

TO: ALL FULL-TIME EMPLOYEES

FROM: BONNIE BORN – DIRECTOR OF BENEFITS

DATE: NOVEMBER 5, 2009

RE: **OPTIONAL (CONTRIBUTORY) TERM LIFE INSURANCE –
ANNUAL OPEN ENROLLMENT PERIOD**

NEW ANNUAL OPEN ENROLLMENT PERIOD: NOVEMBER 1st – NOVEMBER 30th, 2009

The annual Open Enrollment period for the full-time employee Optional term life insurance has been changed to the month of November each year. Optional term life insurance is the voluntary employee-paid coverage which may be requested in addition to the Basic term life coverage already paid for by the College for all full-time employees. During the annual open enrollment period this month, you may request to make any of the following changes regarding the Optional life insurance coverage. Any elections/changes you request are subject to the group policy eligibility and limitations rules. (If you need a replacement copy of the Certificate of Group Plan Coverage booklet from Standard, call the Human Resources Benefits area at x73670.)

During the open enrollment period, you may request to:

- Add Optional term life insurance coverage if you had not previously enrolled*.
- Increase the amount of Optional term life insurance you currently have in place*.
- Reduce the amount of Optional term life insurance you currently have in place.
- Drop any Optional term life insurance you currently have in place.

***See medical evidence requirement information in this memo.**

Note: If you do not wish to make any change to the Optional life insurance level you are currently enrolled in, you do not need to do anything. Standard has notified us that the Optional life insurance rates will be remaining the same for another two years through 12/31/2011. However, if you have had any increase in salary during calendar year 2009 (which also results in an increase of insurance coverage), or if you have moved into a new age bracket during calendar year 2009, your per-pay-period premium deduction amount will automatically be re-calculated. Any increased deduction amount based on the re-calculation factors will take effect January 1, 2010.

If You Wish To Increase Your Level of Optional Life Insurance Coverage

If you are interested in requesting any change to your level of Optional Life Insurance during the annual open enrollment period, you will need to complete a Standard Life Insurance *Enrollment and Change Application* form and return it to Human Resources no later than November 30, 2009. The form is available on the Human Resources web page at www3.fitnyc.edu/hr/benefits or you may call the Benefits area at extension 73670 to request a copy. The Optional Life insurance premium rates are included at the end of this memo.

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Medical Evidence Requirement

If you are requesting to add Optional life insurance coverage or to increase the amount of your current Optional life insurance coverage during the annual open enrollment period, you will be required to submit medical evidence to The Standard Life Insurance Company of New York. The Standard may approve or deny your request for the Optional life insurance coverage based on underwriting guidelines. **No Optional coverage will become effective until we receive an approval letter from The Standard.**

Employees requesting additional Optional insurance must send a *Standard Enrollment and Change Application* form to Human Resources by November 30, 2009. After receiving your form, we will send you a Standard Medical History Statement form that you will need to complete and send directly to The Standard to begin the medical evidence process. Standard will contact you directly for any other medical information or exam they may require. All medical information is kept confidential between the individual applying for Optional insurance and The Standard. The only information The Standard will communicate to FIT is their decision whether the request for Optional term life insurance has been approved or denied. No Optional life insurance premiums will be deducted from your paycheck unless we receive an approval from Standard.

If You Wish to Decrease Your Level of Optional Life Insurance

If you are requesting to decrease your level of Optional Life Insurance coverage, you will need to complete a Standard Life Insurance *Enrollment and Change Application* form and return it to Human Resources by November 30, 2009. The form is available at www3.fitnyc.edu/hr/benefits or you may call the Benefits area at extension 73670 to request a copy. The new lower amount of insurance you request and the corresponding lower premium deduction amount will take effect on January 1, 2010.

Optional Term Life Insurance General Information

Employees under age 70 who meet the Active Work Provisions as described in the plan Certificate, may request to purchase Optional term life insurance in increments of full-time salary: 1 time, 2 times, 3 times, or 4 times annual salary up to a maximum Optional insurance amount of \$500,000. (Annual salary amount is base full-time annual salary.)

The premiums for the Optional term life insurance are paid by the employee through payroll deduction. The rates for the Optional coverage are age-banded and are calculated at the applicable premium for the amount of Optional life insurance elected. The current premium rates are shown below and are guaranteed through December 31, 2011.

For a complete description of The Standard life insurance plan including eligibility, benefits, and limitations, please refer to your Standard Certificate Group Life Insurance booklet. The Certificate is posted at www3.fitnyc.edu/hr/benefits or you may call the Human Resources Benefits area at extension 73670 to obtain a copy.

ANNUAL OPEN ENROLLMENT DEADLINE DATE: NOVEMBER 30, 2009

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STANDARD LIFE INSURANCE
EMPLOYEE-PURCHASED OPTIONAL GROUP TERM LIFE INSURANCE

PREMIUM RATES

Age Bracket (Use the age you will be on January 1, 2010)	Premium Cost per \$1,000 of Optional Term Life Insurance Coverage per Month
< 25	\$0.035
25-29	\$0.035
30-34	\$0.042
35-39	\$0.050
40-44	\$0.086
45-49	\$0.137
50-54	\$0.221
55-59	\$0.345
60-64	\$0.545
65-69	\$0.908
70 and over	Not available

(Rates are Guaranteed Through 12/31/2011)

Your Options:

You may request to purchase Optional Term Life Insurance in multiples of your full-time annual salary: 1 time, 2 times, 3 times, or 4 times annual salary up to a maximum of \$500,000. All requests for Optional insurance during the annual open enrollment period are subject to medical evidence and approval by The Standard Life Insurance Company of New York.

To Calculate Your Premium Amount for Optional Term Life Insurance:

$$\begin{array}{ccccccc}
 \underline{\hspace{2cm}} & \text{X} & \underline{\hspace{2cm}} & = & \underline{\hspace{2cm}} & \text{Divide by 1,000} = & \underline{\hspace{2cm}} & \text{X} & \underline{\hspace{2cm}} & = & \underline{\hspace{2cm}} & \text{Divide by 2} = & \underline{\hspace{2cm}} \\
 \text{Annual Salary*} & & \text{Multiple of Salary} & & \text{Insurance} & & & & \text{Term Age} & & & & & \text{The Per Pay Period} \\
 & & \text{You are Electing} & & \text{Amount} & & & & \text{Rate Above} & & & & & \text{Deduction Amount} \\
 & & (1x, 2x, 3x, 4x) & & \text{(Round to the} & & & & & & & & & \\
 & & & & \text{next higher} & & & & & & & & & \\
 & & & & \text{thousand)} & & & & & & & & &
 \end{array}$$