



Insurance

APPLICATION FOR GROUP INSURANCE

RBC Life Insurance Company

VMWare Canada Inc.

hereby makes application to **RBC Life Insurance Company**

for Group Policy 801667.

The terms of which are hereby approved and accepted by the applicant to take effect on the date specified in the policy.

It is agreed that this application supersedes any preliminary application for this policy signed by the applicant.

The continuation of payment of premiums due shall be deemed to signify the Employer's acceptance of the terms and conditions of this policy in lieu of requiring the signature of an authorized official signifying such acceptance. In the event of a dispute or disagreement with such terms and conditions on the part of the Employer, written notice must be given to RBC Life Insurance Company within 31 days of receipt of this policy. Premiums shall continue to be due and payable on each premium due date in order to avoid a lapse status or termination of the policy for non-payment of premium.

Dated at Mississauga, Ontario, Canada on this 25th day of January, 2018.

RBC Life Insurance Company

Laura A. Gainey
Senior Vice-President, Service and Operations

Rino D'Onofrio
President and Chief Executive Officer

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100 - APP - 2014

Contract

Group Benefit Solutions

Recovery Health
Protection
Support Advice
Confidence
Employees Care
Benefits

RBC Insurance





Insurance

POLICYHOLDER: VMWare Canada Inc.

POLICY NUMBER: 801667

POLICY EFFECTIVE DATE: January 1, 2018 at 12:01 a.m. Standard Time at the employer's address.

POLICY ANNIVERSARY: January 1 and the same day of each subsequent year.

PREMIUM DUE DATE: The Policy Effective Date and the first day of each subsequent month.

This policy is issued by **RBC Life Insurance Company** (referred to as the Company), on the basis of the application of the Policyholder and in consideration of the payment of premiums by the Policyholder.

The provisions, BENEFIT SUMMARY and any amendments and endorsements attached to this policy form part of this policy. The policy provides coverage for the types of insurance identified in the BENEFIT SUMMARY only. Any reference in the provisions to a type of insurance applies only if that type of insurance is identified in the BENEFIT SUMMARY.

Signed for the Company at Mississauga, Ontario, this 25th day of January, 2018, the date of issue.

This policy contains a provision removing or restricting the right of the group life insured to designate persons to whom or for whose benefit insurance money is to be payable.

Laura A. Gainey
Senior Vice-President, Service and Operations

Rino D'Onofrio
President and Chief Executive Officer

RBC Life Insurance Company
PO Box 1800 Stn B
Mississauga Ontario L4Y 3W6

GROUP INSURANCE POLICY - NON-PARTICIPATING

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GROUP INSURANCE BENEFIT SUMMARY - GENERAL

THE FOLLOWING IS ONLY A SUMMARY OF THE INSURANCE PROVIDED UNDER THIS POLICY AND MUST BE READ IN CONTEXT WITH THE REST OF THE PROVISIONS, TERMS AND CONDITIONS OF THE POLICY.

INSURANCE UNDER THE POLICY:

<u>Insurance Benefit</u>	<u>Classes Insured</u>
▪ Employee Basic Accidental Death and Dismemberment (AD&D)	1 2 3
▪ Short Term Disability (STD)	1 2 3
▪ Long Term Disability (LTD)	1 2 3

NOTE: See specific BENEFIT SUMMARY for Classes eligible for such insurance.

DESCRIPTION OF ALL ELIGIBLE CLASS(ES) OF EMPLOYEES:

1. All Eligible Full-Time **Employees** earning a base salary of \$140,000 or more per year
2. All Eligible Full-Time **Employees** earning a base salary of \$120,000 or more but less than \$140,000 per year
3. All Other Eligible Full-Time **Employees**

ELIGIBILITY REQUIREMENTS UNDER THE POLICY:

An **employee** must:

- Be a **resident** in Canada;
- Hold current and valid **provincial or territorial health care plan** coverage in the province or territory where he resides;
- Be a permanent **full - time employee**;
- Be in **active employment** in Canada with the **employer** for at least 30 hours per week each week;
- Have completed a written enrollment card for this group insurance (if applicable or by providing appropriate enrolment information); and
- Be in an ELIGIBLE CLASS of **employees** insured.

In addition to the above items, the **employee** must complete the **waiting period**.

WAITING PERIOD UNDER THE POLICY:

For an eligible **employee** in **active employment** on or before the **Effective Date**: None.

For an eligible **employee** in **active employment** after the **Effective Date**: None.

DIVISION, AFFILIATED OR SUBSIDIARY COMPANIES ALSO INSURED UNDER THIS POLICY:

Name:

None

GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY

THE FOLLOWING IS ONLY A SUMMARY OF THE INSURANCE PROVIDED UNDER THIS POLICY AND MUST BE READ IN CONTEXT WITH THE REST OF THE PROVISIONS, TERMS AND CONDITIONS OF THE POLICY.

ELIGIBLE CLASS(ES): Class 1
Class 2
Class 3

PRINCIPAL SUM: The greater of \$25,000 or an amount equal to 200% of the **employee's annual earnings**, rounded to the next higher \$1,000, if not already a multiple of \$1,000.

MAXIMUM PRINCIPAL SUM: \$500,000

NO-EVIDENCE MAXIMUM: \$500,000
Coverage above the **no-evidence maximum** is subject to satisfactory evidence of insurability

PARALYSIS LIMITATION: For **paralysis** (quadriplegia, paraplegia, or hemiplegia, as described in the benefit provision under SCHEDULE OF SPECIFIC LOSSES) sustained by the **employee** as a result of any one accident, will not exceed \$1,000,000.

REDUCTION: The **employee's principal sum** in force immediately prior to age 65 will reduce by 50% when the **employee** turns 65, rounded to the next higher \$1,000.
Any reduction in the **principal sum** amount of insurance will also apply to any AD&D insurance extended under the WAIVER OF PREMIUM.
The reduction applicable to any scheduled **principal sum** will also be applied in the determination of the **principal sum** for an **employee** when he first becomes eligible.

OTHER STANDARD FEATURES: As described in the benefit provisions, benefits provided under this policy include the following based on eligibility:
NOTE: Please refer to the specific benefit provisions for exact details.
(also see SCHEDULE OF SPECIFIC LOSSES for various percentages of the Principal Sum applicable to covered losses)

Other Standard Features:

Included / Maximum:

Schedule of Specific Losses

Yes

Day Care Benefit

Payment will be equal to the lesser of:

- 5% of the **employee's principal sum** per year; or
- a maximum of \$5,000 per year.

The Day Care Benefit will be paid each year for 4 consecutive years. The maximum benefit payable is \$20,000.

Education Benefit

Payment will be equal to the lesser of:

- 5% of the **employee's principal sum** per year; or
- \$5,000 per year.

The Education Benefit will be paid each year for 4 consecutive years if the covered **child** remains enrolled as a **full-time student**.

GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY

Exposure and Disappearance Benefit	The employee's principal sum for Loss of Life
Family Transportation Benefit	Up to \$5,000 (subject to submission of proof of eligible expenses incurred)
Funeral Expense Benefit	\$3,000
Home Alteration and Vehicle Modification	\$20,000
In-Hospital Indemnity Benefit	\$12,000
Rehabilitative Physical Therapy Benefit	Payment will be equal to the lesser of: <ul style="list-style-type: none">▪ 10% of the employee's principal sum or▪ \$10,000
Repatriation and Identification Benefit	\$10,000
Seat Belt and Air Bag Benefit	Seat belt - additional 10% of the employee's principal sum and air bag - \$5,000
Spousal Retraining Benefit	Up to \$10,000 (subject to submission of proof of eligible expenses incurred)
Waiver of Premium Benefit	
▪ Waiver of Premium Elimination Period:	The employee must be continuously disabled for at least 120 days.

COST CONTRIBUTION: The employer pays the full cost of the insurance.

TERMINATION OF COVERAGE: The earlier of the date the employee retires or turns 70.

GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY

THE FOLLOWING IS ONLY A SUMMARY OF THE INSURANCE PROVIDED UNDER THIS POLICY AND MUST BE READ IN CONTEXT WITH THE REST OF THE PROVISIONS, TERMS AND CONDITIONS OF THE POLICY.

ELIGIBLE CLASS(ES): Class 1
Class 2
Class 3

DEFINITION OF DISABILITY: Residual Disability

WEEKLY PAYMENT

CALCULATION:

1. Multiply the **employee's pre-tax weekly earnings** by 75% and then round to the next higher \$1.00, if not already a multiple of \$1.00.
2. The maximum weekly amount is \$3,000.
3. Compare the answer from Item 1 with the maximum weekly amount. The lesser amount is the **employee's gross weekly benefit**.
4. Subtract 100% of direct **benefit offsets** from the answer from item 3.

The **weekly payment** is the lesser of Items 3 or 4.

The **employee's weekly payment** may be reduced by **disability earnings**.

ELIMINATION PERIOD: - 0 calendar days for **disability** due to an **injury**; or
- 7 calendar days for **disability** due to a **sickness**.

FIRST DAY HOSPITAL: If, because of **disability**, the **employee** is hospital confined, benefits begin immediately.

If the **employee** is **disabled** as a result of outpatient surgery, benefits begin on the date the **employee's** surgery occurs.

MAXIMUM PERIOD OF PAYMENT:

<u>Age at Disability</u>	<u>Maximum Period of Payment</u>	<u>Premiums Required During Period of Payment</u>
Less than age 65	17 weeks	Full period of payments, but not beyond age 65

DAILY RATE OF BENEFIT

CALCULATION: 1/7th

OTHER STANDARD FEATURES:

NOTE: Please refer to the specific benefit provisions for exact details.

As described in the benefit provision, benefits provided under this policy include the following based on eligibility:

<u>Other Standard Features:</u>	<u>Included / Maximum:</u>
Rehabilitation and Return To Work Assistance Benefit:	10% of the employee's gross weekly benefit to a maximum of \$250 per week

STD TAXABILITY: The **employer** has established this Group Short Term Disability plan with the express intention and understanding that the **weekly payment** is to be a taxable benefit to the **employee** in accordance with the Income Tax Act, as amended from time to time.

COST CONTRIBUTION: The **employer** pays the full cost of the insurance.

TERMINATION OF COVERAGE:

The earlier of the date the **employee** retires or turns 65.

GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY

THE FOLLOWING IS ONLY A SUMMARY OF THE INSURANCE PROVIDED UNDER THIS POLICY AND MUST BE READ IN CONTEXT WITH THE REST OF THE PROVISIONS, TERMS AND CONDITIONS OF THE POLICY.

ELIGIBLE CLASS(ES): Class 1
 Class 2
 Class 3

DEFINITION OF DISABILITY: Residual Disability

MONTHLY PAYMENT CALCULATION: Class 1

1. Multiply the first \$2,250 of the **employee's pre-tax monthly earnings** by 66.67%.
2. Multiply any portion of the **employee's pre-tax monthly earnings** in excess of \$2,250 by 50%.
3. Add the answers from Item 1 and Item 2 together and round the sum to the next higher \$1.00, if not already a multiple of \$1.00 and subtract the **employee's individual disability policy amount** of \$5,000.
4. The maximum monthly amount is \$10,000.
5. Compare the answer from Item 3 with the maximum monthly amount. The lesser amount is the **employee's gross monthly benefit**.
6. Subtract 100% of direct **benefit offsets** from the answer from Item 5.
7. Multiply the **employee's post-tax monthly earnings** by 85%.
8. Subtract 100% of direct and indirect **benefit offsets** from the answer from Item 7.

The **monthly payment** is the least of Items 5, 6 or 8; however, the **monthly payment** will not be less than the MINIMUM MONTHLY BENEFIT.

The **employee's monthly payment** may be reduced by **disability earnings**.

Some disabilities may not be covered or may have limited insurance under this policy.

Class 2

1. Multiply the first \$2,250 of the **employee's pre-tax monthly earnings** by 66.67%.
2. Multiply any portion of the **employee's pre-tax monthly earnings** in excess of \$2,250 by 50%.
3. Add the answers from Item 1 and Item 2 together and round the sum to the next higher \$1.00, if not already a multiple of \$1.00 and subtract the **employee's individual disability policy amount** of \$3,000.
4. The maximum monthly amount is \$10,000.
5. Compare the answer from Item 3 with the maximum monthly amount. The lesser amount is the **employee's gross monthly benefit**.
6. Subtract 100% of direct **benefit offsets** from the answer from Item 5.
7. Multiply the **employee's post-tax monthly earnings** by 85%.
8. Subtract 100% of direct and indirect **benefit offsets** from the answer from Item 7.

The **monthly payment** is the least of Items 5, 6 or 8; however, the **monthly payment** will not be less than the MINIMUM MONTHLY BENEFIT.

The **employee's monthly payment** may be reduced by **disability earnings**.

Some disabilities may not be covered or may have limited insurance under this policy.

Class 3

1. Multiply the first \$2,250 of the **employee's pre-tax monthly earnings** by 66.67%.
2. Multiply any portion of the **employee's pre-tax monthly earnings** in excess of \$2,250 by 50%.
3. Add the answers from Item 1 and Item 2 together and round the sum to the next higher \$1.00, if not already a multiple of \$1.00.
4. The maximum monthly amount is \$10,000.
5. Compare the answer from Item 3 with the maximum monthly amount. The lesser amount is the **employee's gross monthly benefit**.
6. Subtract 100% of direct **benefit offsets** from the answer from Item 5.
7. Multiply the **employee's post-tax monthly earnings** by 85%.
8. Subtract 100% of direct and indirect **benefit offsets** from the answer from Item 7.

The **monthly payment** is the least of Items 5, 6 or 8; however, the **monthly payment** will not be less than the MINIMUM MONTHLY BENEFIT.

The **employee's monthly payment** may be reduced by **disability earnings**.

Some disabilities may not be covered or may have limited insurance under this policy.

MINIMUM MONTHLY BENEFIT: \$100 per month

NO-EVIDENCE MAXIMUM: \$10,000

If an **employee's gross monthly benefit** increases because of an increase to the **no-evidence maximum**, the increase to the **employee's gross monthly benefit** may be limited by the **Pre-Existing Condition Limitation**.

ELIMINATION PERIOD: 119 calendar days

REGULAR OCCUPATION PERIOD: 2 years

MAXIMUM PERIOD OF PAYMENT:	<u>Age at Disability</u> Less than age 65	<u>Maximum Period of Payment</u> To age 65, but not less than 1 year
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No premium payments are required for the **employee's** insurance while he is receiving LTD payments under this policy.

DAILY RATE OF BENEFIT CALCULATION: 1/30th

OTHER STANDARD FEATURES: As described in the benefit provision, benefits provided under this policy include the following based on eligibility:
NOTE: Please refer to the specific benefit provisions for exact details.

<u>Other Standard Features:</u>	<u>Included / Maximum:</u>
Continuity of Coverage:	Yes
Pre-Existing Conditions:	3/12
Survivor Benefit:	Yes – 3 months
Worksite Modification Benefit:	the greater of: <ul style="list-style-type: none"> ▪ \$1,000, or ▪ the equivalent of 2 months of the employee's monthly payment.
Work Life Assistance Program:	Yes
Best Doctors®:	Yes

EMPLOYER SELECTED BENEFITS:
NOTE: Please refer to the specific benefit provisions for exact details.

As described in the benefit provision, benefits provided under this policy include the following based on eligibility:

<u>Employer Selected Benefits:</u>	<u>Included / Maximum:</u>
Rehabilitation and Return To Work Assistance Benefit:	10% of the employee's gross monthly benefit to a maximum of \$1,000 per month
Total Benefit Cap:	110% of monthly earnings if the employee is participating in the rehabilitation and return to work assistance program
Dependent Care Expense Benefit:	350 per month, per dependent ; but not to exceed \$1,000 per month for all Dependent Care Expenses combined
Spousal Disability (SD) Benefit	Spouse insured (when the employee becomes insured under the LTD benefit shown above) for disability occurring while insured causing loss of at least 2 activities of daily living or cognitive impairment . Spouse does not have to be employed outside the home.
SD Conversion:	No Conversion Benefit available under this benefit
SD Amount:	\$1,000 per month to a lifetime maximum period of payment of 2 years
SD Increases:	Any increases in insurance will be subject to a pre-existing conditions limitation.
SD Elimination Period:	60 consecutive calendar days
SD Pre-Existing Conditions:	6/6
SD Benefits Cease:	On the earliest of: <ul style="list-style-type: none"> ▪ the date the spouse is no longer disabled; ▪ the end of the maximum period of payment as shown above under SD Amount; or ▪ the date the spouse dies

LTD TAXABILITY:

The **employer** has established this Group Long Term Disability plan with the express intention and understanding that the **monthly payment** is to be a non-taxable benefit to the **employee** in accordance with the Income Tax Act, as amended from time to time.

COST CONTRIBUTION:

The **employee** pays the full cost of the insurance.

TERMINATION OF COVERAGE:

The earlier of the date the **employee** retires or turns 65.

GENERAL CONDITIONS OF INSURANCE

Section A GENERAL DEFINITIONS

NOTE: These general definitions apply to all benefit provisions. Other definitions for specific benefits will be as stated in each benefit provision. In the event that there is an inconsistency between a general definition in this section and a specific definition in a benefit provision, the specific definition in the benefit provision will apply to the coverage provided under that benefit provision.

Each defined term in the policy is shown in bold type.

In this policy reference to the masculine gender will be deemed to also include the feminine.

active employment

means the **employee** is:

- working for the **employer** on a permanent **full-time** basis in Canada for earnings that are paid regularly;
- performing the **material and substantial duties** of his **regular occupation**; and
- working or be scheduled to be working for at least the minimum number of hours per week each and every week* shown in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL.

*If the minimum number of hours worked is other than each and every week, the Company must be informed by the **employer** prior to this policy coming into effect. Otherwise the Company reserves the right to deny insurance to employees working on such a non-standard basis.

Normal vacation is considered **active employment**.

The **employee's** work site must be:

- the **employer's** usual place of business in Canada;
- an alternative work site in Canada at the direction of the **employer**, including the **employee's** home in Canada; or
- a location to which the **employee's** job requires him to temporarily travel and perform the **material and substantial duties** of his **regular occupation**

Any work site outside of Canada must be pre-approved in writing by the Company.

child or children

means, if insured under this policy, a **resident** who is the **employee's** or the **spouse's** own natural offspring, lawfully adopted child, stepchild, or other child who is dependent on the **employee** for financial support and are living with the **employee** in a regular parent-child relationship.

A **child** must be:

- at least
 - (i) with respect to Group Dependent Life Insurance (if insured under this policy), from live birth but not yet attained age 21; or
 - (ii) age 21 but not yet attained age 26 and be attending an accredited educational institution, college or university recognized by the Canada Revenue Agency on a full-time basis. Satisfactory proof of full-time student attendance must be submitted to the Company; and
- not be married or in any other formal union recognized by law; and
- dependent on the **employee** for financial support.

A **child** insured under this policy, who is incapacitated due to a mental or physical disability on the date he reaches the age when he would otherwise cease to be an eligible **dependent**, will continue to be an eligible **dependent** under this policy.

A **child** is considered incapacitated if he is incapable of supporting himself or engaging in any substantially gainful activity, and is dependent on the **employee** for financial support, maintenance and care, within the terms of the Income Tax Act, due to a mental or physical disability.

The Company may require written proof of the **child's** condition as often as may reasonably be necessary.

claimant means an **employee** or a **beneficiary** who has submitted a claim for benefits under the policy to the Company. Claimant will also include the legal representative of an **insured** who is incapacitated, incompetent or a minor.

Where allowed by law, the term will mean any person who submitted a claim for benefits under the policy to the Company.

compassionate care leave of absence means a period of absence allowed by federal or provincial law for the **employee** to care for a family member (as defined in the law) who has a serious medical condition which has significant risk of death.

crime includes any actions which would be an offence under the Criminal Code or the Controlled Drugs and Substances Act, whether or not the actions occurred in Canada.

dependent means, if insured under this policy, a **resident** who is the **employee's spouse** and a **resident** who is the **employee's and/or spouse's children**.

Any **child** who is insured under the policy as an **employee** is not a **dependent**. When 2 **spouses** are both insured as **employees** under the policy, both may cover **children** for Dependent Life insurance (if insured under this policy).

employee means a person who is:

- in **active employment** in Canada with the **employer**; and
- permanently domiciled in Canada and is a **resident** in Canada; and
- insured under a Canadian **provincial or territorial health care plan** (including any extension) of his province/territory of residence.

An **employee** is also deemed to include a partner, sole proprietor or a teacher, if insured under this policy.

Temporary and seasonal workers are excluded from insurance. No coverage will be extended to a person who is not an **employee** unless an exception is applied for and approved in writing by the Company.

employer means the **policyholder**, and includes any division, subsidiary or affiliated company named in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL.

evidence of insurability means a statement of a person's medical history which the Company will use to determine if the person is approved for insurance. In addition to the information the person supplies on the application or other required documentation, the Company may require other proof of the person's medical history which includes but is not limited to test results, medical examinations and **physician** statements. The Company may also require that an insurability assessment be performed. **Evidence of insurability** must be provided at the person's own expense.

full-time	means a normal work schedule of at least the minimum number of hours per week each week as shown in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL for 52 weeks per year including paid vacation.
grace period	means the 31 days following the PREMIUM DUE DATE during which premium and any applicable tax payment may be made. Insurance will continue in force during the grace period . If the full premium and tax due is not paid within the grace period , the policy will terminate for non-payment of premium at the end of the 31 days. The full premium and tax for the grace period will nevertheless be due and payable.
hospital or institution	means an accredited facility licenced to provide care and treatment for the condition causing the disability , loss, injury or sickness.
insured	means an employee , spouse or child who is insured under the policy.
late entrant	<p>means a person (including the employee) for whom an employee:</p> <ul style="list-style-type: none"> ▪ applies for insurance after the person has been eligible for more than 31 days ; or ▪ re-applies for insurance after that person's insurance had earlier been cancelled. <p>It also means an employee who, after having previously waived benefits under this policy because he was covered for similar benefits under his spouse's plan:</p> <ul style="list-style-type: none"> ▪ applies for insurance more than 31 days after his benefits terminated under his spouse's plan; or ▪ applies for insurance even though benefits under his spouse's plan have not terminated.
layoff or leave of absence	<p>means the employee is, for non-medical reasons, temporarily absent from active employment for a period of time that has been agreed to in advance in writing by the employer.</p> <p>The employee's normal vacation time, statutory leave or any period of disability is not considered a temporary layoff or leave of absence.</p>
legislation, plan or act	means the original enactments of the legislation, plan or act and all amendments.
maximum benefit	means the maximum amount payable under the policy for a valid claim for a particular benefit.
payable claim	means a valid claim for which the Company is liable under the terms of the policy. The actual submission of a claim for benefits does not, in itself, constitute a payable claim under the policy. Each claim for benefits is adjudicated on an individual basis.
physician	<p>means:</p> <ul style="list-style-type: none"> ▪ a person who is licenced to practice medicine, to prescribe and administer drugs or to perform surgery; or ▪ a person with a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients. <p>The physician must be performing tasks that are within the limits of his medical licence. The Company will not recognize the employee or his spouse, child, parent or sibling as a physician for a claim that the employee submits to the Company.</p>
policyholder	means the employer or legal entity to whom the policy is issued.

pregnancy leave of absence or parental leave of absence

means:

- a period of time no longer than federally or provincially required that is agreed to between the **employee** and the **employer** prior to the actual absence or as defined by the **employer's** pregnancy leave of absence policy and/or parental leave of absence policy;
- any period of formal pregnancy and/or parental leave the **employee** is entitled to under federal or provincial legislation governing the **employer**; or
- any period during which the **employee** receives pregnancy leave benefits, parental leave benefits, and pregnancy-related sickness benefits, or any combination of these benefits under the Employment Insurance Act or the Quebec Parental Insurance Plan.

For the purposes of **parental leave of absence**, a parent includes natural and adoptive parents, as well as the person in a relationship of some permanence with a natural or adoptive parent of the child who intends to treat the child as his own.

provincial or territorial health care plan

means the body of provincially/territorially enacted laws, as amended from time to time, governing provincial or territorial health insurance plans which provides health insurance to residents of Canada.

resident

means a person who:

- is legally entitled to be or to remain in Canada;
- makes his home in, and is ordinarily present in, a province or territory of Canada; and
- satisfies the requirements for Canadian **provincial or territorial health care plan** coverage.

spouse

means, if insured under this policy, is a **resident** and:

- is legally married to the **employee**; or
- if the **employee** is not married, is a person whom the **employee** has publicly represented as his spouse and with whom he has resided continuously for at least 12 months in a conjugal-like relationship, civil union, adult interdependent relationship, or any other formal union defined and recognized by law and who is:
 - at least 18 years of age or of legal age to marry;
 - competent to contract; and
 - not related by blood closer than would legally bar marriage.

Only one **spouse** will be eligible for insurance under this policy, and will be as indicated by the **employee** on his application for insurance under this policy. Where this information is not contained on his application, the person who qualifies last under this policy's definition of **spouse** will be the eligible **spouse**.

statutory leave

means any specified period of leave during which an **employee** is entitled to be absent from work in accordance with federal or provincial **legislation**, and it includes **compassionate care leave of absence** and **pregnancy leave of absence** or **parental leave of absence**.

waiting period

means the continuous period of time that the **employee** must be in **active employment** in an ELIGIBLE CLASS before he is eligible for insurance under the policy.

Section B GENERAL ELIGIBILITY FOR INSURANCE

B.1 Becoming Eligible

An **employee** is eligible for insurance under this policy if the **employee**:

- is a member of an ELIGIBLE CLASS OF EMPLOYEES defined in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL;
- has completed the applicable WAITING PERIOD UNDER THE POLICY specified in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL;
- meets all other eligibility requirements as outlined in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL; and
- meets any eligibility requirements outlined in this section.

Enrolment

An **employee** must request insurance in writing by supplying the required enrolment information, such as but not limited to, **employee** census data or an enrolment card (if applicable) to the Company.

Dependent Insurance Benefits

If insured under this policy, an **employee** will become eligible for **dependent** insurance on the later of:

- the date the **employee's** insurance begins; or
- the date the **employee** first acquires a **dependent**.

The **employee** must submit a written application and **evidence of insurability** (if required) for the **dependent** insurance.

Additional Dependents

Each additional **dependent** will become insured on the date the **dependent** becomes eligible for insurance.

An **employee's dependent** cannot be insured before the **employee** is insured.

B.2 When Insurance Begins

An **employee's** insurance (subject to premium payment) begins at 12:01 a.m. on the latest of:

- the date the **employee** becomes eligible for the insurance, if he applied for insurance on or before that date;
- the date the Company receives enrolment/application information for the **employee's** insurance; or
- the date the Company approves the **employee's evidence of insurability**, if required.

Dependent insurance if insured under this policy (subject to premium payment) begins at 12:01 a.m. on the latest of:

- the date the **dependent** becomes eligible for insurance, if the **employee** applied for group dependent insurance on or before that date;
- the date the Company receives enrolment/application information for the **dependent's** insurance; or
- the date the Company approves the **dependent's evidence of insurability**, if required.

Absent When Insurance Would Normally Begin

If, on the date insurance would normally begin, an **employee** is absent from **active employment** due to **leave of absence**, temporary **layoff** or lawful strike or lockout, and the **employee** returns to **active employment** within 6 months of the date insurance would normally begin, the **employee's** insurance will begin on the date the **employee** returns to **active employment**. However, if the **employee** returns to **active employment** more than 6 months after his insurance would normally begin, the **employee's** insurance will begin after he has again been in **active employment** for a period equal to the applicable WAITING PERIOD UNDER THE POLICY.

- Leave Of Absence, Temporary Layoff, Strike Or Lockout Prior To The Date Insurance Begins

If an **employee's** insurance is subject to **evidence of insurability**, the **employee** will be deemed to be a **late entrant** if the Company approves any **evidence of insurability** previously submitted by the **employee** but the **employee** does not return to **active employment** within the time required by the Company's guidelines in effect on the date the Company approved the **evidence of insurability**. In such event, the Company reserves the right to require the **employee** to submit current **evidence of insurability**.

If a **dependent** (if insured under this policy) is hospitalized on the date insurance (initial, additional or any increase) would normally begin, the **dependent's** insurance or any additional or increase in insurance for that **dependent** will begin on the date he is discharged from hospital. This is not applicable to a newborn **child**.

- Statutory Leave
Prior To The
Date Insurance
Begins

If, on the date insurance would normally begin, an **employee** is absent from **active employment** due to **statutory leave**, the **employee's** insurance will still begin if the **employee** has decided to maintain insurance and if premiums are paid during the **statutory leave**. The **employee** may maintain insurance until 31 days after the date that the **statutory leave** ended. If the **employee** does not return to **active employment** within 31 days after the date that the **statutory leave** ended, the **employee's** insurance will end.

However, if the **employee** has decided not to maintain insurance during the **statutory leave**, the **employee's** insurance will begin on the date the **employee** returns to **active employment**, provided that the **employee** returns to **active employment** within 31 days of the date that the **statutory leave** ended.

- Sickness or Injury
Prior To The
Date Insurance
Begins

If, on the date insurance would normally begin, an **employee** is absent from **active employment** due to **sickness or injury**, then:

- the **employee** may be enrolled for Group Basic Term Life Insurance, subject to GROUP BASIC TERM LIFE INSURING PROVISIONS, section B.6 Continuity of Coverage;
- the **employee** and his **dependents** may be enrolled for Group Optional Term Life Insurance, subject to GROUP OPTIONAL TERM LIFE INSURING PROVISIONS, section B.7 Continuity of Coverage;
- the **employee** may be enrolled for Group Accidental Death and Dismemberment Insurance, subject to GROUP ACCIDENTAL DEATH AND DISMEMBERMENT INSURING PROVISIONS, section B.5 Continuity of Coverage;
- the **employee's** Group Short Term Disability Insurance will begin on the date that he returns to **active employment** , provided that he returns to **active employment** within 6 months of the date insurance would normally begin. However, if the **employee** returns to **active employment** more than 6 months after his insurance would normally begin, the **employee's** Group Short Term Disability Insurance will begin after he has again been in **active employment** for a period equal to the applicable WAITING PERIOD UNDER THE POLICY; and
- the **employee** may be enrolled for Group Long Term Disability Insurance, subject to GROUP LONG TERM DISABILITY INSURING PROVISIONS, section B.6 Continuity of Coverage.

B.3 Evidence Of Insurability

The Company requires **evidence of insurability** when an **employee**:

- is a **late entrant**;
- is eligible and applies for insurance or an increase in insurance above any **no-evidence maximum**;
- voluntarily cancelled insurance and is re-applying for insurance; or
- was previously eligible for insurance but waived coverage under this policy but is now applying for the insurance.

If such benefits are insured under this policy, the Company also requires **evidence of insurability** when an **employee**:

- applies for any Group Optional Term Life insurance coverage, (initial, increased or additional) for his **dependents**;
- makes written application for **dependent** insurance (Group Basic Term Life, Group Optional Term Life,) more than 31 days after the date the **dependent** becomes eligible;
- voluntarily cancels the Group Basic Term Life insurance for his **dependent** while his **dependent** remain eligible for the insurance, and then reapplies for the insurance at a later date; or
- waives the Group Basic Term Life insurance for his eligible **dependent** and then applies for the insurance at a later date.

B.4 Late Entrant

The Company reserves the right to deem an **employee** a **late entrant** if the **employee** was absent from **active employment** on the date his insurance would normally begin as specified in B.2 above.

Payment of Premium

When insurance is approved for a **late entrant**, all premiums and applicable tax payments are due and payable as of the **employee's** effective date of insurance.

B.5 Changes in Insurance

Changes in the amount of insurance or benefits may occur as the result of an employment status change, the addition of a benefit or a change to a benefit. Any resulting changes take effect on the date of the change in status or benefits.

Exceptions

The following exceptions apply if the result of the change is an increase in insurance:

- if **evidence of insurability** is required, the increase will not take effect until the Company approves the **evidence of insurability**; and/or
- if the **employee** is not in **active employment** when the change occurs or when the Company approves the **evidence of insurability**, the increase will not take effect until the **employee** returns to **active employment**.

Not in Active Employment

If the **employee** is not in **active employment** due to **injury, sickness, temporary layoff or leave of absence**, or lawful strike or lockout, any increased or additional insurance will take effect on the later of:

- the date the **employee** returns to **active employment**; or
- the date the Company approves the **employee's evidence of insurability** form, if **evidence of insurability** is required.

Decreases

Any decrease in insurance will take effect immediately but will not affect a **payable claim** that occurs prior to the decrease.

B.6 When Insurance Ends

An **employee's** insurance ends on the earliest of the following dates:

- the date the **employee** is no longer in **active employment** except as set out in the continued insurance provisions for:
 - Leave of Absence, Temporary Layoff, Strike or Lockout;
 - Statutory Leave;
 - Sickness or Injury;
- the date the **employee** is no longer in an ELIGIBLE CLASS;
- the date the **employee** no longer meets the eligibility requirements as specified in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL;
- the end of the period for which premiums have been paid to the Company for the **employee's** insurance; or
- the date this policy ends, as specified under GENERAL ADMINISTRATION PROVISIONS under Section C. 17 Termination of the Policy.

However, the ending of an **employee's** insurance will not prevent a **payable claim** for:

- the **employee's** death or other loss that is caused by an accident that occurred before the end of the **employee's** insurance; or
- the **employee's disability** that commenced before the end of the **employee's** insurance.

Any benefit may end on an earlier or later date as specified in the applicable BENEFIT SUMMARY.

An **employee's** dependent insurance (if insured under this policy) ends on the earlier of the following dates:

- the date the **employee** is no longer in **active employment** except as set out the continued insurance provisions for:
 - Leave of Absence, Temporary Layoff, Strike or Lockout;
 - Statutory Leave;
 - Sickness or Injury;
- the date the **employee** is no longer in an ELIGIBLE CLASS for dependent insurance;
- the date the **employee** and/or his **dependent** no longer meets the eligibility requirements as specified in the GROUP INSURANCE BENEFIT SUMMARY - GENERAL;
- the date the **employee** no longer has any **dependents** or the date the **dependent** loses his status as a **dependent**;
- the end of the period for which premiums have been paid to the Company for the **employee's** dependent insurance; or
- the date this policy ends, as specified in GENERAL ADMINISTRATION PROVISIONS under Section C.17 Termination of the Policy.

However, the ending of an **employee's** dependent insurance will not prevent a **payable claim** for a dependent's death if it is caused by an accident that occurred before the end of the **employee's** dependent insurance.

Any benefit may end on an earlier or later date as specified in the applicable BENEFIT SUMMARY.

B.7 Continued Insurance – Leave of Absence, Temporary Layoff, Strike or Lockout

Once insurance begins, if the **employee** ceases to be in **active employment** due to a **leave of absence**, temporary **layoff**, strike or lockout, the **employee's** Group Short Term Disability Insurance (if provided under this policy) and Group Long Term Disability Insurance (if provided under this policy) may be continued on a premium paying basis for up to 90 days after the **leave of absence**, temporary **layoff**, strike or lockout begins, and the **employee's** other insurance may be continued on a premium paying basis for up to 180 days after the **leave of absence**, temporary **layoff**, strike or lockout begins.

B.8 Continued Insurance – Statutory Leave

Once insurance begins, if the **employee** ceases to be in **active employment** due to a **statutory leave**, the **employee** may continue all insurance on a premium paying basis for the duration of the **statutory leave**. If the **employee** does not continue his insurance on a premium paying basis, the **employee's** insurance will end.

If the **employee's** insurance ends because he does not continue his insurance on a premium paying basis during the **statutory leave**, the **employee's** insurance may begin again on the date he returns to **active employment** if he returns to **active employment** within 31 days of the date that the **statutory leave** ended. However, the **employee** will be treated as a new **employee** for the purposes of the Pre-Existing Condition Limitation (if any), and the **employee's** previous service while in an ELIGIBLE CLASS will not be credited toward the Pre-Existing Condition Limitation. If the **employee** returns to **active employment** more than 31 days after the date that the **statutory leave** ended, he will be treated as a new **employee** and will be subject to all requirements applicable to new **employees**.

If the **employee** has continued insurance on a premium paying basis during the **statutory leave**, the **employee** must return to **active employment** within 31 days of the date that the **statutory leave** ended in order for insurance to continue under this policy. If the **employee** does not return to **active employment** within 31 days of the date that the **statutory leave** ended, the **employee's** insurance will end.

B.9 Continued Insurance – Sickness or Injury

Once insurance begins, if the **employee** ceases to be in **active employment** due to sickness or injury, the following provisions will apply to the **employee's** insurance:

The **employee's** Basic Life Insurance, Optional Life Insurance, and Accidental Death & Dismemberment Insurance may be continued on a premium paying basis until the date the **employer** terminates his employment. The **employee** may also submit a claim for Waiver of Premium. If the Company approves the **employee's** claim, the **employee's** Basic Life Insurance, Optional Life Insurance, and Accidental Death & Dismemberment Insurance will be continued as described in the Waiver of Premium provisions.

The **employee's** Short Term Disability Insurance and Long Term Disability Insurance may be continued on a premium paying basis for a period of time that is equal to the longer of:

- the length of the Maximum Period of Payment for the Short Term Disability Insurance; or
- the length of the **elimination period** for the Long Term Disability Insurance.

If the **employee** becomes **disabled** after the date the **employee's** Short Term Disability Insurance and Long Term Disability Insurance end, no benefits will be payable. The Company will refund any premiums that were paid for the **employee's** Short Term Disability Insurance or Group Long Term Disability Insurance after the date the insurance ended.

If the **employee** submits a claim under his Long Term Disability Insurance and the Company approves his claim, the **employee's** Long Term Disability Insurance will be continued as described in the Waiver of Premium provision.

A type of insurance may be continued only if that type of insurance is identified in the BENEFIT SUMMARY.

B.10 Employment Standards and Extension of Insurance

All of an **employee's** insurance under this policy will terminate when his employment terminates. However, if the **employer** has terminated the **employee's** employment and the **employer** is required to extend insurance coverage or benefits to the **employee** during a minimum notice period prescribed by federal or provincial employment or labour standards legislation, the insurance under this policy may be extended for such minimum notice period. In order to extend insurance under this policy beyond the minimum notice period, the **employer** must request the continuation of insurance in writing to the Company, with the date to which the insurance must be continued, and the required premiums must continue to be remitted. This request is subject to the review and approval by the Company. The **employee's** insurance will not extend beyond the date that this policy terminates.

B.11 Return to Active Employment After Insurance Ends

If an **employee's** insurance ends and he returns to **active employment**, his insurance may begin again on the date he returns to **active employment** if:

- he returns to **active employment** within 180 days after the date his insurance ended; and
- he had already completed the applicable WAITING PERIOD UNDER THE POLICY before his insurance ended.

The **employee's** previous service while in an ELIGIBLE CLASS will be credited toward the Pre-Existing Condition Limitation (if any). All other policy provisions will apply.

The amounts of the **employee's** insurance will be determined by his earnings and ELIGIBLE CLASS at the time that his insurance begins again. If the **employee's** earnings at the time his insurance begins again are lower than his earnings were at the time his insurance ended, the amounts of his insurance coverage will relate to his lower earnings. However, if the **employee's** earnings at the time his insurance begins again are greater than his earnings were at the time his insurance ended, the amounts of his insurance coverage may be subject to **evidence of insurability**, if required by the Company.

If an **employee's** insurance ends and he returns to **active employment**, the **employee** will be treated as a new **employee** and will be subject to all requirements applicable to new **employees** if:

- he returns to **active employment** more than 180 days after the date his insurance ended; or
- he had not completed the applicable WAITING PERIOD UNDER THE POLICY before his insurance ended.

If an **employee's** insurance ends because he does not continue his insurance during a **statutory leave**, Section B.8 Continued Insurance – Statutory Leave will apply instead of this section.

B.12 Union Groups

The Company will not be bound by the provisions of any collective bargaining agreement, union arbitration decisions or any other agreements unless otherwise specified and approved by the Company in writing.

Should the provisions of any collective bargaining agreement require an **employer** to provide its Canadian **employees** with certain specific insurance benefits and/or claims adjudication processes that are different than the Company's standard insurance contracts and normal claims adjudication processes, the Company may be able to provide an arrangement whereby it would provide group insurance for the Canadian **employees** and, at the same time, the **employer** would be able to comply with any different or additional requirements of its collective bargaining agreements with these Canadian **employees**.

Section C GENERAL ADMINISTRATION PROVISIONS

- C.1 Policy Participation Requirements** The Company requires a minimum participation of 75% of all eligible **employees** for the entire plan.
- C.2 Agent** The **employer** acts on its own behalf or as the **employee's** agent. Under no circumstances will the **employer** be deemed the agent of the Company.
- Third Party Administrator (TPA) Any third party administrator (TPA) appointed by the **employer** acts as the **employer's** agent. Under no circumstances will the third party administrator be deemed the agent of the Company.
- C.3 Booklets** The Company will prepare a booklet which summarizes the insurance provided under this policy. The Company will provide copies of the booklets (whether printed or by electronic means) to the **employer** for delivery to each **employee** insured under this policy. If a booklet is delivered to an **employee** who for any reason is not entitled to insurance under this policy, such booklet shall not be deemed to provide insurance for such **employee**. In the event of any discrepancy between the provisions of this policy and those of any booklet prepared by the Company, the provisions of this policy will govern.
- C.4 Clerical Error**
- Employer/TPA Error
- place any insurance in force; or
 - continue insurance otherwise validly terminated.
- Company Error
- Clerical error by the Company in keeping records under the policy will not:
- place any insurance in force;
 - invalidate insurance otherwise validly in force; or
 - continue insurance otherwise validly terminated.
- Remedy for Clerical Error
- If it is found that relevant facts about an **insured** have been misstated or omitted, the true facts will be used to determine whether or not the insurance is in force under the terms of the policy and in what amounts. Premium adjustments will then be made, if appropriate, at the sole discretion of the Company.
- The Company will not incur any liability or responsibility beyond making any premium adjustment that may be required by such clerical error, omission or misstatement of fact.
- C.5 Currency** All payments under this policy (either to or by the Company) will be in Canadian dollars.
- C.6 Employer Administration of the Policy**
- The **employer** may perform certain administrative services under this policy, such as, but not limited to:
- confirmation of eligibility, salaries, and enrolment of eligible **insureds**, and
 - maintenance of complete **insureds** files, including **beneficiary** designations, if any.
- The **employer** may, on written notice to the Company, in a form approved by the Company, appoint a third party administrator to perform certain administrative services under this policy (subject to the Company's approval of the third party administrator) on its behalf. The appointment of a third party administrator will not relieve the **employer** of any of its obligations under this policy.

C.7 Entire Contract

This policy (including any BENEFIT SUMMARY sections), the application of the **employer** (a copy of which is attached), the several applications of the **employees** (if applicable), and any other documentation or questionnaires (which support or alter the information or effect any such applications, such as but not limited to, employee census data), constitute the entire contract.

No provision of this policy may be waived or modified except by the prior approval of 2 signing officers of the Company.

Use of Statements

Except for fraud, no statements made by the **employer** or by any **employee** at the time of the application for this policy will be used in defence of a claim under this policy unless it is contained in a written application or any other written documentation to secure insurance.

Clause or Provision Headings

Any clause or provision headings, sub-headings and Table of Contents in this policy do not form part of this policy, and have been inserted for convenience and reference only.

C.8 Fraud

It is a crime if the **employee** and/or the **employer** defrauds or deceives the Company, or knowingly provides any false information to the Company. This includes knowingly filing a claim that contains any false, incomplete or misleading information. These actions, will result in denial of a claim, and are subject to prosecution and punishment to the full extent of the law. The Company reserves the right to deny coverage to any **employee** who presents a fraudulent claim.

C.9 Incontestability

Any person required to provide **evidence of insurability** shall disclose, within the **evidence of insurability**, every known fact that is material to the insurance applied for. If such person misrepresents or fails to disclose any such fact, the insurance in respect of such person will be voidable by the Company. However, where the insurance in respect of such person has been in effect continuously for two years, such insurance will not, except in the case of fraud, be voidable by the Company on the basis of the misrepresentation or failure to disclose.

C.10 Limitation of Action

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in:

- the Insurance Act (for actions or proceedings governed by the laws of Alberta and British Columbia);
- The Insurance Act (for actions or proceedings governed by the laws of Manitoba);
- the *Limitations Act, 2002* (for actions or proceedings governed by the laws of Ontario);
- the Quebec Civil Code (for those actions or proceedings governed by the laws of Quebec);
- other applicable legislation; or
- the time periods set out below, whichever is later.

A legal action for money payable in the event of a person's death must be commenced not later than the earlier of:

- 2 years after proof of claim has been provided; or
- 6 years after the date of the death.

A legal action for payments under the Group Short Term Disability or Group Long Term Disability insurance provisions may not be commenced:

- more than 2 years after the date that the first payment became due, if the Company made no payments; or
- more than 2 years after the date the next payment would have become due, if the Company began making payments and then stopped.

A legal action for money payable for any other loss or claim may not be commenced:

- less than 60 days after the date that the money became payable or would have become payable if it had been a valid claim; or
- more than 2 years after the date the money became payable or would have become payable if it had been a valid claim.

C.11 No WCB /WSIB Replacement Policy

This policy does not replace or affect the requirements for coverage by any Workers' Compensation Act or Workplace Safety and Insurance Act or similar legislation.

C.12 Ownership

The **employer** is the owner of this policy and may request the Company to amend or change the policy without the consent of any **employee** insured under the policy. No change or amendment will prejudice any claim incurred prior to the date of change or amendment.

C.13 Policy Renewal

This policy will be renewed annually subject to:

- the expiration of any Rate Guarantee Rider (if applicable);
- the payment of the premium then due prior to the expiration of the **grace period**; and
- the termination of the policy under GENERAL ADMINISTRATION PROVISIONS under Section C.17 Termination of the Policy.

C.14 Receiving and Releasing Data

The Company will comply with all relevant legislation protecting personal information. Any person claiming benefits under this policy must give the Company all necessary information and authorization needed for underwriting, administering and paying claims.

Where allowed by law:

On written request, the Company will provide the **employee** (or a **claimant** - to the extent that information is relevant to a claim or denial of a claim) with a copy of his application for insurance and any record or written document that he provided under the group policy as **evidence of insurability**. A reasonable fee will be charged for each copy after the first if more than one copy of each document is requested.

On written request and with reasonable notice, the Company will provide the **employee** (or to a **claimant**- to the extent that information is relevant to a claim or denial of a claim) with, or allow him to examine, a copy of the group policy subject to limits prescribed by law. A reasonable fee will be charged for each copy after the first if more than one copy of the group policy is requested.

The **employee/claimant** will not be provided with any information contained in any document about any individual (other than himself or the claimant) insured under the group policy.

C.15 Required Data

The **employer** must provide the Company with any information needed to calculate premiums, to determine amounts of insurance and effective dates and to ensure all other policy terms are fulfilled. Such information must be provided promptly and must include, but is not limited to:

- Names and relevant information of all **employees** insured;
- Relevant information about increases, decreases or termination of insurance;
- Occupational information; and
- Any other information that may be reasonably required.

Rights Reserved

The Company reserves the right to:

- inspect pertinent records of the **employer** for any purposes related to the provisions of this policy; and
- rely on the information provided by the **employer**.

C.16 Changes to the Policy

The Company may change this policy or a benefit in whole or in part. Any change will be deemed accepted by the **employer** if the change was requested by the **employer** or if premiums are paid after the **employer** is given a copy of the proposed change. However, if the change was not requested by the **employer**, the **employer** will have 31 days from the date of receipt of the change to object to it. If the **employer** does not object in writing during this period, the change will be deemed effective.

The **employer** may terminate this policy or a benefit if the changes are unacceptable.

C.17 Termination of the Policy

This policy ends at 12:00 midnight on the last day of the **grace period** if any premium remains unpaid.

Employer Termination

The **employer** may terminate this policy by written notice delivered to the Company at least 31 days prior to the termination date. If the **employer** gives the Company written notice that this policy is to terminate, it will terminate on the later of the following dates:

- the date specified in the notice; or
- the date the Company receives the notice.

Company Termination

The Company may terminate this policy, a benefit provision or any part of a benefit provision on any **PREMIUM DUE DATE** for any reason including failure to meet the participation requirement specified above in Section C.1 Policy Participation Requirements. The Company will give the **employer** 31 days advance written notice.

When both the **employer** and the Company agree, this policy can be terminated on an earlier date. If the Company or the **policyholder** terminates this policy, insurance will end at 12:00 midnight on the last day of insurance.

Section D GENERAL PREMIUM PROVISIONS

- D.1 Premium Calculation** The premium due is the total of the monthly premiums for all **employees** insured by this policy on the **PREMIUM DUE DATE** based on the monthly rates established by the Company.
- Change In Rates The Company may change premium rates:
- on any **POLICY ANNIVERSARY**, subject to any Rate Guarantee Rider (if applicable); and
 - in response to any legislative or tax change, on the **PREMIUM DUE DATE** following the change; and
 - when the policy is changed, as specified in GENERAL ADMINISTRATION PROVISIONS under Section C.16 Changes to the Policy, on the **PREMIUM DUE DATE** following the change .
- Tax Premium payments for this policy may be subject to tax. If premium payments are subject to tax, the **employer** must remit all applicable tax to the Company, in addition to all premiums due under the policy. The **employer** must calculate any applicable tax based on the residency of the insured **employees**. The Company will remit any applicable tax on behalf of the **employer** based on the residency of insured **employees**.
- D.2 Premium Payment** Premiums must be paid in full while this policy is in effect. The **employer** is solely responsible for making premium payments. When premiums are remitted through a third party administrator appointed by the **employer**, premiums will not be considered to have been paid until the payment is actually received by the Company.
- Grace Period The **employer** must pay each premium on or before its **PREMIUM DUE DATE**. The Company allows a **grace period** to pay each premium.
- The Company is not required to verify:
- that any amounts referred to as contributions by **employees** are in fact contributed by the **employees**, or
 - that any amounts contributed by **employees** are used to make premium payments.
- D.3 Premium Adjustments** For any policy charges or refunds that do not begin on a **PREMIUM DUE DATE**, a proportionate premium charge or refund will, when applicable, be made from the date of the change. Changes will not be pro-rated daily.
- The Company will only adjust premium for the current policy year and the prior policy year. In the case of fraud, premium adjustments will be made for all policy years.

Section E GENERAL CLAIMS PROVISIONS

E.1 Notice and Proof	The Company encourages the employee or the employee's beneficiary (if applicable) to notify the Company of any claim as soon as possible, so that a claim decision can be made in a timely manner.
Written Notice of Claim	Written notice of a Short Term Disability (if insured under this policy) or Long Term Disability claim (if insured under this policy) should be sent to the Company within 30 days after the date the disability begins. Written notice of an AD&D or Life claim (if insured under this policy) should be sent to the Company within 30 days after the date the loss or death occurs. Written notice of a Waiver of Premium claim for Life (Basic and Optional, if insured under this policy) or AD&D (if insured under this policy) should be sent to the Company within 12 months after the date the disability begins.
Written Proof of Claim For Life or AD&D Waiver of Premium	For a Life or AD&D (if insured under this policy) Waiver of Premium claim, the employee must send the Company first written proof of claim between the end of the Waiver of Premium Elimination Period as shown in the BENEFIT SUMMARY and the 365 th day after the date the disability begins. If it is not possible to give proof of claim within such time period, it must be given no later than 1 year after the disability begins, except in the absence of legal capacity.
For Short Term Disability or Long Term Disability	For a Short Term Disability (if insured under this policy) or Long Term Disability claim (if insured under this policy), the employee must send the Company written proof of claim no later than 90 days after the date the disability begins. If it is not possible to give proof of claim within 90 days, it must be given no later than 1 year after the disability begins, except in the absence of legal capacity.
For Life or Accidental Death and Dismemberment	For a Life or AD&D claim (if insured under this policy), the claimant must send the Company written proof of claim no later than 90 days after the date the loss or death occurs. If it is not possible to give proof of claim within 90 days, it must be given no later than 1 year after the loss or death occurs, except in the absence of legal capacity. If the provincial legislation that applies to the claimant allows for longer periods of time to provide proof of loss, those longer periods of time will apply.
Proof of Continuing Disability	Under a Short Term Disability (if insured under this policy) or Long Term Disability claim (if insured under this policy), the Company may request that the employee send proof of continuing disability and proof that he is under appropriate care. This proof must be received within 30 days of a request by the Company.
Additional Information	The Company may require the claimant to provide appropriate consent to obtain additional medical information and to provide non-medical information as part of the claimant's proof of claim or proof of continuing disability . If the appropriate information is not submitted, the Company may not be able to properly adjudicate the claim and may deny the claim or stop sending payments.
Cost of Proof of Claim	Costs incurred for proof of claim will be at the employee's own expense.
Return To Work Notification	Under a Short Term Disability (if insured under this policy) or Long Term Disability claim (if insured under this policy), the employee must immediately notify the Company when he returns to work in any capacity.

Company Reserves the Right to Deny Claim Payment	The Company reserves the further right to deny any claim if premiums were not paid in respect of the claimant .
Types of Claim Information Required	<p>Depending on the type of claim being submitted, the type of information that the Company will require from the claimant may include, but is not limited to:</p> <ul style="list-style-type: none"> ▪ proof the claimant is or was under appropriate care; ▪ appropriate documentation of earnings; ▪ appropriate documentation of the covered charge actually being incurred by an insured; ▪ the cause of disability, loss, or death; ▪ the date of disability, loss, death, or covered charge incurred; ▪ proof of death; ▪ the extent of disability or loss, including restrictions and limitations; and ▪ the name and address of any hospital or institution where treatment is received, including the names of all attending physicians.
Requesting Claim Form	The claim form is available from the employer , or the claimant can request a claim form from the Company. If the claimant does not receive the claim form from the Company within 15 days of his request, he should send the Company written proof of claim without waiting for the form.
Employer Required Information for a Claim	<p>Depending on the type of claim being submitted, the types of information that the Company will require from the employer include, but are not limited to:</p> <ul style="list-style-type: none"> ▪ proof/confirmation of employment and/or earnings; ▪ occupational information, job duties and any other information that may be required to manage a claim; ▪ any other information that may be reasonably required; and ▪ return to work potential, where appropriate.
E.2 Overpayment of a Claim	<p>The Company has the right to recover any overpayments due to issues such as, but not limited to:</p> <ul style="list-style-type: none"> ▪ fraud; ▪ negligence on the part of the employer or claimant or any agent thereof; ▪ any error the Company makes in processing a claim; ▪ the employee's receipt of benefit offsets; and ▪ any claim paid during the grace period and the policy or benefit subsequently terminates for non-payment of premium. <p>The claimant must reimburse the Company in full. The Company will determine the method by which the repayment is to be made. The Company may reduce or suspend payments which would otherwise be made to the claimant in order to recover the overpayment.</p> <p>The Company will not recover more money than the amount paid to the claimant.</p>
E.3 Proof of Age	<p>The Company may require proof of age for each insured.</p> <p>If the appropriate information is not submitted, the Company may not be able to properly adjudicate the claim and may deny the claim or stop sending payments.</p> <p>If an incorrect age is given, the Company may adjust benefits and premiums based on the true age.</p>

GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

Section A SPECIFIC GROUP AD&D DEFINITIONS

NOTE: These specific definitions apply to the Group Accidental Death and Dismemberment Insurance benefit provision and to their corresponding bold terms in the GENERAL CLAIMS PROVISIONS. In the event that there is an inconsistency between a specific definition in this benefit provision and a general definition in the GENERAL CONDITIONS OF INSURANCE section or a specific definition in another benefit provision, the specific definition in this benefit provision will apply to the coverage provided under this benefit provision.

accidental injury means a bodily injury caused directly and independently of all other causes by an unexpected, unforeseen, external, violent and purely accidental means or event. It does not include a sickness.

annual earnings means the annual rate of pay received by the **employee** from the **employer** just prior to the date of loss or **disability**. It includes commissions and bonuses, but not overtime pay, or any other extra compensation, or income received from sources other than the **employer**.

Commissions and bonuses will be averaged for the lesser of:

1. the 12 month period of employment just prior to the date of loss or **disability**; or
2. the period of actual employment with the **employer**.

For any benefit calculation, **annual earnings** will not be more than the amount of **annual earnings** for which premiums have been paid.

appropriate care means:

- the **employee** personally visits a **physician** as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat his condition(s) causing **disability**; and
- the **employee** is receiving and complying with the most appropriate treatment and care, which conforms with generally accepted medical standards, for his condition(s) causing **disability** by a **physician** whose specialty and experience is the most appropriate for the condition(s) causing **disability** according to generally accepted medical standards.

Appropriate care must not be limited solely to examinations or testing. Where, according to generally accepted medical standards, the appropriate form of treatment for an **employee's** condition(s) causing **disability** is surgery, hospitalization, in-patient treatment, hospital day treatment, or individual or group addiction support therapy, the **employee** must comply with such form of treatment.

beneficiary means, with respect to the **employee's** Group AD&D insurance for loss of life by **accidental injury**, the person or persons designated by an **employee** in writing to receive his Group Employee Basic Term Life Insurance unless otherwise designated in writing and filed with the **employer**.

child or children means, with respect to the Day Care Benefit, the **employee's** or the **spouse's** own natural offspring, lawfully adopted children, stepchildren, or other children who are **residents** and dependent on the **employee** for financial support and are living with the **employee** in a regular parent-child relationship.

A **child** must be:

- at least 24 hours old but not yet attained age 12; and
- dependent on the **employee** for financial support.

A **child** insured under this policy, who is incapacitated due to a mental or physical disability will continue to be an eligible **dependent** under this policy until he turns 12.

The Company may require written proof of the **child's** condition as often as may reasonably be necessary.

child or children

means, with respect to the Education Benefit, the **employee's** or the **spouse's** own natural offspring, lawfully adopted children, stepchildren, or other children who are **residents** and dependent on the **employee** for financial support and are living with the **employee** in a regular parent-child relationship.

A **child** must be:

- at least 24 hours old but not yet attained age 26;
- unmarried or not in any other formal union recognized by law; and
- dependent on the **employee** for financial support.

A **child** insured under this policy, who is incapacitated due to a mental or physical disability on the date he reaches the age when he would otherwise cease to be a **child**, will continue to be an eligible **child** under this policy.

A **child** is considered incapacitated if, due to a mental or physical disability, he is incapable of supporting himself or engaging in any substantially gainful activity, and is dependent on the **employee** for financial support, maintenance and care, within the terms of the Income Tax Act.

The Company may require written proof of the **child's** condition as often as may reasonably be necessary.

commercial aircraft

means a certified passenger aircraft that is provided by a commercial airline, operated by a properly certified pilot, and travelling on a regularly scheduled or chartered flight.

disability and disabled

means that, as a result of **sickness** or **injury**, the **employee**:

- is **limited** from performing the **material and substantial duties** of his **regular occupation**; and
- has a 20% or more loss in his **indexed monthly earnings** as defined under the Long Term Disability portion of this policy due to the same **sickness** or **injury**; and
- during the Waiver of Premium Elimination Period as shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT SUMMARY, he is unable to perform any of the **material and substantial duties** of his **regular occupation**.

After 24 months of Waiver of Premium, **disability** and **disabled** means that due to the same **sickness** or **injury** the **employee** cannot perform any **gainful occupation** for which he is reasonably fitted by training, education or experience.

The **employee** must be under **appropriate care** in order to be considered **disabled**. The **employee's disability** must commence while he is insured under this policy.

The unavailability of employment in an occupation does not, in itself, constitute **disability**.

The loss of a professional or occupational licence or certification does not, in itself, constitute **disability**.

experimental or investigational medical procedures	means any procedures not approved or not broadly accepted and recognized by the Canadian medical profession, as an effective, appropriate and essential form of treatment according to Canadian medical standards.
full-time student	means a student with a full course load as defined by the institute of higher learning .
gainful occupation	<p>has the meaning as set out in SPECIFIC GROUP LTD DEFINITIONS, if Group LTD insurance is provided under this policy.</p> <p>If Group LTD Insurance is <u>not</u> provided under this policy, means an occupation that provides or can be expected to provide the employee with an income that exceeds 60% of his annual earnings within 12 months of his return to work.</p>
hospital	means an institution licensed as a hospital, which is open at all times for the care and treatment of sick or injured persons, with organized facilities for diagnosis, major surgery and with 24-hour nursing services. Hospital will not include a facility or part of a facility primarily used for the aged, the treatment of drug addiction or alcoholism, rehabilitative care, custodial or educational care, or a rest home, nursing home, or convalescent hospital.
injury	means a bodily injury that is the direct result of an accident and not related to any other cause.
institute of higher learning	means any institute of higher learning above the 12 th grade level and includes any university, CEGEP (Collège d'enseignement général et professionnel), trade school or college, as defined where the employee resides.
intoxicated	means the employee's blood alcohol level equals or exceeds .08.
licenced day care facility	<p>means a facility which is operated according to laws and regulations applicable to day care facilities, and which provides care and supervision for children in a group setting on a regular basis. Day care facility will include neither a hospital, the child's home, care provided during school hours while a child is attending grades 1 through 12 nor any other day care facility which does not charge a fee for services rendered.</p> <p>The Company will not recognize the employee or his spouse, children, parents or siblings as part of such a facility unless they are hired by or own and operate such a facility.</p>
limited	means what the employee cannot or is unable to do.
material and substantial duties	<p>means duties that:</p> <ul style="list-style-type: none">▪ are normally required for the performance of the employee's regular occupation; and▪ cannot be reasonably omitted or modified, except that if the employee is required to work on average in excess of 40 hours per week, the Company will consider the employee able to perform that requirement if he is working or has the capacity to work 40 hours per week.
member of the immediate family	means the employee's spouse , parents, grandparents, children over age 18, brother or sister.
motorized vehicle	means any land, water or air conveyance which is moved or operated by means other than muscular power.

no-evidence maximum	means the amount of insurance an eligible employee may obtain without providing evidence of insurability . The no-evidence maximum , until further written notice, is shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) – EMPLOYEE - BENEFIT SUMMARY. On any Policy Anniversary the Company may establish a new no-evidence maximum .
previous group policy	means a policy of group insurance issued to the employer by another insurance company or by the Company which provided group basic term life insurance to the same group, or part of the group, insured under this policy, and which terminated less than 31 days before this policy became effective.
principal sum	means the amount which applies to the employee under the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY at the time of the accidental injury .
private passenger car	means a validly registered four-wheel private passenger car (including employer -owned cars), station wagons, jeeps, pick-up trucks and vans that are used only as private passenger cars.
reasonable and customary expenses	means reasonable and customary charges made by the provider of care, treatment, services or supplies to the employee . Such charges will be considered reasonable and customary if they do not exceed the general level of charges made by other providers of similar standing in the locality or geographical area where the charge is incurred, when furnishing comparable treatments, services or supplies for a similar injury, or condition.
recurrent disability	means a period of disability which is: <ul style="list-style-type: none">▪ caused by a worsening in the employee's condition(s); and▪ due to the same condition(s) as the employee's prior period of disability for which premiums were waived.
regular care and attendance	means observation and treatment to the extent necessary under existing standards of medical practice for the condition causing the confinement.
regular occupation	means the occupation the employee is routinely performing when his disability begins. The Company will look at the employee's occupation as it is normally performed in Canada, instead of how the work tasks are performed for a specific employer or at a specific location.
retirement date	means the first of the following to occur: <ul style="list-style-type: none">▪ the effective date of the employee's retirement benefits under:<ul style="list-style-type: none">▪ any plan of a federal, a provincial, a municipal or an association retirement system for which the employee is eligible as a result of employment with the employer;▪ any plan the employer sponsors; or▪ any plan for which the employer:<ul style="list-style-type: none">▪ makes contributions; or▪ has made contributions. or <ul style="list-style-type: none">▪ the effective date of the employee's retirement benefits under the Canada Pension Plan/Quebec Pension Plan or any similar plan or act. <p>But if the employee is in active employment and receiving retirement benefits under the Canada Pension Plan/Quebec Pension Plan or any similar plan or act he will not be considered retired.</p>

seat belt	means those belts that form a restraint system and includes infant and child restraint systems when properly used with a seat belt.
sickness	means any sickness, illness, disease, internal pathological process or physical or mental infirmity.

Section B GROUP AD&D INSURING PROVISIONS

B.1 Insuring Clause Subject to all of the provisions of the policy, if an **employee** dies or suffers a covered loss as specified in the SCHEDULE OF SPECIFIC LOSSES, while he is insured under the policy, the Company will pay the applicable percentage of the **principal sum** shown in the SCHEDULE OF SPECIFIC LOSSES to the **employee**, or to the designated **beneficiary** then on record (for benefits for loss of life).

B.2 Beneficiary An **employee's beneficiary** will be as designated by him, subject to applicable law. If no **beneficiary** has been designated, payment will be made to the **employee's** estate. If a designated **beneficiary** disclaims his right to receive insurance money or is disentitled by law to receive insurance money and there is no other designated **beneficiary**, payment will be made to the employee's estate.

Request that Prior Carrier Beneficiary Designations be maintained **NOTE:** If the **employer** has requested that the Company maintain the **employees'** current beneficiary designations as specified on the prior carrier's enrollment cards at the time this policy was transferred.

The beneficiary designation listed on the **employee's** prior carrier's enrollment card will be used by the Company in order to pay benefits under this policy unless the **employee** specifically requests a change of beneficiary under this policy.

It is strongly suggested that the **employee** review the existing designation to ensure it reflects his current intentions.

Employee Designation or Change of a Beneficiary The **employee** may designate a **beneficiary** in writing, on a form acceptable to the Company that is signed by the **employee**. The **beneficiary** designation must be signed by the **employee** and filed with his **employer**. The **beneficiary** designation will take effect on the date it is filed with the **employer**.

The **employee** may change or revoke a **beneficiary** designation, in writing, on a form acceptable to the Company. The change to or revocation of the **beneficiary** designation must be signed by the **employee** and filed with his **employer**. The change to or revocation of the **beneficiary** designation will take effect on the date it is filed with the **employer**. The Company may pay insurance money in accordance with the **beneficiary** designation that the **employer** provides to the Company. If the Company pays insurance money before receiving a change to or revocation of the **beneficiary** designation, the Company shall be fully discharged for the amount of insurance money paid in accordance with the previous **beneficiary** designation.

The consent of the **beneficiary** will not be required to change any **beneficiary** unless the **beneficiary** is an irrevocable **beneficiary**, as defined by provincial law.

Payment to a Beneficiary If more than one **beneficiary** is designated on the same form and the **employee** does not designate their order of rights, the **beneficiaries** will share equally.

If more than one **beneficiary** is designated on the same form and a **beneficiary** predeceases the **employee**, then unless the **beneficiary** designation states otherwise, the share of a deceased **beneficiary** will be paid to the surviving **beneficiary**, or, if more than one, to the surviving **beneficiaries** in equal shares.

Any other AD&D insurance money (other than for loss of life) which remains payable after the **employee's** death, will be paid to the **employee's** estate, unless the benefit is payable to another individual as specified in the policy.

In the event of the simultaneous death of the **employee** and the named **beneficiary**, the death benefit will be paid as if the **beneficiary** predeceased the **employee**.

If any **beneficiary** is a minor and there is no other person capable of giving proper discharge, the Company reserves the right to pay the death payment to the relevant provincial trustee for the benefit of the minor or to a legal representative of the minor **beneficiary** living in another jurisdiction. If the Company pays benefits in good faith to such person or trustee, the Company will be fully discharged to the extent of the payment.

**B.3 Payment of
Discretionary
Amounts**

If the person to whom any amount of insurance is payable is not able to give a valid discharge, the Company may pay up to \$10,000 (subject to the maximum applicable amount of insurance) to any person or institution the Company considers appropriate, such as but not limited to, a living relative of that person or any person or institution incurring expenses for the care or maintenance of that person. As long as this payment is made in good faith, the Company will be fully discharged to the extent of the payment.

**B.4 Medical
Examinations and
Autopsy**

At its own expense and discretion, the Company will have the right and opportunity to have an Insured, whose claim is pending, examined by a Physician of its choice. This right may be used as often as reasonably required. The Company will also have the right and opportunity, in case of death, to request an autopsy where not prohibited by law.

**B.5 Continuity of
Coverage**

If a person employed by the **employer** is not in **active employment** on the Policy Effective Date due to **sickness** or **injury**, he is still eligible to be enrolled for Group Accidental Death and Dismemberment Insurance under this policy if:

- he was properly insured for accidental death and dismemberment insurance under a **previous group policy** when that **previous group policy** terminated;
- his insurance under that **previous group policy** terminated solely because of the termination of that **previous group policy**; and
- he would be otherwise be eligible under this policy if he was in **active employment**.

Limitation

Premiums must be paid for a person who is enrolled under this Continuity of Coverage provision, and premiums will not be waived during:

- any period of **disability** which commenced prior to the Policy Effective Date; or
- any periods of **disability**, which commence after the Policy Effective Date, but which would qualify as a recurrent disability under the terms of the **previous group policy**.

Subject to a change in Quebec law, premiums must be paid for a person who is resident in the province of Quebec and who is enrolled under this Continuity of Coverage provision, and premiums will not be waived during:

- any period of **disability** which commenced prior to the Policy Effective Date, unless the **disability** was not reported to the insurer of the **previous group policy** until more than 180 days after the Policy Effective Date; or
- any periods of **disability**, which commence after the Policy Effective Date, but which would qualify as a recurrent disability under the terms of the **previous group policy**, unless the person has been in **active employment** under this policy for at least 30 days.

No amount will be payable under this policy for a death or other loss if the death or other loss occurs while premiums are being waived under, or should have been waived under, the **previous group policy**.

Section C GROUP AD&D WAIVER OF PREMIUM

**C.1 Waiver of
Premium**

If an **employee** becomes **disabled** (while insured under this policy) before retirement or age 65, whichever is earlier, the Company will continue the **employee's** AD&D insurance as long as he remains **disabled**. This continued AD&D insurance is subject to the terms of this policy which were in effect on the date the **employee** became **disabled**, including reductions and terminations.

Disability must be continuous for an uninterrupted period equal to the Waiver of Premium Elimination Period as shown in the GROUP ACCIDENTAL DEATH & DISMEMBERMENT (AD&D) BENEFIT SUMMARY. Premiums payments must continue during this period.

Once the employee's Waiver of Premium claim is approved, this insurance will continue without payment of premiums until the earliest of the following:

- the date the **employee** turns 65;
- the date the **employee** ceases to be **disabled** as defined;
- the date the **employee** retires;
- the date this policy or benefit terminates (the policy in its entirety, or just the AD&D benefit itself);
- the date the **employee** fails to give the Company proof of the **employee's** continued **disability**; or
- the date the **employee** refuses to be examined as required.

**C.2 Recurrent
Disability**

Within 180 days

If, after a period of **disability** for which premiums have been waived, an **employee** experiences a **recurrent disability**, the Company will treat this **recurrent disability** as a continuation of his previous period of **disability** and a new Waiver of Premium Elimination Period will not have to be completed, if:

- the **employee** returns to continuous **active employment** for the period between the last date for which premiums were waived under his prior claim and the commencement of the **recurrent disability**;
- the **employee** was continuously insured between the last date for which premiums were waived under his prior claim and the commencement of the **recurrent disability**; and
- the **employee's recurrent disability** commences within 180 days from the last date for which premiums were waived under his prior claim.

More Than 180 days

An **employee's recurrent disability** will not be considered to be a continuation of a prior period of **disability** if the **recurrent disability** commences more than 180 days after the last date for which premiums were waived under the **employee's** prior claim. In such case, the **recurrent disability** will be treated as a new claim. The new claim will be subject to all of the policy provisions, including the Waiver of Premium Elimination Period, in force at the commencement of the new claim.

Subject to Same
Policy Terms

If an **employee's recurrent disability** is considered to be a continuation of a prior period of **disability**, his **recurrent disability** will be subject to the same policy terms as his prior claim. The commencement date of the **recurrent disability** will be deemed to be the original date of **disability** from the prior period(s) of **disability**.

Section D GROUP AD&D EXCLUSIONS AND LIMITATIONS- GENERAL

**D.1 General Exclusion
And Limitations**

This Accidental Death and Dismemberment insurance does not insure any loss which results directly or indirectly from, or is in any manner or degree associated with or occasioned by:

- the **employee's** intentionally self-inflicted injury or asphyxiation;
- the **employee's** asphyxiation or self-inflicted injury, whether intentional or unintentional, sustained while the **employee**:
 - has a blood alcohol level of .08 or higher; or
 - is under the influence of any poison, fume or other chemical substance or any prescription or non-prescription drug, unless used according to the prescription or direction of the **employee's physician**.
- war, declared or undeclared, or any act of war;
- the **employee's** active participation in a riot;
- the **employee's** attempt to commit or commission of a **crime**, whether or not the **employee** has been charged;
- any injury sustained by the **employee** while the **employee** is driving, using or operating any **motorized vehicle** while the **employee**:
 - has a blood alcohol level of .08 or higher; or
 - is under the influence of any poison, fume or other chemical substance or any prescription or non-prescription drug, unless used according to the prescription or direction of the **employee's physician**.
- the **employee's** voluntary use, inhalation or ingestion of any poison, fume or other chemical substance or any prescription or non-prescription medication, unless used according to the prescription or direction of the **employee's physician**;
- any **experimental or investigational procedures**;
- plastic surgery and cosmetic procedures, such as but not limited to injections and laser treatments, unless performed by or under the supervision of a **physician**;
- an infection (except a pyogenic infection arising from an **accidental injury**);
- any **sickness** or treatment of **sickness**;
- any injury sustained by the **employee** while the **employee** is serving on full-time active duty in the armed forces of any country or international authority (any premium paid to be returned by the Company pro-rata for any such period of full-time active duty);
- any injury sustained while the **employee** is flying or traveling in (including boarding and alighting from) any kind of flying device (including aeroplanes, ultra-light aeroplanes and hot air balloons), other than as a fare-paying passenger on a **commercial aircraft**.

The Company will not pay a benefit for a loss during any period which the **employee** is lawfully incarcerated, confined, or imprisoned.

NOTE: Other Exclusions or Limitations may be applicable as specified under each individual additional benefit provision.

Section E GROUP AD&D INSURANCE BENEFITS

E. 1 Schedule of Specific Losses

If as a direct result of an **accidental injury** and within 365 days after the date of such **accidental injury**, an **employee** suffers any of the following specific covered losses, the Company will pay the percentage of the **principal sum** set opposite such loss. The amount of the **principal sum** applicable to the **employee** is as shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY. Only one (the larger) of such percentages will be paid if more than one specific covered loss results from the same **accidental injury**.

<u>For Loss of:</u>	<u>Percentage of Principal Sum</u>
Life	100%
Both hands or both feet	100%
Sight of both eyes	100%
One hand and one foot	100%
One hand and sight of one eye	100%
One foot and sight of one eye	100%
Speech and hearing in both ears	100%
One leg or one arm	75%
Either hand or foot	66 2/3%
Speech or hearing in both ears	66 2/3%
Sight of one eye	66 2/3%
Thumb and index finger	33 1/3%
Four fingers of the same hand	33 1/3%
Hearing in one ear	16 2/3%
All toes of one foot	12 1/2%
<u>For Paralysis of:</u>	
All four limbs (Quadriplegia)	200%
Both lower limbs (Paraplegia)	200%
One arm and one leg on the same side of the body (Hemiplegia)	200%
<u>For Loss of Use of:</u>	
Both hands or arms	100%
One arm or one leg	75%
One hand or one foot	66 2/3%

Loss means, with respect to:

hands and feet:	Actual complete severance through or above the wrist or ankle joint.
eyes:	Entire loss of sight that cannot be corrected. The corrected visual acuity in the affected eye must be worse than 20/200 or the field of vision must be less than 20 degrees.
leg or arm:	Actual complete severance through or above the knee or elbow joint.
thumb and fingers:	Actual complete severance through or above the metacarpophalangeal joints.
speech:	Entire and irrecoverable loss of speech.

hearing	Entire and irrecoverable loss of hearing. The auditory threshold in the affected ear must be more than 90 decibels.
toes:	Actual complete severance through or above the metatarsophalangeal joints.
paralysis	Complete, permanent and irreversible loss of all muscle power due to nerve damage.

Loss of Use means: Total and irrecoverable loss of use due to nerve damage. The loss of use must be continuous for 12 consecutive months after which the benefit for Loss of Use is payable, provided such nerve damage is permanent.

E.2 Day Care Expense Benefit

If an **accidental injury** sustained by the **employee** results in loss of life within 365 days of the date of the **accidental injury** and results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the Company will also pay a Day Care Expense Benefit for each eligible **child**.

A **child** is eligible for this benefit until he turns 12 and is enrolled in a **licensed day care facility** within 90 continuous days from the date of the **accidental injury**. Proof of annual enrolment may be required.

Payment will be as shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

If, at the time of loss of life, the **employee** has no dependent **children** eligible for the Day Care Expense Benefit, the Company will pay a \$1,000 additional benefit to the **employee's** estate.

E.3 Education Benefit

If an **accidental injury** sustained by the **employee** results in loss of life within 365 days of the date of the **accidental injury** and results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the Company will also pay an Education Benefit to an eligible dependent **child**.

An eligible dependent **child** is eligible for the Education Benefit if:

- he, at the time of the **accidental injury**, is enrolled as a **full-time student** in any **institution of higher learning**; or
- he is in the 12th grade level and enrolls within 365 days of the accident as a **full-time student** in an **institute of higher learning**.

Payment will be as shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

The first payment will be made when:

- the benefit for loss of life becomes payable; and
- the Company has received written proof that the dependent **child** is attending an **institute of higher learning** as a **full-time student**.

Future payments will be made for each following school year on the date the Company receives written proof that the dependent **child** is attending an **institute of higher learning** as a **full-time student**.

If, at the time of loss of life, the **employee** has **children** but none of the **children** are eligible for the Education Benefit, the Company will pay a lump sum of \$1,000 additional benefit to the **employee's** estate.

**E.4 Exposure and
Disappearance
Benefit**

The Company will cover a loss as specified in the SCHEDULE OF SPECIFIC LOSSES that is the result of unavoidable exposure to the elements, to the extent of the benefits insured by this policy.

Subject to the terms of this policy, the Company will presume accidental loss of life of an **employee** and will pay the **principal sum** if his body has not been found within 1 year after having been involved in the disappearance, sinking or wrecking of a vehicle in which he or she was an occupant at the time of the accident.

**E.5 Family
Transportation
Benefit**

If an **accidental injury** sustained by the **employee** results in the Company making a payment under the Schedule of Specific Losses, the Company will also pay a family transportation benefit if that **accidental injury** requires the **employee** to be confined as an in-patient in a **hospital** which is more than 150 kilometres from the employee's normal residence. This benefit will provide reimbursement for the expenses incurred by a **member of the immediate family** for transportation to the **hospital**. In order for this benefit to be payable, the **employee** must be under the **regular care and attendance** of a **physician** and that **physician** must recommend the personal attendance of a **member of the immediate family**. The **immediate family member** must actually incur the expenses. The amount of the expenses will be limited to the cost of a licenced common carrier travelling the most direct route to the **hospital**. The maximum amount that will be reimbursed is shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

Payment will not be made for ordinary living, travelling or clothing expenses. If transportation occurs in a vehicle or device other than one operated under a licence for the conveyance of passengers for hire, then reimbursement of transportation expenses will be limited (subject to submission of proof of expenses incurred) to a maximum of \$0.30 per kilometre travelled.

**E.6 Funeral Expense
Benefit**

If an **accidental injury** sustained by the **employee** results in loss of life and results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the Company will also pay up to the amount shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY for the services and/or materials provided by a mortician, undertaker, crematorium or funeral home, related to the burial or cremation of the deceased employee and charges for the purchase of a burial plot, gravesite or mausoleum for the interment of the remains thereof, including any markers or monuments. Payment will only be made if the expenses are actually incurred as a result of an **accidental injury** and at the time of the **employee's** death, and will not include any charges for preparation of the remains for travel if they are reimbursed under the Repatriation/Identification Benefit.

**E.7 Home Alteration
and Vehicle
Modification
Benefit**

When an **employee** receives a payment under the SCHEDULE OF SPECIFIC LOSSES, and is subsequently required (due to the cause for which payment under the SCHEDULE OF SPECIFIC LOSSES was made) to use a wheelchair to be ambulatory, then the Company will reimburse the **employee**, upon presentation of proof of payment for:

- the one-time cost of alterations to the **employee's** residence to make it wheelchair accessible and habitable; and
- the one-time cost of modifications necessary to a motor vehicle, owned by the **employee**, to make the vehicle accessible for or driveable by the **employee**.

Benefit payments will not be paid unless:

- home alterations are made by a person or persons experienced in such alterations and recommended by a recognized organization providing support and assistance to wheelchair users; and
- vehicle modifications are carried out by a person or persons with experience in such matters and such modifications are subsequently approved by the vehicle licencing authorities in the province where the **employee** resides.

The maximum payable for both home alterations and vehicle modifications combined will not exceed the maximum amount shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

E.8 In-Hospital Indemnity Benefit

If a covered **accidental injury** requires that an **employee** be **hospital** confined for more than 7 consecutive days, the Company will pay for each day of continuous **hospital** confinement:

- a monthly benefit of 1% of the **employee's** applicable **principal sum**; or
- for periods of less than 1 month, 1/30 of the above monthly benefit per day.

Benefits are retroactive to the 1st day of **hospital** confinement.

This benefit is limited to:

- a monthly amount not to exceed \$1,000; and
- a total of 12 months for any covered **accidental injury**.

The maximum amount payable will be as shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

Successive periods of **hospital** confinement for loss from the same covered **accidental injury** separated by a period of less than 3 months will be considered as 1 period of **hospital** confinement. Total combined successive periods of **hospital** confinement for loss from the same covered **accidental injury** will not exceed 12 months.

E.9 Rehabilitative Physical Therapy Benefit

When an **accidental injury** to the **employee** results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES (other than for loss of life), the Company will also reimburse the **employee** for the **reasonable and customary** expenses actually incurred within 3 years from the date of the **accidental injury** for rehabilitative physical therapy as prescribed by the **employee's physician**.

The maximum amount payable will be as shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

No payment will be made for ordinary living, travelling or clothing expenses.

E.10 Repatriation and Identification Benefit

If an **accidental injury** causes loss of life of the **employee** and results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the Company will also pay, up to the amount shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY for the identification, preparation and transportation of the **employee's** body to his principal city of residence.

E.11 Seat Belt and Air Bag Benefit

For Seat Belt:

When an **accidental injury** to the **employee** results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the benefit amount payable will be increased by 10% of the **employee's principal sum**, provided that:

- such loss occurs while the **employee** is a passenger or driver of a **private passenger car**;
- the **employee** was wearing a properly fastened **seat belt**; and
- verification of the actual use of the **seat belt** is part of the official report of the accident or certified by the investigating officer.

For Air Bag:

When an **accidental injury** to the **employee** results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the benefit amount payable will be increased by the amount shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY, provided that:

- such loss occurs while the **employee** is a passenger or driver of a **private passenger car** equipped with either a single air bag, air bags for both the driver and the front passenger seats, or air bags for the driver, front passenger and rear passenger seats; and
- the **seat belt** is in actual use and properly fastened at the time of the accident.

For Seat Belt and Air Bag:

The driver of the vehicle must hold a current and valid driver's licence of a rating authorizing him to operate such vehicle and neither be **intoxicated** nor under the influence of drugs, unless such drugs are taken as prescribed by a physician, at the time of the accident. "Under the influence of drugs" is as defined by the local jurisdiction where the accident occurs.

E.12 Spousal Retraining Benefit

When an **accidental injury** to the **employee** results in the Company making a payment under the SCHEDULE OF SPECIFIC LOSSES, the Company will also reimburse the **employee's spouse** for the expenses actually incurred by the **employee's spouse**, within 3 years from the date of the **accidental injury**, for a formal occupational training program. The formal occupational training program must be designed to qualify the **employee's spouse** to gain active employment in an occupation for which he would otherwise not have had sufficient qualifications and it must be mutually agreed upon and preapproved by the Company. The maximum amount that the Company will reimburse is shown in the GROUP ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFIT SUMMARY.

SHORT TERM DISABILITY (STD) INSURANCE

Section A SPECIFIC GROUP STD DEFINITIONS

NOTE: These specific definitions apply to the Group Short Term Disability Insurance benefit provision and to their corresponding bold terms in the GENERAL CLAIMS PROVISIONS. In the event that there is an inconsistency between a specific definition in this benefit provision and a general definition in the GENERAL CONDITIONS OF INSURANCE section or a specific definition in another benefit provision, the specific definition in this benefit provision will apply to the coverage provided under this benefit provision.

appropriate care

means:

- the **employee** personally visits a **physician** as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat his disabling condition(s); and
- the **employee** is receiving and complying with the most appropriate treatment and care, which conforms with generally accepted medical standards, for his disabling condition(s) by a **physician** whose specialty and experience is the most appropriate for the disabling condition(s) according to generally accepted medical standards.

Appropriate care must not be limited solely to examinations or testing. Where, according to generally accepted medical standards, the appropriate form of treatment for an **employee's** disabling condition(s) is surgery, hospitalization, in-patient treatment, hospital day treatment, or individual or group addiction support therapy, the **employee** must comply with such form of treatment.

benefit offsets

means benefits or payments from the sources listed as Benefit Offsets in the policy. As indicated in the WEEKLY PAYMENT CALCULATION in the GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY, the Company will subtract these other benefits or payments in order to determine the **employee's weekly payment**.

complication of pregnancy

means that part of the **employee's** pregnancy during which abnormal conditions or concurrent disease significantly affect the pregnancy's usual medical management. A complication may exist during the pregnancy, during the delivery, or after the delivery.

disability and disabled (Residual Disability)

means the **employee**:

- **limited** from performing the **material and substantial duties** of his **regular occupation** due to his **sickness or injury**; and
- has a 20% or more loss in **weekly earnings** due to the same **sickness or injury**.

The **employee** must be under **appropriate care** in order to be considered **disabled**. The **employee's disability** must commence while he is insured under this policy.

The unavailability of employment in an occupation does not, in itself, constitute **disability**.

loss of licence or certification

The loss of a professional or occupational licence or certification does not, in itself, constitute **disability**.

disability earnings

means the earnings which the **employee** receives while he is **disabled** and working, plus the earnings he could receive if he were working to his **maximum capacity**.

elimination period	<p>means a period of continuous disability which must be completed before the employee is eligible to receive benefits from the Company.</p> <p>If the employee is temporarily outside of Canada or the United States of America when he becomes disabled, his elimination period will begin and continue to accrue, however benefits (if any) will not become payable until he returns to Canada and has provided proof satisfactory to the Company, unless:</p> <ul style="list-style-type: none">▪ the employee is outside Canada to obtain medical treatment that is not offered or immediately available in a hospital, medical clinic, or equivalent health institution in Canada, or▪ the employee is unable to return to Canada for medical reasons.
gross weekly benefit	<p>means the weekly amount as determined by the WEEKLY PAYMENT CALCULATION in the GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY, before benefit offsets are subtracted. This is the amount against which premiums for an employee are calculated.</p>
injury	<p>means a bodily injury that is the direct result of an accident and not related to any other cause. Disability must begin within 90 days after the date the injury is sustained. Disability due to an injury which commences more than 90 days after the date the injury is sustained will be treated as a sickness.</p>
limited	<p>means what the employee cannot or is unable to do.</p>
material and substantial duties	<p>means duties that:</p> <ul style="list-style-type: none">▪ are normally required for the performance of the employee's regular occupation; and▪ cannot be reasonably omitted or modified, except that if the employee is required to work on average in excess of 40 hours per week, the Company will consider the employee able to perform that requirement if he is working or has the capacity to work 40 hours per week.
maximum capacity	<p>means, based on the employee's restrictions and limitations the greatest extent of work he is able to do in his regular occupation.</p>
maximum period of payment	<p>means the longest period of time the Company will make payments to the employee for any one period of disability.</p>
part-time basis	<p>means the ability to work and earn between 20% and 80% of the employee's weekly earnings.</p>
pre-tax	<p>means <u>prior to</u> any deductions required by law.</p>
post-tax	<p>means <u>after</u> any deductions required by law. Such deductions will be limited to federal and provincial income tax (calculated using Basic Personal Exemption only).</p>
recurrent disability	<p>means a period of disability which is:</p> <ul style="list-style-type: none">▪ caused by a worsening in the employee's condition(s); and▪ due to the same condition(s) as the employee's prior period of disability for which a benefit was paid.
regular occupation	<p>means the occupation the employee is routinely performing when his disability begins. The Company will look at the employee's occupation as it is normally performed in Canada, instead of how the work tasks are performed for a specific employer or at a specific location.</p>

rehabilitation and return to work assistance program

means a formal plan that is developed by the Company or an agent of the Company to assist the **employee** in the assessment of return to work potential and in returning to work. Such program may include the following services and benefits:

- medical investigation and/or treatment;
- physical rehabilitation;
- psychiatric and/or psychological rehabilitation;
- coordination with the **employer** to assist the **employee** to return to work;
- adaptive equipment or job accommodations to allow the **employee** to return to work;
- vocational evaluation to determine how the **employee's disability** may impact on other employment options for the **employee**;
- job placement services;
- resume preparation;
- job seeking skills training;
- education and retraining expenses for a new occupation; or
- other services/activities not described above that can support the formal plan.

The Company shall determine, at its sole discretion, whether the **employee** is eligible for such program. If the Company determines that the **employee** is eligible to participate in such program, the **employee** must participate in order to continue to receive **weekly payments**.

retirement plan

means a defined contribution plan or a defined benefit plan. These are plans which provide retirement benefits to **employees** and are not funded entirely by **employee** contributions.

sickness

means an illness or disease, or a medical condition resulting from pregnancy.

weekly earnings

"Weekly earnings" or "pre-tax weekly earnings" means the average weekly rate of pay, before deductions for federal and provincial taxes, received by the **employee** from the **employer** just prior to the date of **disability**. It includes regularly received bonuses and commissions, but not sporadic overtime pay, or any other extra compensation. For the purposes of this benefit, earnings are the normal insurable earnings pursuant to the employment Insurance Act of Canada (as amended from time to time).

Regularly received commissions and bonuses will be averaged for the lesser of:

1. the 52 week period of employment just prior to the date of **disability**; or
2. the period of actual employment with the **employer**.

"Post-tax weekly earnings" means the average weekly rate of pay as defined above, less federal and provincial taxes.

If the **weekly payment** payable under this policy is less than the benefit that would have been paid under the Employment Insurance Act of Canada (as amended from time to time), the **employee's** weekly earnings for the **weekly payment** calculation provided under this policy will be adjusted to correspond to the insurable earnings as defined in the Employment Insurance Act of Canada (as amended from time to time).

For the purposes of any benefit calculation, **weekly earnings** will not be more than the amount of **weekly earnings** for which premiums have been paid.

weekly payment

means the weekly amount to be paid to the employee, as determined by the WEEKLY PAYMENT CALCULATION in the GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY, after any **benefit offsets** have been subtracted but before any reduction for **disability earnings**.

Section B GROUP STD INSURING PROVISIONS

B.1 Insuring Clause	Subject to all of the provisions of the policy, if an employee becomes disabled while he is insured under the policy, and remains continuously disabled through the elimination period , the Company will commence and continue to make weekly payments as indicated in Section E GROUP STD PAYMENT OF BENEFITS.
No STD Beneficiary Designation Allowed	No beneficiary designation for the Group Short Term Disability insurance under this policy shall be valid. The employee does not have the right to name a beneficiary for any amount of Short Term Disability insurance money payable under this policy.
B.2 Completing the Elimination Period	The employee must be continuously disabled through the elimination period shown under the GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY. The elimination period can be completed while the employee is disabled and working.
B.3 Recurrent Disability	If, after a period of disability for which weekly payments have been made, an employee experiences a recurrent disability , the Company will treat this recurrent disability as a continuation of his previous period of disability and a new elimination period will not have to be completed, if:
Within 14 days	<ul style="list-style-type: none">▪ the employee returns to continuous active employment for the period between the last date for which weekly payments were made under his prior claim and the commencement of the recurrent disability;▪ the employee was continuously insured between the last date for which weekly payments were made under his prior claim and the commencement of the recurrent disability; and▪ the employee's recurrent disability commences within 14 days from the last date for which weekly payments were made under his prior claim.
More than 14 days	An employee's recurrent disability will not be considered to be a continuation of a prior period of disability if the recurrent disability commences more than 14 days after the last date for which weekly payments were made under the employee's prior claim. In such case, the recurrent disability will be treated as a new claim. The new claim will be subject to all of the policy provisions, including the elimination period , in force at the commencement of the new claim.
Subject to Same Policy Terms	If an employee's recurrent disability is considered to be a continuation of a prior period of disability , his recurrent disability will be subject to the same policy terms as his prior claim. The commencement date of the recurrent disability will be deemed to be the original date of disability from the prior period(s) of disability . Any disability payments will be based on the employee's weekly earnings as at the original date of disability . Weekly payments will not be made for a combined period longer than the maximum period of payment shown under GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY.
B.4 Medical Examinations and Claimant Interviews	At its own expense and discretion, and as often as is reasonably required during a claimant's continuing disability , the Company may require the claimant to be examined, tested or assessed by a physician , other medical practitioner or vocational or functional capacities expert of the Company's choice.
Claimant Interviews	At its own expense and discretion and as often as is reasonably required during a claimant's continuing disability , the Company may require the claimant to meet with and be interviewed by an authorized Company representative.

**B.5 Weekly Payments
Stop**

The Company will stop sending the **employee** payments and his claim will end on the earliest of the following:

- when the **employee** is able to work in his **regular occupation** on a **part-time basis** but the **employee** chooses not to;
- if the **employee** is working and his weekly **disability earnings** exceed 80% of his **weekly earnings**, the date his earnings exceed 80% (subject to section E.1B Fluctuation in Disability Earnings);
- the end of the **maximum period of payment**;
- the date the **employee** is no longer **disabled** under the policy, unless he is eligible to receive benefits under the Company's **rehabilitation and return to work assistance program**;
- the date the **employee** fails to cooperate with or participate in a **rehabilitation and return to work assistance program**;
- the date the **employee** fails to attend or participate in a medical, vocational or functional assessment required by the Company;
- the date the **employee** fails to attend or participate in a requested interview with an authorized Company representative;
- the date the **employee** fails to submit proof of continuing **disability**; or
- the date the **employee** dies.

International Liability

The Company will stop sending the **employee** payments if the **employee** has been outside Canada and the United States for 60 cumulative days during any 365 consecutive day period. No further payments will be made until the **employee** returns to Canada and provides proof of **appropriate care**. If the **employee** is still **disabled** on his return, payments may be resumed but will not be retroactive. Although not paid, any payments attributable to any period of time beyond the 60 cumulative days during any 365 consecutive day period that the **employee** continues to be outside of Canada will be deemed to have been paid under the meaning of **disability** and **disabled**.

This provision will not apply during the first 15 weeks of payments, if:

- the **employee** is outside Canada to obtain medical treatment that is not offered or immediately available in a hospital, medical clinic, or equivalent health institution in Canada; or
- the **employee** is unable to return to Canada for medical reasons.

Section C GROUP STD WAIVER OF PREMIUM

**C.1 Waiver of
Premium**

If the Company has issued Group Long Term Disability Insurance to the **employer**, then premium payments for an **employee's** Short Term Disability Insurance will also be waived once the **employee** is approved for Waiver of Premium under the Group Long Term Disability Insurance.

If the **employee** ceases to qualify for Waiver of Premium under the Group Long Term Disability Insurance, premium payments for his Short Term Disability Insurance must be resumed immediately. Any Waiver of Premium for an **employee's** Short Term Disability Insurance will automatically end with the **employee** turns 65.

If the Company has not issued Group Long Term Disability Insurance to the **employer**, then premium payments for the **employee's** Short Term Disability Insurance must continue.

Section D GROUP STD EXCLUSIONS AND LIMITATIONS- GENERAL

**D.1 General Exclusion
And Limitations**

This policy does not insure any **disability** which results directly or indirectly from, or is in any manner or degree associated with or occasioned by:

- the **employee's** intentionally self-inflicted injuries;
- the **employee's** active participation in a riot, insurrection or civil commotion;
- the **employee's** service in the armed forces of any nation;
- the **employee's** commission of a **crime**; or
- war, declared or undeclared, or any act of war.

The Company will not pay a benefit for any period of **disability** during which the **employee** is working for wages or profit (other than for **disability earnings** under this benefit provision of this policy).

The Company will not pay a benefit for any period of **disability** during which the **employee** is lawfully incarcerated, confined or imprisoned.

An **employee** who has a normal childbirth will be considered disabled for a maximum of 6 weeks for normal vaginal delivery and 8 weeks for caesarean section delivery. The **employee** will not be considered to be **disabled** longer than these maximums unless the **employee's disability** results from a **complication of pregnancy**.

The Company will not make a **weekly payment** for any period of **disability** during which the **employee** is on a **statutory leave, leave of absence, temporary layoff, strike or lockout**. If an **employee's** coverage has been continued during a **statutory leave, leave of absence, temporary layoff, strike or lockout** in accordance with Sections B GENERAL ELIGIBILITY FOR INSURANCE, and the **employee** becomes **disabled** during the **statutory leave, leave of absence, temporary layoff, strike or lockout** the **weekly payment** will begin on the later of the date the **elimination period** ends or the date the **statutory leave, leave of absence, temporary layoff, strike or lockout** ends, provided the **employee** is still **disabled**.

**D.2 If Disabled Outside
of Canada**

If the **employee** is temporarily outside of Canada and the United States when he becomes **disabled**, his **elimination period** will begin and continue to accrue, however benefits (if any) will not become payable until he returns to Canada and has provided proof of **disability** satisfactory to the Company, unless:

- the **employee** is outside Canada to obtain medical treatment that is not offered or immediately available in a hospital, medical clinic, or equivalent health institution in Canada; or
- the **employee** is unable to return to Canada for medical reasons.

NOTE: Other Exclusions or Limitations may be applicable as specified under each individual additional benefit provision.

Section E GROUP STD PAYMENT OF BENEFITS

E.1 Disabled And Not Working For each week after the **elimination period** that the **employee** continues to be **disabled** and unable to work on a **part-time basis**, the Company will send the **employee** the **weekly payment**.

E.1A Disabled And Working If, after completing the **elimination period**, the **employee** is **disabled** and working, the Company will send the **employee** the **weekly payment** if the **employee** is **disabled** and, due to the same **sickness** or **injury**, his **weekly disability earnings** are less than 20% of his **weekly earnings**.

Proportionate Loss If, after completing the **elimination period**, the **employee** is **disabled** and, due to his continuing **sickness** or **injury**, his **weekly disability earnings** are between 20% through 80% of his **weekly earnings** the Company will calculate his **weekly payment** as follows:

1. Subtract the employee's disability earnings from his weekly earnings.
2. Divide the answer in item 1 by the employee's weekly earnings. This is the employee's percentage of lost earnings.
3. Multiply the employee's weekly payment by the answer in item 2.

This is the amount the Company will pay the employee each week.

If the employee's weekly disability earnings exceed 80% of his weekly earnings, the Company will stop sending the employee weekly payments and his claim will end.

Proof of Disability Earnings The Company may require the employee to send proof of his disability earnings weekly. The Company will adjust the employee's weekly payment based on his weekly disability earnings.

As part of the employee's proof of disability earnings, the Company can require that he send appropriate financial records which the Company believes are necessary to substantiate his income.

E.1B Fluctuation In Disability Earnings If the employee's disability earnings routinely fluctuate widely from week to week, the Company may average the employee's disability earnings over the most recent 3 weeks to determine if his claim should continue.

The Company will not pay the employee for any week during which disability earnings exceed 80% of weekly earnings.

If the Company averages the employee's disability earnings, the Company will not terminate the employee's claim unless the average of his disability earnings from the most recent 3 weeks exceeds 80% of weekly earnings.

E.2 Weekly Payments – Frequency and Daily Rate The Company will send the **employee** a payment weekly.

Daily Rate of Benefit Calculation: After the **elimination period**, if the **employee** is **disabled** for less than 1 week, the Company will send the **employee** 1/7th of his **weekly payment** for each day of **disability**.

E.3 Third Party Claims

The Company may require the **employee** to provide a written statement of the circumstances that caused the **employee's disability**, including any facts that may give the **employee** a legal claim against another person, organization or company that caused the **disability** (a "Third Party").

The **employee** must provide to the Company prompt notice of any legal action that the **employee** commences against a Third Party due to the circumstances that caused the **employee's disability** (a "Personal Injury Action"). Once the **employee** has commenced a Personal Injury Action the **employee** must:

- execute the Company's Personal Injury Reimbursement Agreement and Direction;
- provide the Company with the name and address of any lawyer pursuing the Personal Injury Action on behalf of the **employee**;
- instruct any such lawyer to pursue with due diligence the **employee's** claims against the Third Party, including claims for non-pecuniary general damages, damages for past loss of income and damages for future loss of income; and
- direct, authorize and instruct any such lawyer to provide to the Company, free of charge:
 - such reports as the Company may reasonably require from time to time on the status of the Personal Injury Action or any settlement negotiations;
 - copies of any documents in the **employee's** possession or control relating to the **employee's** claims against the Third Party; and
 - prompt notice of the terms of settlement or judgment in the Personal Injury Action so that the Company can calculate the **employee's** Net Recovery.

The **employee's** Net Recovery is an amount equal to the total of all damages recovered from the Third Party (including but not limited to damages for loss of income to the date of the settlement or judgment, damages for future loss of income, all non-pecuniary general damages, interest and legal costs), minus the **employee's** legal costs incurred to obtain such damages.

50% of the **employee's** Net Recovery shall be designated as the Company's Credit. The **employee** shall immediately pay to the Company an amount equal to the lesser of the Company's Credit and the sum of all **weekly payments** paid or payable to the **employee** prior to the date of the settlement or judgment.

The Company has the right to withhold or discontinue **weekly payments** if the **employee** refuses to sign the Company's Personal Injury Reimbursement Agreement and Direction.

E.4 Benefit Offsets

Direct Offsets

The following gross amounts of benefits or payments are direct **benefit offsets**:

1. The amount that the **employee** receives or is entitled to receive under any Worker's Compensation Act or similar legislation.
2. The amount that the **employee** receives or is entitled to receive as disability payments under the Canada Pension Plan or the Quebec Pension Plan.
3. The amount that the **employee** receives as retirement payments under the Canada Pension Plan or the Quebec Pension Plan.
4. The amount that the **employee** receives or is entitled to receive as disability payments under any automobile insurance policy or automobile accident benefit schedule (where allowed by law) that does not take income benefits payable by Employment Insurance into account when paying benefits.

Frozen Benefits	Once the Company has subtracted a benefit offset from the gross weekly benefit , the Company will not further reduce the weekly payment due to a cost of living increase from that source.
Payments May Be Reduced By Estimated Amounts	When the Company determines that an employee may be entitled to an amount under Item 1 or 2 in the Direct Benefit Offsets section, the Company may estimate the amount of the employee's entitlement to such benefit offset . If an employee is 65 or older, the Company may estimate the amount of the employee's entitlement under item 3 in the Direct Benefit Offsets section. The Company reserves the right to deduct the estimated amount by including it in the WEEKLY PAYMENT CALCULATION when determining the employee's weekly payment .
Payment Will Not Be Reduced By Estimated Amounts	The Company will not deduct the estimated amount under Item 1 or 2 in the Direct Benefit Offsets section when determining the employee's weekly payment if the employee applies for the benefit offsets and appeals any denial to all levels the Company feels are necessary.
Payment Adjustment	If the Company has deducted the estimated amount when determining the employee's weekly payment , the employee's weekly payment will be adjusted when the Company receives proof: <ul style="list-style-type: none">▪ of the amount awarded; or▪ that benefits or payments have been denied and all appeals the Company feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to the employee.
Lump Sum Payments From Benefit Offsets Pro-rated	If the employee receives any benefit offset in the form of a lump sum payment, the lump sum will be pro-rated on a weekly basis over the time period for which the sum was given. If no time period is stated, the Company will use a reasonable period of time.

Section F GROUP STD INSURANCE BENEFITS

F.1 Rehabilitation And Return To Work Assistance Benefit	While the employee participates in a rehabilitation and return to work assistance program , the Company will pay an additional benefit of 10% of the employee's gross weekly benefit to a maximum benefit shown under the GROUP SHORT TERM DISABILITY (STD) BENEFIT SUMMARY.
Company Approval	The Company is under no obligation to approve or continue a rehabilitation and return to work assistance program for an employee . Any decision about an employee's eligibility for the program or to approve or discontinue a rehabilitation and return to work assistance program will be made solely by the Company.
Employee Eligibility	<p>The final determination about the employee's eligibility for a rehabilitation and return to work assistance program will be made solely by the Company. The employee must be medically able to engage in a rehabilitation and return to work assistance program.</p> <p>In order to remain in the rehabilitation and return to work assistance program and to receive this benefit, the employee must actively participate in the program.</p> <p>Actively participate or actively participating means the employee must comply with the terms and conditions of the rehabilitation and return to work assistance program plan written specifically for the employee by the Company.</p>
No Increase or Reduction of Benefit	This benefit is not subject to policy provisions which would otherwise increase or reduce the benefit amount.
Benefit Payments After Disability Ends	<p>In addition, the Company will make weekly payments to the employee for 3 weeks following the date his disability ends if the Company determines the employee is no longer disabled while:</p> <ul style="list-style-type: none">▪ he is actively participating in the rehabilitation and return to work assistance program; and▪ he is not able to find employment.
Lump Sum Benefit Payment	This benefit payment may be paid in a lump sum.
Benefit Payments Stop	<p>Benefits for the rehabilitation and return to work assistance program will end on the earliest of the following dates:</p> <ul style="list-style-type: none">▪ the date the Company determines that the employee is no longer eligible to participate in the rehabilitation and return to work assistance program;▪ the date the Company determines that the employee is no longer actively participating in the rehabilitation and return to work assistance program; or▪ any other date on which weekly payments would stop in accordance with this policy.

GROUP LONG TERM DISABILITY (LTD) INSURANCE

Section A SPECIFIC GROUP LTD DEFINITIONS

NOTE: These specific definitions apply to the Group Long Term Disability Insurance benefit provision and to their corresponding bold terms in the GENERAL CLAIMS PROVISIONS. In the event that there is an inconsistency between a specific definition in this benefit provision and a general definition in the GENERAL CONDITIONS OF INSURANCE section or a specific definition in another benefit provision, the specific definition in this benefit provision will apply to the coverage provided under this benefit provision.

activities of daily living means, with respect to the Spouse Disability Benefit:

- Bathing - the ability to wash one's self either in the tub or shower or by sponge bath with or without equipment or adaptive devices;
- Dressing - the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn;
- Toileting - the ability to get to, from, and on and off the toilet, to maintain a reasonable level of personal hygiene, and to care for clothing;
- Transferring - the ability to move in and out of a chair or bed with or without equipment such as but not limited to, canes, quad-canes, walkers, crutches or grab bars or other support devices including mechanical or motorized devices;
- Eating - the ability to get nourishment into the body ; and
- Continence - the ability to either:
 - voluntarily control bowel and bladder function; or,
 - if incontinent, be able to maintain a reasonable level of personal hygiene.

appropriate care means:

- the **employee** personally visits a **physician** as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat his disabling condition(s); and
- the **employee** is receiving and complying with the most appropriate treatment and care, which conforms with generally accepted medical standards, for his disabling condition(s) by a **physician** whose specialty and experience is the most appropriate for the disabling condition(s) according to generally accepted medical standards.

Appropriate care must not be limited solely to examinations or testing. Where, according to generally accepted medical standards, the appropriate form of treatment for an **employee's** disabling condition(s) is surgery, hospitalization, in-patient treatment, hospital day treatment, or individual or group addiction support therapy, the **employee** must comply with such form of treatment.

benefit offsets mean benefits or payments from the sources listed as Benefit Offsets in the policy. As indicated in the MONTHLY PAYMENT CALCULATION in the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY, the Company will subtract these other benefits or payments in order to determine the **employee's monthly payment**.

cognitively impaired means, with respect to the Spouse Disability Benefit, that the Insured has suffered a deterioration or loss in his intellectual capacity which requires another person's assistance or verbal cueing to protect himself or others as measured by clinical evidence and standardized tests which reliably measure the **insured's** impairment in the following areas:

- short or long term memory;
- orientation as to person (such as but not limited to who the Insured is), place (such as but not limited to the Insured's location), and time (such as but not limited to current day, date and year); or
- deductive or abstract reasoning.

dependent	means, with respect to the Dependent Care Expense Benefit: <ul style="list-style-type: none">▪ the employee's child(ren) under the age of 15; and▪ the employee's child(ren) over the age of 15 or a family member who requires personal care assistance.
disability and disabled (Residual Disability)	means the employee : <ul style="list-style-type: none">▪ is limited from performing the material and substantial duties of his regular occupation due to his sickness or injury; and▪ has a 20% or more loss in his indexed monthly earnings due to the same sickness or injury. <p>After 24 months of payments, disability and disabled means that due to the same sickness or injury, the employee is unable to perform the duties of any gainful occupation for which he is reasonably fitted by education, training or experience.</p> <p>The employee must be under appropriate care in order to be considered disabled. The employee's disability must commence while he is insured under this policy.</p> <p>The unavailability of employment in an occupation does not, in itself, constitute disability.</p>
loss of licence or certification	The loss of a professional or occupational licence or certification does not, in itself, constitute disability .
disability earnings	means the earnings which the employee receives while he is disabled and working, plus the earnings he could receive if he were working to his maximum capacity .
eligible survivor	in order of entitlement means: <ol style="list-style-type: none">1. the employee's current spouse, if living; or2. the employee's former spouse, if living, where long term disability benefits under the employee's group insurance plan are subject to a separation agreement or a judicial order that is still in effect;3. the employee's children who are under age 26 at the time the Survivor Benefit is payable. <p>If more than one person meets the definition of eligible survivor, the Company will pay only one benefit, which will be paid in equal shares to the persons meeting the definition.</p> <p>If any eligible survivor is a minor and there is no other person capable of giving proper discharge, the Company reserves the right to pay the survivor benefit to the relevant provincial trustee for the benefit of the minor or to a legal representative of the minor eligible survivor living in another jurisdiction. If the Company pays benefits in good faith to such person or trustee, the Company will be fully discharged to the extent of the payment.</p>
elimination period	means a period of continuous disability which must be completed before the employee is eligible to receive benefits from the Company.

gainful occupation	means an occupation that provides or can be expected to provide the employee with an income within 12 months of his return to work, that exceeds: <ul style="list-style-type: none">▪ 80% of his indexed monthly earnings, if he is working; or▪ 60% of his indexed monthly earnings, if he is not working.
gross monthly benefit	means the monthly amount as determined by the MONTHLY PAYMENT CALCULATION in the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY, before benefit offsets are subtracted. This is the amount against which premiums for an employee are calculated.
indexed monthly earnings	means the employee's monthly earnings adjusted after each 12-month period of monthly payments . The employee's monthly earnings will be adjusted by the lesser of 10% or the current percentage change in the Consumer Price Index (CPI). The annual percentage change in the CPI will be determined using the calendar month that is 3 months before the calendar month in which the adjustment date occurs. The employee's indexed monthly earnings may increase or remain the same, but will never decrease. The resulting adjustment to the employee's monthly earnings will be used until the next adjustment date. The CPI is published by Statistics Canada. The Company reserves the right to use some other similar measurement if the Government of Canada changes or stops publishing the CPI.
indexed post-tax monthly earnings	means the employee's post-tax monthly earnings adjusted after each 12-month period of monthly payments . The employee's post-tax monthly earnings will be adjusted by the lesser of 10% or the current percentage change in the Consumer Price Index (CPI). The annual percentage change in the CPI will be determined using the calendar month that is 3 months before the calendar month in which the adjustment date occurs. The employee's indexed post-tax monthly earnings may increase or remain the same, but will never decrease. The resulting adjustment to the employee's post-tax monthly earnings will be used until the next adjustment date. The CPI is published by Statistics Canada. The Company reserves the right to use some other similar measurement if the Government of Canada changes or stops publishing the CPI.
injury	means a bodily injury that is the direct result of an accident and not related to any other cause.
limited	means that the employee's ability is reduced.
material and substantial duties	means duties that: <ul style="list-style-type: none">▪ are normally required for the performance of the employee's regular occupation; and▪ cannot be reasonably omitted or modified, except that if the employee is required to work on average in excess of 40 hours per week, the Company will consider the employee able to perform that requirement if he is working or has the capacity to work 40 hours per week.
maximum capacity	means, based on the employee's restrictions and limitations: <ul style="list-style-type: none">▪ During the first 24 months of disability, the greatest extent of work he is able to do in his regular occupation; and▪ Beyond 24 months of disability, the greatest extent of work he is able to do in any occupation, for which he is reasonably fitted by education, training or experience.
maximum period of payment	means the longest period of time the Company will make payments to the employee for any one period of disability .

monthly earnings	<p>"Monthly earnings" or "pre-tax monthly earnings" means the average monthly rate of pay, before deductions for federal and provincial taxes, received by the employee from the employer just prior to the date of disability. It includes bonuses and commissions, but not overtime pay, or any other extra compensation, or income received from sources other than the employer.</p> <p>Commissions and bonuses will be averaged for the lesser of:</p> <ol style="list-style-type: none">1. the 12 month period of employment just prior to the date of disability; or2. the period of actual employment with the employer. <p>"Post-tax monthly earnings" means the average monthly rate of pay as defined above, less federal and provincial taxes.</p> <p>For the purposes of any benefit calculation, monthly earnings will not be more than the amount of monthly earnings for which premiums have been paid.</p>
monthly payment	<p>means the monthly amount to be paid to the employee, as determined by the MONTHLY PAYMENT CALCULATION in the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY, after any benefit offsets have been subtracted but before any reduction for disability earnings.</p>
no-evidence maximum	<p>means the amount of insurance an eligible employee may obtain without providing evidence of insurability. The no-evidence maximum, until further written notice, is shown in the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY. On any Policy Anniversary the Company may establish a new no-evidence maximum.</p> <p>If the employee's gross monthly benefit would exceed the amount of the no-evidence maximum, the employee must submit an evidence of insurability form. The employee will be covered for the gross monthly benefit in excess of the no-evidence maximum on the date the Company approves the employee's evidence of insurability form. The amount of the no-evidence maximum and any changes to the amount of the no-evidence maximum will be communicated by the employer.</p> <p>If an employee's gross monthly benefit increases because of an increase to the no-evidence maximum, the increase to the employee's gross monthly benefit may be limited by the Pre-Existing Condition Limitation.</p>
part-time basis	<p>means the ability to work and earn between 20% and 80% of the employee's indexed monthly earnings.</p>
pre- tax	<p>means <u>prior to</u> any deductions required by law.</p>
previous group policy	<p>means a policy of group insurance issued to the employer by another insurance company or by the Company which provided long term disability coverage to the same group, or part of the group, insured under this policy, and which terminated less than 31 days before this policy became effective.</p>
prudent person	<p>means a person who, with respect to his health, seeks care from an appropriate physician or medical practitioner when symptoms appear, fills prescriptions written by his physician and takes medication as prescribed by his physician.</p>

post-tax	means <u>after</u> any deductions required by law. Such deductions will be limited to federal and provincial income tax (calculated using Basic Personal Exemption only).
recurrent disability	means a period of disability which is: <ul style="list-style-type: none">▪ caused by a worsening in the employee's condition(s); and▪ due to the same condition(s) as the employee's prior period of disability for which a benefit was paid.
regular occupation	means the occupation the employee is routinely performing when his disability begins. The Company will look at the employee's occupation as it is normally performed in Canada, instead of how the work tasks are performed for a specific employer or at a specific location.
rehabilitation and return to work assistance program	<p>means a formal plan that is developed by the Company or an agent of the Company to assist the employee in the assessment of return to work potential and in returning to work. Such program may include the following services and benefits:</p> <ul style="list-style-type: none">▪ medical investigation and/or treatment;▪ physical rehabilitation;▪ psychiatric and/or psychological rehabilitation;▪ coordination with the employer to assist the employee to return to work;▪ adaptive equipment or job accommodations to allow the employee to return to work;▪ vocational evaluation to determine how the employee's disability may impact on other employment options for the employee;▪ job placement services;▪ resume preparation;▪ job seeking skills training;▪ education and retraining expenses for a new occupation; or▪ other services/activities not described above that can support the formal plan. <p>The Company shall determine, at its sole discretion, whether the employee is eligible for such program. If the Company determines that the employee is eligible to participate in such program, the employee must participate in order to continue to receive monthly payments.</p>
retirement plan	means a defined contribution plan or a defined benefit plan. These are plans which provide retirement benefits to employees and are not funded entirely by employee contributions.
sickness	means an illness or disease.

Section B GROUP LTD INSURING PROVISIONS

B.1 Insuring Clause	Subject to all of the provisions of the policy, if an employee becomes disabled while he is insured under the policy, and remains continuously disabled through the elimination period , the Company will commence and continue to make payments as indicated in Section E GROUP LTD PAYMENT OF BENEFITS.
No LTD Beneficiary Designation Allowed	No beneficiary designation for the Group Long Term Disability insurance under this policy shall be valid. The employee does not have the right to name a beneficiary for any amount of Long Term Disability insurance money payable under this policy.
B.2 Completing the Elimination Period	The employee must be continuously disabled through the elimination period shown under the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY.
Accumulation Period	The Company will treat the employee's disability as continuous if his disability ceases during the elimination period for 30 days or less. The elimination period can be completed while the employee is disabled and working.
B.3 Recurrent Disability	If, after a period of disability for which monthly payments have been made, an employee experiences a recurrent disability , the Company will treat this recurrent disability as a continuation of his previous period of disability and a new elimination period will not have to be completed, if:
Within 6 Months	<ul style="list-style-type: none">▪ the employee returns to continuous active employment for the period between the last date for which monthly payments were made under his prior claim and the commencement of the recurrent disability;▪ the employee was continuously insured between the last date for which monthly payments were made under his prior claim and the commencement of the recurrent disability; and▪ the employee's recurrent disability commences within 6 months from the last date for which monthly payments were made under his prior claim.
More Than 6 months	An employee's recurrent disability will not be considered to be a continuation of a prior period of disability if the recurrent disability commences more than 6 months after the last date for which monthly payments were made under the employee's prior claim. In such case, the recurrent disability will be treated as a new claim. The new claim will be subject to all of the policy provisions, including the elimination period , in force at the commencement of the new claim.
Subject to Same Policy Terms	If an employee's recurrent disability is considered to be a continuation of a prior period of disability , his recurrent disability will be subject to the same policy terms as his prior claim. The commencement date of the recurrent disability will be deemed to be the original date of disability from the prior period(s) of disability . Any disability payments will be based on the employee's monthly earnings as at the original date of disability . Monthly payments will not be made for a combined period longer than the maximum period of payment shown under GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY.
B.4 Medical Examinations and Claimant Interviews	At its own expense and discretion, and as often as is reasonably required during a claimant's continuing disability , the Company may require the claimant to be examined, tested or assessed by a physician , other medical practitioner or vocational or functional capacities expert of the Company's choice.

Claimant Interviews

At its own expense and discretion and as often as is reasonably required during a **claimant's** continuing **disability**, the Company may require the **claimant** to meet with and be interviewed by an authorized Company representative.

**B.5 Pre-Existing
Condition Limitation**

This policy does not cover any **disability** which results directly or indirectly from, or is in any manner or degree associated with or occasioned by a **pre-existing condition**.

However, this limitation will not apply to a **disability** which begins more than 12 months after the **employee's** insurance began.

If, at any time, an **employee's gross monthly benefit** increases because of an increase to the **no-evidence maximum**, the amount of the increase to the **employee's gross monthly benefit** will not be payable if the **employee's disability** results directly or indirectly from, or is in any manner or degree associated with or occasioned by a **pre-existing condition**. However, this limitation will not apply to a **disability** which begins more than 12 months after the increase to the **employee's gross monthly benefit**.

Pre-existing condition means any condition or symptom for which, during the 3 months just prior to the date that his insurance began:

- the **employee** consulted a **physician** or other healthcare provider;
- the **employee** received any health-related care, advice, treatment or services (including diagnostic measures) from or on the advice of a **physician** or other healthcare provider;
- the **employee** incurred any healthcare expenses;
- the **employee** took any prescribed medication; or
- a **prudent person** would have consulted a **physician** or other healthcare provider, would have filled a prescription, or would have continued to take medication previously prescribed.

If there has been an increase to **employee's gross monthly benefit** because of an increase to the **no-evidence maximum**, then **pre-existing condition** means any condition or symptom for which, during the 3 months just prior to the date of the increase to the **employee's gross monthly benefit**:

- the **employee** consulted a **physician** or other healthcare provider;
- the **employee** received any health-related care, advice, treatment or services (including diagnostic measures) from or on the advice of a **physician** or other healthcare provider;
- the **employee** incurred any healthcare expenses;
- the **employee** took any prescribed medication; or
- a **prudent person** would have consulted a **physician** or other healthcare provider, would have filled a prescription, or would have continued to take medication previously prescribed.

Pre-existing condition includes any such condition or symptom whether or not such condition or symptom was diagnosed or correctly diagnosed.

**B.6 Continuity of
Coverage**

A person employed by the **employer** is not eligible to be enrolled for Group Long Term Disability Insurance under this policy if he is not in **active employment** on the Policy Effective Date due to **sickness** or **injury** and he is receiving long term disability benefits from the insurer of a **previous group policy**.

A person employed by the **employer** who is not in **active employment** on the Policy Effective Date due to **sickness** or **injury**, is still eligible to be enrolled for Group Long Term Disability Insurance under this policy if:

- he was properly insured for long term disability coverage under a **previous group policy** when that **previous group policy** terminated;
- his coverage under that **previous group policy** terminated solely because of the termination of that **previous group policy**;
- he would be otherwise eligible under this policy if he was in **active employment**; and
- the "elimination period" (or similar such period however it is named) for long term disability benefits under the **previous group policy** has not ended based on the date the employee ceased working.

Group Long Term Disability Insurance for a person enrolled under this Continuity of Coverage provision will terminate on the earlier of:

- date the "elimination period" (or similar such period however it is termed) for long term disability benefits under the **previous group policy** would end based on the date the employee ceased working; or
- the date the insurer of the **previous group policy** accepts a claim which would qualify as a recurrent disability under the terms of the **previous group policy**.

Limitation

A person enrolled for coverage under this Continuity of Coverage provision will not be covered for:

- any periods of **disability** which commence prior to the Policy Effective Date; or
- any periods of **disability**, which commence after the Policy Effective Date, but which would qualify as a recurrent disability under the terms of the **previous group policy**.

Subject to a change in Quebec law, a person who is resident in the province of Quebec and who is enrolled for coverage under this Continuity of Coverage provision will not be covered for:

- any periods of **disability** which commence prior to the Policy Effective Date, unless the **disability** was not reported to the insurer of the **previous group policy** until more than 180 days after the Policy Effective Date; or
- any periods of **disability**, which commence after the Policy Effective Date, but which would qualify as a recurrent disability under the terms of the **previous group policy**, unless the person has been in **active employment** under this policy for at least 30 days.

Pre-Existing Conditions

The Company will not apply the exclusion in Section B.5 Pre-Existing Condition Limitation to an **employee's** long term disability claim if:

- the **employee** was insured for long term disability by the **previous group policy** when it terminated;
- the **employee** was in **active employment** on the Policy Effective Date;
- the **employee** has remained in continuous **active employment** since the Policy Effective Date; and
- the **employee's** long term disability claim would not have been excluded by the **previous group policy's** pre-existing condition limitation based on:
 - the terms of the **previous group policy's** pre-existing condition limitation; and
 - the combined continuous time that the **employee** was insured under this policy and the **previous group policy**.

Limited Payment

If, due to the above Continuity of Coverage provision, an **employee's** claim is not excluded under Section B.5 Pre-Existing Condition Limitation, then the Company will administer the **employee's** claim according to the provisions of this policy. However, the **employee's** payment will be the lesser of:

- the **monthly payment** under this policy; and
- the monthly amount which would have been paid under the **previous group policy**.

If, due to the above Continuity of Coverage provision, an **employee's** claim is not excluded under Section B.5 Pre-Existing Condition Limitation, then payments under this policy will not extend beyond the earlier of the following dates:

- the end of the **maximum benefit period** under this policy as shown in the BENEFIT SUMMARY; or
- the date benefits would have ended under the **previous group policy** if it had remained in force.

**B.7 Monthly Payments
Stop**

The Company will stop sending the **employee** payments and his claim will end on the earliest of the following:

- during the first 24 months of payments, when the **employee** is able to work in his **regular occupation** on a **part-time basis** but the **employee** chooses not to;
- after 24 months of payments, when the **employee** is able to work in any **gainful occupation** on a **part-time basis** but the **employee** chooses not to;
- if the **employee** is working and his monthly **disability earnings** exceed 80% of his **indexed monthly earnings**, the date his earnings exceed 80% of his **indexed monthly earnings** (subject to Section E.1B Fluctuation in Disability Earnings);
- the end of the **maximum period of payment**;
- the date the **employee** is no longer **disabled** under the policy, unless he is eligible to receive benefits under the Company's **rehabilitation and return to work assistance program**;
- the date the **employee** fails to cooperate with or participate in a **rehabilitation and return to work assistance program**;
- the date the **employee** fails to attend or participate in a medical, vocational or functional assessment required by the Company;
- the date the **employee** fails to attend or participate in a requested interview with an authorized Company representative;
- the date the **employee** fails to submit proof of continuing **disability**; or
- the date the **employee** dies.

International Liability

The Company will stop sending the **employee** payments after the **employee** has been outside Canada and the United States for 60 cumulative days during any 365 consecutive day period. No further payments will be made until the **employee** returns to Canada. If the **employee** is still **disabled** on his return, payments may be resumed but will not be retroactive. Although not paid, any payments attributable to any period of time beyond the 60 cumulative days in any **calendar year** that the **employee** continues to be outside of Canada will be deemed to have been paid under the meaning of **disability** and **disabled**.

Section C GROUP LTD WAIVER OF PREMIUM

C.1 Waiver of
Premium

Premium payments are not required for the employee's insurance while he is receiving monthly payments.

Section D GROUP LTD EXCLUSIONS AND LIMITATIONS- GENERAL

**D.1 General Exclusion
And Limitations**

This policy does not insure any **disability** which results directly or indirectly from, or is in any manner or degree associated with or occasioned by:

- the **employee's** intentionally self-inflicted injuries;
- the **employee's** active participation in a riot, insurrection or civil commotion;
- the **employee's** service in the armed forces of any nation;
- the **employee's** attempt to commit or commission of a **crime**, or provoking an assault, whether or not the **employee** has been charged; or
- war, declared or undeclared, or any act of war.

The Company will not pay a benefit for any period of **disability** during which the **employee** is lawfully incarcerated, confined or imprisoned.

The Company will not make a **monthly payment** for any period of **disability** during which the **employee** is on a **statutory leave, leave of absence, temporary layoff, strike or lockout**. If an **employee's** coverage has been continued during a **statutory leave, leave of absence, temporary layoff, strike or lockout** in accordance with Sections B GENERAL ELIGIBILITY FOR INSURANCE, and the **employee** becomes **disabled** during the **statutory leave, leave of absence, temporary layoff, strike or lockout** the **monthly payment** will begin on the later of the date the **elimination period** ends or the date the **statutory leave, leave of absence, temporary layoff, strike or lockout** ends, provided the **employee** is still **disabled**.

**D.2 If Disabled Outside
of Canada**

If the **employee** is temporarily outside of Canada and the United States when he becomes **disabled**, his **elimination period** will begin and continue to accrue, however benefits (if any) will not become payable until he returns to Canada and has provided proof of **disability** satisfactory to the Company.

NOTE: Other Exclusions or Limitations may be applicable as specified under each individual additional benefit provision.

Section E GROUP LTD PAYMENT OF BENEFITS

E.1 Disabled And Not Working For each month after the **elimination period** that the **employee** continues to be **disabled** and unable to work on a **part-time basis**, the Company will send the **employee** the **monthly payment**.

Daily Rate of Benefit Calculation: After the **elimination period**, if the **employee** is **disabled** for less than 1 month, the Company will send the **employee** 1/30 of his **monthly payment** for each day of **disability**.

E.1A Disabled And Working If, after completing the **elimination period**, the **employee** is **disabled** and working, the Company will send the **employee** the **monthly payment** if the **employee** is **disabled** and, due to the continuing **sickness** or **injury**, his monthly **disability earnings** are less than 20% of his **indexed monthly earnings**.

If, after completing the **elimination period**, the **employee** is **disabled** and, due to his continuing **sickness** or **injury**, the **employee's** monthly **disability earnings** are between 20% through 80% of his **indexed monthly earnings** the Company will calculate his payment as follows:

Work Incentive Benefit (WIB) During the first 12 months of payments, while working, the **employee's** **monthly payment** will not be reduced as long as Item 1 does not exceed Item 2, where Item 1 and Item 2 are calculated as follows:

If the **monthly payment** is taxable:

1. The sum of the **employee's** **pre-tax** monthly **disability earnings**, plus the **monthly payment**, plus direct and indirect **benefit offsets** the **employee** is eligible to receive.
2. The **employee's** **indexed monthly earnings**.

If the **monthly payment** is non-taxable:

1. The sum of the **employee's** **post-tax** monthly **disability earnings**, plus the **monthly payment**, plus direct and indirect **benefit offsets** the **employee** is eligible to receive.
2. The **employee's** **indexed post-tax monthly earnings**.

If Item 1 is more than Item 2, the Company will subtract the excess of Item 1 over Item 2 from the **employee's** **monthly payment**.

Proportionate Loss After 12 months of payments, while working, the **employee** will receive payments based on his percentage of lost earnings due to his **disability**. To calculate the **employee's** percentage of lost earnings and the amount of the payments the Company will:

1. Subtract the **employee's** **disability earnings** from his **indexed monthly earnings**.
2. Divide the answer in Item 1 by the **employee's** **indexed monthly earnings**. This is the **employee's** percentage of lost earnings.
3. Multiply the **employee's** **monthly payment** by the answer in Item 2.

This is the amount the Company will pay the **employee** each month.

If the **employee's** monthly **disability earnings** exceed 80% of his **indexed monthly earnings**, the Company will stop sending the **employee** payments and his claim will end.

Proof of Disability
Earnings

The Company may require the **employee** to send proof of his monthly **disability earnings** at least monthly. The Company will adjust the **employee's** payment based on his monthly **disability earnings**.

As part of the **employee's** proof of **disability earnings**, the Company can require that he send appropriate financial records which the Company believes are necessary to substantiate his income.

**E.1B Fluctuation In
Disability
Earnings**

If the **employee's disability earnings** routinely fluctuate widely from month to month, the Company may average the **employee's disability earnings** over the most recent 3 months to determine if his claim should continue.

The Company will not pay the **employee** for any month during which **disability earnings** exceed 80% of **indexed monthly earnings**.

If the Company averages the **employee's disability earnings**, the Company will not terminate the **employee's** claim unless the average of his **disability earnings** from the most recent 3 months exceeds 80% of **indexed monthly earnings**.

E.2 Benefit Offsets
Direct Offsets

The following gross amounts of benefits or payments are direct **benefit offsets**:

1. The amount that the **employee** receives or is entitled to receive under any Workers' Compensation Act or similar legislation;
2. The amount that the **employee** receives or is entitled to receive as disability payments under the Canada Pension Plan or the Quebec Pension Plan;
3. The amount that the **employee** receives as retirement payments under the Canada Pension Plan or the Quebec Pension Plan;
4. The amount that the **employee** receives or is entitled to receive as disability income payments under any automobile insurance policy or automobile accident benefit schedule;
5. The amount of any additional payments that the **employee** receives from the **employer** as additional compensation, such as but not limited to any 'top-up' plan, severance pay, termination pay or vacation pay;
6. The amount that the **employee** receives under a short-term disability plan or a salary continuation or accumulated sick leave plan.

With the exception of retirement payments, the Company will only subtract **benefit offsets** which are payable as a result of the same **disability**. The Company will not subtract payments that the employee receives because of his spouse's retirement.

Indirect Offsets

The following gross amounts of benefits or payments are indirect **benefit offsets**:

1. The amount that the **employee** receives or is entitled to receive as disability income payments under any:
 - compulsory benefit act or legislation;
 - other group insurance plan or policy, including any association coverage or franchise coverage; or
 - governmental retirement system as a result of the **employee's** job with the **employer**.
2. The amount that the **employee** receives under an individual insurance policy, providing for disability benefits, that was issued to the **employee** by the Company pursuant to an offer made through the **employer** or as a result of the **employee's** employment.
3. The amount that the **employee**:
 - receives or is entitled to receive as disability payments under the **employer's retirement plan**; or
 - receives or is entitled to receive as retirement payments under the **employer's retirement plan**.
4. The amount that, is payable to or on behalf of any child of the **employee** under the Canada Pension Plan or the Quebec Pension Plan because of the **employee's** disability.

With the exception of retirement payments, the Company will only subtract **benefit offsets** which are payable as a result of the same **disability**. The Company will not subtract payments that the employee receives because of his spouse's retirement.

Frozen Benefits

Once the Company has subtracted a **benefit offset** from the **gross monthly benefit**, the Company will not further reduce the **monthly payment** due to a cost of living increase from that source.

Payment May Be Reduced By Estimated Amounts

When the Company determines that an **employee** may be entitled to an amount under Item 1 or 2 in the Direct Offsets section or under Item 1 in the Indirect Offsets section, the Company may estimate the amount of the **employee's** entitlement to such **benefit offset**. If an **employee** is 65 or older, the Company may estimate the amount of the **employee's** entitlement under item 3 in the Direct Benefit Offsets section. The Company reserves the right to deduct the estimated amount by including it in the MONTHLY PAYMENT CALCULATION when determining the **employee's monthly payment**.

Payment Will Not Be Reduced By Estimated Amounts

The Company will not deduct the estimated amount under Item 1 or 2 in the Direct Offsets section, or under Item 1 in the Indirect Offsets section when determining the employee's monthly payment if the employee applies for the benefit offsets and appeals any denial to all levels the Company feels are necessary.

Payment Adjustment

If the Company has deducted the estimated amount when determining the **employee's monthly payment**, the **employee's monthly payment** will be adjusted when the Company receives proof:

- of the amount awarded; or
- that benefits or payments have been denied and all appeals the Company feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to the **employee**.

Lump Sum Payments
From Benefit Offsets
Pro-rated

If the **employee** receives any **benefit offset** in the form of a lump sum payment, the lump sum will be pro-rated on a monthly basis over the time period for which the sum was given. If no time period is stated, the Company will use a reasonable period of time.

E.3 Third Party Claims

The Company may require the **employee** to provide a written statement of the circumstances that caused the **employee's disability**, including any facts that may give the **employee** a legal claim against another person, organization or company that caused the **disability** (a "Third Party").

The **employee** must provide to the Company prompt notice of any legal action that the **employee** commences against a Third Party due to the circumstances that caused the **employee's disability** (a "Personal Injury Action"). Once the Employee has commenced a Personal Injury Action the **employee** must:

- execute the Company's Personal Injury Reimbursement Agreement and Direction;
- provide the Company with the name and address of any lawyer pursuing the Personal Injury Action on behalf of the **employee**;
- instruct any such lawyer to pursue with due diligence the **employee's** claims against the Third Party, including claims for non-pecuniary general damages, damages for past loss of income and damages for future loss of income; and
- direct, authorize and instruct any such lawyer to provide to the Company, free of charge:
 - such reports as the Company may reasonably require from time to time on the status of the Personal Injury Action or any settlement negotiations;
 - copies of any documents in the **employee's** possession or control relating to the **employee's** claims against the Third Party; and
 - prompt notice of the terms of settlement or judgment in the Personal Injury Action so that the Company can calculate the **employee's** Net Recovery.

The **employee's** Net Recovery ("Net Recovery") is an amount equal to the total of all damages recovered from the Third Party (including but not limited to damages for loss of income to the date of the settlement or judgment, damages for future loss of income, all non-pecuniary general damages, interest and legal costs), minus the **employee's** legal costs incurred to obtain such damages.

50% of the **employee's** Net Recovery shall be designated as the Company's Credit ("Company's Credit"). The **employee** shall immediately pay to the Company an amount equal to the lesser of the Company's Credit and the sum of all **monthly payments** paid or payable to the **employee** prior to the date of the settlement or judgment. If any portion of the Company's Credit remains after subtracting the above amount, the Company may suspend further **monthly payments** until such time as the sum of the **monthly payments** which would otherwise become payable under this policy equals the remaining portion of the Company's Credit.

The Company has the right to withhold or discontinue **monthly payments** if the **employee** refuses to sign the Company's Personal Injury Reimbursement Agreement and Direction or fails to comply with any of its terms.

Section F STANDARD GROUP LTD INSURANCE BENEFITS

F.1 Survivor Benefit	<p>When the Company receives proof that the employee has died, it will pay the employee's eligible survivor a lump sum benefit equal to 3 months of the employee's gross monthly benefit if, on the date of the employee's death:</p> <ul style="list-style-type: none">▪ his disability had continued for 180 or more consecutive days; and▪ he was receiving or was entitled to receive monthly payments under the policy.
Any Survivor Benefit Applied First to Overpayment	However, the Company will first apply any Survivor Benefit payment to any overpayment which may exist on the employee's claim for Long Term Disability Benefits.
No Eligible Survivor	If the employee has no eligible survivor , no payment will be made.
F.2 Worksite Modification Benefit	<p>If the employer and the employee determine that a worksite modification may be needed to enable the employee to perform the material and substantial duties of his regular occupation, one of the Company's designated professionals will assist the employee and the employer to identify a modification that the Company agrees is likely to help the employee remain at or return to active employment.</p>
Written Agreement	If the Company agrees that the worksite modification is appropriate, the Company will prepare a written agreement in which the Company, the employer and the employee will agree to the worksite modification in order to help the employee remain at or return to active employment . This agreement must be signed by the Company, the employer and the employee .
Amount of Benefit	<p>When such agreement is signed, the Company will reimburse the employer for the cost of the modification, up to the amount shown under the BENEFIT SUMMARY.</p> <p>This benefit is available to assist an employee on a one-time basis only.</p>
F.3 Work Life Assistance Program	<p>The policy provides the employee and his dependents access to a work life assistance program designed to assist them with problems of daily living.</p> <p>The employee and/or his dependents can call and request assistance for virtually any personal or professional issue, from helping find a day care or transportation for an elderly parent, to researching possible colleges for a child, to helping to deal with the stress of the workplace. This work life program is available for everyday issues as well as crisis support.</p> <p>This service is also available to the employer.</p> <p>This program can be accessed by a 1-800 telephone number available 24 hours a day, 7 days a week.</p> <p>Information about this program can be obtained through the employer's plan administrator.</p> <p>NOTE: If such services or program are included under more than one of the applicable sections of this policy, they shall be deemed to be only one single benefit and not two benefits. Any limitations or restrictions on usage or payment (if applicable) of these services or program shall be deemed covered under one single benefit only.</p>

F.4 Best Doctors®

Best Doctors provides the **employee** and his eligible* **dependents** with a unique combination of information and access to the best medical care when it matters most.

Best Doctors helps the **employee** navigate the healthcare system and confirm the **employee's** diagnosis and treatment options, through convenient, responsive services that connect the **employee** to a global database of over 50,000 top peer-nominated specialists, including 2,000 in Canada. Refer to the Best Doctors brochure for more information about the services available to the **employee**.

*eligible **dependents** are **spouse** and **dependent children**, under the age 21 or under age 26 if full time students.

NOTE: If such services or program are included under more than one of the applicable sections of this policy, they shall be deemed to be only one single benefit and not two benefits. Any limitations or restrictions on usage or payment (if applicable) of these services or program shall be deemed covered under one single benefit only.

EMPLOYER SELECTED GROUP LTD INSURANCE BENEFITS

Spousal Disability Benefit

Eligibility	The employee's spouse is eligible for this benefit.
Effective Date of Insurance	The employee's spouse will become insured on the later of: <ul style="list-style-type: none">▪ the date the employee's spouse becomes a spouse as defined in the policy; or▪ the date the employee's LTD insurance begins under this policy.
Insurance Ceases	Insurance will end on the earliest of the following dates: <ul style="list-style-type: none">▪ the date the employee's insurance under the policy terminates;▪ the date the spouse ceases to be a spouse as defined in the policy;▪ the date the policy terminates; or▪ the date this benefit terminates. <p>Termination of this insurance under any conditions will not prejudice any payable claim which occurs while the insurance is in force.</p>
No Conversion	There is no conversion privilege for this benefit.
Payment of Benefits	If the employee's spouse becomes and remains disabled as defined below through the elimination period , the Company will pay a monthly Spouse Disability Benefit to the employee . Benefit payments will not be made for any period during which the employee's spouse is outside of Canada for longer than 30 consecutive calendar days.
Disabled and Disability Means (for the purposes of this benefit)	The employee's spouse is disabled under this benefit when the Company determines that due to sickness or injury : <ul style="list-style-type: none">▪ the employee's spouse loses the ability to safely and completely perform 2 activities of daily living without another person's assistance or verbal cueing; or▪ the employee's spouse is cognitively impaired.
Elimination Period	The elimination period is shown under the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY. The elimination period begins on the first day that the employee's spouse is disabled.
Amount of Insurance	The monthly benefit payment is the amount shown under the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY.
Exclusions	This policy does not cover any disability which results directly or indirectly from, or is in any manner or degree associated with or occasioned by: <ul style="list-style-type: none">▪ the spouse's intentionally self-inflicted injury;▪ the spouse's active participation in a riot;▪ the spouse's attempt to commit or commission of a crime, whether or not the spouse has been charged; or▪ war, declared or undeclared, or any act of war. <p>The Company will not pay a Spouse Disability Benefit for any period of disability during which the spouse is lawfully incarcerated, confined or imprisoned.</p>

No Spouse Disability Benefit is payable for a **spouse's** loss of the ability to safely and completely perform any **activity of daily living** without another person's assistance or verbal cueing, if such loss exists on the effective date of the **spouse's** coverage under this benefit.

No Spouse Disability Benefit is payable for a **spouse's cognitive impairment** if the **spouse** is **cognitively impaired** on the effective date of the **spouse's** coverage under this benefit.

Pre-Existing
Condition Limitation

This policy does not cover any disability which results directly or indirectly from, or is in any manner or degree associated with or occasioned by a **pre-existing condition**.

However, this limitation will not apply to a disability which begins more than 6 months after the **spouse's** insurance began.

Pre-existing condition, for this Spouse Disability Benefit, means any condition or symptom (whether or not such condition or symptom is diagnosed or correctly diagnosed) for which, during the 6 months just prior to the date that his insurance began,

- the **spouse** consulted a **physician** or other healthcare provider;
- the **spouse** received any health-related care, advice, treatment or services (including diagnostic measures) from or on the advice of a **physician** or other healthcare provider;
- the **spouse** incurred any healthcare expenses;
- the **spouse** took any prescribed medication; or
- a **prudent person** would have consulted a **physician** or other healthcare provider, would have filled a prescription, or would have continued to take medication previously prescribed.

Benefit Payments Stop

Payments will end on the earliest of the following dates:

- the date the **employee's spouse** is no longer disabled;
- the end of the **maximum period of payment** shown in the BENEFIT SUMMARY; or
- the date the **spouse** dies.

Claim Notification

Written notice of claim should be sent to the Company within 30 days after the date that the **spouse's** disability begins. Written proof of claim must be given to the Company no later than 90 days after the date the **spouse's** disability begins. If it is not possible to give proof within 90 days, it must be given no later than 1 year after the date that the **spouse's** disability began, except in the absence of the **employee's** legal capacity.

Proof of Claim

The proof, provided at the **employee's** expense, must show:

1. that the **spouse** is under **appropriate care**;
2. the date the **spouse's** disability began;
3. the cause of the **spouse's** disability;
4. the extent of the **spouse's** disability; and
5. the name and address of any **hospital** or Institution where the **spouse** received treatment, including all attending **physicians**.

As part of proof of claim, the Company may request that the **spouse** be examined, at the Company's expense and discretion, by a **physician** and/or other healthcare provider of its choice. The Company may also require a claims assessment which is a review to help evaluate the claim. This assessment may include an interview with the **spouse** at a location selected by the Company or its designated representative.

Proof of continued disability and **appropriate care** must be given to the Company within 30 days of the request for the proof.

Dependent Care Expense Benefit	While the employee is participating in a rehabilitation and return to work assistance program , the Company will pay the employee a Dependent Care Expense Benefit if he is or starts incurring expenses (such as but not limited licenced day care facilities and home health care programs) to provide care for a dependent who needs personal care assistance.
Benefit Payments Begin	Dependent Care Expense Benefit payments will begin immediately after the employee starts to participate in a rehabilitation and return to work assistance program .
Amount of Benefit	The amount of the Dependent Care Expense Benefit will be as shown under the BENEFIT SUMMARY.
Proof	The employee must provide satisfactory proof that he is incurring expenses that entitle him to the Dependent Care Expense Benefit. Note: The Company will not recognize the employee or his spouse , children, parents or siblings as a program or facility providing care for a dependent who needs personal care assistance under this benefit unless such person actually owns, operates, administers or is working for such a facility or program.
Benefit Payments Stop	Dependent Care Expense Benefits will end on the earlier of the following: <ul style="list-style-type: none">▪ the date the employee is no longer incurring expenses for his dependent;▪ the date the employee no longer participates in the rehabilitation and return to work assistance program; or▪ any other date payments would stop in accordance with the policy.
Rehabilitation And Return To Work Assistance Benefit	While the employee participates in a rehabilitation and return to work assistance program , the Company will pay an additional benefit of 10% of the employee's gross monthly benefit to a maximum benefit shown under the GROUP LONG TERM DISABILITY (LTD) BENEFIT SUMMARY.
Company Approval	The Company is under no obligation to approve or continue a rehabilitation and return to work assistance program for an employee . Any decision about an employee's eligibility for the program, or to approve or discontinue a rehabilitation and return to work assistance program will be made solely by the Company.
Employee Eligibility	The final determination about the employee's eligibility for a rehabilitation and return to work assistance program will be made solely by the Company. The employee must be medically able to engage in a rehabilitation and return to work assistance program . In order to remain in the rehabilitation and return to work assistance program and to receive this benefit, the employee must actively participate in the rehabilitation and return to work assistance program . Actively participate or actively participating means the employee must comply with the terms and conditions of the rehabilitation and return to work assistance program plan written specifically for the employee by the Company.
No Increase or Reduction of Benefit	This benefit is not subject to policy provisions which would otherwise increase or reduce the benefit amount.

**GROUP LONG TERM DISABILITY (LTD) INSURANCE
EMPLOYER SELECTED GROUP LTD INSURANCE BENEFITS**

Benefit Payments After Disability Ends	<p>In addition, the Company will make monthly payments to the employee for 3 months following the date his disability ends if the Company determines the employee is no longer disabled while:</p> <ul style="list-style-type: none">▪ he is actively participating in the rehabilitation and return to work assistance program;and▪ he is not able to find employment.
Lump Sum Benefit Payment	<p>This benefit payment may be paid in a lump sum.</p>
Benefit Payments Stop	<p>Benefits for the rehabilitation and return to work assistance program will end on the earliest of the following dates:</p> <ul style="list-style-type: none">▪ the date the Company determines that the employee is no longer eligible to participate in the rehabilitation and return to work assistance program;▪ the date the Company determines that the employee is no longer actively participating in the rehabilitation and return to work assistance program; or▪ any other date on which monthly payments would stop in accordance with this policy.
Total Benefit Cap	<p>The total benefit payable to an employee on a monthly basis (including all benefits provided under this policy) will not exceed 100% of the employee's monthly earnings, unless the excess amount is payable as a Cost of Living Adjustment, if included. However, if the Employee is participating in the Company's rehabilitation and return to work assistance program, the total benefit payable to him on a monthly basis (including all benefits provided under this policy) will not exceed 110% of his monthly earnings, unless the excess amount is payable as a Cost of Living Adjustment, if included.</p>

RATE GUARANTEE

Policy Provisions
Affected

The provision of the group policy to which this provision is intended to affect, entitled GENERAL PREMIUM PROVISIONS, is amended as follows:

Rates Will Not
Change Until

Premium rates in effect on the Effective Date will not change until the earliest of the following dates:

- the completion of:
 - 28 consecutive months during which the premium rates have been in effect for **Basic Term Life, Dependent Term Life, AD&D, and Optional Term Life**, if insured under this policy.
 - 28 consecutive months during which the premium rates have been in effect for **Long Term Disability**, if insured under this policy.
 - 16 consecutive months during which the premium rates have been in effect for **Short Term Disability**, if insured under this policy.
- the date the group policy is amended to change eligibility provisions or benefits and there is a material change to the risk insured; or
- the date a division, subsidiary or affiliated company is added or deleted; or
- the date the total number of Insured **employees** changes by 15% or more from the number of **employees** insured on the Effective Date; or
- the date new **legislation, plan or act** or a change in any existing **legislation, plan or act** is enacted which applies to this policy.

Rate Guarantee Will
Cease To Operate

If any of the events above occur, this Rate Guarantee will cease to operate. Any subsequent changes in premium rates under the group policy will be made in accordance with the sections of the group policy entitled GENERAL PREMIUM PROVISIONS and CHANGES TO THE POLICY.

In any event, this Rate Guarantee will cease to operate on policy renewal.

RBC Life Insurance Company



Laura A. Gainey
Senior Vice-President, Service and Operations



Rino D'Onofrio
President and Chief Executive Officer

COLLECTION AND USE OF PERSONAL INFORMATION

Collecting your personal information

We (RBC Life Insurance Company) may from time to time collect information about you such as:

- information establishing your identity (for example, name, address, phone number, date of birth, etc.) and your personal background;
- information related to or arising from your relationship with and through us;
- information you provide through the application and claim process for any of our insurance products and services; and
- information for the provision of products and services.

We may collect information from you, either directly or through representatives. We may collect and confirm this information during the course of our relationship. We may also obtain this information from a variety of sources including hospitals, doctors and other health care providers, the MIB, Inc., the government (including government health insurance plans) and other governmental agencies, other insurance companies, financial institutions, motor vehicle reports, and your employer.

Using your personal information

This information may be used from time to time for the following purposes:

- to verify your identity and investigate your personal background;
- to issue and maintain insurance products and services you may request;
- to evaluate insurance risk and manage claims;
- to better understand your insurance situation;
- to determine your eligibility for insurance products and services we offer;
- to help us better understand the current and future needs of our clients;
- to communicate to you any benefit, feature and other information about products and services you have with us;
- to help us better manage our business and your relationship with us; and
- as required or permitted by law.

For these purposes, we may make this information available to our employees, our agents and service providers, and third parties, who are required to maintain the confidentiality of this information. If you are insured under a group insurance policy obtained through your employer, we may also share your information with your employer when necessary for the services we provide to you. Your health information will not be shared with your employer without your consent.

In the event our service provider is located outside of Canada, the service provider is bound by, and the information may be disclosed in accordance with, the laws of the jurisdiction in which the service provider is located. Third parties may include other insurance companies, the MIB, Inc. and financial institutions.

We may also use this information and share it with RBC® companies (i) to manage our risks and operations and those of RBC companies and (ii) to comply with valid requests for information about you from regulators, government agencies, public bodies or other entities who have a right to issue such requests.

If we have your social insurance number, we may use it for tax related purposes and share it with the appropriate government agencies.

Your right to access your personal information

You may obtain access to the information we hold about you at any time and review its content and accuracy, and have it amended as appropriate; however, access may be restricted as permitted or required by law. To request access to such information or to ask questions about our privacy policies, you may do so now or at any time in the future by contacting us at:

RBC Life Insurance Company
P.O. Box 515, Station A,
Mississauga, Ontario
L5A 4M3
Telephone: 1-800-663-0417
Facsimile: 905-813-4816

Our privacy policies

You may obtain more information about our privacy policies by asking for a copy of our "Financial fraud prevention and privacy protection" brochure, by calling us at the toll-free number shown above or by visiting our website at www.rbc.com/privacysecurity.