



# **SURVIVOR BENEFITS**

## INTRODUCTION

Survivor benefits help provide financial protection in the event of death. Benefits are available from:

- Basic Life Insurance
- Optional Life Insurance
- Optional Dependent Life Insurance
- Basic Accidental Death and Dismemberment Insurance
- Voluntary Accidental Death and Dismemberment Insurance

## BASIC LIFE BENEFIT

You are insured for 3 times your basic annual earnings, subject to a maximum benefit of \$750,000.

Your amount of Life Insurance will be rounded to the next higher multiple of \$1,000, if not already a multiple. Your earnings are calculated as your gross earnings, excluding overtime, bonuses or other special remuneration.

Coverage terminates at the earlier of retirement and age 70.

## OPTIONAL LIFE BENEFIT

In addition to your Basic Life benefit, you may elect Optional Life coverage as follows:

Employee (units of \$10,000 to a maximum of \$250,000). Monthly premiums are payable in full by participants through payroll deduction, in accordance with the following rate schedule:

**Optional Life Rates**  
**Cost per \$10,000/month**

<b>Age Band</b>	<b>Male Smoker</b>	<b>Male Non-Smoker</b>	<b>Female Smoker</b>	<b>Female Non-Smoker</b>
Under 25	\$ 0.657	\$ 0.486	\$ 0.225	\$ 0.180
25 - 29	0.549	0.369	0.225	0.180
30 - 34	0.549	0.342	0.324	0.243
35 - 39	0.783	0.486	0.477	0.324
40 - 44	1.359	0.846	0.774	0.495
45 - 49	2.484	1.494	1.251	0.765
50 - 54	4.221	2.529	2.097	1.323
55 - 59	7.119	4.275	3.780	2.376
60 - 64	11.727	7.218	6.237	3.789
65 - 69	17.658	10.872	9.207	5.715

Your monthly premium cost will be adjusted as required to correspond with the above age groups.

You will be requested to submit evidence of insurability to obtain this insurance. Coverage will become effective on the date the insurance company approves this evidence. Further increases in coverage will also depend upon proof of your continuing good health.

## **OPTIONAL DEPENDENT LIFE INSURANCE**

You may also elect Life Insurance for your spouse and/or dependent children, as follows:

Spouse -	units of \$10,000 to a maximum of \$250,000
Child -	units of \$1,000 to a maximum of \$10,000

Monthly premiums payable through payroll deduction, are 100% paid by employee.

Your spouse will be required to submit evidence of insurability to obtain this insurance. Coverage will become effective on the date the insurance company approves this evidence. Evidence of insurability is not required for dependent children. Children are eligible once they have attained the age of 24 hours.

### **Payment of Benefit**

If you should die from any cause, the benefit indicated will be payable. Human Resources will provide the necessary claim form. Proof of death should be provided as soon as reasonably possible.

The insurance on your life will be paid to the beneficiary you appoint. Payment of benefit and changes in beneficiary designation are subject to applicable government legislation. If there is no beneficiary the benefit is payable to your estate.

If you have elected Optional Life Insurance for your spouse and/or dependent children, you are the beneficiary in the event of death from any cause.

### **Waiver of Premium**

If you should become totally disabled prior to age 65, and remain disabled for at least 6 months, your Basic and Optional Life coverage will remain in force, without payment of premiums.

Satisfactory proof of disability must be submitted within 12 months of the commencement of disability and when requested thereafter.

As long as you continue to be disabled, premiums will be waived. The insurance will remain in force until the time it would normally have ceased if you were not totally disabled. However, should the Policy terminate, your coverage will remain in force.

"Totally disabled" means you are unable to work and earn an income due to an accident or sickness that leaves you wholly and continuously disabled.

Premiums must continue to be paid to keep your spouse's and child's coverage in effect while you are disabled.

### **Exceptions**

If Optional Life or Optional Dependent Life coverage has been in force less than 2 years, no benefit will be payable if death results directly or indirectly from suicide while sane or insane.

This period shall include coverage under the prior plan which this plan replaces.

This exception applies separately to the initial amount of insurance and any subsequent increases elected by you.

### **Conversion Option**

If your individual coverage terminates or reduces, but group coverage continues, you may convert your Group Life Insurance and that on your spouse to an individual life insurance policy. This amount must be equal to or less than your Group Life amount, subject to an overall maximum of \$200,000 for each benefit.

Revised August 2011

The individual life insurance policy will be issued without proof of satisfactory health provided the completed application form, along with the necessary premium, is mailed to the insurance company within 31 days of the date of termination.

The types of policies available for conversion are:

1. Term Insurance for a 1 year period which, before the year has passed, may be converted (without evidence of insurability) to any of the policies described in points 2 or 3 below.
2. Non-convertible Term Insurance for coverage up to age 65.
3. Any regular plan of life insurance.

The conversion policy will not include disability, double indemnity, dismemberment or accidental death provisions.

If you or your spouse die during the 31 day period in which you are eligible to make application for conversion, the amount of Group Life Insurance available for this purpose will be payable, whether or not you applied for conversion.

Certain conversion rights are also available on policy termination. Details on conversions may be obtained from Human Resources or the insurer.

## **BASIC ACCIDENTAL DEATH AND DISMEMBERMENT**

You are insured for 3 times your basic annual earnings, subject to a maximum benefit of \$750,000.

Your amount of insurance will be rounded to the next higher multiple of \$1,000, if not already a multiple. Your earnings are calculated as your gross earnings, excluding bonus and overtime.

Coverage terminates at the earlier of retirement and age 70.

Benefits payable are described below.

## **VOLUNTARY ACCIDENTAL DEATH AND DISMEMBERMENT**

### **Coverage**

This Plan offers you and your dependents 24-hour protection against covered accidents occurring anywhere in the world.

"Covered accident" means an accident causing death or bodily injury to an employee or a dependent while covered under this Plan, unless specifically excluded.

The principal amount of the Voluntary Accidental Death and Dismemberment Benefit for which you may elect to be insured is outlined below.

Employee:	Units of \$10,000 up to a maximum of \$250,000
Spouse:	40% of your elected amount if you have dependent children, or 50% if you do not
Child:	10% of your elected amount if you have a spouse, or 15% if you do not

## Benefits Payable

Benefits are payable if, as a result of a covered accident, you or one of your dependents should suffer a loss within 365 days of the accident.

The percentage of the principal amount payable varies, depending on the extent of the loss, as shown in the following table.

Specified Loss	Amount Payable
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%
One arm or one leg	75%
One hand or one foot	66 2/3%
Sight of one eye	66 2/3%
Thumb and index finger of the same hand.....	33 1/3%
At least four fingers of the same hand	33 1/3%
All toes of one foot	25%
Speech	66 2/3%
Hearing in both ears	66 2/3%
Hearing in one ear	16 2/3%
Use of both hands or both feet	100%
Use of one arm or one leg	75%
Use of one hand or one foot	66 2/3%
Hemiplegia	200%
Paraplegia	200%
Quadriplegia	200%

No more than one loss, the largest, is payable for multiple injuries to the same limb.

If a person suffers more than one loss as a result of the same accident, the total benefit payable will not exceed the principal amount for which the person is insured, except in the case of hemiplegia, paraplegia or quadriplegia.

Additional expenses may also be payable if you suffer an insured loss. Please contact Human Resources for further information.

## Beneficiary

In the event of your death, the benefit is payable to the beneficiary you appoint. If your beneficiary dies before you or if there is no beneficiary, the benefit is payable to your estate.

All other benefits are payable to you, except benefits for expenses incurred after your death which will be made payable to the person entitled to receive payment.

## **Exceptions**

No benefit will be payable for any claim arising as a direct or indirect result of:

1. Suicide or self-inflicted injuries while sane or insane.
2. War or any act of war, whether declared or not.
3. Service in the armed forces of any country which is in a state of war.
4. Riding in, boarding or leaving, or descending from, any aircraft if:
  - a) the claimant is the pilot, the operator, or a member of the crew.
  - b) the aircraft is owned, operated, or leased by or on behalf of the employer.
  - c) the aircraft is piloted by an unlicensed person.
  - d) the aircraft does not have a valid certificate of air worthiness.