

**HOW TO CALCULATE YOUR COST FOR THE BUY UP OPTION PLAN**

Buy up Long Term Disability rates are based on the employee's age as of August 1, 2004. Ages will be re-evaluated each August 1st and premiums will increase as you move to the next age band.

Use the following steps to determine your monthly premium:

1. Enter your annual earnings \_\_\_\_\_
2. Divide by 12 and round to the nearest dollar to get your monthly earnings (do not enter more than \$8,334) \_\_\_\_\_
3. Divide your monthly earnings on Line 2 by 100 \_\_\_\_\_
4. Enter the **rate** for your age from the table below \_\_\_\_\_
5. Multiply Line 3 with the rate on Line 4; this is your **monthly premium** for the Buy Up Option \_\_\_\_\_

**Example: Employee Age 39 as of August 1, 2004:**

1. Enter your annual earnings \$32,450
2. Divide by 12 and round to the nearest dollar to get your monthly earnings (do not enter more than \$8,334) \$2704
3. Divide your monthly earnings on Line 2 by 100 \$27.04
5. Enter the **rate** for your age from the table below \$0.32
6. Multiply Line 3 with the rate on Line 4; this is your **monthly premium** for the Buy Up Option **\$8.65**

Monthly Rates per \$100 of Monthly Payroll	
Age	Rate
Under 24	\$ 0.10
25-29	\$ 0.14
30-34	\$ 0.21
35-39	\$ 0.32
40-44	\$ 0.50
45-49	\$ 0.71
50-54	\$ 0.89
55-60	\$ 0.99
61-64	\$ 0.50