

NOTICE FOR CONTINUATION OF HEALTH INSURANCE

WHO MAY CONTINUE COVERAGE, WHEN, AND FOR HOW LONG

Starting January 1, 1987, provided your or your covered dependents are not covered under any other group health care plan, if your employment terminates for any reason other than your gross misconduct, or if your hours worked are reduced so that your health care coverage terminates, you and your covered dependents may continue health care coverage under the Plan for up to 18 months. In addition, if you should die, become divorced or legally separated, or become eligible for Medicare, your covered dependents who are not covered under any other group health care plan may continue health care coverage under the Plan for up to three years. Also, your covered children who are not covered under any other group health care plan may continue health care coverage under the Plan for up to three years after they no longer qualify as covered dependents under the terms of the Plan.

WHEN CONTINUED COVERAGE ENDS

The continued coverage will end for any person when:

- a) The cost of continued coverage is not paid on or before the date it is due; or
- b) that person becomes eligible for Medicare; or
- c) that person becomes covered under another health care plan; or
- d) the Plan terminates for all employees.

NOTICES

Notice will be given when you or your covered dependents become entitled to continue health care coverage under the Plan. You, or they, will then have at least 60 days to elect to continue coverage. However, you or your covered spouse or your covered child must notify your Employer in the event you become divorced or legally separated, or when your dependent child no longer qualifies as a covered dependent under the Plan.

COST OF CONTINUED COVERAGE

Any person who elects to continue coverage under the Plan must pay the full cost of that coverage (including both the share you now pay and the share your Employer now pays), plus any additional amounts permitted by law. Your payments for continued coverage must be made on the first day of each month in advance.