

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.