

Business Travel Accident Insurance Summary Plan Description

Designed specifically
for employees of

Northern Michigan University

This booklet describes the Business Travel Accident Insurance Plan provided to employees who are traveling on business for Northern Michigan University. The Plan is underwritten by Gerber Life Insurance Company and is provided to you at no cost.

While this booklet describes the Business Travel Accident Plan arranged for your benefit, ***it is not considered as the contract of insurance.*** For simplicity, this Plan has been described in a general and brief manner in this booklet. The complete terms of the Business Travel Accident Plan are set forth in the original Policy issued to Northern Michigan University.



Northern.
Naturally.

ELIGIBILITY

You are eligible for coverage under the Business Travel Accident Insurance Plan if you are an active full-time employee of Northern Michigan University domiciled in the United States.

BENEFIT AMOUNT – PRINCIPAL SUM

Your Principal Sum is \$100,000.

WHAT THE PLAN COVERS

24-Hour All Risk Accident Protection -- Business Only

The Business Travel Accident Insurance Plan provides all-risk accident protection against most types of accidents while you are traveling on business, including when you are flying as a passenger (but not as a pilot or crew member) in any civilian aircraft having a current and valid Airworthiness Certificate, except aircraft owned or leased by Northern Michigan University.

Coverage will also apply to an Injury sustained by you during any Bonafide Relocation Trip, provided the Relocation Trip is authorized and any Relocation expenses are reimbursed by Northern Michigan University.

Coverage begins when you leave your residence or place of regular employment, which ever is last, for the purpose of a business trip or Relocation Trip and continues until you return to your residence or place of regular employment, which ever is first, following a business trip or you undertake a personal deviation exceeding three days.

If you travel to a location away from your place of regular employment and are expected to remain at that location for more than 90 days, such location shall be deemed a change in your place of regular employment.

BENEFITS

Accidental Death and Loss of Use Benefit

Gerber Life Insurance Company will pay a benefit for loss due to Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip as shown in the table below. The loss must occur within 365 days after the date of the accident. You must be covered under the Policy on the date of the accident.

Table of Losses for Loss of:

Life.....	The Principal Sum
Sight of Both Eyes.....	100% of The Principal Sum
Speech and Hearing of Both Ears	100% of The Principal Sum
Both Hands or Both Feet.....	100% of The Principal Sum
One Hand and One Foot.....	100% of The Principal Sum
Loss of Use of Four Limbs	100% of The Principal Sum
Loss of Use of Three Limbs	87% of The Principal Sum
Loss of Use of Two Limbs.....	75% of The Principal Sum
Loss of Use of One Limb.....	50% of The Principal Sum
One Hand or One Foot.....	50% of The Principal Sum

Sight of One Eye	50% of The Principal Sum
Speech or Hearing of Both Ears	50% of The Principal Sum
Hearing of One Ear	25% of The Principal Sum
Thumb and Index Finger of Same Hand.....	25% of The Principal Sum

Maximum-All Losses-Any One Accident..... 100% of The Principal Sum

Loss means the:

- (i) complete, total and irrecoverable loss of use of a hand at or above the wrist;
- (ii) complete, total and irrecoverable loss of use of a foot at or above the ankle joint;
- (iii) complete, total and irrecoverable loss of use of a limb at or above the elbow or knee;
- (iv) complete, total and irrecoverable loss of the sight of an eye;
- (v) complete, total and irrecoverable loss of speech;
- (vi) complete, total and irrecoverable loss of hearing; or
- (vii) complete, total and irrecoverable loss of thumb and index finger at or above the knuckles.

Rehabilitation Benefit

Gerber Life Insurance Company will pay a Rehabilitation Benefit for loss due to Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip. The loss must occur within 90 days after the date of the accident. You must be covered under the Policy on the date of the accident.

The Rehabilitation Benefit is equal to \$250 per month and will be paid for up to paid for 6 months.

In order for benefits to be paid, you must be receiving rehabilitation therapy from an accredited therapist as the result of the accident. You must continue to undergo rehabilitation therapy for benefits to be paid.

Coma Benefit

If Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip results in you being in a coma for at least 31 consecutive days, Gerber Life Insurance Company will pay a Coma Benefit to you. You must be covered under the Policy on the date of the accident. The coma must occur within 31 days after the date of the accident. The coma must result from accidental bodily injury which is direct and independent of any other cause.

The Coma Benefit is equal to 3% of the applicable Principal Sum, subject to a minimum of \$150 and a maximum of \$1,500 per month and will be paid for up to 12 months.

The first Coma Benefit will be paid on the date the Company receives proof that you are in a coma which:

- (a) resulted from accidental bodily Injury direct and independent of any other cause;
- (b) requires treatment by a licensed physician or surgeon acting within the scope of his or her license;
- (c) requires that you are hospital confined; and
- (d) the coma has lasted for at least 31 consecutive days.

The Coma Benefit will end when the comatose condition ceases, whether by death, recovery or any other change of such condition.

Therapeutic Counseling Benefit

If, due to an Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip, you require Therapeutic Counseling, Gerber Life Insurance Company will pay a benefit of \$250 per month for up to 6 months.

The Therapeutic Counseling must commence within 90 days after the date of the accident.

In order for benefits to be paid, you must be receiving Therapeutic Counseling from an accredited and state licensed therapist, psychiatrist or psychologist. You must continue to undergo Therapeutic Counseling for benefits to be paid.

Therapeutic Counseling Care means that you are under the care of a licensed physician acting within the scope of his or her license and upon the recommendation of such physician, you are receiving counseling from an accredited and state licensed therapist, psychiatrist or psychologist.

Adaptive Home and Vehicle Benefit

If, due to an Injury caused by an accident, when on Business for Northern Michigan University during any Bonafide Trip you incur expenses for alterations to your principal residence or personal private automobile as a result of the Injury Gerber Life Insurance Company will pay a benefit of an amount equal to 10% of your Principal Sum, subject to a minimum of \$250 and a maximum of \$25,000.

The alterations to your principal residence or personal private automobile must commence within 90 days after the date of the accident.

Eligible expenses are those expenses required to make alterations to your:

- (i) principal residence accessible to you; or
- (ii) personal private automobile to allow you to operate or ride as a passenger in such automobile.

Surgical Reattachment Benefit

Gerber Life Insurance Company will pay a benefit for the reasonable medical expenses, shown below, required to surgically reattach a severed arm, leg, hand or foot due to an Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip. The loss must occur within 3 days after the date of the accident. You must be covered under the Policy on the date of the accident.

You must have suffered a loss due to an Injury caused by an accident as shown in the Table of Losses below.

Items of reasonable medical expense are:

- (1) medical treatment by a licensed physician or surgeon, acting within the scope of his or her license;
- (2) services of a licensed anesthesiologist, acting within the scope of his or her license;
- (3) services of a licensed nurse, acting within the scope of his or her license; and
- (4) hospital confinement.

Table of Losses for Loss of:

Both Legs or Both Arms	25% of The Principal Sum
Both Hands or Both Feet.....	25% of The Principal Sum
One Arm and One Leg	25% of The Principal Sum

One Hand and One Foot.....	25% of The Principal Sum
Either Leg or Arm	15% of The Principal Sum
Either Hand or Foot.....	15% of The Principal Sum
Thumb and Index Finger of Same Hand.....	5% of The Principal Sum

Maximum – All Losses – Any One Accident 25% of The Principal Sum

Loss shall mean the:

- (i) loss of a leg by total severance at or above the knee;
- (ii) loss of an arm by total severance at or above the elbow;
- (iii) loss of a hand by total severance at or above the wrist;
- (iv) loss of a foot by total severance at or above the ankle joint; or
- (v) loss of thumb and index finger by total severance at or above the knuckles.

Private Passenger Automobile Seat Belt Benefit

Gerber Life Insurance Company will pay an additional benefit of 10% of the applicable Principal Sum, subject to a minimum of \$500 and a maximum of \$25,000, for loss due to Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip while operating or riding as a passenger in a private passenger automobile provided that you were wearing a properly fastened seat belt at the time of the accident.

No benefit is payable if the operator of the automobile was under the influence of alcohol or drugs.

Seat Belt usage must be verified by:

- (i) a doctor;
- (ii) a coroner;
- (iii) a police officer; or
- (iv) any other person of competent authority.

Private Passenger Automobile Air Bag Benefit

Gerber Life Insurance Company will pay an additional benefit of 10% of the applicable Principal Sum, subject to a minimum of \$250 and a maximum of \$25,000, for loss due to Injury caused by an accident to you when on Business for Northern Michigan University during any Bonafide Trip while operating or riding as a passenger in a private passenger automobile provided you were wearing a properly fastened seat belt at the time of the accident and were positioned in a seat protected by a properly functioning original factory installed Supplemental Restraint System that deploys on impact.

No benefit is payable if the operator of the automobile was under the influence of alcohol or drugs.

Seat Belt and Supplemental Restraint System usage must be verified by:

- (i) a doctor;
- (ii) a coroner;
- (iii) a police officer; or
- (iv) any other person of competent authority.

PAYMENT OF BENEFITS:

The Dismemberment Benefit is payable to you. The Benefit for loss of life will be paid as follows:

- a) to the beneficiary or beneficiaries designated in writing by you, otherwise;

- b) to the beneficiary or beneficiaries designated under the group life insurance policy issued to Northern Michigan University, otherwise;
- c) to your widow or widower, if surviving you, otherwise;
- d) to your surviving child or children in equal shares, otherwise;
- e) to your parents in equal shares or the surviving parent, otherwise;
- f) to your surviving brothers and sisters in equal shares or the survivors of them, otherwise;
- g) to your estate.

Payment of loss for Benefits under this Policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

THE PLAN'S LIMITATIONS

The maximum aggregate amount payable on account of several employees being injured in the same aircraft accident is \$750,000. In the event the total benefits otherwise payable to the injured employees or beneficiaries exceed this figure, each injured employee or beneficiary will be paid a proportionate share of the loss rather than his or her normal benefit.

THE PLAN'S EXCLUSIONS

Benefits are not paid for any loss caused by or resulting from:

- a) suicide or intentionally self-inflicted injury; whether sane or not;
- b) bacterial infection, except those which occur with a cut or wound at the time of the accident;
- c) any kind of disease;
- d) medical or surgical treatment (except surgical treatment required by the accident);
- e) war or any act of war;
- f) injury sustained while riding as a pilot or crew member of any aircraft;
- g) injury sustained while in any of the armed forces, except temporary domestic National Guard or Reserve duty for less than 30 days;
- h) injury sustained while riding in any aircraft owned or leased by Northern Michigan University;
- i) voluntarily taking any drug, chemical or controlled substance, unless taken as prescribed by a licensed physician;
- j) committing or attempting to commit a felony; and
- k) operating any vehicle with a blood alcohol level greater than the legal limit.

TERMS USED IN THE PLAN

In order to fully understand the extent of your coverage under this Business Travel Accident Plan, you should be familiar with the following terms.

When On Business For The Policyholder

Furthering the business of Northern Michigan University. This does not include an Injury sustained during travel to and from work, leave of absence, vacation or personal deviation.

Personal Deviation

An activity that is not reasonably related to the business of Northern Michigan University and not incidental to a Bonafide Trip.

Bonafide Trip

A trip made in good faith and authorized by Northern Michigan University for the purpose of furthering the business of Northern Michigan University.

On the Premises of the Policyholder

The location where Northern Michigan University conducts its business, including the location where you perform your occupational duties.

Airworthiness Certificate

The "Standard" Airworthiness Certificate issued by the Federal Aviation Agency of the United States or its foreign equivalent.

Injury

Accidental bodily injury which: (i) is direct and independent of any other cause; and (ii) requires treatment by a licensed physician or surgeon, acting within the scope of his or her license.

Exposure

Being exposed to the elements following the disappearance, forced landing, stranding, sinking or wrecking of a vehicle. Exposure will be deemed an accidental bodily injury.

Disappearance

Failure to find the body within one year after the disappearance, forced landing, stranding, sinking or wrecking of a vehicle. Disappearance will be deemed accidental loss of life, provided there has been a judicial determination of death.

Loss of Use

The complete, total and irrecoverable loss of the use of an arm, leg, hearing, speech or sight.

Limb

An arm or leg.

Coma

Being in a state of complete mental unconsciousness without response to stimulation.

Comatose

Being in a coma.

Seat Belt

A properly installed seat belt, lap and shoulder restraint, child restraint or other restraint approved by the National Highway Traffic Safety Administration.

Supplemental Restraint System

An original factory installed air bag designed to inflate on impact for added protection to the head and chest areas.

Relocation

Change in your assigned place of regular employment by Northern Michigan University to another location. The change must require you to seek a new primary residence. Coverage for Relocation trips may include the search for a new primary residence, activities related to settlement or closing on a new primary residence and the move to the new primary residence. Expenses for travel due to Relocation must be reimbursed by Northern Michigan University.

IMPORTANT NOTICE REGARDING THE OFFICE OF FOREIGN ASSETS CONTROL

Your rights as a policyholder and payments to you, any insured or claimant, for loss under the policy may be affected by the administration and enforcement of U.S. economic embargoes and trade sanctions by the OFFICE OF FOREIGN ASSETS CONTROL (“OFAC”).

WHAT IS OFAC?

OFAC is an office of the Department of the Treasury and acts under the presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze foreign assets under U.S. jurisdiction. OFAC administers and enforces economic embargoes and trade sanctions primarily against:

- Targeted foreign countries and their agents
- Terrorism sponsoring agencies and organizations
- International narcotics traffickers

PROHIBITED ACTIVITY

- OFAC enforces certain embargoes and sanctions against certain designated countries. No U.S. business or persons may enter into certain transactions in or connected to such designated “sanctioned” countries.
- OFAC maintains a directory known as the “Specially Designated Nationals and Blocked Persons” (“SDNBP”) list. No U.S. business or person may transact business with any person or entity named on the SDNBP list.

Additional and more in-depth information on OFAC is available at the following website:

<http://www.ustreas.gov/offices/eotffc/ofac>.

OBLIGATIONS PLACED ON US BY OFAC

If we determine that you, any insured or claimant are on the SDNBP list or are connected to a sanctioned country as described in the regulations enforced by OFAC, we must block or “freeze” property and payment of any funds transfers or transactions and report all blocks to OFAC within ten (10) days.

POTENTIAL ACTIONS BY US

1. We may immediately cancel your coverage effective on the day that we determine that we have transacted business with an individual or entity associated with your policy on the SDNBP list or connected to a sanctioned country as described in the regulations enforced by OFAC.
2. If we cancel your coverage, you will not receive a return premium unless approved by OFAC. All funds will be placed in an interest bearing blocked account established on the books of a U.S. financial institution.
3. We will not pay a claim, accept premium or exchange monies or assets of any kind to or with individuals, entities or companies (including a bank) on the SDNBP list or connected to a sanctioned country as described in the regulations enforced by OFAC. And, we will not defend or provide any other benefits under your policy to individuals, entities or companies on the SDNBP list or connected to a sanctioned country as described in the regulations enforced by OFAC.

YOUR RIGHTS AS A POLICYHOLDER

If funds are blocked or frozen by us in conjunction with the OFFICE OF FOREIGN ASSETS CONTROL, you may complete an “APPLICATION FOR THE RELEASE OF BLOCKED FUNDS” and apply for a specific license to request their release. Forms are available for download at the OFAC website.

See <http://www.treas.gov/offices/enforcement/ofac/forms/license.pdf>.