

**Q1: What will my beneficiary get if I die?**

**A1:**

Academic Staff

If you are an academic staff who is within the age group 18-65 and you die of natural death, then the beneficiary will get 2 times your annual salary, with a minimum of \$30,000 and a maximum of \$240,000. The beneficiary will get 3 times your annual salary if you had opted to upgrade your Life Insurance,

If you are an academic staff who is within the age group 18-65 and you die of an accidental death, then the beneficiary will get 3 times your annual salary, with a minimum of \$45,000 and a maximum of \$360,000. The beneficiary will get 4 times your annual salary if you had opted to upgrade your Life Insurance.

If you are an academic staff who is within the age group 66-70 and you die a natural or accidental death, the beneficiary will get \$75,000.

If you are an academic staff who is within the age group 71-75 and you die a natural or accidental death, the beneficiary will get \$50,000.

If you are an academic staff who is within the age group 76-85 and you die a natural or accidental death, the beneficiary will get \$25,000.

Please note the maximum upgrade of one annual salary should not exceed \$125,000 and the upgrade option should be placed either from inception of the policy or at renewal.

Management staff (above grade 12)

If you are management staff (above grade 12) and you die a natural death the beneficiary will get 2 times your annual salary, with a minimum of \$30,000 and a maximum of \$240,000. The beneficiary will get 3 times your annual salary if you had opted to upgrade your Life Insurance,

If you are management staff above grade 12 and you die an accidental death the beneficiary will get 3 times your annual salary with a minimum of \$45,000 and a maximum of \$360,000. The beneficiary will get 4 times your annual salary if you had opted to upgrade your Life Insurance.

Please note the maximum upgrade of one annual salary should not exceed \$125,000 and the upgrade option should be placed either from inception of the policy or at renewal.

Non-Academic staff in grades 1-12

If you are non-academic staff in grades 1-12 and you die a natural death the beneficiary will get 2 times your annual salary, with a minimum of

\$25,000 and a maximum of \$50,000. The beneficiary will get 3 times your annual salary if you had opted to upgrade your Life Insurance.

If you are non-academic staff in grades 1-12 and you die an accidental death the beneficiary will get 3 times your annual salary, with a minimum of \$30,000 and a maximum of \$75,000. The beneficiary will get 4 times your annual salary if you had opted to upgrade your Life Insurance.

Please note the maximum upgrade of one annual salary should not exceed \$125,000 and the upgrade option should be placed either from inception of the policy or at renewal

**Q2: What benefits does this policy cover?**

**A2:** This policy covers : Death due to accident or sickness (natural)  
Death or disability as a result of passive war  
Accidental Permanent Total Disability  
Accidental Permanent Partial Disability

**Q3: What are the advantages of a group plan to the employee?**

**A3:** AUB will pay the cost (premium) up to the policy limitations. However, if you wish to supplement the policy you can do so at a reduced group rate and you will not have to write checks to pay the premiums. The cost will usually be deducted from your payroll.

**Q4: What happens to my Life Insurance when I am no longer employed by AUB (retirement, resignation, ect..)?**

**A4:** When you are no more a full time active employee at AUB, your Life Insurance will stop. You will not cash any money.

**Q5: Who is the beneficiary?**

**A5:** This is the person (s) designated to receive Life Insurance upon the death of the insured.

**Q6: Can I designate whoever I want as a beneficiary on my Life Insurance?**

**A6:** Yes, you can.

**Q7: Is suicide covered?**

**A7:** No, suicide is not covered.

**Q8: What is considered passive war coverage?**

**A8:** Passive war covers the risk of death or disability resulting from war, (whether foreign or civil), provided you are not an active participant in such events. Should the war take place in the country of residence or should the war or war-like operations break out following travel outside the

country of residence, the cover remains in this case effective for a maximum period of 28 days following the outbreak.

**Q9: If I am 65 years old and one month do I need to fill in the medical questionnaire?**

**A9:** No, you will need to fill out the questionnaire when you turn 66. .

**Q10: I am 66 years old, can I get supplementary Life Insurance at cost?**

**A10:** No, you cannot. You can only benefit from this option up to age 65. (meaning up to one day before your 66<sup>th</sup> birthday)

**Q11: When do I need to fill out the medical questionnaire?**

**A11:** You need to fill out the medical questionnaire when you opt for supplementary coverage, or when you are 66 years old and above.

**Q12: How do I change my Life Insurance beneficiary information (e.g., if a beneficiary dies or I decide to have a different beneficiary)?**

**A12:** If you want to change the beneficiary, kindly contact the Human Resources Department Campus.

**Q13: I am a US Citizen/ or Green card holder, is there any portion of this benefit non taxable?**

**A13:**

The value of employer provided group term life insurance in excess of \$50,000 is a taxable fringe benefit. The taxable amount will be imputed (added) to your gross taxable income. The table below shows how the imputed value is calculated. If you make the calculation for your age group, you will see that the tax consequence is very minor, especially compared to the benefit.

The monthly cost of Group Term Life insurance (GTL) to include in employees wages is calculated by multiplying the number of thousands of dollars of insurance coverage over \$50,000 (figured to the nearest \$100) by the cost shown in the following table. The employee's age is their age on the last day of the tax year.

**AGE COST**

Under 25	\$ 0.05
25 through 29	\$ 0.06
30 through 34	\$ 0.08
35 through 39	\$ 0.09
40 through 44	\$ 0.10
45 through 49	\$ 0.15
50 through 54	\$ 0.23
55 through 59	\$ 0.43
60 through 64	\$ 0.66

65 through 69 \$ 1.27  
70 and older \$ 2.06

Example.

Assume that AUB provides \$100,000 of GTL coverage. That means that the cost of the amount above \$50,000 (\$50,000 in this case) must be included in employee's wages subject to Social Security and Medicare taxes. The amount is also taxable as federal and state wages but tax withholding is not required.

You would pay any additional taxes due when you file your personal income taxes.

**Q14: What happens if I do not fill out the life insurance form?**

**A14:** You will not benefit from this Group Life Insurance Policy.

**Q15: Can I put myself as “beneficiary”?**

**A15:** No, you can not

**Q16: Can I adjust my upgrade status (adding or removing the upgrade option) of my Life Insurance at anytime that I want?**

**A16:** No, you can not. You can only change the upgrade at renewal on a yearly basis usually in February of each year.