

You will receive quarterly and annual statements of account activity that show contributions, investment gains and losses, disbursements, fund transfers, and beginning and ending account balances. These statements are mailed to the address that you provide to TIAA. TIAA also offers on-line account access.

LIFE INSURANCE BENEFITS

Full-time employees are covered under a group term life insurance policy. In the event of an employee's death prior to retirement, the employee's beneficiary will receive benefits from two sources:

1. The money accumulated on the employee's behalf in his or her individual pension plan account.
2. The group term life insurance policy.

At death, a participant's beneficiary receives 100 percent of their individual pension account. It will be paid in a form acceptable to the beneficiary.

In addition to the distribution of funds from each employee's individual pension plan account; the beneficiary will receive benefits available under the group term life insurance policy. The group term life insurance policy calculates benefits as a multiple of base annual salary, as shown in the table below.

In addition, each employee has accidental death and dismemberment (AD&D) coverage through the group term life insurance policy; AD&D benefits are payable to the participant's beneficiary if his/her death results directly and independently of all other causes from an accidental injury.

Funding is provided through a group term life insurance contract. Participant contributions are neither required nor permitted.

In the event of an employee's death, benefit payments under the group term life insurance policy are made in either a lump sum payment, or an annuity contract is purchased to provide a monthly benefit, at the beneficiary's request.

LIFE INSURANCE BENEFIT SCHEDULE

35 years and younger	6.0 x annual salary
36 through 40 years	5.0 x annual salary
41 through 45 years	4.0 x annual salary
46 through 50 years	3.0 x annual salary
51 through 55 years	2.5 x annual salary
56 through 60 years	2.0 x annual salary
61 through 65 years	1.5 x annual salary
66 years and older	1.0 x annual salary

Maximum Benefit - \$400,000

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (AD&D)

Full-time employees are covered under an accidental death and dismemberment (AD&D) insurance benefit effective with their first active day of employment. The AD&D benefits are payable to the claimant upon notice of claim after any loss covered by the policy occurs. Under the current policy, benefits are calculated as a multiple of base annual salary and age as shown in the table below.

The policy pays benefits for specific losses from accidents only. Benefits are not paid for loss due to sickness or Workers' Compensation.

AD&D SCHEDULE OF BENEFITS

Police & Fire: Under age 36 – the lesser of twelve times Annual Salary or \$600,000.
Age 36 through 40 – the lesser of ten times Annual Salary or \$600,000.
Age 41 through 45 – the lesser of eight times Annual Salary or \$600,000.
Age 46 through 50 – the lesser of six times Annual Salary or \$600,000.
Age 51 through 55 – the lesser of five times Annual Salary or \$600,000.
Age 56 through 60 – the lesser of four times Annual Salary or \$600,000.
Age 61 through 65 – the lesser of three times Annual Salary or \$600,000.
Age 66 and older – the lesser of two times Annual Salary or \$600,000.

Age Reduction Schedule: The amount payable for a loss will be reduced if a Covered Person is age 70 or older on the date of the Covered Accident causing the Covered Loss.

The current policy also includes a Coma Benefit, Emergency Medical Evacuation Benefit and a Seatbelt and Airbag Benefit.

Please refer to the Group Accident Certificate of Insurance for additional information.

DISABILITY INSURANCE BENEFITS

All full-time employees are covered under a long-term disability insurance contract. If a participant is receiving benefits under the city's long-term disability insurance policy, the participant will retain pension benefits:

1. The City of Kirkwood shall continue its 6.5 percent contribution to the pension plan on behalf of the participant until the earlier of age 65, the date the participant returns to active employment, the date of the participant's death, or the date of the written election to receive his/her benefit. Neither the participant nor the City makes the 6.5 percent contribution during this period.
2. The contribution will be based on the basic annual salary of the participant in effect on the date of the disability's occurrence.
3. The pension account that is accumulated will be available for distribution upon the participant's written election to receive his/her benefit.

An employee's long-term disability will affect that individual's retirement benefits as follows:

The employee's status on the vesting schedule is frozen at the level attained at time of disability. If the disability continues to age 60, the retirement plan becomes fully vested. If the participant recovers and returns to the City of Kirkwood as an employee, the vesting schedule resumes from the point at which it stopped previously.

City contributions to the plan continue on the basis of the participant's annual base salary at the date of disability and until the earlier of age 65, the date the participant returns to active employment, the date of the participant's death, or the date of the written election to receive his/her benefit.

In addition to the disability benefits provided under the terms of the City of Kirkwood Police Officers' and Firefighters' Pension Plan, plan participants also receive a long-term disability insurance benefit equal to 60 percent of their base salary, excluding overtime. This benefit is offset by any benefit that may be payable under the workers' compensation program and/or Social Security disability, including family benefits.