MEMORANDUM

TO: All Employees and Fellows Eligible for Elective Life Insurance

FROM: Jacqueline Williams

DATE: June 30, 2015

SUBJECT: Open Enrollment for Elective Life Insurance

As you know, Carnegie pays the premium cost to cover employees under its group term life insurance plan through Guardian. If you wish, you may also purchase between $50,000 and $500,000 (in $50,000 increments) of additional life insurance through Guardian. You pay the full cost of this extra insurance through payroll deduction. Coverage ends when your employment with Carnegie ends (although you may continue the policy directly with the insurance company). The monthly premium rates are based on your age and are listed in the attached Guardian brochure. As you grow older and move into a new age bracket, your premiums increase.

The Guaranteed Issue Limit  Eligible employees that already have elective life can increase it every year at open enrollment by $50,000 (with no medical exam), to the maximum of $200,000 (with completion of the Evidence of Insurability form). Employees that do not enroll within 30 days of their employment date are eligible for guaranteed issue of $50,000 at open enrollment (7/1 - 7/24). Any amount over $50,000 requires the completion of the Evidence of Insurability form.

Dependent Coverage.  If you buy elective coverage for yourself, you may also purchase coverage for your spouse and unmarried children. For your spouse, you may purchase up to 50% of the amount you buy on your own life (in $25,000 increments). You may purchase 10% of your elected amount up to $10,000 for each child. **There is no guaranteed issue amount for a spouse or children and the Evidence of Insurability form will need to be completed.

The open enrollment period is from July 1, 2015 through July 24, 2015.

To apply for coverage, complete the application which is included in the brochure (also attached) and return it to your Business Manager. If you already have additional coverage through the elective Guardian plan, you do not need to reapply unless you wish to increase coverage for yourself or family members. Return the completed application form(s) to your Business Office no later than July 25, 2015. Your coverage will be effective September 1, 2015, and premiums will be deducted from your August 15 paycheck. You will be advised of the insurance company’s decision on your application if you applied for the amount over the Guaranteed Issue limit and when payroll deductions will begin.