



Federal Employee Benefit Association

11301 Old Georgetown Road • Rockville, Maryland 20852-2800 • (301) 984-1440 • (800) 638-6589

January, 2007

Important Information About Your SAMBA Personal Accident Insurance (PAI) Plan

Dear Member,

Good news! SAMBA has increased your PAI coverage amount and added valuable new benefits, all at no increase in your current premium. Two enrollment options are now available: (1) Member Only and (2) Member and Family. Members enrolled in the Member and Family option will automatically have coverage for all eligible family members – without the need to advise us when a new family member is added or removed.

The enclosed Statement of Coverage reflects your present enrollment option and new coverage amounts effective January 1, 2007.

Some PAI plan benefits have been added or changed. Key changes are:

- **Increased Coverage Amounts**, up to \$500,000,** are now available.
- **Monthly Mortgage Payment Benefit** has been added. If a Member suffers an accidental bodily injury that results in loss of life within 365 days of the accident, the plan will pay a monthly benefit amount equal to the lesser of the amount of the Member's monthly mortgage payment or \$2,500. This benefit will be payable to the Member's surviving spouse who is the co-borrower on the mortgage for a maximum of 12 months or until the mortgage is paid in full or the house is sold.
- **Day Care Expense Benefit** (if Family Coverage is elected) has been added. The plan provides a benefit for day care expenses of a covered dependent child under the age of thirteen if the Member dies in a covered accident. The annual benefit is the lesser of the actual cost charged by the Child Care Center per year, 5% of the insured's coverage amount, or \$5,000 a year up to four consecutive years or until the child reaches age thirteen. The benefit applies only if the child is under the age of thirteen and enrolled in a licensed or certified day care center on the date of the insured's death or within 90 days of that date. The benefit is paid to the spouse or legal guardian.

** Maximum coverage amount for Members age 70 to 75 remains limited to \$50,000, reduced to \$10,000 for Members age 75 and over. ¹

(over, please)

- **Child Tuition Reimbursement Benefit** (if Family Coverage is elected) has been added. The plan pays a tuition reimbursement benefit for a covered dependent child upon the Member's death in a covered accident. An annual payment for up to four years is payable for a covered dependent child who is less than age 23 and a full-time student in an institution of higher learning. The annual benefit is the lesser of the actual tuition (excluding room and board), 5% of the insured's coverage amount, and \$5,000 a year. The benefit applies only if the child was enrolled in an institution of higher learning or is in high school and becomes enrolled within 365 days of the insured's death. The benefit is paid to the spouse or legal guardian if the child is under age by state law.
- The "**Aviation Exclusion**" has been modified. A loss will be excluded if the loss results from an accident where the person is riding as a passenger in any aircraft not intended or licensed for the transportation of passengers; or the person is performing as a pilot or a crew member of any aircraft; or if the person is riding as a passenger in an aircraft owned, operated, controlled, or leased by or on behalf of the agency for which he or she works.

Please take a moment to review the enclosed Statement of Coverage page and updated policy rider. Keep this communication and enclosures with your important papers. Should you want to make any changes to your PAI coverage, contact SAMBA.

Sincerely,



Walter E. Wilson
Executive Director

Enclosures