

Benefits Handbook Date March 1, 2013

# **Basic Life Insurance Plan**

Marsh & McLennan Companies



## Basic Life Insurance Plan

*This is a Company-paid group-term life insurance plan that helps you provide for your family's financial security. The Plan pays money to someone you name as your **BENEFICIARY** if you die during active employment.*

### A Note about ERISA

The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that governs many employer-sponsored plans including this one. Your ERISA rights in connection with this Plan are detailed in the *Administrative Information* section.

### SPD and Plan Document

This section provides a summary of the Basic Life Insurance Plan (the "Plan") as of January 1, 2013.

This section, together with the *Administrative Information* section and the applicable section about participation, forms the Summary Plan Description and plan document of the Plan.

## Contents

<b>The Plan at a Glance .....</b>	<b>1</b>
<b>Participating in the Plan .....</b>	<b>2</b>
Enrollment .....	2
Evidence of Insurability .....	2
Beneficiaries.....	2
Cost of Coverage .....	3
When Coverage Begins .....	4
When Coverage Ends .....	5
<b>How the Plan Works.....</b>	<b>6</b>
Salary .....	7
Accelerated Benefit Option.....	7
Assigning Your Benefit.....	8
Retiree Benefit.....	8
<b>Survivor Assistance.....</b>	<b>8</b>
<b>How Benefits Are Paid.....</b>	<b>10</b>
<b>Filing a Claim.....</b>	<b>10</b>
<b>Glossary.....</b>	<b>10</b>

## The Plan at a Glance

The Basic Life Insurance Plan is a Company-paid group-term life insurance plan. The chart below contains some important program features. For more information, see “How the Plan Works” on page 6.

<b>Plan Feature</b>	<b>Highlights</b>
<b>How the Plan Works</b>	<ul style="list-style-type: none"> <li>▪ Your Company-paid death benefit is equal to:               <ul style="list-style-type: none"> <li>– one times your SALARY rounded to the next \$1,000, if not already an even multiple of \$1,000.</li> </ul> </li> <li>▪ There is no minimum or maximum death benefit amount.</li> </ul>
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>▪ You are eligible to participate in this Plan if you meet the eligibility requirements set forth below.</li> <li>▪ See “Participating in the Plan” on page 2 for details.</li> </ul>
<b>Enrollment</b>	<ul style="list-style-type: none"> <li>▪ Coverage is automatic.</li> </ul>
<b>Advanced Payment of Benefit</b>	<ul style="list-style-type: none"> <li>▪ The Plan contains an Accelerated Benefit Option for employees. If you are certified by a medical physician to have a life expectancy of six months or less and you are not expected to recover, you may receive an “advance” (subject to certain maximum limitations) against life insurance proceeds payable at the time of your death.</li> <li>▪ The Accelerated Benefit Option is payable as long as you are eligible to receive this benefit and are not subject to any of the exclusions described below.</li> <li>▪ See “Accelerated Benefit Option” on page 7 for details.</li> </ul>
<b>Survivor Assistance</b>	<ul style="list-style-type: none"> <li>▪ The Plan includes the Survivor Assistance: MetLife Advice for Beneficiaries - Delivering The Promise® (DTP) feature. This program is automatically available at no cost to plan participants or beneficiaries.</li> <li>▪ If you are a plan participant or BENEFICIARY who has experienced the death of a loved one, contact the Employee Service Center at +1 866 374 2662.</li> <li>▪ See “Survivor Assistance” on page 8 for additional information.</li> </ul>
<b>Contact Information</b>	<p>For more information, contact the Claims Administrator:            Metropolitan Life Insurance Company            200 Park Avenue            New York, NY 10166</p> <p>For additional questions, you may contact the Employee Service Center at +1 866 374 2662, any business day, from 8 a.m. to 8 p.m., Eastern time.</p> <p>Marsh &amp; McLennan Companies does not administer the Plan. Metropolitan Life Insurance Company's decisions are final and binding.</p>

## Participating in the Plan

You are eligible to participate in the Plan if you meet the eligibility requirements described in the *Participating in Insurance Benefits* section.

### Marsh & McLennan Companies Employees (other than MMA)

As used throughout this plan summary, “Marsh & McLennan Companies Employees (other than MMA)” are defined as employees classified on payroll as U.S. regular employees of Marsh & McLennan Companies or any subsidiary or affiliate of Marsh & McLennan Companies (other than Marsh & McLennan Agency LLC and any of its subsidiaries (MMA)).

### MMA Employees

As used throughout this plan summary, “MMA Employees” are defined as employees classified on payroll as U.S. regular employees of Marsh & McLennan Agency – Corporate (MMA-Corporate), Insurance Alliance, a Marsh & McLennan Agency LLC company (Insurance Alliance), Marsh & McLennan Agency LLC – Northeast (MMA-Northeast) or Marsh & McLennan Agency LLC – Alaska (MMA-Alaska).

## Enrollment

Coverage is automatic.

## Evidence of Insurability

Evidence of Insurability is not required for the Plan.

## Beneficiaries

You can name anyone as your BENEFICIARY, including a trust or an estate, or you can name multiple beneficiaries who will split the benefit. You have to fill out the appropriate beneficiary designation form naming your beneficiary. If you are active, you will complete the Basic Life and Business Travel Accident Beneficiary Designation Form. If you are a retiree with Retiree Life Insurance, you will complete the Retiree Basic Life Insurance Beneficiary Designation Form.

### ***Can I assign my benefit to someone else?***

The Plan also permits an absolute assignment to an individual or a trust. See “Assigning Your Benefit” on page 8.

It is important to have a current beneficiary designation on file with the Company at all times. If you have no surviving beneficiary, the benefit will be paid to your estate.

### ***How do I name or change my beneficiary?***

To name or change your beneficiary, complete the appropriate beneficiary designation form (Basic Life and Business Travel Accident Beneficiary Designation Form or Retiree

### “You,” “Your,” and “Employee”

As used throughout this plan summary, “employee,” “you” and “your” always mean:

- For Marsh & McLennan Companies participants: a U.S. regular employee of Marsh & McLennan Companies or any subsidiary or affiliate of Marsh & McLennan Companies (other than MMA and any of its subsidiaries).
- For MMA participants: a U.S. regular employee of MMA-Corporate, Insurance Alliance, MMA-Northeast or MMA-Alaska.

Basic Life Insurance Beneficiary Designation Form). You can download a beneficiary designation form by going online to PeopleLink ([www.mmcpoplelink.com](http://www.mmcpoplelink.com)). Select the **Finances** tab and under **Insurance Benefits**, click **Basic Life Insurance**. Then go to **Forms and Documents** in the right navigation bar, select **Beneficiary Designations** and click on the appropriate beneficiary designation form that applies to you. However, if an irrevocable or absolute assignment is completed, you cannot change your beneficiary under any circumstances. For more information on assigning your benefit, see “Assigning Your Benefit” on page 8.

### ***Who receives my life insurance benefit if I don't name a beneficiary?***

If you do not name a beneficiary, or if your beneficiary isn't alive when you die, the benefit will go to your estate.

### **Cost of Coverage**

#### ***How much do I have to pay for coverage?***

There is no cost to you for Basic Life Insurance. The Company pays the entire cost.

#### ***Is my coverage subject to tax?***

Current federal tax laws generally consider an employer's cost for life insurance in excess of \$50,000 to be taxable income or IMPUTED INCOME, to the employee.

Any imputed income resulting from Company-paid Basic Life Insurance will be reflected on your pay stub and on your year end W-2 form.

### **Avoiding Taxes with Charitable Beneficiaries**

Imputed income does not apply if you designate a qualified charitable organization as the BENEFICIARY of your coverage during the entire calendar year. You must submit proof that the organization meets the IRS definition of a charitable organization.

### ***Is the Company's cost for Basic Life Insurance taxable to me?***

Under current federal tax laws, the Company's cost for Basic Life Insurance coverage in excess of \$50,000 is considered taxable income—or “imputed income”—to you.

For example, if your SALARY is \$61,300, your Company-paid Basic Life Insurance coverage amount is \$62,000. The portion of this amount above \$50,000—that is, \$12,000—is subject to imputed or taxable income treatment under IRS rules.

The following table shows how the IRS determines the monthly imputed income to employees per thousand dollars of Company-paid life insurance amounts above \$50,000.

**Monthly Cost Per \$1,000 of Insurance Above \$50,000**

Age*	Monthly Rate
Under 25	\$.05
25-29	\$.06
30-34	\$.08
35-39	\$.09
40-44	\$.10
45-49	\$.15
50-54	\$.23
55-59	\$.43
60-64	\$.66
65-69	\$1.27
70 and above	\$2.06

\* For purposes of this calculation, your age in the current calendar year is assumed to be in effect for the entire calendar year. For example, if you turn age 40 on June 1, 2007, your age is assumed to be 40 from January 1, 2007 to December 31, 2007.

**How is imputed income shown on my pay slip?**

Your dollar amount of imputed income, if any, is calculated every payroll cycle and is reflected on your pay slip, itemized as "Bas Lif Im." It's also reported on your year-end W-2 form as a component of taxable income from the Company.

**Is the benefit payment taxable?**

The benefit payment, including the Accelerated Benefit Option, is not subject to federal income taxes and in most cases state income taxes.

The death benefit may be subject to federal estate taxes.

Tax rules change from time to time. Please note that the information contained in this Summary Plan Description must not be construed as tax advice, which you can receive only from a professional tax advisor, who should be consulted on federal and state income, gift and estate tax questions.

**When Coverage Begins****Marsh & McLennan Companies New Hire (other than MMA)**

Your Basic Life Insurance coverage will be effective on the first day you are ACTIVELY AT WORK on or after your date of hire.

**MMA New Hire**

Your Basic Life Insurance coverage will be effective on the first day you are actively at work on or after your date of hire.

### ***What happens if I am not at work on the day my coverage is supposed to start?***

#### ***Marsh & McLennan Companies New Hire (other than MMA)***

If you are not actively at work on the day your coverage is supposed to begin, your coverage will be effective on the first day of eligibility when you are actively at work.

#### ***MMA New Hire***

If you are not actively at work on the day your coverage is supposed to begin, your coverage will be effective on the first day of eligibility when you are actively at work.

### **When Coverage Ends**

Under the Basic Life Insurance Plan, coverage ends on the first of the following to occur:

- the date you terminate employment
- the date you no longer meet the eligibility requirements
- the 13<sup>th</sup> month of an approved leave of absence
- the date of your death
- the date the Plan is terminated.

#### ***Exceptions:***

If you die within 31 days of your termination date, a benefit will be paid as if the coverage were still in effect.

Certain retirees may be eligible for a Basic Life Insurance benefit as described in the "Retiree Benefit" section, under "How the Plan Works" on page 6.

You can convert your Basic Life Insurance Plan to an individual policy.

#### ***Converting to an Individual Policy***

You can convert coverage under the Plan to an individual policy if you become ineligible for this group coverage for any reason. When coverage ends, you have 31 days to apply and make the required premium payment for an individual policy without submitting Evidence of Insurability. However, in no event will the conversion period extend beyond 91 days from the date coverage ends.

#### ***How do I apply for a conversion?***

To apply for conversion to an individual policy, you must complete and submit a Conversion of Group Life Benefits to an Individual Policy Form, together with the required premium payment, within 31 days from the date coverage ends. However, in no event will the conversion period extend beyond 91 days from the date coverage ends.

Upon termination, MetLife will mail you a packet of information explaining your conversion and/or portability option.



***Do I need Evidence of Insurability to convert to an individual policy?***

No, you do not need to provide Evidence of Insurability to convert your Basic Life Insurance as long as you apply within 31 days of your coverage end date and you make the required premium payment.

***When does my Individual Life Policy take effect?***

Your individual policy takes effect on the 32<sup>nd</sup> day after the date the group coverage ends, regardless of the duration of the application period.

**How the Plan Works**

Your Company-paid death benefit is equal to one times your SALARY rounded to the next \$1,000, if not already an even multiple of \$1,000.

**Example:** An employee with an SALARY of \$50,100 will have a benefit of \$51,000. There is no minimum or maximum death benefit amount.

There are no exclusions or limitations for pre-existing conditions.

***Will my benefits be reduced as I get older?***

There is no reduction of the Basic Life Insurance benefit because of your age.

***Are there any losses not covered under the Plan?***

No, the Plan pays a benefit when you die regardless of the cause of death.

***If I am disabled, does the Plan still provide a benefit?***

If you are totally disabled, your coverage will continue for as long as you receive benefits under the Company's Basic Long Term Disability Plan.

***Is there an additional benefit under the Basic Life Insurance Plan if I die in an accident?***

No, the Plan does not pay any additional amount for accidental death.

The Company has separate accident insurance plans in which you may be eligible to participate.

***If I am on an authorized unpaid leave of absence, does the Plan still provide a benefit?***

Coverage continues for up to 12 months at no cost to you.

***If I Die***

If you die while you are an active employee, the Basic Life Insurance benefit will be paid to your BENEFICIARY.

## Salary

The following definitions apply when calculating benefits based on your SALARY:

### Definition of Salary

For Marsh & McLennan Companies employees (other than MMA):

- Salary for the purpose of the Plan is your annual base salary (excluding overtime, bonuses, commissions, and other extra compensation).

For MMA employees:

- Salary for the purpose of the Plan is your annual base salary, REGULAR DRAW and EARNED COMMISSIONS.

### ***If my salary changes, what happens to my life insurance benefit?***

If you are a Marsh & McLennan Companies employee and your salary changes, your Basic Life Insurance benefit amount will be adjusted on the date of your salary change, provided you are ACTIVELY AT WORK.

Evidence of Insurability is not required for an increase in coverage resulting from a salary change.

### **Accelerated Benefit Option**

The Basic Life Insurance Plan contains an Accelerated Benefit Option for employees. If you are certified by a medical physician to have a life expectancy of six months or less and you are not expected to recover, you may receive an “advance” (subject to certain maximum limitations) against life insurance proceeds payable at the time of your death. Currently, the maximum is 50% of the benefit payable, but no more than \$250,000. Payment is made in a lump sum. Any payment made in advance will be deducted from the death benefit when you die.

The Accelerated Benefit Option is payable as long as you are eligible to receive this benefit and are not subject to any of the exclusions described below.

### ***How do I file an Accelerated Benefit Option claim?***

A certified claim form must be completed by your physician showing proof of your terminal illness. You can obtain an Accelerated Benefit Option claim form by logging onto PeopleLink ([www.mmcpoplelink.com](http://www.mmcpoplelink.com)). Select the **Finances** tab and under **Insurance Benefits**, click **Basic Life Insurance**. Then go to **Forms and Documents** in the right navigation bar and under **Life, Personal Accident and Business Travel Accident**, select **Accelerated Benefits Claim Form**.

The Claims Administrator must then approve your request to receive an accelerated benefit.

### *Are there limitations to the Accelerated Benefit Option?*

There are exclusions that would prevent you from claiming an accelerated benefit under the Plan. The accelerated benefit will not be paid to you if:

- you have assigned your benefit, or
- the amount of your life or death benefit is less than \$10,000.

### **Assigning Your Benefit**

The Plan permits absolute assignment by gift. Assignments are generally made to a spouse or an adult child, or a trustee of an executed trust agreement but it can be made to anyone. Any such assignment will irrevocably transfer the right, title, interest and incidents of ownership, both present and future, in such benefits.

To assign your benefit to an individual, complete a Gift Absolute Assignment to Individual Form; to assign your benefit to a trust, complete a Gift Absolute Assignment to Trustee with Waivers and Consents Form. Return the completed form as it instructs. The Claims Administrator must consent to your assignment in order for it to become effective. You can obtain the Absolute Assignment forms by going online to PeopleLink ([www.mmcpoplelink.com](http://www.mmcpoplelink.com)). Select the **Finances** tab and under **Insurance Benefits**, click **Basic Life Insurance**. Then go to **Forms and Documents** in the right navigation bar and under **Life, Personal Accident and Business Travel Accident**, select **Accelerated Benefits Claim Form**.

Assignment of benefits may involve federal and state income, gift and estate tax questions. Legal advice from an attorney prior to making an assignment is recommended.

### **Retiree Benefit**

#### ***What is the retiree benefit?***

Employees who retired from Marsh & McLennan Companies on or before December 31, 2005 are eligible for \$7,500 in coverage at no cost to the employee.

**Note:** Employees who retired from acquired companies and past retirees may not be eligible for this benefit. The letter provided to you when you retired should specify the amount of life insurance to which you are eligible as a retired employee, if any.

If these employees elected to convert to an individual policy, the conversion amount will be less the Company paid Retiree Life Insurance amount, \$7,500.

### **Survivor Assistance**

#### ***What is Survivor Assistance?***

Effective November 1, 2007, MetLife automatically added the Survivor Assistance: MetLife Advice for Beneficiaries - Delivering The Promise® (DTP) plan feature to this Plan.

This feature provides personal phone or in-person support and specialized services to covered plan participants and beneficiaries, living in the continental United States.

**Note:** this feature is not included under the Personal (whole) Life Insurance Plan.

### ***What kind of support and services can I expect under the Survivor Assistance Program?***

This unique plan feature provides participants and beneficiaries with personal assistance, support and specialized services to help you deal with the details and questions that may arise when a loved one dies. MetLife has carefully selected and specially trained representatives to support beneficiaries. These specialists can:

- Help beneficiaries identify the benefits for which they may be eligible, including government benefits
- Assist with filing insurance claims
- Answer important questions and assist with paperwork
- Identify local assistance resources, including grief counseling services, government agencies and financial planning.

**Note:** You may also wish to refer to the Employee Assistance Program (EAP) section of the Benefits Handbook under *Employee Program & Policies, Additional Benefits*. Or you may contact an EAP representative directly at +1 800 382 3432, 24 hours a day, 7 days a week.

### ***What does Survivor Assistance cost?***

This program is automatically available at no cost to plan participants or beneficiaries.

### ***How do I initiate Survivor Assistance?***

If you are a plan participant or BENEFICIARY who has experienced the death of a loved one, please notify the Employee Service Center by calling +1 866 374 2662. You will receive information about the Survivor Assistance Program from MetLife in approximately 7 to 10 business days.

### ***What if I have additional questions?***

Contact the Employee Service Center at +1 866 374 2662, any business day, 8 a.m. to 8 p.m. Eastern time.

## How Benefits Are Paid

If you die, your designated BENEFICIARY will receive one of the following:

- a lump sum check made payable to the beneficiary if the benefit is under \$7,500, or
- an interest-bearing money market account in the name of the beneficiary. Your beneficiary can access all or part of the benefit at any time by writing a check against the account which is administered and guaranteed by the Claims Administrator. Your beneficiary will be provided with full details on the account when the benefit becomes payable.

## Filing a Claim

Your BENEFICIARY should contact the Employee Service Center for instructions directly at +1 866 374 2662.

Your beneficiary needs to file the claim within 90 days of your death.

### ***Claim Processing***

After the Claims Administrator receives the proper documents and approves the claim, your beneficiary will be notified.

### ***How long does it normally take to process a claim for benefits?***

Most claims are normally processed within two weeks after the claim is filed.

### ***How do I or my beneficiary appeal a benefit determination or denied claim?***

There are special rules, procedures and deadlines that apply to appeals of benefit determinations and denied claims, and you have special rights under ERISA. Please refer to the *Administrative Information* section for a description of the appeals process.

## Glossary

### ACTIVELY AT WORK

---

You are “actively at work” if you are fulfilling your job responsibilities at a Company-approved location on the day coverage is supposed to begin (e.g., you are not out ill or on a leave of absence).

### AFTER-TAX PAYCHECK DEDUCTIONS

---

Deductions taken from your pay after Social Security (FICA and Medicare) and federal unemployment insurance (FUTA) taxes and other applicable federal, state and local taxes are withheld.

## BENEFICIARY

---

The person or entity you designate to be entitled to benefits when you die. For Spouse and Dependent Children Life Insurance, Personal Life Insurance, and Personal Accident Insurance, you are automatically the beneficiary if a covered family member dies.

## EARNED COMMISSIONS

---

Earned commissions means commissions that have been paid and are not subject to retroactive reduction.

## ELIGIBLE MMA EMPLOYEES

---

As used throughout this document, "MMA Employees" are defined as employees classified on payroll as U.S. regular employees of MMA-Corporate, Insurance Alliance, MMA-Northeast or MMA-Alaska.

## ELIGIBLE MARSH & MCLENNAN COMPANIES EMPLOYEES (OTHER THAN MMA)

---

As used throughout this document, "Marsh & McLennan Companies Employees (other than MMA)" are defined as employees classified on payroll as U.S. regular employees of Marsh & McLennan Companies or any subsidiary or affiliate of Marsh & McLennan Companies (other than MMA and any of its subsidiaries).

## IMPUTED INCOME

---

Income that is required to be added to your W-2 for certain benefits, such as Basic Life Insurance. For Basic Life Insurance, the amount added is based on age and cost factors developed by the IRS.

## REGULAR DRAW

---

Regular draw means a draw against commissions not subject to retroactive reduction.

## SALARY

---

For Marsh & McLennan Companies employees (other than MMA):

Salary for the purpose of the Plan is your annual base salary (excluding overtime, bonuses, commissions, and other extra compensation).

For MMA employees:

Salary for the purpose of the Plan is your annual base salary, regular draw and earned commissions.