



IBM Corporation
All IBM Employees

Group Universal Life (GUL), Optional Dependent Life and Optional Accidental Death and Dismemberment (OAD&D)
Issued by The Prudential Insurance Company of America

Employee Group Universal Life (GUL) Insurance

100% Employee Paid

Face Amount of Insurance	You may enroll for a face amount of insurance in increments of 0.25 times your annual base salary up to 8 times your annual base salary, with a minimum coverage amount of \$30,000 and a maximum coverage amount of \$3,000,000.
Guaranteed Coverage	Certain coverage is available without providing proof of good health satisfactory to Prudential. If you enroll within 90 days of your employment date, your guaranteed face amount of insurance equals the lesser of two times your base annual salary or \$750,000.
Medical Evidence Requirements	<p>If you enroll within 90 days of your employment date, you must provide proof of good health satisfactory to Prudential for face amounts of insurance more than two times your base annual salary or \$750,000, whichever is less.</p> <p>If you enroll after 90 days of your employment date, you may be required to provide proof of good health satisfactory to Prudential for all coverage amounts.</p>
Life Event Changes	If you have a change in family status such as marriage, birth, or adoption, you may increase your face amount of insurance by one times your annual base salary without providing proof of good health satisfactory to Prudential. You must notify Prudential within 45 days of the qualifying event.
Cash Accumulation Fund¹	In addition to regular payroll deductions, you may make lump sum contributions to the cash accumulation fund element of your coverage. The minimum contribution is \$100.
Loans¹	<p>You may take loans from your cash accumulation fund. The minimum loan is \$200 and the maximum loan is 90% of your available fund balance minus an amount equal to the next month's deduction. The loan interest charged is generally set at 2% above the interest being credited to your cash accumulation fund.</p> <p>You cannot take more than one loan per calendar year and you may not have more than one outstanding loan at any time.</p>
Withdrawals¹	You may make withdrawals from your cash accumulation fund. The minimum withdrawal is \$200 and the maximum withdrawal is the balance in your cash accumulation fund (minus any outstanding loan and loan interest).



Employee Group Universal Life (GUL) Insurance (Continued)

Accelerated Benefit Option²	If you provide proof, satisfactory to Prudential, that you or your spouse/domestic partner are terminally ill with a life expectancy of twelve months or less, you may elect to receive up to 50% of the applicable GUL face amount of insurance to \$500,000 while still living. (Certain conditions apply; please refer to your Certificate for details.) You may also receive up to 50% of any applicable cash value to \$500,000 (minus any outstanding loan and loan interest). The death benefit payable to the beneficiary will be reduced by any benefits paid under the Accelerated Benefit Option. ² This benefit is available once in a lifetime and is payable in a lump sum.
Continuation of Coverage³	<p>You may continue your GUL insurance at group rates under the Continuation of Coverage Option if:</p> <ul style="list-style-type: none"> • You leave IBM Corporation • IBM Corporation employees are no longer covered by the master contract • Coverage for your class of employees at IBM Corporation has ended <p>Continuation of coverage will begin on the first of the month following the date of notification of termination from you or IBM Corporation. Continuation rates will be provided at time of termination.</p> <p>In the event of your death or divorce, your spouse/domestic partner or child(ren) may continue GUL insurance. This coverage will be billed directly.</p>

Employee Optional Accidental Death & Dismemberment (AD&D) Insurance 100% Employee Paid

Eligibility to Participate	All IBM Employees on IBM Corporation U.S. payroll records who have enrolled for GUL coverage and are under age 70.														
Face Amount of Insurance	If you have enrolled for GUL coverage, you may choose to enroll for Optional AD&D coverage. Your Optional AD&D coverage amount will match the Group Universal Life coverage amount you've elected.														
Benefits	<p>Benefits are paid at a certain percentage of your coverage amount for specific accidental losses, as indicated in the chart below. Not more than 100% of your coverage amount is payable for all losses due to the same accident.</p> <table border="0" data-bbox="394 1394 1425 1703"> <tr> <td>▪ Life 100%</td> <td>▪ Quadriplegia 100%</td> </tr> <tr> <td>▪ Sight in both eyes 100%</td> <td>▪ Paraplegia 75%</td> </tr> <tr> <td>▪ Both hands or both feet 100%</td> <td>▪ Hemiplegia 50%</td> </tr> <tr> <td>▪ One hand and one foot 100%</td> <td>▪ One hand or one foot 50%</td> </tr> <tr> <td>▪ Sight in one eye and one hand or one foot 100%</td> <td>▪ Sight in one eye 50%</td> </tr> <tr> <td>▪ Hearing in both ears 50%</td> <td>▪ Speech 50%</td> </tr> <tr> <td>▪ Speech and hearing in both ears 100%</td> <td>▪ Thumb and index finger on the same hand 25%</td> </tr> </table>	▪ Life 100%	▪ Quadriplegia 100%	▪ Sight in both eyes 100%	▪ Paraplegia 75%	▪ Both hands or both feet 100%	▪ Hemiplegia 50%	▪ One hand and one foot 100%	▪ One hand or one foot 50%	▪ Sight in one eye and one hand or one foot 100%	▪ Sight in one eye 50%	▪ Hearing in both ears 50%	▪ Speech 50%	▪ Speech and hearing in both ears 100%	▪ Thumb and index finger on the same hand 25%
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Employee Optional (AD&D) Insurance (Continued)

Seat Belt Benefit	The plan pays an additional benefit of 10% of your coverage amount, up to a maximum of \$10,000, if you are in a covered accident and meet plan requirements, including use of a seat belt.
Air Bag Benefit	The Plan pays an accidental benefit of 10% of your coverage amount, up to a maximum of \$10,000, if you are in a covered accident and meet plan requirements, including deployment of an air bag.
Additional Benefits	<ul style="list-style-type: none">▪ Spouse/Domestic Partner Tuition Reimbursement Benefit▪ Child(ren) Tuition Reimbursement Benefit▪ Day Care Expense Benefit
Optional AD&D Exclusions	A loss is not covered if it results from suicide or an attempted suicide; intentionally self-inflicted injuries or an attempt at same; sickness; medical or surgical treatment of sickness; certain bacterial or viral infections (unless the infection was the result of an accidental injury or bacterial infection that results from the accidental ingestion of contaminated substances); act of war; certain full-time military duty; commission of, or attempt to commit a felony; legal intoxication or drug use; certain hazardous sports; injury rising out of, or in the course of, any work for wage or profit (this exclusion only applies with non-occupational plans); certain travel or flight in a vehicle used for aerial navigation. (This provision may vary by state. Refer to the plan booklet for details.)

Spouse/Domestic Partner Group Universal Life (GUL) Insurance

100% Employee Paid

Eligibility to Participate	<p>If you are eligible to participate in GUL your spouse/domestic partner may be enrolled for spouse/domestic partner GUL coverage. If your spouse/domestic partner is confined for medical care or treatment at home or elsewhere, coverage will begin when confinement ceases.</p> <p>Your spouse/domestic partner cannot be covered as an employee and as a spouse/domestic partner at the same time.</p>
Face Amount of Insurance	You may enroll your spouse/domestic partner for a face amount of insurance in \$10,000 increments from \$30,000 to a maximum of \$200,000.
Guaranteed Coverage	If your spouse/domestic partner is enrolled within 90 days of your date of employment or within 45 days of marriage, his/her guaranteed face amount of insurance is \$50,000 or less. Coverage amounts higher than \$50,000 require proof of good health satisfactory to Prudential.



Spouse/Domestic Partner Group Universal Life (GUL) Insurance (Continued)

Medical Evidence Requirements

If your spouse/domestic partner is enrolled within 90 days of your date of employment or within 45 days of marriage he/she must provide proof of good health satisfactory to Prudential for face amounts of insurance greater than \$50,000.

If your spouse/domestic partner is enrolled after 90 days of your date of employment, or after the 45-day time limit following your subsequent marriage, he/she may need to provide proof of good health satisfactory to Prudential for all coverage amounts.

Continuation of Coverage

You may continue your spouse/domestic partner's GUL coverage if coverage terminates for any reason other than non-payment of premium. In the event of your death or divorce, your spouse/domestic partner and children may continue their coverage by paying premiums directly to Prudential. Please refer to "Continuation of Coverage" in the "Employee" section for more details.

Additional Plans Provisions

Spouse/domestic partner's GUL coverage has the same features as employee GUL coverage regarding the following plan provisions:

- Cash Accumulation Fund Element¹
- Loans¹
- Withdrawals¹
- Accelerated Benefit Options²

Eligibility to Participate

If your spouse/domestic partner participates in GUL and your spouse/domestic partner is under age 70, your spouse/domestic partner may elect Optional AD&D coverage.

Your spouse/domestic partner cannot be covered as an employee and as a spouse/domestic partner at the same time.

Face Amount of Insurance

If your spouse/domestic partner's elects Optional AD&D coverage, the amount of the Optional AD&D coverage will match his/her GUL coverage amount.

Benefits

Spouse/domestic partner's Optional AD&D coverage offers the same benefits as Employee Optional AD&D coverage. Refer to the Employee Optional AD&D section for benefits and exclusions.

Child Term Life Insurance

100% Employee Paid

Eligibility to Participate

If you or your spouse/domestic partners are enrolled for GUL coverage, your dependent children may be enrolled for Child Term Life coverage. Unmarried children are eligible from 14 days up to age 26. Your children include your legally adopted children, stepchildren, and foster children. If a dependent child is confined for medical care or treatment at home or elsewhere, the coverage will begin when confinement ceases.

If you elect this coverage you must report to Prudential when you no longer have children who are eligible for the coverage.

Your eligible children cannot be covered as employees of IBM Corporation and as children at the same time, and cannot be covered by more than one parent.



Child Term Life Insurance (Continued)

Coverage Amounts	You may enroll your dependent children for a coverage amount of \$10,000. Child Term Life coverage has one premium rate that covers all eligible children.
Continuation of Coverage³	You may continue your children's Term Life coverage provided that you choose to continue your own coverage. Please refer to "Continuation of Coverage" in the "Employee" section above for more
Cash Accumulation	This is not a feature of Child Term Life coverage.

For your coverage to become effective, you must be actively at work during the enrollment period and on the effective date of the plan. If you apply for an amount that requires satisfactory evidence of insurability to Prudential, you must be actively at work on the date of approval for the amount requiring satisfactory evidence of insurability. Refer to the plan booklet for details.

¹ Cash Accumulation Fund, Loans, and Withdrawals: Please note, if your cash contribution exceeds certain limits and your GUL coverage becomes a Modified Endowment Contract (MEC), different tax rules and, in some cases, penalties apply for lifetime distributions such as loans, withdrawals, and assignments including distributions made in the two years prior to becoming a MEC. A MEC can result from premium payments or from a reduction in coverage (such as the purchase of paid-up life insurance). If this applies to you, Prudential will notify you in writing of your status and advise you of your current options (if any) and by when you must respond. Loans and withdrawals can reduce policy values and may have tax consequences. Prudential is not authorized to give tax advice. Please consult your tax advisor.

² Accelerated Death Benefit option is a feature that is made available to group life insurance participants. It is not a health, nursing home, or long-term care insurance benefit and is not designed to eliminate the need for those types of insurance coverage. The death benefit is reduced by the amount of the accelerated death benefit paid. There is no administrative fee to accelerate benefits. Receipt of accelerated death benefits may affect eligibility for public assistance and may be taxable. The federal income tax treatment of payments made under this rider depends upon whether the insured is the recipient of the benefits and is considered "terminally ill" or "chronically ill." You may wish to seek professional tax advice before exercising this option.

³ Group Universal Life (GUL) provides you with the option to continue coverage even though you may no longer be employed due to voluntary/involuntary termination, retirement, or disability. This is called continued coverage. You can continue your coverage by paying premiums directly to Prudential on a quarterly basis or by letting the system automatically pull your premiums from the Cash Accumulation Fund.

If your employer decides to move the GUL coverage to another life insurance contract that allows for the accumulation of cash value, Prudential may terminate the certificate. Prudential may transfer the cash value of the certificate directly to the new group contract. You will then be subject to the features and guidelines of the new contract. Please see the GUL materials for more information.

This document is a SUMMARY only. It does not provide complete details of the plan. The Booklet-Certificate governs the terms of the plan.

You can call 800-562-9874 to speak to a Prudential Customer Service Professional to obtain a Booklet-Certificate with complete plan information.

Group Universal Life and Dependent Term Life Insurance coverages are issued by The Prudential Insurance Company of America, a Prudential Financial company, 751 Broad Street, Newark, NJ 07102. This is intended to be a summary of your benefits and does not include all plan provisions, exclusions, and limitations. A Booklet-Certificate, with complete plan information, including limitations and exclusions, will be provided. If there is a discrepancy between this document and the Booklet-Certificate issued by Prudential, the terms of the Booklet-Certificate will govern. Contract provisions may vary by state. Contract Series: 96945 and 83500.

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