

Basic Term Life Insurance Plan for Salaried Employees

Lowe's offers the Lowe's Basic Term Life Insurance Plan (the Basic Term Life Plan) to help you provide continuing income for your family in the event of your death. This coverage is offered as a separate, independent benefit and is not tied to enrollment in any other benefit plan. Please see [Supplemental Term Life Insurance Plan](#) and [Dependent Term Life Insurance Plan](#) for information regarding additional life insurance coverage; [Personal Accident Insurance Plan](#) for information regarding accidental death and dismemberment insurance coverage; and [Long-Term Care Insurance Plan](#) for information regarding long-term care insurance.

The following sections summarize the Basic Term Life Plan. Please review these provisions and retain this text for future reference. Key terms used in this text are specifically defined at the back of this section.

Benefit Cost

The Basic Term Life Plan benefit for salaried employees is 1 times your base annual earnings rounded to the nearest \$1,000, subject to a maximum benefit of \$250,000. Lowe's pays the cost of the Basic Term Life Insurance Plan for Salaried Employees. The value (as defined by the Internal Revenue Service) of your basic life insurance coverage over \$50,000 that is paid by Lowe's is taxable and is reported to the federal government on your W-2 form. This value is called "imputed income".

For example, if you had \$70,000 in basic life insurance, you would be taxed on the value of \$20,000 of insurance. For most people, this amount is nominal.

Enrollment

Coverage is automatic and effective on your date of hire, provided you are actively at work at Lowe's, so there is no enrollment requirement.

Beneficiary Designation

You may name anyone as your beneficiary by listing his/her name (or names, if you elect multiple beneficiaries) on the Basic Term Life Plan portion on the Empowered Benefits web site accessible via the employee portal at www.myloweslife.com (My Lowe's Life > My Health>Personal Information). The effective date of the change is the date you submit your change request on the Empowered Benefits enrollment site. However, neither Lowe's nor Cigna is liable for any amount paid before the request is submitted online.

If you name more than one beneficiary, each will share equally unless you indicate otherwise.

If a beneficiary dies before you, his/her share will be paid equally to the surviving beneficiaries, unless you state otherwise. If you do not name a beneficiary, or if all named beneficiaries do not survive you or are disqualified, your death benefits will be paid to your family members in the following order:

- Your spouse or domestic partner;
- Yours or your domestic partner's children;
- Your mother or father; or
- Your siblings.

If none of your family members survive you, your death benefits will be paid to your estate. You cannot name

yourself as beneficiary.

State law may require or allow Cigna to pay part of your insurance proceeds to a person incurring expenses for your last sickness or death, or an institution that assumed your custody and support during your incapacitation.

Portability and Conversion of Life Insurance

Portability

If your coverage ends due to termination of employment with Lowe's, including retirement, or loss of eligibility due to your change in employment classification from full-time salaried regular status, you may be eligible to continue all or part of the amount that ends. Portable group term life insurance is not available if coverage ends because Lowe's policy with Cigna terminates or coverage ends for an employment classification of employees. You will receive an Election of Portable Coverage form from Cigna in an unmarked white envelope. To port your coverage, follow the instructions on the election form. If you have questions about porting your coverage, you can call Cigna at 1-800-423-1282. Once received, you must:

- Complete the application; and
- Send the application to Cigna at the address shown on the application within 62 days after the date that your coverage ends.

If you are applying for coverage, your portable group term life insurance will begin on the first day of the month following the day that coverage under the policy ends. The premium due will be based on Cigna's then-current rate for your then-current age.

Your amount of portable group term life insurance may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option. The insurance benefits under the portability certificate may not be the same as those under the Lowe's group policy.

Conversion

If all or any part of your coverage under the Basic Term Life Plan Option ends, you may convert to an individual policy. The policy can be on any form then in use by Cigna. The policy will not contain disability or supplementary benefits. You will receive a conversion notification from Cigna. If you want to convert your basic life coverage, contact Cigna at 1-800-423-1282 to speak to a representative who can assist you with the application process.

You must apply under this option for the individual policy within 62 days after the date that your coverage ends. Proof of good health is NOT required.

The premium for the policy will be based on:

- Your age;
- Your class of risk; and
- The form and amount of the policy.

You may apply for any type of life insurance Cigna offers to persons of the same age in the amount applied for,

except you may not:

- Choose term insurance;
- Apply for an amount of insurance greater than the coverage amount terminating under the Policy; or
- Apply for more than \$10,000 of insurance if the Policy is terminated or amended to terminate the insurance for any class of Insureds, or Lowe's cancels participation under the Policy. Conversion in these cases is only permitted if you have been covered by the Policy or, any group life insurance policy issued to Lowe's which the Policy replaced, for at least 3 years.

If premium payment is made, the converted policy will become effective at the end of the 31-day period allowed for conversion. If you die during that period, the amount of life insurance you could have converted will be paid to your beneficiary, regardless of whether you have applied for an individual life policy under the conversion privilege. If coverage is continued under the extended death benefit provision, the employee has 62 days following the end of the one-year continuation period to elect to convert.

Life Insurance Benefits

The amount of life insurance that Cigna will pay to your beneficiary, if you die from any cause while insured, is shown in "[Employee Schedule of Life Insurance](#)".

Payment will be made as soon as proof of death, eligibility, and premium payment has been verified, and all other verifications have been completed. See "[Filing Claims](#)" for more information.

Employee Schedule of Life Insurance

Classification	Amount of Life Insurance
All Full-Time Salaried	One Times Base Annual Earnings rounded to nearest \$1,000, up to a maximum of \$250,000.

Benefit amounts are reduced by 35% of the pre-65 amount at age 65 and 50% of the pre-65 amount at age 70. Your benefit amount will be rounded to the nearest \$1,000 after the applicable percentage is applied. After your benefit amount is reduced, due to age, there will be no further increases in the amount of your coverage.

Will Preparation Service

You have access at no additional cost to the Will Preparation[®] Service for employees who participate in Lowe's Basic Life Insurance Plan. Help protect your and your family's financial future. This simple, online will preparation tool lets you create a customized will built around your state-specific laws. You can also create other legal documents, like a living will and power of attorney document. It's easy, safe and secure.

Get prepared: CignaWillCenter.com

Beneficiary Support Benefit

- Available with Cigna Life plans, the Cignassurance[®] program provides financial, bereavement and legal support for your loved ones during their time of need. As a beneficiary of your Basic Life plan, they'll get:
- Free, unlimited and confidential bereavement services over the phone, available 24/7.
- Two free face-to-face counseling sessions with a Cigna Behavioral Health contracted (or network) specialist.

- 30 minutes each of free legal advice and free financial services advice – all over the phone.
- Referrals to discounted, professional legal services for help settling an estate, preparing a will or general advice.
- Access to a Cignassurance account – a free, interest-bearing account for proceeds over \$5,000. This account keeps their insurance proceeds in a safe place and gives them time to deal with more pressing issues. Account balances and activity can be managed 24/7 at **Cignassurance.com**.
- Cigna's *Looking Ahead* guidebook to help them navigate legal and financial responsibilities and research additional benefits.

An additional benefit available to Lowe's beneficiaries includes Funeral Planning services available through Everest.

Terminal Illness Benefit Option

Individuals covered by the Basic Term Life Plan Option and diagnosed with a life expectancy of less than 12 months may apply, while still alive, to receive a portion of their life insurance benefit under the Basic Term Life Plan Option. This benefit cannot exceed 50% of your basic life benefit to a maximum of \$750,000. A physician's certification is required and is subject to review and concurrence by Cigna. The subsequent death benefit will be reduced by the amount of the terminal illness benefit payment.

If you elect to receive a terminal illness benefit, you must continue to pay premiums under the Basic Term Life Plan Option.

Terminal Illness benefits may be taxable. Before applying for this benefit, you should consult your personal tax advisor.

Changes in Benefit Amount

Any change in the amount of life insurance due to a change in base annual earnings, classification, or age shall become effective on the date of such change. However, any increase shall become effective only if you are actively at work as defined in the section describing effective date of coverage.

Premiums for the Basic Term Life Plan Options will also change when earnings, classifications, or age changes.

Exclusions

The Basic Term Life Plan Option does not cover any losses where death is caused by, contributed to by, or results from:

- Suicide occurring within 24 months after your initial effective date of insurance; or
- Suicide occurring within 24 months after the date of any increases or additional insurance becomes effective.

This exclusion will apply to any amount of insurance for which you pay all or part of the premium. In addition, this exclusion will apply to any amount that is subject to the evidence of insurability requirements.

Filing Claims

Your HR manager will contact Cigna to advise of a claim.

Cigna will certify that you are insured under one of the Basic Life Plan Options and will send the beneficiary a claim

form requesting completion of the form to be returned with a copy of the certified death certificate.

Additional items may be necessary to process a death claim, such as police and/or autopsy reports. These additional items will be obtained at the beneficiary/estate's expense.

When the claim has been processed, your beneficiary will be notified of the benefits paid. If any benefits have been denied, your beneficiary will receive a written explanation. See [Plan Administration](#), for further information about filing a claim for benefits.

Definitions

Base Annual Earnings: For salaried employees, the gross annual income in effect just prior to the date of loss. It includes your total income before taxes. It is prior to any deductions made for pretax contributions to a qualified deferred compensation plan, Section 125 plan, or Flexible Spending Account. It does not include income received from commissions, bonuses, overtime pay, incentive compensation (such as stock options or grants), any other extra compensation, or income received from sources other than Lowe's.