

NOTICE TO EMPLOYEES AND SPOUSES

Current Federal law gives employees and their dependents, under certain circumstances, the right to continue health benefits coverage for a limited period after they would otherwise lose their eligibility.

If, during the course of your employment, a "qualifying event" occurs to you or your covered dependents, you and they should consider whether or not to obtain continued coverage. The person electing the continued coverage must pay for continuation of coverage after a "qualifying event". A 2% surcharge will also be added to each premium to help defray the employer's administrative expenses. Continuation of coverage is also subject to completing the proper forms in a timely manner. These are obtained from your employer following a "qualifying event".

Should your "qualifying event" be either (3), (4), or (5) as described below, you have 60 days from the date of the "qualifying event" to notify the employer of that "qualifying event" or you will be denied continuation of coverage. Please be sure to notify us in the event that one of these "qualifying events" occurs.

Save this notice with other important papers for reference in case of any "qualifying event". Please notify your Human Resources Department of any changes of address for any covered person(s).

QUALIFYING EVENTS

- (1) Termination of the employee's employment (other than for gross misconduct) or reduction of hours worked which renders the employee ineligible for coverage;
- (2) Death of employee;
- (3) Divorce or legal separation;
- (4) For a spouse and eligible dependents, loss of coverage due to the employee becoming eligible for Medicare; or
- (5) For a dependent child, ceasing to qualify as a dependent under the plan.

ACKNOWLEDGEMENT OF RECEIPT

_____	_____
Employee Signature	Date
_____	_____
Spouse Signature	Date

Return one copy to employer – keep the other for your records.