
Your Retiree Life Insurance Program

Summary Plan Description

INTERNATIONAL

HW-366

Life

Table of Contents

Your Retiree Life Insurance Program	2
Introduction	2
About This Book	3
Your Retiree Life Insurance at a Glance	4
Definition of Some Important Terms	5
Company-paid Basic Retiree Term Life Insurance	6
Who Is Eligible?	6
About Enrollment: When Your Coverage Begins	6
Schedule of Benefits	7
Assignment of Benefits	7
Retiree-paid Optional Term Life Insurance Coverage	8
Who Is Eligible?	8
About Enrollment: When Your Coverage Begins	8
Evidence of Insurability	9
Adjustment Rule	10
Schedule of Benefits	10
Termination of Coverage	11
Premium Rates	11
Assignment of Benefits	11
General Information About Prior Plans and New Programs	12
Important Information About Prior Life Plans: The Reduction Rule	12
Your Conversion Privilege	15
Selecting a Beneficiary	16
Filing a Claim	17
How Your Beneficiary Files a Claim	17
How Benefits Are Paid	17
If Your Claim Is Denied	18
Health Benefit Plan Committee	19
Your Rights Under ERISA	20
Administrative Information About the Retiree Life Insurance Program Under the Navistar International Transportation Corp. Retiree Health Benefit and Life Insurance Plan	22

Life

Your Retiree Life Insurance Program

Introduction

This book contains a Summary Plan Description of the Navistar International Transportation Corp. Retiree Life Insurance Program negotiated as part of the settlement reached in **Shy vs. Navistar** ("Shy"), Case No. C-3-92-333 (S.D. Ohio, 1992). The Program is provided for eligible retirees of Navistar International Transportation Corp., Navistar International Corporation, Navistar Financial Corporation, Harco National Insurance Company, and Indianapolis Casting Corporation, which were formerly doing business as International Harvester Company (collectively referred to as "Navistar").

The **Shy Settlement Agreement** defines and identifies those retirees who are eligible to participate in this Program. For those who are covered by the **Shy Settlement Agreement**, these benefits are provided upon retirement from Navistar for life. These benefits are also provided for life upon retirement for current active non-represented employees and for bargaining unit active employees who retire under a collective bargaining agreement that adopts the "Shy" package of retiree benefits. This Retiree Life Insurance Program replaces all prior Retiree Life Insurance coverage, and it may not be altered, modified or terminated except to the extent permitted under the terms of this Program and the **Shy Settlement Agreement**.

For persons hired after the effective date in non-bargaining positions, Navistar reserves the right to amend, modify or terminate this Program and its benefit provisions. For persons hired after the effective date in bargaining unit positions, the terms and duration of retiree benefits will be governed by collective bargaining agreements. Unless otherwise required by "Shy" or collective bargaining agreements, there is no obligation to provide these benefits or this Program to any other person.

Life

Your Retiree Life Insurance Program

This Retiree Life Insurance Program is effective as of the effective date of the **Shy Settlement Agreement** (referred to as the “Shy” Effective Date throughout the rest of this document), or the effective date of your retirement, whichever comes later. The Program described in this book has been designed to conform to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), the United States Internal Revenue Code of 1986, and other applicable laws and regulations. The Company as named fiduciary is responsible for the administration of the Retiree Life Insurance Program, subject to the review of such administration by the Health Benefit Plan Committee, as provided in Articles V and VI of the **Shy Settlement Agreement**. If there is a conflict between this Summary Plan Description and the Plan Document itself, the Plan Document will control.

About This Book

This Summary Plan Description is designed to help you understand the features and benefits of your Retiree Life Insurance Program. The book is organized in **four sections** for easy reference. **These four sections are:**

1. **Introduction**, which describes how this book is organized and the Life Insurance coverage available to you;
2. **Company-paid Basic Retiree Term Life Insurance**;
3. **Retiree-paid Optional Term Life Insurance**; and
4. **General Information**, which applies to both of these coverages.

Life Insurance Program For You Only

At retirement, Navistar offers you group term life insurance coverage designed to provide financial assistance to your family in the event of your death. Life insurance benefits are available **for the eligible retiree only** through two types of coverage:

1. **Company-paid Basic Retiree Term Life Insurance**;
2. **Retiree-paid Optional Term Life Insurance**.

Term life insurance has no cash value. It will pay a benefit for the amount of insurance in effect for you if you die from any cause while covered under this Program.

Life

Your Retiree Life Insurance Program

Your Retiree Life Insurance at a Glance

Life Insurance Benefit	Coverage Available	Coverage Information
<p>Company-paid Basic Retiree Term Life Insurance</p>	<p>Maximum of \$5,000.</p>	<p>Navistar will continue the amount of coverage you had immediately prior to your Eligibility Date or the Program maximum of \$5,000, whichever is less.</p> <p>Amount of coverage remains subject to post-retirement reduction rules, covered on page 12. (See Reduction Rule).</p>
<p>Retiree-paid Optional Term Life Insurance</p>	<p>You may purchase additional coverage at your own cost up to the amount of Company-paid Group Term Life Insurance you had under your prior plan on your Eligibility Date.</p>	<p>Amount of coverage you may purchase may be subsequently reduced consistent with your prior plan's reduction rules for post-retirement life insurance, described on page 12. (See Reduction Rule).</p>

The amount of your coverage will be the total of your Company-paid Basic Retiree Term Life Insurance plus any Retiree-paid Optional Term Life Insurance you purchase.

Life

Your Retiree Life Insurance Program

Note:

If you contributed toward the purchase of paid-up insurance through Aetna Life Insurance Company, you may, at retirement or at any time after that, elect to withdraw the cash value of the paid-up insurance you purchased. The amount of paid-up insurance that you have is not affected in any way by this Program.

Definition of Some Important Terms

- ✓ **Prior Plan:** Prior plan means the Company-paid Group Term Life Insurance coverage provided to retirees by Navistar, which has been replaced by coverage under this Program.
- ✓ **Reduction Rule:** The Reduction Rule defines the amount and timing of reductions that will be applied to your retiree life insurance coverage after you become eligible. The amount of retiree life insurance for which you are initially eligible (both Basic and Optional) will be subsequently reduced to the extent that it would have been reduced for you under your prior plan. Refer to the section, "Important Information About Prior Life Plans: The Reduction Rule," for a complete explanation.
- ✓ **Eligibility Date:** Eligibility Date means the date you are eligible to participate in the Retiree Life Insurance Program.

Note:

Your Eligibility Date is defined as follows:

- If you retired from active service before the "Shy" Effective Date, the "Shy" Effective Date is your Eligibility Date.
- If you retire from active service on or after the "Shy" Effective Date, your Eligibility Date is the date of your retirement.

Life

Company-paid Basic Retiree Term Life Insurance

Who Is Eligible?

You are eligible for the Company-paid Basic Retiree Term Life Insurance coverage if you retired or will retire from Navistar with a benefit (except a deferred vested pension benefit) from one of the four following plans:

1. The Navistar International Transportation Corp. Retirement Plan for Salaried Employees;
2. The Navistar Financial Corp. Retirement Plan for Salaried Employees;
3. The Navistar International Transportation Corp. Non-Contributory Retirement Plan; or
4. Certain multi-employer pension funds to which Navistar contributed.

About Enrollment: When Your Coverage Begins

Employees Who Retired Before the "Shy" Effective Date

You will automatically be enrolled for the new Company-paid Basic Retiree Term Life Insurance coverage. You do not need to take any action to enroll for this coverage.

Your new Company-paid Basic Retiree Term Life Insurance coverage will be effective on the "Shy" Effective Date.

Employees Who Retire On Or After the "Shy" Effective Date

You will automatically be enrolled for the new Company-paid Basic Retiree Term Life Insurance coverage upon retirement. You do not need to take any action to enroll for this coverage.

Your new Company-paid Basic Retiree Term Life Insurance coverage will be effective on the date of your retirement.

Life

Company-paid Basic Retiree Term Life Insurance

Schedule of Benefits

If you are retired or will retire from Navistar, and are otherwise eligible, you will receive the Company-paid Basic Retiree Term Life Insurance coverage in the amount shown in this schedule of benefits.

You are initially eligible for an amount of Company-paid Basic Retiree Term Life Insurance, as follows:

- ✓ \$5,000 of Company-paid Basic Retiree Term Life Insurance coverage;
- or
- ✓ An amount less than \$5,000 equal to the Company-paid Group Term Life Insurance coverage you had under your prior plan on your Eligibility Date.

On your Eligibility Date, you will be notified of the amount of Company-paid Basic Retiree Term Life Insurance coverage for which you are eligible.

Important Note:

The amount of Company-paid Basic Retiree Term Life Insurance for which you are initially eligible may be subsequently reduced under the Reduction Rule of your prior plan. Refer to the section, "Important Information About Prior Life Plans: The Reduction Rule" on page 12 to find the Reduction Rule that applies to you.

Assignment of Benefits

Company-paid Basic Retiree Term Life Insurance benefits may be assigned. For example, a beneficiary could assign the Company-paid Basic Retiree Term Life Insurance benefit directly to a funeral home.

A request for the assignment of life insurance benefits must be made in writing, and signed by the beneficiary, or the executor of the estate if benefits are payable to the estate, or the guardian if the beneficiary is a minor. Assignments may only be made with Aetna's consent.

Life

Retiree-paid Optional Term Life Insurance Coverage

Who Is Eligible?

You are eligible to purchase additional Retiree-paid Optional Term Life Insurance as of your Eligibility Date if you:

1. Are eligible for Company-paid Basic Retiree Term Life Insurance coverage;
and
2. Have more than \$5,000 of Company-paid Group Term Life Insurance coverage under your prior plan on your Eligibility Date.

If you retire from active service on or after the "Shy" Effective Date, and you are a salaried non-represented employee, you must be insured under the Program's Optional Term Life Insurance for active employees on the day before your retirement date to qualify for Retiree-paid Optional Term Life Insurance coverage with no evidence of insurability.

Note:

In all cases, to be eligible upon retirement for Retiree-paid Optional Term Life Insurance benefits, you must also be eligible for retirement benefits under one of the retirement plans listed on page 6.

About Enrollment: When Your Coverage Begins

Employees Who Retired Before the "Shy" Effective Date

You will receive an enrollment form to complete, along with a notice of the amount of Retiree-paid Optional Term Life Insurance for which you may enroll. If you choose to enroll, you must complete the enrollment form and return it to Aetna with your first premium payment **within 31 days** of your Eligibility Date.

This will be your **only** opportunity to enroll.

Your completed enrollment form and your payment must be received within the 31-day enrollment period. You cannot enroll for Retiree-paid Optional Term Life Insurance at a later time.

Your Retiree-paid Optional Term Life Insurance coverage will be effective on the "Shy" Effective Date.

Life

Retiree-paid Optional Term Life Insurance Coverage

Employees Who Retire On Or After the "Shy" Effective Date

On your retirement date, you will receive an enrollment form, along with a notice of the amount of Retiree-paid Optional Term Life Insurance for which you may enroll. If you choose to enroll, you will have 31 days following your eligibility date to complete the enrollment form and return it to Aetna along with your first premium payment.

You will have only one chance to enroll for this coverage. If your completed enrollment form and premium payment are not received within this 31-day enrollment period, you cannot enroll for Retiree-paid Optional Term Life Insurance at a later time.

Your Retiree-paid Optional Term Life Insurance coverage will be effective on your Eligibility Date, provided you sign and return your enrollment form along with your first premium payment.

Note:

- ✓ **If you are a retired salaried non-represented employee who did not participate** under the Active Optional Term Life Insurance coverage for salaried employees on the day before your retirement date, you may still elect to enroll for Retiree-paid Optional Term Life Insurance. However, you must enroll for this coverage within 31 days of your retirement date, and you must provide satisfactory evidence of insurability. If approved, the effective date of your coverage will be your Eligibility Date.
- ✓ **If you are a retired salaried non-represented employee who did participate** in the Active Optional Term Life Insurance coverage on the day before your retirement date, no evidence of insurability will be required to continue this coverage into your retirement.

Evidence of Insurability

Evidence of insurability, or proof of your good health, is necessary to underwrite certain life insurance coverages. This does not apply to employees who retire before the "Shy" Effective Date, nor to hourly represented employees who retire on or after the "Shy" Effective Date.

Life

Retiree-paid Optional Term Life Insurance Coverage

Adjustment Rule

Once you elect an amount of Retiree-paid Optional Term Life Insurance, you may not increase that amount later.

You may decrease the amount of Retiree-paid Optional Term Life Insurance coverage you elected to purchase, in increments of \$1,000, one time during any given year. Your request must be received in writing by Aetna.

The effective date of your decrease in coverage will be reflected on the quarterly bill following the date your request is received by Aetna.

Note:

Once you elect to decrease your life insurance, you may NOT increase the amount of your Retiree-paid Optional Term Life Insurance coverage at any time in the future.

Schedule of Benefits

If you are eligible, you may elect to purchase an amount of Retiree-paid Optional Term Life Insurance based on the schedule of benefits shown here. You must pay the total premium for Retiree-paid Optional Term Life Insurance coverage.

You may purchase an amount of Retiree-paid Optional Term Life Insurance, in one of three ways:

1. A maximum amount equal to the amount of life insurance you had under your prior plan on your Eligibility Date (less \$5,000 of Company-paid Basic Term Life Insurance and the value, if any, of paid-up insurance purchased with your contributions), subject to any reductions that applied in the prior plan (refer to pages 12-14 for more information). That amount will be rounded to the next higher \$1,000, subject to the Reduction Rule.
2. A minimum amount of \$1,000.
3. Any amount (in \$1,000 increments) in between the minimum amount and the maximum amount you are eligible to purchase.

Life

Retiree-paid Optional Term Life Insurance Coverage

Termination of Coverage

Your Retiree-paid Optional Term Life Insurance coverage will terminate if you fail to make the required premium payment. Payment must be received no later than 45 days after the statement due date.

Important Note:

Under the terms of the **Shy Settlement Agreement**, the Retiree-paid Optional Term Life Insurance coverage described in this section is directly provided by Aetna Life Insurance Company to retirees under a group insurance arrangement. Under the **Shy Settlement Agreement**, the only obligation of Navistar is to reasonably make such an arrangement available to retirees. This Retiree-paid Optional Term Life Insurance coverage is not considered a "plan," as such term is defined in ERISA. Aetna, or any other insurance company which may be offering this coverage from time to time, may, at any time, change the premiums for such coverage, establish or otherwise change eligibility requirements, or otherwise amend, modify, or terminate coverage for some or all participants.

Premium Rates

Premium rates for Retiree-paid Optional Term Life Insurance coverage are based upon age. Actual Premium Rate Tables will be provided with your enrollment materials. The Premium Rate Table provided with your enrollment package is effective through October 31, 1995. Updated Tables will be made available if premium rate changes occur.

Assignment of Benefits

Retiree-paid Optional Term Life Insurance benefits may not be assigned (transferred to another person).

Life

General Information About Prior Plans and New Programs

Important Information About Prior Life Plans: The Reduction Rule

The following section discloses certain information relating to the Prior Life Plans that will be used to calculate reductions in coverage applicable to you after your Eligibility Date.

If a reduction in Company-paid Basic Term Life Insurance coverage is to take place under the Reduction Rule, the reduction will take place on the same date and at the same frequency as any reductions which would have occurred under the prior plan.

If a reduction in Retiree-paid Optional Term Life Insurance coverage is to take place under the Reduction Rule, the timing of the reduction will be as follows:

- ✓ For those who were participants in policy number 40042, or Executive Term Life Insurance, the entire reduction in the amount of Retiree-paid Optional Term Life Insurance you are eligible to purchase will take place upon retirement.
- ✓ For those who were participants in policy number 52000, reductions in the amount of Retiree-paid Optional Term Life Insurance you are eligible to purchase will occur on the first day of the billing cycle following your 66th, 67th and 68th birthdays, and thereafter, on the first day of the billing cycle following the date your insurance amount reaches full reduction.

Group Policy Number	Eligible Employees
40042	Managerial and Non-represented
Executive Term Life Insurance Plan Underwritten by Connecticut Mutual Life Insurance Company	Key

The life insurance coverage provided under these policies was subject to a reduction on your retirement date. The amount of this coverage at retirement was equal to your annualized base salary (excluding overtime, premium pay, sales incentive bonuses, profit sharing, or any other special compensation). The amount of coverage was reduced by 2% for each year your age at retirement was under 62, or your service at retirement was less than 25 years, whichever reduction was greater.

Life

General Information About Prior Plans and New Programs

Prior to 1980, you may have contributed to the Plan and purchased paid-up life insurance through Aetna Life Insurance Company under Policy T-40042. If so, you may have, at retirement, or any time thereafter, elected to withdraw the cash value of the paid-up insurance under the Plan. If so, the amount of your new post-retirement Retiree-paid Optional Term Life Insurance will now be reduced by the value of the paid-up insurance you have taken as cash, or the actual value of your paid-up insurance if you have not taken cash.

You may also have contributed to the Executive Term Life Insurance Plan and purchased paid-up insurance. If so, the amount of your new post-retirement Retiree-paid Optional Term Life Insurance will now be reduced by the value of the paid-up insurance purchased with your contributions.

If you participated in both of these plans, your post-retirement Retiree-paid Optional Term Life Insurance will now be reduced by both plans, as described above.

At retirement, your Company-paid Basic AD&D coverage provided through Aetna will end. However, you may elect to continue your Basic AD&D coverage for the remainder of your lifetime by paying the full cost of the coverage. You may authorize the deduction of contributions from your monthly pension check.

Group Policy Number	Eligible Employees
52000	Represented Employees and Non-represented Employees Covered Under Policy 52000

Life

General Information About Prior Plans and New Programs

The life insurance provided under this policy was subject to an age reduction rule upon the date age 65 was attained, as follows:

- ✓ If you had 10 or more years of credited service on your 65th birthday, your continued coverage was reduced at the rate of 2 per cent per month, down to a final amount equal to 1-1/2 per cent of your coverage amount times your years of credited service as of your date of termination, or \$3,000, whichever was greater.

If you had less than \$3,000 of term life insurance in effect at age 65, you will retain the amount in effect on your 65th birthday (\$500 minimum). The Company will pay the full cost of continued coverage.

- ✓ As in the past, if you have less than 10 years of credited service on your 65th birthday, your coverage will be reduced at the rate of 2 per cent per month until you terminate your employment. At that time, coverage will end, unless you have earned 10 or more years of credited service at your termination date. In that case, continued life insurance will be provided at the Company's cost, and will be reduced to the same amount as for people with 10 or more years of service at age 65.
- ✓ Again, as in the past, if you are totally and permanently disabled before age 60, and after you have completed 10 or more years of credited service under the retirement plan, you may request that your term life insurance benefit be paid to you as a monthly income. Benefit payments can continue for up to 50 months, or until you reach age 65, whichever comes first.

If you elect monthly installments, you will receive \$20 a month for each \$1,000 of term life insurance. For instance, if you have \$10,000 of term life insurance, you will receive \$200 a month for 50 months. After the total amount has been paid, \$500 in group life insurance coverage will be provided for the rest of your disability.

If you should die while the monthly installments are being paid to you, the remaining installments shall be paid in a lump sum to your beneficiary. The lump sum shall not be less than \$500.

No total and permanent disability installments shall be made to any person after the month in which he or she reaches age 65. The balance of his or her life insurance in force at age 65 is continued, subject to the Reduction Rules associated with this policy, which are explained in this Summary Plan Description.

Life

General Information About Prior Plans and New Programs

Your Conversion Privilege

Although the Retiree Group Term Life Insurance coverage is a lifetime benefit, there are conditions under which the group contract can be discontinued. For instance, if Navistar were to terminate the current Aetna contract for this Program and provide coverage through a different insurer, this conversion privilege may apply. If either your Company-paid Basic Retiree Term Life Insurance or your Retiree-paid Optional Term Life Insurance coverage terminates because the group contract has been discontinued, and you have had life insurance coverage under the Program's group contract for more than 5 consecutive years, in most cases you can apply for a personal policy. You may do this through the Program's Conversion Privilege within 31 days of the date of the termination of the group contract.

You may apply for coverage for the amount of the discontinued policy, less the amount of any replacement group coverage for which you become eligible within 31 days of the date of the termination of the former group contract. The maximum amount of coverage to be converted will be in accordance with the state-mandated regulations of the former group contract.

If you die during the 31-day period, and before the personal conversion policy goes into effect, the amount payable under the Company-paid Basic Retiree Term Life Insurance coverage or the Retiree-paid Optional Term Life Insurance coverage will be limited to the maximum amount that could have been converted. This limit applies even if you do not apply for, or make the first premium payment for, the personal policy.

Your converted policy may be any kind of personal policy customarily being issued by the insurer for the amount being converted and for your age (nearest birthday) on the date it will be issued. However, your personal policy cannot be a term insurance policy or a policy with disability or other supplementary benefits.

You must apply for a personal policy in writing, and make your first premium payment for it within 31 days of the date your group insurance policy terminates. No evidence of insurability will be required. The personal policy will become effective at the end of the 31-day period during which the Conversion Privilege is available.

Life

General Information About Prior Plans and New Programs

The premiums for the converted policy will be at the insurance company's customary rates for the same policy issued to any other person of the same class of risk and age at the time the converted policy becomes effective. Once your coverage begins under the personal policy, that policy will be in exchange for all your benefits and privileges under the group contract for the amount that could have been converted.

Note:

If any of your Company-paid Group Term Life Insurance is reduced under the Basic Life Insurance policy (prior plan) because of retirement, the amount that is reduced under the prior plan policy (or a lesser amount, if desired) may be converted to a personal policy. A separate Conversion Privilege applies in this case, as stated under the prior plan policy.

Selecting a Beneficiary

You may name or change your beneficiary by filing a written request with your local Human Resources representative, or with Navistar Headquarters Human Resources Operations. The change will take effect as of the date you signed the request.

Any amount payable to a beneficiary will be paid to those you name. If more than one beneficiary is named, they will share the proceeds of the policy on an equal basis, unless you specify otherwise.

If a beneficiary dies before you, his/her share will be payable in equal shares to any other named beneficiaries who survive you.

In the event that you have named no beneficiary, or that no beneficiary survives you, payment will be made as follows:

1. To your spouse, if any.
2. If there is no spouse, equal shares will be paid to your children.
3. If there is no spouse or child, equal shares to your parents or to the surviving parent.
4. If there is no spouse, child or parent, equal shares to your brothers and sisters.
5. If none of the above survives, to the executor or administrator of your estate.

General Information About Prior Plans and New Programs

Filing A Claim

How Your Beneficiary Files a Claim

Benefits will be paid only after the necessary information is received from your beneficiary. The necessary information includes the following:

1. A certified copy of the Death Certificate or Physician's Statement, as proof of loss;
and
2. The beneficiary's birthdate, Social Security number, current address, and telephone number.

If the beneficiary is a minor, documentation should include the minor's birth certificate and Letters of Guardianship.

If the beneficiary is the estate of the deceased, documentation should include Letters of Administration.

Claims should be reported promptly, but **must be submitted within one year** after the date of death. Claims will be accepted after one year only if the beneficiary is legally incapacitated.

Send claims and documentation to the following address:

**Navistar International Transportation Corp.
Employee Insurance Department
455 North Cityfront Plaza Drive
Chicago, IL 60611**

How Benefits Are Paid

Benefits can be paid to your beneficiary or beneficiaries as soon as the necessary written proof to support the claim is received. Payment will be made in accordance with the beneficiary designations indicated. Payment will be made in one lump sum, unless an installment method has been elected. The methods of settlement will be those allowed by the insurer, based on the personal life insurance policies available when the settlement method is offered.

General Information About Prior Plans and New Programs

If Your Claim Is Denied

If a claim, or any part of a claim, is denied, notice of the decision will be furnished to your beneficiary within a reasonable period of time after receipt of the claim. The notice of denial will be in writing, and will set forth:

- ✓ The specific reasons for the denial;
- ✓ A specific reference to pertinent provisions of the Program upon which the denial is based;
- ✓ A description of any additional material or information necessary for your beneficiary to submit in order to substantiate the claim, and an explanation of why such material or information is necessary; and
- ✓ An explanation of the claim review procedure.

Your beneficiary may, upon written application, appeal the denial of a claim for Company-paid Basic Retiree Term Life Insurance. For a full and fair review send a written application to:

**Manager Employee Insurance
Navistar International Transportation Corp.
455 North Cityfront Plaza Drive
Chicago, IL 60611**

In the event of an appeal and formal review, your beneficiary or his/her authorized representative may review pertinent documents relating to the denial, and may submit issues and comments in writing.

A decision on the review will be made promptly, but usually not later than 60 days after the receipt of a request for review. If special circumstances require an extension of time for processing, a decision will be given as soon as possible, but not later than 120 days after receipt of a request for review. The decision on the review will be in writing. It will include the specific reasons for the decision and specific references to the pertinent provisions of the Program on which the decision is based.

General Information About Prior Plans and New Programs

Health Benefit Plan Committee

A seven (7) member joint Health Benefit Plan Committee has been established to resolve disputes following the regular claims procedure. Two members of the committee have been selected by the UAW; three by Navistar; one non-UAW retiree shall be appointed as described in the **Shy Settlement Agreement**; and one neutral member shall be elected by the other six. The Health Benefit Plan Committee may review and resolve benefit and eligibility disputes after the claim review procedure, and will act in its sole discretion in resolving such disputes. The decision of the Health Benefit Plan Committee shall be final and binding on all parties.

In order to appeal a benefit denial or eligibility dispute to the Health Benefit Plan Committee, write to:

**Health Benefit Plan Committee
c/o Navistar International Transportation Corp.
455 North Cityfront Plaza Drive
Chicago, IL 60611**

Be sure to include all relevant documentation along with the reason for your request for review. In this appeal process, you are free to obtain assistance from your union representative, if applicable.

The Health Benefit Plan Committee may not approve payment for any benefit that is not covered under the Program. Any determination made by the Committee will be consistent with the Plan Document, but the Committee may consider relevant past practices, prior letters of agreement, or similar information in interpreting the Program.

Life

General Information About Prior Plans and New Programs

Your Rights Under ERISA

The Retiree Life Insurance Program is part of the Navistar International Transportation Corp. Retiree Health Benefit and Life Insurance Plan. As a participant in this Program, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). Specifically, ERISA provides that all Plan participants are entitled to:

- ✓ Examine without charge, at the Plan Administrator's office and at other locations, and in the manner required by ERISA, all Plan Documents, collective bargaining agreements and copies of all Documents filed by the Plan with the U.S. Department of Labor, such as the detailed annual reports.
- ✓ Obtain copies of all Plan Documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for all copies.
- ✓ Receive a summary of the Plan's annual financial reports. The Plan Administrator is required by law to furnish you with copies of these summary annual reports.

You may not be discharged or discriminated against for pursuing a benefit or for exercising your ERISA rights.

If your claim for a benefit is denied or ignored, in whole or in part, you are entitled to a written explanation of the reason for the denial. You have the right to have your claim reviewed and reconsidered.

Besides creating rights for Plan Participants, ERISA also spells out certain responsibilities for the people who operate your benefit plans. These people are called "fiduciaries." The fiduciaries must act solely in the interest of the Plan Participants. They must exercise prudence and good judgment in the performance of their duties.

General Information About Prior Plans and New Programs

Under certain circumstances, outside assistance may be necessary to resolve disputes between you and Plan officials. For example:

- ✓ If you request materials from the Plan Administrator and do not receive them within 30 days, you may file suit in a federal court. In such case, the court may require the Plan Administrator to provide the materials and pay you up to \$100 a day until you receive the materials — unless the materials were not sent because of reasons beyond the control of the Plan Administrator.
- ✓ If your claim for benefits is denied in whole or in part after a final review, you may file a suit in a federal or state court.
- ✓ If the fiduciaries misuse the Plan's money, or if you are discriminated against for pursuing a benefit or exercising your ERISA rights, you may seek help from the U.S. Department of Labor or file suit in a federal court.

If you file a suit, the court will decide who should pay court costs and legal fees. If you win your suit, the court may order the person you have sued to pay the costs and fees. If you lose your suit, or if the court decides your suit was frivolous, the court may order you to pay the costs and fees.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement, or about your rights under ERISA, you should contact the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor.

Life

General Information About Prior Plans and New Programs

Administrative Information About the Retiree Life Insurance Program Under the Navistar International Transportation Corp. Retiree Health Benefit and Life Insurance Plan

Plan Name	Navistar International Transportation Corp. Retiree Health Benefit and Life Insurance Plan
Employer Identification Number	36-1264810
Plan Number	584
Plan Year	November 1 through October 31
Type of Plan	Insured Plan providing Life Insurance benefits
Type of Administration	The Plan is administered by Navistar International Transportation Corp. Aetna Life Insurance Company insures the Company-paid Basic Retiree Term Life Insurance coverage and the Retiree-paid Optional Term Life Insurance coverage.
Sponsoring Employer	Navistar International Transportation Corp. 455 North Cityfront Plaza Drive Chicago, IL 60611 (312) 836-2000

Life

General Information About Prior Plans and New Programs

Plan Administrator

Navistar International Transportation Corp.
455 North Cityfront Plaza Drive
Chicago, IL 60611
(312) 836-2000

**Agent for
Service of
Legal Process**

Navistar International Transportation Corp.
455 North Cityfront Plaza Drive
Chicago, IL 60611
(312) 836-2000

**Contributions
to the Plan**

Employer contributions cover all costs of the Company-paid Basic Retiree Term Life Insurance coverage. Retiree premium payments cover Retiree-paid Optional Term Life Insurance coverage and are set by the insurer based on actuarial factors.

Important Notice:

This document describes the main features of the Program. Additional provisions are described elsewhere in the group contract. In the event of an inconsistency between this Summary and the Plan Document, the Plan Document will control. If you have any questions about the terms of this Program or about the proper payment of benefits, you may obtain more information from your Employer or, if you prefer, from Aetna.