

**GROUP  
BENEFIT  
PLAN**



**29880**

**AIR CANADA COMPONENT OF CUPE  
WAGE INDEMNITY PLAN  
TRUST FUND**

**JULY 1, 2012**

**SSQ** *Financial  
Group*

Current and updated version of the booklet is on line at [www.accomponent.ca](http://www.accomponent.ca)

This booklet is provided for information purposes only and in no way alters the stipulations and conditions of the group insurance contract.

In this booklet, SSQ designates SSQ, Life Insurance Company Inc.

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## NOTICE OF NEW FILE

### **File and Personal Information**

In order to maintain the confidentiality of information concerning the persons it insures, SSQ, Life Insurance Company Inc. opens an insurance file to hold personal information about the application for insurance and any insurance claims made.

With the exception of certain cases provided for under applicable legislation, access to insured persons' files is restricted to those employees, legal agents and service providers who must consult these files for the purpose of contract management, inquiries or underwriting, in addition to any other person you may authorize. SSQ keeps these insurance files in its offices.

All persons insured with SSQ have the right to consult the information contained in their file and, if necessary, to have any errors or inaccuracies corrected, free of charge, by making a written request to the attention of SSQ's Personal Information Protection Officer at the following address: SSQ, Life Insurance Company Inc., 110 Sheppard Avenue East, Suite 500, Toronto, Ontario M2N 6Y8. However, SSQ may charge fees for transcribing, reproducing or sending this information. The person making the request for information will be informed beforehand of the approximate amount that will be charged.

### **Legal Agents and Service Providers**

SSQ may exchange information of a personal and confidential nature with its legal agents and service providers only for the purpose of allowing them to carry out the tasks they are assigned. SSQ's legal agents and service providers must comply with SSQ's Personal Information Protection Policy.

When you enrol in a group insurance plan, and also when you make a claim, you are actually giving your consent that the insurer and its legal agents and service providers may use your personal information for the above-mentioned purposes. It is understood that not giving this consent would compromise the management of your insurance coverage and the quality of the services SSQ can offer you.

For more information, consult the SSQ Personal Information Protection Policy available at [www.ssq.ca](http://www.ssq.ca).

## THINGS YOU SHOULD KNOW

Initial effective Date of Plan - March 1, 2001.

This booklet reflects the modifications as of July 1, 2012

Covered Classes - All flight attendants employed under the jurisdiction of Air Canada Component of CUPE by an airline participating in the Wage Indemnity Plan.

### IMPORTANT

**The coverages described in this wage indemnity plan are insured under Group Policy No. 29880 issued to the Policyholder by SSQ.** They are available to you if you are included in the covered classes shown above. Only those coverages for which you become covered will apply to you.

This booklet is a description of the group benefits at the date shown on the front cover.

### Conformity with law

If any provision of this wage indemnity plan conflicts with any law which applies to individuals shown in the covered classes, the plan will be amended to conform to that law.

### Cost

You will be advised of the amount of your contribution when you enrol for the coverage. Premiums erroneously deducted by your employer do not constitute effective coverage as set forth in the contract.

**The coverages are described in the Summary of Coverages and the coverage description pages.** Be sure to read these pages carefully. They show when benefits are or are not payable, and outline the conditions, limitations and exclusions that apply to the coverages.

### Legal actions

No action at law or in equity will be brought to recover under this contract prior to the expiration of (1) one year after written proof of loss has been furnished in accordance with requirements of the contract.

For flight attendants who become members of the plan on or after July 1, 2012, and who are residents of Alberta or British Columbia, no action at law or in equity will be brought to recover under this contract prior to the expiration of (2) two years after written proof of loss has been furnished in accordance with requirements of the contract. Furthermore, 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.

### **Access to Documents**

In addition to the rights of insured persons outlined in the Notice of New File and subject to payment of the fees outlined therein, you also have the right to obtain a copy of the policy, application and any written statements or other records that you have provided to SSQ. However, in compliance with the Insurance Act that applies to you, the first request may be answered free of charge, including for transcribing, reproducing or sending this information. Any subsequent requests may be subject to fees as described in the Notice of New File.

## SUMMARY OF COVERAGES

### MEMBERSHIP

Flight attendants employed by Air Canada.

### WEEKLY INDEMNITY COVERAGE

|                                      |  |
|--------------------------------------|--|
| Weekly benefit:                      | 60% of earnings payable weekly   |
| Elimination period:                  | 14 days  |
| Benefit period:                      | <p><b>First 15 weeks</b> of Weekly indemnity (paid by MANION on behalf of SSQ).</p> <p><b>Following 15 weeks</b> of Employment insurance with a Supplementary Unemployment Benefit (SUB) top-up by the Trust Fund.</p> <p>You must apply for disability benefits under the Employment Insurance Act of Canada (EI) for the 15-week period during which weekly indemnity benefits are not payable under the contract. Disability benefits under EI are taxable benefits and will be assessed based on the benefit plan design under the EI Act.</p> <p><b>Following 46 weeks</b> of Weekly Indemnity (paid by MANION on behalf of SSQ).</p> |
| Maximum benefit period:              | For any one period of total disability, benefits will be payable for <b>78 weeks</b> (including elimination period) but not beyond the date you elect normal or early retirement.  |
| Taxability:                          | Since you pay the entire premium for this coverage, the weekly indemnity benefit payments are nontaxable.  |
| Benefits form certain other sources: | Should you be entitled to periodic benefits from certain other sources during a disability, the amount of the weekly benefit payable may be reduced as explained later in the Weekly Indemnity Coverage description pages.   |
| Termination:                         | At your attainment of age 71 or your retirement, if earlier.   |

## **LONG-TERM DISABILITY COVERAGE**

|                             |  |
|-----------------------------|--|
| Monthly benefit:            | 60% of your pre-disability earnings payable monthly.   |
| Waiting period:             | 78 weeks or expiry of Weekly Indemnity whichever is later.   |
| Reduction:                  | The amount of the monthly benefit payable may be reduced so that your income from all sources will not exceed 85% of your gross monthly pre-disability earnings. This is explained later in the Long-term Disability Coverage description pages. |
| Taxability:                 | Since you do not pay the entire premium for this coverage, the long-term disability benefit payments are taxable.  |
| Maximum benefit period:     | Age 65 or earlier if qualified for a Company pension without actuarial reduction (For further information, please refer to your pension benefit statement)   |
| Termination of eligibility: | At your attainment of age 63 years and a half or your early or normal retirement, if earlier or retirement without actuarial reduction.  |

## DEFINITIONS

The following definitions apply throughout this wage indemnity plan unless a term is defined differently within a specific coverage for the purpose of that coverage.

**ACTIVE WORK, ACTIVELY AT WORK** means the performance of the regular duties of your own occupation for one flight or shift if on special assignment, union officer duties, or one day of reserve duty. It does not include training mandated by the Ministry of Transport or the employer, or while on vacation.

**BENEFITS** means any amounts which become payable under a coverage.

**CONTRACT** means **Group Insurance Policy No. 29880**.

**CONTRACTHOLDER** means Board of Trustees of Air Canada Component of CUPE Wage Indemnity Plan Trust Fund in its capacity as the **Policyholder** of Group Insurance Policy No. 29880.

**EARNINGS** means your average regular remuneration **received** for the last 3 months **available** at the time of book off as provided by the employer.

**EMPLOYER** means Air Canada.

**FULL-TIME BASIS, FULL-TIME EMPLOYMENT** includes regular part-time basis and regular part-time employment, as defined in the collective agreement between an employer and Air Canada Component of CUPE. **Temporary employees are not eligible for coverage.**

**ILLNESS** means any disorder of the body or mind, including complications resulting from pregnancy.

**PHYSICIAN** means a duly licensed doctor of medicine (M.D.) as directed or authorized by SSQ.

**REGULAR BLOCKHOLDER** means anyone who is employed by an employer under the terms of a collective agreement with Air Canada Component of CUPE

**RESERVE BLOCKHOLDER** means anyone who is employed by an employer under the terms of a collective agreement with Air Canada Component of CUPE

**SSQ** means SSQ, Life Insurance Company Inc.

**YOU** means a member who is employed as a flight attendant by Air Canada under the jurisdiction of Air Canada Component of CUPE.

# **BENEFIT PLAN PROVISIONS**

## **WHO IS ELIGIBLE TO BECOME COVERED**

You are eligible for coverage from the first day of being actively at work for an employer, under the jurisdiction of Air Canada Component of CUPE, participating in the Wage Indemnity Plan when you:

- (1) are within the covered classes shown on the Things You Should Know page; and
- (2) are working on a full-time basis.

**Temporary employees are not eligible for coverage.**

## **EFFECTIVE DATE OF COVERAGE**

Your coverage becomes effective on the first of the month coinciding with or next following your date of eligibility as described above. If due to illness or injury, you are not actively at work on the date your coverage is to be effective, it will become effective when you return to full-time active work.

If you are absent from work due to illness, injury, leave of absence, lay-off, suspension, or any other reason and are not in receipt of benefits under this wage indemnity plan or under any workers' compensation law, your wage indemnity plan benefits will not be reinstated until you return to full-time active work (as defined on the Definitions page) as a flight attendant.

## **CHANGE IN COVERAGE**

If your coverage would change due to a change in earnings or classification or as a result of a plan change, the coverage will not be adjusted until the first day on or after the date of the change on which you are actively at work and the required contribution is being made

## **TERMINATION OF COVERAGE**

Your coverage will terminate on the earliest of the following dates:

- (1) the date you cease to be a member of any eligible class because of termination of employment (described below) with the employer or for any other reason;

- (2) the date you are no longer included in the covered classes;
- (3) the date the policyholder or the employer ceases to make contributions for you;
- (4) the date you enter full-time active service in the armed forces of any country;
- (5) the date you attain the termination age as shown in the Summary of Coverages;
- (6) the date the contract terminates.

### **Termination of Employment**

For the purposes of the contract, your employment will be considered to terminate when you are no longer actively at work for the employer. However, if you are absent from work for any of the reasons described in the Continuation of Coverage During Absence From Work section below, the employer may, without discrimination among persons in like circumstance, consider you as not having terminated employment for the purposes of the contract and as continuing to be a member of any eligible class, and coverage will then be continued as outlined in the section below.

### **CONTINUATION OF COVERAGE DURING ABSENCE FROM WORK**

Prepayment of premiums is not required for an absence from the payroll of fifteen (15) calendar days or less. Prepayment of premiums is required for an absence from the payroll of sixteen (16) or more calendar days for one of the following reasons. You must prepay the required premium in full within forty-five (45) days in order to be eligible for benefit consideration following the end of any of these periods:

- (1) **leave of absence granted** (such as personal, educational, maternity, child care, bereavement, or jury duty) other than inability to meet medical standards (IMMS), your coverage may be continued for a maximum duration of up to 24 months;
- (2) **lay-off**, your coverage may be continued for a maximum duration of up to six (6) months. Should you become disabled during the

six-month period, you will not be eligible for benefit consideration unless you are recalled from lay-off status;

- (3) **suspension**, your coverage may be continued for the duration of your suspension;
- (4) **strike or lockout**, your coverage may be continued following the end of the strike or lockout;

Should you not prepay the required premium, your coverage will lapse and will not become effective until you return to full-time active work as a flight attendant.

**To ensure continued coverage for up to 24 months (six (6) months during a lay-off), you must make the first required premium payment within 45 days from the commencement of the leave of absence. The date payment is received by MANION will determine your on time payment.**

### **VACATION**

If you are on vacation and become disabled, the 14-day elimination period commences following the date first not available for work at the completion of your vacation.

If your leave of absence of 16 (sixteen) or more calendar days precedes your vacation and you have not prepaid the premium for that leave of absence, coverage will not be reinstated until you return to active work.

**No prepayment of premiums is required when you are absent from work due to vacation or a personal leave of absence of 15 (fifteen) calendar days or less.**

## HOW TO FILE A WAGE INDEMNITY CLAIM

The Application for Wage Indemnity Plan Benefits, including the Claimant's Statement, Employer's Statement and Physician's Statement, should be completed as soon as you know you will off work for more than 14 days. Your 14-day elimination period commences from the date of your **first flight missed** or reserve day, if on reserve.

**YOUR COMPLETED APPLICATION MUST BE RECEIVED WITHIN 30 DAYS OF THE END OF YOUR ELIMINATION PERIOD.**

### EMPLOYER'S STATEMENT

If not already completed when received, the Employer's Statement should be completed as soon as possible.

### CLAIMANT'S STATEMENT

- Mail the completed claimant's statement directly to **MANION**. Do not use crew boxes or leave at the Airport Office.
- In case of an accident, be sure to explain the circumstances on a separate sheet. (WCB, Motor Vehicle, Home)
- Ensure you sign and date the Authorization at the bottom of the page.

### PHYSICIAN'S STATEMENT

- You must see a physician (MD) within the 14-day elimination period in order to qualify for benefits commencing on the 15<sup>th</sup> day of your disability.
- Have your treating physician complete the Physician's Statement **FULLY**. Most claim delays are due to incomplete medical evidence. Please make sure that the physician's name is legible and that the address and telephone number are complete.
- Have your physician clearly indicate the diagnosis, complications (if any), treatment, medication and all dates of visits.

- If your physician does not know when you can return to work, an approximate date should be given. Indicating “indefinite” will delay your claim.
- If you are receiving treatment from any other medical practitioner who is not a licensed physician (MD), you must **ALSO** be under the regular and ongoing care of a licensed physician (MD).
- Please sign the Authorization Request. If you do not sign this authorization statement your claim will be returned to you, resulting in a delay.

**DO NOT ALTER OR ADD ANY INFORMATION TO THE PHYSICIAN’S STATEMENT!**

**TO ENSURE CONFIDENTIALITY SEND PHYSICIAN’S STATEMENT DIRECTLY TO MANION.**

**THE EMPLOYER DOES NOT REQUIRE THE PHYSICIAN’S STATEMENT!**

If your disability arose out of, or in the course of your employment, you **MUST** apply for Workers’ Compensation (C.S.S.T. in Quebec). However, you must also apply for Weekly Indemnity benefits in the interim. All WI claims must be submitted within 30 days of the end of your elimination period, regardless of whether you have also filed a Worker’s Compensation claim. Failure to file a WI claim will jeopardize your entitlement to these benefits in the event that your Workers’ Compensation claim is refused or terminated. Weekly Indemnity benefits will be payable only for a maximum of 120 days from the date of disability while a decision is pending from Workers’ Compensation. Please contact your Regional Office for more information if you are applying for Workers’ Compensation benefits.

When you have returned to work, notify MANION immediately, so that your WI claim can be finalized.

**Your benefits will be deposited directly into your bank account, therefore please submit the Direct Deposit application along with a void cheque when you submit your application.**

While you are receiving WI benefits, supplementary reports will be forwarded to you periodically. Upon receipt, have this report completed and returned to MANION, as soon as possible so that payments will not be delayed. It is your responsibility to provide proof of disability. You must submit proof of disability **WITHIN 45 DAYS** of the commencement of disability. If you submit proof after 45 days, it will not be processed unless you can show sufficient reasons in writing for not applying earlier.

The claimant is responsible for having all forms completed and any charges incurred for completion of same. Although you may fax your documents in as notification of a claim, **originals are required before your claim will be processed.**

Please note: You must advise MANION before you travel at any time during your WI claim. Out-of-country travel requires written medical clearance from your physician.

**IF YOU HAVE ANY QUESTIONS OR PROBLEMS REGARDING YOUR CLAIM, OR CLAIM SUBMISSION, PLEASE DO NOT HESITATE TO CONTACT MANION.**

ADMINISTRATOR:

MANION  
21 Four Seasons Place, Suite 500  
Etobicoke, ON  
M9B 0A5

1-416-234-3513 - Local  
1-800-663-7849 - Long Distance  
FAX: 1-416-234-2071

### **RETURN-TO-WORK**

When you return to work, you must notify MANION immediately.

## **APPLYING FOR BENEFITS - TIME LIMITS**

Your claim will not be processed until both the claim statement and physician's statement have been received. You should therefore follow up with your employer and your physician to ensure the forms are completed in a timely manner and avoid denial of benefits due to late submission.

It is your responsibility to submit proof of disability within 30 days of:

- (a) the end of the 14-day elimination period;
- (b) the termination of your disability benefits under the Employment Insurance Act of Canada in order to reinstate your claim under this Wage Indemnity Plan; and
- (c) the recurrence of a disability.

**LATE CLAIMS WILL NOT BE PROCESSED UNLESS YOU CAN SHOW SUFFICIENT REASON IN WRITING FOR NOT APPLYING EARLIER.**

**YOU ARE RESPONSIBLE FOR HAVING THE CLAIM FORMS COMPLETED AND ANY CHARGES INCURRED FOR THEIR COMPLETION.**

## **APPLICATION FOR CANADA/QUEBEC PENSION PLAN (CPP/QPP) DISABILITY BENEFITS**

In the event that you are totally disabled and your disability is a physical or mental impairment that is both severe and prolonged, you are required to file an application with CPP/QPP. You must submit proof of claim to MANION.

The wage indemnity plan benefits payable to you for any period of total disability will be reduced by the amount of a disability benefit payable under the Canada/Quebec Pension Plan:

- (1) MANION will send to you a reimbursement agreement and assignment form to sign. This agreement and assignment form should be returned to MANION. Upon receipt of the signed reimbursement agreement and assignment form, benefits will

continue at the rate of full wage indemnity plan payments due. This authorization will be updated annually  
**You must keep MANION advised of your CPP/QPP status.**

A copy of the approval/denial notice should be forwarded to MANION so that they can adjust your wage indemnity plan benefits accordingly. **Overpaid wage indemnity plan benefits must be refunded.**

- (2) In the event that you have not completed and returned the reimbursement agreement, assignment form or approval notice upon the commencement of your disability, your long-term disability benefits will be reduced by an estimated CPP/QPP Disability Benefit. **Therefore, it is essential that you apply for CPP/QPP in a timely manner as requested.**

Should CPP/QPP deny your application, the wage indemnity plan benefits will continue **without an offset** while you remain totally disabled. In addition, you will be **reimbursed** for any wage indemnity plan benefits which were previously reduced by an estimated CPP/QPP Disability Benefit. You are responsible for providing MANION with a copy of the denial notice. MANION will send you a letter of explanation detailing the appeal process. Proof of appeal must be submitted within 90 days.

## **CLAIM REVIEW**

If your benefits are denied, you may apply for review of your claim in writing to MANION who will advise you of the claim review procedures.

All requests for review and supporting documents must be postmarked **no later than 90 days** from written notification of initial denial or subsequent appeal denial.

## **CLAIM RULES**

### **PHYSICAL EXAMINATION**

SSQ, at its own expense, will have the right and opportunity to have you examined by a physician designated by him when and as often as it may reasonably require during the period of a claim under the contract.

### **OVERPAYMENT OF BENEFITS**

Nothing in this wage indemnity plan will prevent SSQ from recovering from any person or organization to whom such payment has been made any overpayment of benefits, irrespective of the cause of such overpayment.

### **VACATION**

If you are on vacation and become disabled, the 14-day elimination period commences following the date first not available for work at the completion of your vacation.

If your leave of absence of 16 (sixteen) or more calendar days precedes your vacation and you have not prepaid the premium for that leave of absence, coverage will not be reinstated until you return to active work.

## WEEKLY INDEMNITY COVERAGE

### **Taxability:**

Since you pay the entire cost of the coverage, the weekly indemnity benefits are nontaxable. (Disability benefits payable under the Employment Insurance Act of Canada are taxable.)

### **Description of benefits:**

If your disability prevents you from working as a flight attendant, in other words, if you are totally disabled, you may be eligible for weekly indemnity benefits, as follows:

After a 14-day elimination period, weekly indemnity benefits are considered for 15 weeks, the next 15 weeks of disability benefits are considered under the Employment Insurance Act of Canada, followed by consideration of an additional 46 weeks of weekly indemnity benefits.

### **Amounts of weekly benefit:**

An amount equal to 60% of your weekly pre-disability earnings, rounded to the next higher multiple of \$1.00 if not already a multiple thereof.

### **Reduction of weekly benefit:**

- (1) **The weekly benefit payable** is equal to the weekly benefit **reduced** by the total of the following amounts payable to you for the same period of total disability:
  - (a) The amount of any disability pension payable under the Canada/Quebec Pension Plan, including disability income payable on account of dependent children and excluding any cost-of-living adjustments under CPP/QPP that become effective after weekly indemnity benefits become payable.
  - (b) The amount of any income replacement benefits payable (or which would have been payable upon proper application) under any workers' compensation act or similar law. Any week for which the payable weekly benefit is zero will count towards the maximum benefit period.
  - (c) The amount of any income replacement benefits payable (or which would have been payable upon proper application) under any government plan of automobile insurance which has been approved as an acceptable limitation under the Employment Insurance Act of Canada.

- (d) The amount of any salary continuance, remuneration, or sick leave paid by an employer, excluding vacation pay and severance pay.
- (e) The amount of any income received from any occupation or business for remuneration or profit, excluding vacation pay, severance pay and earnings from an approved rehabilitation plan or program.
- (f) The amount of maternity benefits payable under the Employment Insurance Act of Canada.

Any cost-of-living increase in the amounts payable under a government plan as described above that becomes effective after weekly indemnity benefits become payable will not further reduce your weekly benefit.

If you do not receive income and indemnities from the various sources mentioned above, it is your responsibility to prove that you are not entitled to receive any income or indemnities from such sources.

- (2) The **weekly benefit payable** may be **further reduced** so that the amount payable together with payments receivable from **all sources** (including retirement income from the Canada/Quebec Pension Plan but excluding those listed below) will not exceed 100% of your weekly pre-disability earnings.
  - (a) a policy which is solely an individual disability income policy;
  - (b) a disability attachment to an individual life insurance policy;
  - (c) a disability attachment to a mortgage life insurance policy.

## Rehabilitation Incentive Provision

Your weekly benefit payable will be the lesser of:

- (1) your weekly benefit reduced by 50% of the weekly earnings you receive from an approved rehabilitation plan or program, or
- (2) the difference between your pre-disability earnings and earnings you receive from an approved rehabilitation plan or program.

**In no event will the weekly benefit payable be:**

- (a) less than the amount that would otherwise be payable under the Employment Insurance Act of Canada;
- (b) more than your weekly pre-disability earnings.

**Elimination period:** Benefits will be considered from the 15th consecutive day you are totally disabled.

The first day of the elimination period begins for a regular blockholder on the day the first flight is missed due to total disability and for a reserve blockholder, on the first reserve day missed due to total disability. If you are not actively at work for more than half of any day because you are totally disabled, the absence is considered one day of total disability.

Only one waiting period and only one maximum duration for the payment of indemnities apply to the same disability period for the disability benefit in question.

**Maximum benefit period:** For any one period of total disability, benefits will be considered for 78 weeks (including elimination period) but not beyond the earliest of:

1. the date you return to active work; or
2. the end of the month in which you attain age 71; or
3. the date on which you elect to receive early retirement or normal retirement benefits under any employee benefit plan; or
4. the date on which you elect to resign; or
5. the date of your death.

## DEFINITIONS

Where used in this weekly indemnity coverage, the following words and phrases have the meanings set forth below:

- (1) **“Maternity leave of absence”** means:
  - (a) any period of maternity leave taken by you in accordance with a federal or provincial law or pursuant to mutual agreement between you and the employer; or
  - (b) any period of maternity leave which the employer requires you to take in accordance with a federal or provincial law.

The period of maternity leave will commence on the earlier of the elected date of the leave and the date of delivery, and will end on the day you are scheduled to return to work.

- (2) **“Total disability” or “totally disabled”** means that, because of a medically determinable mental or physical impairment due to illness or accidental injury, you are unable to perform the regular duties of a flight attendant.

The availability of work does not affect the determination of total disability or totally disabled.

### A. BENEFITS FOR DISABILITY

A weekly benefit will be paid if you become totally disabled while covered for this coverage and are under the regular care of a physician.

Payments will start when the elimination period has been completed and may continue in accordance with the benefit plan provisions while you are totally disabled.

Payment will be made weekly, computed from the end of the elimination period, provided you submit satisfactory evidence of continuing total disability as requested by MANION.

Benefits for part of a week will be paid at the rate of one-seventh of the weekly benefit rate multiplied by the number of days you are totally disabled during that week.

## **B. RECURRENT DISABILITIES**

If you return to active work on a full-time basis following a period of total disability for which benefits were payable and, within 31 days, again become totally disabled on account of the same or related disability, you will be considered to have been continuously disabled for the purposes of the elimination period. If your subsequent disability is entirely unrelated to the previous disability, it will be considered a new disability and subject to the elimination period.

## **C. VOCATIONAL REHABILITATION BENEFITS**

Vocational rehabilitation involves a work-related activity or training strategy that:

- (1) is designed to facilitate your return to your job or other gainful employment; and
- (2) is recommended or approved by SSQ.

In considering whether or not a rehabilitation proposal is appropriate, SSQ will assess such factors as the expected duration of disability, and the level of activity required to facilitate the earliest possible return to employment.

SSQ recognizes the individual needs of persons with disabilities by making a distinction between a comprehensive rehabilitation program and a rehabilitation plan.

### **Comprehensive Rehabilitation Program**

To be classified as a comprehensive rehabilitation program, the goal must be:

- (1) to return the person to work in a different job that requires extensive or prolonged training; or

- (2) to return the person to work in a self-employed capacity.

Training is considered extensive or prolonged if it lasts longer than 12 consecutive months.

### **Rehabilitation Plan**

To be classified as a rehabilitation plan, the goal must be:

- (1) to return the person to work in the same job;
- (2) to return the person to work in a modified job with the same employer; or
- (3) to return the person to work in a different job that capitalizes on transferable skills.

### **Participation Commitment**

If, for non-medical reasons, you do not participate or cooperate in a rehabilitation plan or program that has been recommended or approved by SSQ, you will no longer be entitled to weekly indemnity benefits.

### **Employment Income**

Employment income earned during a rehabilitation period will be considered under the rehabilitation incentive provision.

### **Limitation**

Vocational rehabilitation benefits are available only while you are entitled to weekly indemnity benefits.

## **D. LIMITATIONS AND EXCLUSIONS**

### **Benefits are subject to the following limitations:**

- (1) Leave of absence, layoff, suspension, strike or lockout

You will not be eligible for benefit consideration for a total disability commencing during a leave of absence, layoff, suspension, strike, or lockout.

Please refer to the Continuation of Coverage During Absence From Work section for prepayment of premium guidelines.

(2) Vacation

If you are on vacation and become disabled, the 14-day elimination period commences following the date first not available for work at the completion of your vacation.

If your leave of absence of 16 (sixteen) or more calendar days precedes your vacation and you have not prepaid the premium for that leave of absence in accordance with the Continuation of Coverage During Absence From Work section, coverage will not be reinstated until you return to active work. No prepayment of premiums is required when you are absent from work due to vacation.

(3) Out of Canada

Benefits will be suspended during any period that you are out of Canada unless:

- (a) prior to departure, you requested an exception that was approved in writing by the MANION; and
- (b) you are receiving regular and continuous treatment from a physician; and
- (c) evidence satisfactory to MANION of such regular and continuous treatment is given to MANION within 30 days of your departure and thereafter as often as the Insurer reasonably requires; and
- (d) you are available to submit to a medical examination by a physician provided and paid for by MANION if so required by MANION; and
- (e) you submit a physician's note approving travel as well as the dates of departure which must be approved by MANION.

(4) Refusal to undergo medical examination or receive medical treatment

To receive the indemnities provided under the weekly indemnity coverage, you must agree to undergo any examination or receive appropriate treatment that is likely to promote recovery and return to work.

If you fail to comply with the above stipulations, the payment of benefits shall be suspended until the date on which it is demonstrated that you are effectively undergoing the relevant examination or receiving the relevant treatment.

**Benefits will not be payable for any period of total disability under the following circumstances:**

- (1) Any period of time during which you are not participating and cooperating in an appropriate treatment program for each disabling condition. Such a program must be recommended by the licensed physician treating you and be of a nature and frequency usually required for each disabling condition.
- (2) Any period of time that you are receiving treatment by a therapist, unless such treatment is recommended by a physician and deemed appropriate by MANION.
- (3) Any period after you fail to participate or cooperate, for non-medical reasons, in a rehabilitation plan or program that has been recommended or approved by MANION.
- (4) Any period of time during which you are on approved leave of absence, including maternity leave of absence. However, if you become totally disabled while on such a leave of absence and your weekly indemnity coverage has been continued in accordance with the Continuation of Coverage During Absence From Work section, the elimination period will begin on the date on which you are scheduled to return to work.
- (5) If the disability commences while you are not actively at work (as defined on the Definitions page) due to strike or lockout, unless your disability commenced prior to strike or lockout.

- (6) If the disability results from illness or injury while you are on full-time active duty in the armed forces of any country, state or international organization.
- (7) If the disability is due to war or act of war, whether declared or undeclared.
- (8) If the disability results from your participation in the commission of, or attempt to commit, any criminal offence.
- (9) If the disability results from an accident which occurs while you are operating a motor vehicle and your blood contains more than 80 milligrams of alcohol in 100 millilitres of blood (.08).
- (10) If the disability results from intentionally self-inflicted injuries.
- (11) If the disability results from cosmetic surgery or elective surgery, unless the surgery is for accidental injuries, or unless the surgery is medically necessary for the purposes of continuing to perform your occupation.
- (12) Any period of time during which you are:
  - (a) confined in a penal institution or other house of correction; or
  - (b) confined in a hospital, or similar institution, as a result of criminal proceedings.
- (13) Any period of disability if, for non-medical reasons, you postpone treatment or medical intervention, surgical or otherwise, that had been previously scheduled.
- (14) If the disability commences while you are on vacation, the 14-day elimination period will commence following the date first not available for work at the completion of your vacation. If your leave of absence of 16 (sixteen) or more calendar days precedes your vacation and you have not prepaid the premium for that leave of absence coverage in accordance with the Continuation

of Coverage During Absence From Work section, coverage will not be reinstated until you return to active work. No prepayment of premiums is required when you are absent from work due to vacation.

**E. EXTENSION OF BENEFITS**

If your coverage terminates for any reason and you are totally disabled on that date, benefits will continue during the period of total disability as if the coverage had not terminated.

**F. WAIVER OF PREMIUMS**

The weekly indemnity coverage will be continued without payment of premiums while you are receiving benefits under this coverage, the long-term disability coverage, or any Worker's Compensation Act or similar law.

**G. THIRD PARTY CLAIM**

If you receive benefits under this coverage and seek compensation from a third party for causing you to become totally disabled, the claim for compensation will include reimbursement for loss of earnings. If you are awarded compensation, you will have to refund to SSQ any benefits received under this coverage for such total disability, up to the amount awarded under the third party claim.

**H. TO WHOM PAYABLE**

Benefits under this coverage will be payable to you.

**I. ASSIGNMENT**

Benefits under this coverage are not assignable, meaning that ownership of benefits cannot be transferred to any person or organization.

## LONG-TERM DISABILITY COVERAGE

### **Taxability:**

Since the employer contributes towards the cost of the coverage, the long-term disability benefits are taxable.

### **Description of benefits:**

If your disability prevents you from working after using up your weekly indemnity benefits, you may be eligible for long-term disability benefits for up to the maximum benefit period.

### **Amount of monthly benefit:**

60% of your pre-disability earnings payable monthly.

### **Reduction of monthly benefit:**

- (1) The **monthly benefit payable** is equal to the monthly benefit **reduced** by the total of the following amounts payable to you for the same period of total disability:
  - (a) The amount of any disability pension payable under the Canada/Quebec Pension Plan, including disability income payable on account of dependent children and excluding any cost-of-living adjustments under CPP/QPP that become effective after long-term disability benefits become payable.
  - (b) The amount of any income replacement benefits payable (or which would have been payable upon proper application) under any Workers' Compensation Act or similar law.
  - (c) The amount of any income replacement benefits payable (or which would have been payable upon proper application) under any government plan of automobile insurance which has been approved as an acceptable limitation under the Employment Insurance Act of Canada.
  - (d) The amount of any salary continuance, remuneration, or sick leave paid by an employer, excluding vacation pay and severance pay.
  - (e) The amount of any income received from any occupation or business for remuneration or profit, excluding vacation pay, severance pay and earnings from an approved rehabilitation plan or program.

- (f) The amount of maternity benefits payable under the Employment Insurance Act of Canada.

Any cost-of-living increase in the amounts payable under a government plan as described above that becomes effective after monthly benefits become payable will not further reduce your monthly benefit.

If you do not receive income and indemnities from the various sources mentioned above, it is your responsibility to prove that you are not entitled to receive any income or indemnities from such sources.

- (2) The **monthly benefit payable** may be **further reduced** so that the amount payable together with payments receivable from **all sources** (including retirement income from the Canada/Quebec Pension Plan but excluding those listed below) will not exceed 85% of your monthly pre-disability earnings.

- (a) a policy which is solely an individual disability income policy;
- (b) a disability attachment to an individual life insurance policy;
- (c) a disability attachment to a mortgage life insurance policy.

### **Rehabilitation Incentive Provision**

During the first 12 months of the long-term disability claim, your monthly benefit payable will be the lesser of:

- (1) your monthly benefit reduced by 50% of the weekly earnings you receive from an approved rehabilitation plan or program, or
- (2) the difference between your pre-disability earnings and earnings you receive from an approved rehabilitation plan or program.

Thereafter, your monthly benefit payable will be reduced by all earnings you receive from an approved rehabilitation plan or program.

**In no event will the monthly benefit payable be more than your monthly pre-disability earnings.**

**Elimination period:** Benefits will be payable for each period of total disability after 78 weeks of total disability or, if later, on the date that any weekly indemnity benefits paid under the contract or salary continuance paid by an employer should cease.

For a regular blockholder the elimination period begins on the day the first flight is missed due to total disability, and for a reserve blockholder on the first reserve day missed due to total disability.

Only one waiting period and only one maximum duration for the payment of indemnities apply to the same disability period for the disability benefit in question.

**Maximum benefit period:** Benefit are payable up to the earliest of:

1. the date you return to active work; or
2. age 65 or earlier if the date qualified for a Company pension without actuarial reduction, according to the pension plan provisions in force at the time of retirement and you are a minimum of 60 years of age. (For further information, please refer to your pension benefit statement); or
3. the date on which you elect to receive early retirement or normal retirement benefits under any employee benefit plan; or
4. the date on which you elect to resign; or
5. the date of your death.

## DEFINITIONS

Where used in this long-term disability coverage, the following words and phrases have the meanings set forth below:

- (1) **“Maternity leave of absence”** means:
  - (a) any period of maternity leave taken by you in accordance with a federal or provincial law or pursuant to mutual agreement between you and the employer; or
  - (b) any period of maternity leave which the employer requires you to take in accordance with a federal or provincial law.

The period of maternity leave will commence on the earlier of the elected date of the leave and the date of delivery, and will end on the day you are scheduled to return to work.

- (2) **“Total disability” or “totally disabled”** means that, because of a medically determinable mental or physical impairment due to illness or accidental injury, you are not able to engage in any and every gainful occupation for which you are reasonably fitted by education, training or experience.

The availability of work does not affect the determination of total disability or totally disabled.

### A. BENEFITS FOR DISABILITY

A monthly benefit will be paid if you become totally disabled while covered for this coverage, are under the regular care of a physician, and are younger than age 65.

Payments will start when the elimination period has been completed and may continue in accordance with the benefit plan provisions while you are totally disabled.

Payment will be made monthly, computed from the end of the elimination period, provided you submit satisfactory evidence of continuing total disability as requested by SSQ.

Benefits for part of a month will be paid at the rate of one-thirtieth of the monthly benefit rate multiplied by the number of days you are totally disabled during that month.

## **B. RECURRENT DISABILITIES**

If you return to active work on a full-time basis following a period of total disability for which benefits were payable and, within six (6) months, again become totally disabled on account of the same or related disability, you will be considered to have been continuously disabled for the purposes of the elimination period.

Benefits will commence immediately, and payments will commence one month from the date the disability recurs.

## **C. VOCATIONAL REHABILITATION BENEFITS**

Vocational rehabilitation involves a work-related activity or training strategy that:

- (1) is designed to facilitate a disabled person's return to the individual's job or other gainful employment; and
- (2) is recommended or approved by SSQ.

In considering whether or not a rehabilitation proposal is appropriate, SSQ will assess such factors as the expected duration of disability and the level of activity required to facilitate the earliest possible return to employment.

SSQ recognizes the individual needs of persons with disabilities by making a distinction between a comprehensive rehabilitation program and a rehabilitation plan.

### **Comprehensive Rehabilitation Program**

To be classified as a comprehensive rehabilitation program, the goal must be:

- (1) to return the person to work in a different job that requires extensive or prolonged training; or
- (2) to return the person to work in a self-employed capacity.

Training is considered extensive or prolonged if it lasts longer than 12 consecutive months.

### **Rehabilitation Plan**

To be classified as a rehabilitation plan, the goal must be:

- (1) to return the person to work in the same job;
- (2) to return the person to work in a modified job with the same employer; or
- (3) to return the person to work in a different job that capitalizes on transferable skills.

### **Participation Commitment**

If, for non-medical reasons, you do not participate or cooperate in a rehabilitation plan or program that has been recommended or approved by SSQ, you will no longer be entitled to long-term disability benefits.

### **Time commitment**

The duration of a rehabilitation plan or program must be approved by SSQ. Once approved, your benefit period is guaranteed for that duration as long as you continue to participate and cooperate in the plan or program.

If you are participating in a comprehensive rehabilitation program that involves training rather than employment, the benefit period will be extended up to six (6) months after training ends. This extension is provided for purposes of job search.

### **Employment Income**

Employment income earned during a rehabilitation period will be considered under the rehabilitation incentive provision.

## **Expense Benefit**

SSQ will pay for reasonable expenses, other than usual employment expenses, associated with a rehabilitation plan or program.

The maximum expense benefit during a disability period will be 13 times your monthly benefit reduced by the amount of any rehabilitation expense benefit paid under the weekly indemnity benefit.

Expenses claimed under this provision must be pre-authorized by SSQ.

### **Limitation**

Vocational rehabilitation benefits are only available while you are entitled to long-term disability benefits.

## **D. LIMITATIONS AND EXCLUSIONS**

### **Benefits are subject to the following limitations:**

- (1) Leave of absence, layoff, suspension, strike or lockout

You will not be eligible for benefit consideration for a total disability commencing during a leave of absence, layoff, suspension, strike, or lockout.

Please refer to the Continuation of Coverage During Absence From Work section for prepayment of premium guidelines.

- (2) Vacation

If you are on vacation and become disabled, the 14-day Weekly Indemnity Coverage elimination period commences following the date first not available for work at the completion of your vacation.

If your leave of absence of 16 (sixteen) or more calendar days precedes your vacation and, in accordance with the Continuation of Coverage During Absence From Work section you have not prepaid the premium for that leave of absence, coverage will not be reinstated until you return to active work. No prepayment of premiums is required when you are absent from work due to vacation.

(3) Travel

Benefits will be suspended during any period that you are travelling unless:

- a) prior to departure, you requested an exception that was approved in writing by SSQ; and
- b) you are receiving regular and continuous treatment from a physician; and
- c) evidence satisfactory to SSQ of such regular and continuous treatment is given to SSQ within 30 days of your departure and thereafter as often as SSQ reasonably requires; and
- d) you are available to submit to a medical examination by a physician provided and paid for by SSQ if so required by SSQ; and
- e) you submit a physician's note approving travel as well as the dates of departure which must be approved by SSQ.

(4) Refusal to undergo medical examination or receive medical treatment

To receive the indemnities provided under the long-term disability coverage, you must agree to undergo any reasonable examination or receive appropriate treatment that is likely to promote recovery and return to work.

If you fail to comply with the above stipulations, SSQ shall suspend the payment of indemnities until the date on which it is demonstrated that you are effectively undergoing the relevant examination or receiving the relevant treatment.

**Benefits will not be payable for any period of total disability under the following circumstances:**

- (1) Any period of time during which you are not participating and cooperating in an appropriate treatment program for each disabling condition. Such a program must be recommended by the licensed physician treating you and be of a nature and frequency usually required for each disabling condition.
- (2) Any period of time that you are receiving treatment by a therapist, unless such treatment is recommended by a physician and deemed appropriate by SSQ.
- (3) Any period after you fail to participate or cooperate, for non-medical reasons, in a rehabilitation plan or program that has been recommended or approved by SSQ.
- (4) Any period of time during which you are on approved leave of absence including maternity leave of absence. However, if you become totally disabled while on such a leave of absence and your long-term disability coverage has been continued in accordance with the Continuation of Coverage During Absence From Work section, the elimination period will begin on the date on which you are scheduled to return to work.
- (5) If the disability results from illness or injury while you are on full-time active duty in the armed forces of any country, state or international organization.
- (6) If the disability results from your participation in the commission of, or attempt to commit, any criminal offence.

- (7) If the disability results from an accident which occurs while you are operating a motor vehicle and your blood contains more than 80 milligrams of alcohol in 100 millilitres of blood (.08).
- (8) If the disability results from intentionally self-inflicted injuries.
- (9) If the disability results from cosmetic surgery or elective surgery, unless the surgery is for accidental injuries, or unless the surgery is medically necessary for the purposes of continuing to perform your occupation.
- (10) Any period of time during which you are:
  - (a) confined in a penal institution or other house of correction; or
  - (b) confined in a hospital, or similar institution, as a result of criminal proceedings.
- (11) Any period of disability if, for non-medical reasons, you postpone treatment or medical intervention, surgical or otherwise, that had been previously scheduled.

## **E. EXTENSION OF BENEFITS**

If your coverage terminates for any reason and you are totally disabled on that date, benefits will continue during the period of total disability as if the coverage had not terminated.

## **F. WAIVER OF PREMIUMS**

The long-term disability coverage will be continued without payment of premiums while you are receiving benefits under this coverage, the weekly indemnity coverage, or any Worker's Compensation Act or similar law.

**G. THIRD PARTY CLAIM**

If you receive benefits under this coverage and seek compensation from a third party for causing you to become totally disabled, the claim for compensation will include reimbursement for loss of earnings. If you are awarded compensation, you will have to refund to SSQ any benefits received under this coverage for such total disability, up to the amount awarded under the third party claim.

**H. TO WHOM PAYABLE**

Benefits under this coverage will be payable to you.

**I. ASSIGNMENT**

Benefits under this coverage are not assignable, meaning that ownership of benefits cannot be transferred to any person or organization.

## **MATERNITY LEAVE TOP-UP OF EMPLOYMENT INSURANCE BENEFITS**

Members are entitled to a non-taxable top-up of their WIP benefits for the first 6 weeks (natural delivery) or 8 weeks (Caesarean section) following the delivery of their baby. This benefit will fall in-line with the EI Maternity benefit and includes a 2 week waiting period. A top-up will be issued based on the following provisions:

- (1) The WIP benefit is higher than the gross amount of the EI Maternity benefit.
- (2) Prepayment of premiums is not required for an absence from the payroll of fifteen (15) calendar days or less. Prepayment of premiums is required for an absence from the payroll of sixteen (16) or more calendar days for one of the following reasons. You must prepay the required premium in full within forty-five (45) days in order to be eligible for benefit consideration following the end of any of these periods.
- (3) If on WIP prior to taking Maternity Leave, pre-payment for top-up is not required.

### **EI Top Up**

Members are entitled to a taxable top-up of their WIP benefit during the 15 week EI-Carve Out portion of their WIP claim. This top-up is payable provided that the member's absence is medically supported and will be issued only when the EI statement of benefit is provided to MANION as proof of benefit. A T4A for the top-up will be issued in February of the following year.

## **CANADA PENSION PLAN RETIREMENT BENEFITS AND EI DISABILITY BENEFITS**

Under Employment Insurances regulations, any person who is collecting Employment Insurance (EI) Disability Benefits and Canada Pension Plan (CPP) Pension Benefits, is subject to a reduction of their EI Disability Benefit. During the 15 weeks of the EI carve-out, the Board of Trustees must be in compliance with EI Regulations. What this means to a member who is collecting Canada Pension Plan (CPP) Pension Benefits is that your EI Disability Benefit will be reduced by the weekly equivalent of your CPP Pension Benefit. MANION will continue to issue a top-up based on the maximum benefit rate provided by EI.

# **ROLES AND RESPONSIBILITIES OF THE BOARD OF TRUSTEES AND PLAN GOVERNANCE**

## **HOW ARE THE STD/LTD PLAN AND TRUST FUND GOVERNED?**

Under the terms of the trust document creating the Trust Fund, the Board of Trustees is responsible for the administration of the STD/LTD Plan and the management of the Trust Fund. While serving on the Board, the Trustees are required to act independently and in good faith and must treat members and beneficiaries impartially and prevent personal interests from conflicting with those of the STD/LTD Plan. All decisions of the Trustees are made by a majority vote. Each of the Trustees is allowed one vote and no one other than an appointed Trustee may vote.

The Trustees must exercise the care, diligence and skill in the administration of the STD/LTD Plan and the investment of the Trust Fund that a person of ordinary prudence would exercise in dealing with the property of another. The Trustees alone may make decisions regarding the rules and regulations of the STD/LTD Plan and the benefits to be provided. In addition, the STD/LTD Plan has in place standards of business conduct to govern the activities of the Trustees and other individuals in discharging their duties to the STD/LTD Plan. The code of conduct policy addresses conflict of interest, confidentiality, and gifts and other benefits.

## **WHAT IS THE GOVERNANCE POLICY?**

The Trustees have established a Governance Policy which describes the processes put in place for the management of the STD/LTD Plan and Trust Fund. It documents policies, guidelines and management practices that are currently effective. The purpose of the Governance Policy is to ensure that the STD/LTD Plan and Fund are administered and invested effectively, prudently and in compliance with all applicable legal and regulatory requirements. To assist them in the management of the STD/LTD Plan and Trust Fund, the Trustees may delegate some of their responsibilities to service providers. The Board of Trustees is authorized to appoint insurers, consultants, lawyers, auditors, custodians, administrators, investment managers and other professionals as may be necessary to assist them in the governance of the STD/LTD Plan and Trust Fund. The Governance Policy identifies the roles and responsibilities of all involved parties, including the service providers. Policies are in place for the selection and monitoring of service providers and their replacement if they are not meeting the Board's expectations.

## **WHICH ROLES AND RESPONSIBILITIES HAVE BEEN DELEGATED?**

### *Insurance Company*

The Board has selected an insurance company to provide Short and Long Term Disability benefits coverage, including claims adjudication, benefit determination and payment. The insurer reports annually to the Board on the STD/LTD Plan's experience and the required premium rate(s).

### *Advisors and Auditors*

The Board has retained the services of a number of advisors to help fulfill its responsibilities. The Board meets with outside advisors, including consultants and lawyers, on any issue which may require clarification or independent opinion. The Board appoints an external auditor each year to review the accounts and to provide an opinion on the Fund's financial statements and meets with the auditor to review their findings. The auditor's report on the financial statements of the Fund is prepared within 90 days following the close of each fiscal year of the Fund and is filed with the regulators.

### *Plan Administrator*

The Trustees have delegated the administration of the Plan other than the functions performed by the insurer to a third party. This includes: collecting contributions and maintaining financial records for the Trust Fund; establishing and maintaining the membership data; and receiving and acknowledging the applications for STD/LTD benefits, reviewing the applications to ensure that all required information has been provided by the members and forwarding the completed application packages to the insurer. The Plan administrator implements and follows the Board's approved policies regarding communications, control, administration and privacy. Throughout the process, the Board oversees the administrator to ensure that the Plan is administered in compliance with all relevant Plan documents and policies and to ensure that all regulatory requirements are met.

## **WHAT IS THE BOARD'S OVERSIGHT ROLE?**

In its oversight role, the Board must have the qualities necessary to oversee a complex financial business. Therefore, the Board of Trustees has implemented formal orientation and education programs for new and

existing Trustees to assist them in executing their fiduciary and governance duties. These programs include sessions on legal responsibilities, governance concepts and practices, investment management and finance and insurance concepts and approaches. The Board of Trustees also has a continuing education program.

The Trustees have a written agreement with each service provider outlining the services to be provided, the fees charged for their services, and the reporting requirements. Each year, the service providers must confirm, in writing, to the Trustees that they have fulfilled the terms of their agreements or explain why they have not. On an annual basis, the Trustees review the declarations made by the service providers and their ongoing suitability.

The Trustees hold meetings on a regular basis, usually 2 to 4 times per year. At each meeting, they discuss the activity of the Trust Fund and STD/LTD Plan since the last meeting. Each service provider must report to the Trustees on a regular basis and attend Trustees' meeting as requested by the Trustees. Any questions, suggestions, or complaints addressed to the Trustees with respect to benefits, service providers or otherwise are discussed at the meetings of the Board.

## **HOW DOES THE BOARD COMMUNICATE WITH MEMBERS?**

The Board of Trustees is accountable and provides disclosure on the STD/LTD Plan's activities to the members. The Board's disclosure and reporting practices include the distribution of this booklet as well as various communication bulletins which are distributed when changes are made to the STD/LTD Plan or processes. The Board of Trustees may be contacted through the Plan administrator.





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