;
- (c) If, during the 12-month ADB period following the date of application for an ADB, the amount of life insurance will be reduced owing to the attainment of a specified age or retirement, the ADB amount will be based on 50 per cent of the amount of life insurance that would remain in effect after any reduction, subject to a minimum of \$5,000;

(d) When an ADB has been approved, the amount of life insurance remaining in force will be reduced by the amount of ADB that would have been payable in the absence of any interest charge;

(e) If the amount of life insurance remaining has been so reduced, there will be no entitlement to convert the amount of life insurance that ceases as a result of the ADB payment;

(f) In considering a request for an ADB, Aetna may require the participant to submit, at Aetna's expense, to an independent medical examination initiated by a physician chosen by Aetna. Review of a request for an ADB will be suspended until the examination has been completed and the results submitted to Aetna;

(g) If, by assignment or otherwise, someone other than the insured is the owner of the life insurance coverage, an ADB will not be available under this plan;

(h) An ADB may be requested only once under this plan;

(i) Upon approval by Aetna, the amount of the ADB will be paid in a lump sum.

Additional provisos

To the extent allowed by law:

(a) An ADB payment is exempt from any legal or equitable process for the debts of the insured;

(b) There can be no requirement to request an ADB in order to satisfy claims of creditors.

Annex V

Aetna's conversion premium rates^a

PREMIUM RATES FOR THE NONPARTICIPATING WHOLE LIFE PLAN

Description: Premium rates are based upon your age (nearest birthday) when the policy takes effect and do not change thereafter.

The rates included in the tables below were appropriate for the plans at the time they were prepared. The rates are subject to change without notice. You may confirm that the rates shown are the current rates by calling 1-800-523-5065.

If your policy will be at least \$10,000, Tables 1 & 3 are used.

If your policy will be less than \$10,000, Tables 1, 2 & 3 are used.

^a See paragraph 21 of the present circular.

Annex VI

Group life insurance forms

All forms in this annex may be photocopied

Basic forms (see paras. 5, 25-27; 1 and 2 (a) of annex II; and 3 (a) of annex III of the present circular)

Application for Group Life Insurance (GLI)

Evidence of Insurability Statement

Designation of Beneficiary (initial designation is made on the GLI application)

Forms relating to other legal agreements, apart from those with the Organization or Aetna, that may be entered into by a GLI participant:

May be used:

Creditor Designation of Beneficiary

to secure a loan

Irrevocable Designation of Beneficiary

in divorce or related proceedings

Assignment of Group Coverage

for tax purposes, in consultation with a legal adviser (not the Organization or Aetna)

Forms in connection with GLI claims (see para. 3 (d) of annex III to the present circular)

To be completed by

Beneficiary Certification Form 1

Beneficiaries residing outside the United States, who do **not** have a United States social security number

Beneficiary Certification Form 2

All beneficiaries residing in the United States and those living elsewhere who have a United States social security number