



## Leidos Inc. All Eligible Employees

Group Universal Life (GUL)  
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 1 times your annual base salary up to 8 times your annual base salary, with a maximum coverage amount of \$4,000,000.

#### Guaranteed Coverage

**New Hires:** You may elect up to the lesser of 3 times your annual base salary or \$500,000.  
**For 1/1/18 Enrollment:** Actively at work employees enrolled and actively at work employees not enrolled in the GUL plan can maintain their current amount and increase one level. Evidence is not required unless the amount exceeds the lesser of 3 times your covered annual earnings or \$750,000.

#### Qualified Life Event

Actively at work employees who have a qualified life event can enroll for or increase GUL coverage one level up to the guaranteed issue amount without evidence of insurability.

#### Future Annual Enrollments

Actively at work employees who previously waived coverage, or those actively at work who are currently enrolled, may select/increase one benefit level as long as the total benefit does not exceed the lesser of 3 times your base annual earnings or \$500,000, without satisfying evidence of insurability (EOI).

#### Late Entrants

If you enroll after the annual enrollment period, you may be required to provide evidence of insurability (EOI) satisfactory to Prudential for all coverage amounts.

#### Cash Accumulation Fund<sup>1</sup>

In addition to regular payroll deductions, you may make lump sum contributions to the cash accumulation fund element of your coverage, which can grow on a tax-free basis. The minimum contribution is \$100.

#### Loans<sup>1</sup>

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 4% above the interest being credited to your cash accumulation fund.

You cannot take more than one loan per calendar year and you may not have more than one outstanding loan at any time.

#### Withdrawals<sup>1</sup>

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).



**Accelerated Benefit Option<sup>2</sup>**

If you provide proof, satisfactory to Prudential, that you 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 \$250,000 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 \$250,000 (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.<sup>2</sup> This benefit is available once in a lifetime and is payable in a lump sum.

---

**Waiver of Premium**

Payment of premium can be waived if you are totally disabled for 9 months, you are less than 60 years old when the disability begins, and you continue to be totally disabled. This waiver terminates at age 65. This provision may vary by state. Refer to the plan booklet for details.

Provided premium payments are made for the first 52 weeks of total disability, coverage may be continued to age 65 without payment of a premium provided certain eligibility criteria are met. If you do not pay premium during the 52 week period and you die during that period, no death benefit will be paid unless life insurance carrier determines that the death resulted from the same condition as that which caused your total disability.

---

**Continuation of Coverage<sup>3</sup>**

You may continue your GUL insurance at group rates (on a direct billed basis) under the Continuation of Coverage Option if you retire or terminate from Leidos.

Continuation of coverage will begin on the first of the month following the date of notification of termination. Continuation rates will be provided at time of termination.

---

This Material is for informational or educational purposes only. The information is not intended as investment advice and is not a recommendation about managing or investing assets or retirement savings. In providing these materials, Prudential is not acting as your fiduciary as defined by the Department of Labor.

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.

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

© 2017 Prudential Financial, Inc. and its related entities.

Prudential, the Prudential logo, and the Rock symbol are service marks of Prudential Financial, Inc. and its related entities, registered in many jurisdictions worldwide.

