

FREQUENTLY ASKED QUESTIONS ABOUT INSURANCE (APRIL 5, 1999)
FOR PARTICIPANTS OF:
TIM KNEELAND & ASSOCIATES, INC.'S
ODYSSEY 2000®

GROUP ACCIDENT AND SICKNESS MEDICAL
ACCIDENTAL DEATH & DISMEMBERMENT
OTHER INSIGHT AND SUGGESTIONS

The Odyssey 2000® Lloyd's of London Insurance Policy Coverage was negotiated to provide as broad an insurance contract as possible at the lowest possible cost. We are pleased that we could negotiate the Lloyd's contract for the participants and staff of Odyssey 2000®.

Policy Limits:

Accident and Sickness medical: \$1,000,000 each insured person.

Accidental Death and Dismemberment: \$25,000

Repatriation Expenses: Sublimit included in medical limit of \$100,000 (this means it is part of the \$1,000,000 above).

Deductible: \$250 for each claim for accident and sickness medical.

Who is underwriting the coverage for your medical insurance?

The underwriters at Lloyd's of London through the Odyssey Reinsurance (their use of the Odyssey name is a co-incidence) syndicate are placing the coverage for you. The Lloyd's syndicates have been placing coverage for over 300 years. Clients of Lloyd's syndicates have never lost a dollar because of insolvency of an underwriter.

The Lloyd's Underwriters are the largest international providers of specialty insurance coverages in the world. We are pleased to put their years of specialty experience to work for the participants of Odyssey 2000®.

What are the significant exclusions and limitations of the plan?

All participants are fit and healthy in the inception of coverage. No coverage for sickness for participants over 70 (Medicare is a 100% provider of coverage for foreign as well as U.S. Medical for Sickness). Since accident coverage in Medicare is limited out of the country, it would be covered by our plan.) Obviously, pre-existing conditions are excluded-we can not insure a Barn for a fire loss if it is all ready on fire!

How is payment made?

Once a claim has been filed with our carrier and your primary insurance carrier (if you have another policy) we will process the claim and make payment in the currency of the country in which the treatment is received. This avoids costs for currency fluctuation that you could be held responsible for.

Should I keep my current health insurance coverage in force?

Yes! Our policy is not renewable or convertible, you will need coverage when you get back to the "world". You should extend coverage under a COBRA extension from your employer or consult your local insurance agent to purchase a policy that you can "take with you". You may wish to increase your deductibles and co-pay clause to reduce the cost.

The Odyssey policy will be many people's primary policy. However, for some our policy will be considered excess coverage. When is this policy considered excess coverage?

Excess means that your policy will pay after all other "primary" policies have paid. The excess policy is there to "clean-up" any costs that you incur because of an insured loss. If you do not have another "primary" policy in force during Odyssey, the "excess" policy is then excess over the deductible of the policy (\$250) and pays as though it were primary to the policy limit.

Excess coverage will pay deductibles and co-pay charges that are not covered by any primary coverage. Two primary policies would pay as follows:
Policy # 1 - \$2,000,000 limit with \$500 deductible and 80% co-pay.
Policy # 2 - \$1,000,000 Limit with \$250 deductible and 100% co-pay.

\$10,750 claim is incurred,
Payments - Policy # 1 pays \$5,467 (\$500 deductible 2/3 of 80% of balance)
Policy #2 pays \$3,500 (\$250 Deductible and 1/3 of the balance)
Total Paid - \$8,967.00 out of pocket \$1,783.00

With policy #2 being an excess plan the same claim would be paid as follows:
Policy #1 pays \$8,200 (\$500 deductible and 20% co-pay)
Policy # 2 pays \$2,300 (\$250 deductible) (this is the coverage you will have with Tim Kneeland & Associates, Inc. on Odyssey 2000)
Total Paid - \$10,500 out of pocket - \$250.00

The excess policy will allow for greater recovery in case of a claim. This is for illustrative purposes only and does not represent an actual claim. Participants will be supplied a claims reporting kit and a set of phone numbers that can be accessed twenty-four hours a day to provide service to participants.

What if I have to discontinue my trip or I can't go on the trip because of an illness or injury to myself, death of family member or business partner or my house burns down?

You should purchase the CareFree Trip Cancellation coverage offered by McKay Insurance Agency. The coverage is economical (\$825.00 for \$15,000 coverage) and could help to protect against the unforeseen on your trip of a life time.

What about other insurance coverage?

You will probably sell or store your automobiles. If you store, you need to keep comprehensive coverage on the vehicles in case they are damaged by fire or storm or are stolen.

You should keep your homeowners insurance in force as you may suffer a loss to your personal property while on the trip. If you do not own a home, you can purchase Renters Insurance that will cover your personal belongings.

I do not recommend that you purchase a bicycle floater policy on your bicycle. The coverage is very limited and the premiums are as high as \$12.00 per \$100 of insured value. Check with your local insurance agent.

You may wish to purchase a Personal Umbrella Liability Policy. Coverage in an Umbrella policy is extended to cover your liability on a worldwide basis. If you are personally sued for an act while you are in a foreign country your personal insurance may not apply. The Personal Umbrella extends coverage for worldwide liability. A \$1,000,000 policy limits should cost between \$100 and \$200 for a year.

If you have any insurance related questions or if we can be of further service you may call us at 800-942-0283 or email at dmckay@mckayinsagency.com or visit our web page at www.mckayinsagency.com.