



NORTHWESTERN UNIVERSITY

Dependent Child Term Life Insurance Plan

Summary Plan Description

January 2010

Plan Highlights

- The purpose of the Dependent Child Term Life Insurance Plan is to provide faculty and staff with term life insurance coverage as some degree of financial security and support to designated beneficiaries in the event of the death of an employee's child.
- Participation in the Dependent Child Term Life Insurance Plan is available to regular status staff scheduled to work a minimum of 17.5 hours per week (half-time) and to faculty and exempt staff who are appointed on at least a half-time (50%) basis.
- Requires that the employee be enrolled in the Supplemental Term Life Insurance plan.
- Premiums for the Dependent Child Term Life Insurance Plan are fully employee paid.
- Coverage may be elected in \$2,000 increments up to a maximum coverage of \$10,000.
- Premiums are based on an individual's coverage amount.
- An employee may continue coverage during an unpaid personal leave of absence by paying the premium directly to the University.
- An employee may elect to convert coverage to an individual policy directly with the sponsoring insurance company at termination of University employment or retirement.

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Purpose

The purpose of the Dependent Child Term Life Insurance Plan is to provide faculty and staff with term life insurance coverage as some degree of financial support to designated beneficiaries in the event of the death of an employee's dependent child. This plan is fully employee paid and is sponsored by the Standard Life Insurance Company.

Plan Administrator

The University is the Plan Administrator and has the responsibility for operating and interpreting the Plan.

For Additional Information

The information contained in this Summary Plan Description is intended to summarize the major features of the Dependent Child Term Life Insurance Plan. It is not intended to be a complete explanation or list of benefits provided by the Dependent Child Term Life Insurance Plan. An individual should review the schedule of monthly premium rates and the certificate of insurance issued by the sponsoring insurance company for additional information.

Individuals may also contact a representative of the sponsoring insurance company with any questions.

Continuation of the Plan

The University intends to continue this Plan indefinitely, but reserves the right to modify or terminate the Plan at any time with or without notice.

Participation in this Plan is provided to eligible faculty and staff and does not constitute a guarantee of employment. Participation in the Plan also requires continued employment and eligibility and is subject to the terms and conditions of the Plan Document.

Eligibility

This section summarizes eligibility requirements for participation in the Dependent Child Term Life Insurance Plan.

Salary Requirement

An individual must receive University compensation paid by the University's payroll system and his or her University salary must be sufficient to cover the amount of monthly premium deductions. The minimum annual University salary is \$1,000.

Employee Classification

Staff

Regular status staff must be scheduled to work at least 17.5 hours per week. Exempt staff must be appointed on at least a half-time (50%) basis.

Bargaining unit employees should refer to union contracts.

Faculty

Faculty must be appointed on a full-time or part-time basis for the entire academic year or on a full-time basis for half the academic year. The University defines half the academic year as either one semester or 2 consecutive quarters.

Academic Full-Time and Half-Time Faculty

Such individuals must be compensated exclusively by one or more of the following affiliated McGaw Medical Center institutions including the University, Northwestern Memorial Hospital (NMH), Northwestern Medical Faculty Foundation (NMFF), Children's Memorial Hospital and its related faculty practice plans, the Rehabilitation Institute of Chicago (RIC), and the VA Lakeside Medical Center. Only the University salary is insured and the minimum required University annual salary is \$1,000.

NMFF income does not qualify to cover the amount of monthly premium deductions.

Contributed Service Faculty

Medical School faculty who volunteer to participate in the academic activities of the Medical School without direct financial compensation. Such individuals are not eligible to participate in the Dependent Child Term Life Insurance Plan.

ROTC Faculty

Individuals, who serve as full-time faculty for ROTC and NROTC programs on campus, while not paid by the University, are not eligible to participate in the Dependent Child Term Life Insurance Plan.

Post Doctoral Fellows

Individuals classified as a Post Doctoral Fellow and appointed on at least a half-time basis are eligible to participate in the Dependent Child Term Life Insurance Plan.

Post Doctoral Fellows – NRSA

Individuals classified as a Post Doctoral Fellow funded by a National Research Service Award (NRSA) from the National Institutes of Health (NIH) are not eligible to participate in the Dependent Child Term Life Insurance Plan.

Visiting Scholars

Individuals classified as a Visiting Scholar are not eligible to participate in the Dependent Child Term Life Insurance Plan.

Visiting personnel

Individuals with academic appointments of half time or greater at the rank of professor, associate professor and assistant professor are eligible to participate in the Dependent Child Term Life Insurance Plan.

Disabled employees

An employee who becomes permanently and totally disabled while working for Northwestern University and is receiving University-sponsored Long Term Disability benefits remains eligible to participate in the Dependent Child Term Life Insurance Plan.

Employees on a leave of absence

An employee on a paid leave of absence may continue participation in the Dependent Child Term Life Insurance Plan.

An employee on a leave of absence without pay may continue Dependent Child Term Life Insurance coverage. The employee will continue to pay the monthly premium.

Retired employees

Individuals who retire from University employment may elect at the time of retirement to convert Dependent Child Term Life Insurance coverage to an individual policy directly with the sponsoring insurance company.

Deceased employees

A spouse or dependent child of a deceased employee is not eligible for Dependent Child Term Life Insurance coverage.

Other Eligible Individuals

Spouse

An employee's spouse is not eligible for Dependent Child Term Life Insurance coverage.

Surviving spouse and children of a deceased employee

An eligible spouse or dependent child of a deceased employee or retired employee is not eligible for Dependent Child Term Life Insurance coverage.

Domestic Partner

An employee's same-gender is not eligible for Dependent Child Term Life Insurance coverage

Dependent child

Coverage is extended to a dependent child through age 25 regardless of student status.

Parents and grandparents

An employee's parents, grandparents and in-laws are not eligible for University-sponsored Dependent Child Term Life Insurance coverage.

Duration of Eligibility

Participation in the Plan may continue for as long as an individual remains an eligible employee and receives a University salary of the specified minimum amount.

Plan Options

This section summarizes the choice of Dependent Child Term Life Insurance coverage and coverage amount.

Choice of Coverage

An eligible employee may choose coverage in increments of \$2,000 up to a maximum coverage of \$10,000 per child.

Benefits

This section summarizes the amount of life insurance coverage the University provides to an eligible employee.

Coverage Amount

Dependent Child Term Life Insurance coverage has a coverage limit of \$10,000. The minimum coverage is \$2,000.

Change in Coverage Amount

The amount of Dependent Child Term Life Insurance coverage will increase or decrease as of January 1st based on Open Enrollment elections. Any coverage increase is not subject to approval by the sponsoring insurance company. Coverage may also change as a result of elections made within 31 days of a qualifying change in family or employment status and approval of the sponsoring insurance company.

Contributions

This section summarizes premium contributions for the Dependent Child Term Life Insurance Plan.

Premiums

Premiums for the Dependent Child Term Life Insurance Plan are fully employee paid.

Deduction Schedule

Premiums for the Dependent Child Term Life Insurance Plan are recorded on employee paycheck stubs under the employee column.

For individuals who are paid on a bi-weekly basis, the premium is recorded on the first and second paycheck stub. For individuals who are paid on a monthly basis, the premium is recorded on the paycheck stub issued the last working day of each month.

Premiums deducted in a month pay for coverage for that month. For example, premiums recorded on March paycheck stubs pay for March coverage.

Employees on a Leave of Absence

Employees on a paid or unpaid leave of absence may continue to pay the premiums to the University.

Employees Receiving Short Term Disability Benefits

Employees receiving Short Term Disability benefits may continue to pay the premiums to the University.

Employees Receiving Long Term Disability Benefits

The payment of premium payments will continue to be paid by the employee during the period an individual is receiving Long Term Disability benefits.

Enrollment Procedures

This section summarizes enrollment procedures and deadlines

Guaranteed Coverage for Newly Hired or Benefits Eligible Employees

At the time of hire or initial benefits eligibility, an individual should complete the enrollment process including electing the amount of coverage and enrolling his or her dependent child or children or waiving coverage no later than 31 days from the date of hire. Failure to enroll will result in the employee having coverage waived.

Designating a Beneficiary

Dependent Child Term Life Insurance benefits are paid to the designated beneficiary upon death from any cause. The employee of the enrolled child is assumed to be the named beneficiary

Effective Date of Coverage

This section summarizes coverage effective dates for Dependent Child Term Life Insurance coverage.

Initial Eligibility

The effective date of Dependent Child Term Life Insurance coverage is the first of the month following the date of hire or initial benefits eligibility.

After Initial Eligibility

If an employee does not complete the enrollment process when first eligible, the effective date of Child Term Life Insurance is based on when the sponsoring insurance company approves the application.

If an employee elects coverage during Open Enrollment, the effective date of Dependent Child Term Life Insurance is January 1st.

Dropping Basic Term Life Insurance

An individual may drop Dependent Child Term Life Insurance coverage within 31 days of a qualifying change in family or employment status by submitting a completed benefit change form to the Benefits Division or during Open Enrollment. If an individual later wishes to re-establish coverage, he or she must submit documentation showing evidence of good health satisfactory to the sponsoring insurance company.

Claim Submittal Procedures

This section summarizes the procedures for notifying the University of the death of a covered dependent child and receiving the life insurance benefit.

Notification Procedure

In the event of the death of a covered dependent child, the Benefits Division should be notified immediately and provided with a certified copy of the death certificate. Receiving such information will enable the prompt issuance of benefits to the named beneficiary.

Following notification, the Benefits Division will forward the following information to the sponsoring life insurance company.

- Death Certificate
- Proof of Death Form
- Beneficiary Designation Form
- Proof of Enrollment.

Claim Payment Options

The designated beneficiary will receive death benefits paid through a lump sum check.

Individuals should contact the sponsoring insurance company for further information.

Appeal of Claim Denial

If a claim for death benefits is denied, the employee's named representative will receive a written notice giving the reason for the denial. The representative will then be entitled upon written request to a review of that claim decision.

Changes in Family or Employment Status

This section summarizes the impact of changes in employment or family status on Dependent Child Term Life Insurance coverage.

Changes in Family Status

An employee may apply for Dependent Child Life Insurance coverage by submitting a completed enrollment form within 31 days from the date of the birth or adoption of a child to the Benefits Division or to the Chicago Human Resources Office.

Changes in Employment Status

An employee may apply for Dependent Child Life Insurance coverage by submitting a completed enrollment form within 31 days from the date of a change in employment status child to the Benefits Division or to the Chicago Human Resources Office.

Changes in Spouse Employment Status

An employee may apply for Dependent Child Life Insurance coverage by submitting a completed enrollment form within 31 days from the date of a change in the spouse's employment status child to the Benefits Division or to the Chicago Human Resources Office

Leaves of Absence

During a leave of absence, covered individuals may continue his or her Dependent Child Term Life Insurance coverage.

Leaves of absence for health or medical reasons

The employee continues to pay the total monthly premium.

Leaves of absence for personal reasons

The employee pays the monthly premium.

Coverage continuation procedures

Upon notification of approval of the leave, the Benefits Division will forward information to the employee detailing his or her benefit coverage, the monthly premium rate during the leave and a form for the employee to complete requesting continued coverage and return the completed form to the Benefits Division electing continuation of Dependent Term Life Insurance coverage.

Premiums should be by check payable to Northwestern University and submitted to the Benefits Division. Failure to pay the monthly premium in a timely manner will result in the termination of coverage.

Return from Leave

Upon return from a leave of absence, an individual may resume Dependent Child Term Life Insurance coverage not continued during the leave.

Failure to Return from Leave

An individual who decides not to return from a leave of absence has option of converting coverage to an individual policy directly with the sponsoring insurance company.

Termination of Employment

Coverage will be provided through the date of termination.

At separation of University employment, covered individuals may convert his or her Dependent Child Term Life Insurance coverage to an individual policy directly with the sponsoring insurance company.

In order to convert coverage, a written application must be made for an individual policy and the first premium must be paid on it within 31 days after cessation of insurance.

Premiums for the converted policy will be at the sponsoring insurance company's then customary rate for the same policy issued to any other person of the same class of risk.

If an individual dies during the 31 day period and before the individual policy goes into effect, the amount payable is limited to the maximum that could have been converted.

An individual should contact the sponsoring insurance company for further information.

Retirement

Coverage will be provided through the date of retirement.

At retirement, an individual may convert his or her Dependent Term Life Insurance coverage to an individual policy directly with the sponsoring insurance company.

In order to convert coverage, a written application must be made for an individual policy and the first premium must be paid on it within 31 days after cessation of insurance.

Premiums for the converted policy will be at the sponsoring insurance company's then customary rate for the same policy issued to any other person of the same class of risk.

If an individual dies during the 31 day period and before the individual policy goes into effect, the amount payable is limited to the maximum that could have been converted.

An individual should contact the sponsoring insurance company for further information.

ERISA Rights

Each participant in University sponsored benefit plans is entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. ERISA provides that all Plan participants will be entitled to:

Examine, without charge, at the Plan Administrator's office, all Plan documents and copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports (if any) and Plan descriptions.

Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may impose a reasonable charge for the copies.

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for the operation of employee benefit plans.

The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of Plan participants and beneficiaries. No one, including the employer or other person, may terminate an individual's employment or otherwise discriminate against the individual in any way to prevent him or her from obtaining a benefit or exercising his or her rights under ERISA.

If a claim is denied in whole or in part, an individual must receive a written explanation of the reason for the denial. He or she has the right to have the Plan Administrator review and reconsider the claim. Under ERISA, there are steps an individual can take to enforce these rights. For instance, if an individual requests certain materials from the Plan and does not receive them within 30 days, he or she may file suit. In such a case, the court may require the Plan Administrator to provide the materials and pay the individual up to \$100 a day until he or she receives the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If an individual has a claim for a benefit plan which is denied or ignored, in whole or in part, he or she may file suit. If it should happen that Plan fiduciaries misuse the Plan's money (if benefits ever become funded), or if an individual is discriminated against for asserting his or her rights, he or she may seek assistance from the U.S. Department of Labor, or he or she may file suit. The court will decide who should pay court costs and legal fees. If the individual is successful, the court may order the person sued to pay these costs and fees. If an individual loses, the court may order him or her to pay these costs and fees if, for example, it finds the claim frivolous. If an individual has questions about this Plan, he or she should contact the Plan Administrator. If there are any questions about this statement or about an individual's rights under ERISA, he or she should contact the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor. The Plan Administrator shall have the maximum authority permitted by law to construe and apply the provisions of the Plan.

Summary

Name of Plan	Northwestern University Dependent Child Term Life Insurance Plan
Plan Number	66322-1GAT
Date Established	January 1, 2009
Type of Plan	Welfare benefit plan
Plan Year	January 1 through December 31
Plan Sponsor – Employer	Northwestern University 720 University Place Evanston, IL 60208-1143 847 491-7513
Employer Identification Number	36-2167817
Plan Administrator	Northwestern University 720 University Place Evanston, IL 60208-1143 847 491-7513
Claim Administrator	ING Life Insurance Company
Agent for Service of Legal Process	Office of General Counsel 633 Clark Street Evanston, IL 60208-1143
Contributions	Fully employee paid