



GROUP
INSURANCE

YOUR GROUP INSURANCE BOOKLET



**ASSOCIATION QUÉBÉCOISE DES
DIRECTEURS ET DIRECTRICES
D'ÉTABLISSEMENT D'ENSEIGNEMENT
RETRAITÉS**

**Life Insurance
Class 100**



GROUP INSURANCE PLAN

Policyholder: **ASSOCIATION QUÉBÉCOISE DES
DIRECTEURS ET DIRECTRICES
D'ÉTABLISSEMENT D'ENSEIGNEMENT
RETRAITÉS**

Policy No.: **28000**

This booklet is provided for the purpose of explaining the benefits provided under the group policy.

Possession of this booklet does not confer or create any contractual rights. All rights and obligations with respect to the benefits provided under the group policy will be governed solely by the terms and conditions of such policy.

The policyholder reserves the right to amend or suspend any coverages, including coverages for retirees, that are provided under the group policy as well as terminate the group policy in its entirety at any time with respect to active participants (including those that may be absent due to a disability) as well as retired participants after their retirement.

In addition, the policyholder reserves the right to change the contribution requirements for the coverages, including coverages for retirees, provided under the group policy at any time with respect to active participants (including those that may be absent due to a disability) as well as retired employees after their retirement.

For questions regarding the information in this booklet or if additional information about the benefits is required, the participant should contact his employer.

This booklet can also be viewed on our secure website My Client Space accessible via ia.ca, if offered as part of your plan.

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SUMMARY OF BENEFITS

The SUMMARY OF BENEFITS briefly describes the coverage of the group insurance plan, based on the class the participant belongs to.

The following pages give a full description of the GENERAL PROVISIONS and of each BENEFIT.

SPECIAL PROVISIONS

For the purposes of this booklet, the masculine form includes the feminine unless a different meaning is required from the context. In addition, the singular shall include the plural where required.

Participants are insured under the following class:

Class

100 – Retirees

Rates: Rates are available through your AQDER plan administrator.

SUMMARY OF BENEFITS (cont'd)

SPECIAL PROVISIONS (cont'd)

Information regarding surviving spouse coverage (transfer to Class 300 - *Surviving spouses*):

Upon the retiree's death, the insurance may be maintained for his surviving spouse and his dependent children who were covered by the group policy at the time of the retiree's death.

In order to be eligible for transfer under Class 300, a surviving spouse must meet the following requirements:

- a) He satisfies the definition of *Surviving spouse* of the group policy; and
- b) He must submit an application to the insurer within 90 days following the date of the retiree's death; and
- c) He must become a member in good standing of the Association Québécoise des Directeurs et Directrices d'Établissement d'Enseignement Retraités (AQDER).

The surviving spouse is then transferred to Class 300 – *Surviving spouses*.

The surviving spouse becomes a participant under this group policy and as such, is now responsible for the premium payment according to the age reached by the surviving spouse and the protection status requested for himself and his dependent children, if applicable.

SUMMARY OF BENEFITS (cont'd)

GENERAL PROVISIONS

ELIGIBILITY DATE

Subject to all other provisions of the group policy, a retiree shall become eligible on day he satisfies the definition of *Retiree* indicated in the General Provisions.

SUMMARY OF BENEFITS (cont'd)

PARTICIPANT'S BASIC LIFE INSURANCE

Sum Insured

\$10,000

As of January 1, 2021:

A new retiree may obtain Participant's Basic Life Insurance, without evidence of insurability, up to the amount insured under his group insurance with his former insurer and subject of the maximum amount indicated under this benefit, if the application has been received by the insurer within 30 days of the participant's eligibility date.

A participant, who was not insured for life insurance previously under his former insurer's group insurance, may be covered for Participant's Basic Life Insurance under this benefit upon submission of evidence of insurability.

Amounts, which were approved and insured by the insurer before January 1, 2021, are grand-fathered.

Termination:

This benefit terminates upon the participant's death.

AS OF JANUARY 1, 2021:

PARTICIPATION TO THIS BENEFIT IS OPTIONAL.

HOWEVER, PARTICIPATION TO THIS BENEFIT BECOMES MANDATORY IF THE PARTICIPANT WANTS TO ADD A PARTICIPANT'S OPTIONAL LIFE INSURANCE AMOUNT.

SUMMARY OF BENEFITS (cont'd)

PARTICIPANT'S OPTIONAL LIFE INSURANCE

Sum Insured

Units of \$5,000

Minimum: \$5,000

Maximum: \$150,000

As of January 1, 2021:

A new retiree may obtain Participant's Optional Life Insurance, without evidence of insurability, up to the amount insured under his group insurance with his former insurer reduced by the amount insured under the Participant's Basic Life Insurance of this group policy, if the application has been received by the insurer within 30 days of the participant's eligibility.

However, evidence of insurability is required for all amounts of Participant's Optional Life Insurance which exceeds the amount previously insured with the participant's former insurer or if the application has been received by the insurer after 30 days of the participant's eligibility.

Amounts, which were approved and insured by the insurer before January 1, 2021, are grand-fathered.

Reduction:

The maximum amount of coverage available under this benefit is reduced to \$75,000 on the participant's 75th birthday.

Termination:

This benefit terminates upon the participant's death.

TO BE ELIGIBLE UNDER THIS BENEFIT, A PARTICIPANT MUST BE INSURED UNDER THIS GROUP POLICY UNDER THE PARTICIPANT'S BASIC LIFE INSURANCE.
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SUMMARY OF BENEFITS (cont'd)

BASIC LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE AND DEPENDENT CHILDREN

Sum Insured

Spouse: \$10,000

Each child upon a live birth: \$10,000

As of January 1, 2021:

A new retiree who had an amount of life insurance for his spouse with his former insurer, may obtain Basic Life Insurance for the Participant's Spouse and Dependent Children, even if the dependent children were not initially insured with his former insurer, without evidence of insurability, up to the amount insured for his spouse and subject of the maximum amount indicated under this benefit, if the application has been received by the insurer within 30 days of the person's eligibility.

A participant, who did not have life insurance for his spouse and his dependent children previously under his former insurer's group insurance, may be covered for Basic Life Insurance for the Participant's Spouse and Dependent Children under this group policy upon submission of evidence of insurability.

Amounts, which were approved and insured by the insurer before January 1, 2021, are grand-fathered.

SUMMARY OF BENEFITS (cont'd)

BASIC LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE AND DEPENDENT CHILDREN (cont'd)

Termination:

This benefit terminates upon the participant's death.

AS OF JANUARY 1, 2021:

PARTICIPATION TO THIS BENEFIT IS OPTIONAL.

HOWEVER, PARTICIPATION TO THIS BENEFIT BECOMES MANDATORY IF THE PARTICIPANT
WANTS TO ADD AN OPTIONAL LIFE INSURANCE AMOUNT FOR HIS SPOUSE.

SUMMARY OF BENEFITS (cont'd)

OPTIONAL LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE

Sum Insured

Units of \$5,000

Minimum: \$5,000

Maximum: \$60,000

As of January 1, 2021:

A new retiree may obtain Optional Life Insurance for the Participant's Spouse, without evidence of insurability, up to the amount insured under his group insurance with his former insurer, reduced by the amount insured under the Basic Life Insurance for the Participant's Spouse and Dependent Children of this group policy, if the application has been received by the insurer within 30 days of the person's eligibility.

However, evidence of insurability is required for all amounts of Optional Life Insurance for the Participant's Spouse which exceeds the amount previously insured with the participant's former insurer or if the application has been received by the insurer after 30 days of the person's eligibility.

Amounts, which were approved and insured by the insurer before January 1, 2021, are grand-fathered.

Reduction:

The maximum amount of coverage available under this benefit is reduced to \$30,000 on the spouse's 75th birthday.

Termination:

This benefit terminates upon the insured person's death.

TO BE ELIGIBLE UNDER THIS BENEFIT, THE SPOUSE MUST BE INSURED UNDER THE THIS GROUP POLICY UNDER THE BASIC LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE AND DEPENDENT CHILDREN.

GENERAL PROVISIONS

DEFINITIONS

Age: Age as of the last birthday.

Approval of evidence of insurability: The date of approval of any evidence of insurability shall mean the date the insurer receives the last document which allows it to accept the risk on the person.

Dependent: The participant's spouse or a child of the participant or of the spouse. If dependents are insured under the group policy, "spouse" and "child" shall have the following meanings:

a) Spouse

The person who is married to or is in a civil union with the participant, or the person designated by the participant, whom he declares publicly to be his spouse and with whom he has been living on a permanent basis for at least 12 months, or less, if a child is born from their union.

A dissolution of marriage by divorce or annulment, as well as a de facto separation of more than 3 months will result in the person no longer qualifying as the participant's spouse for the purposes of the group policy.

If according to this definition, the participant has had more than one spouse, spouse shall mean the person most recently qualified.

b) Child

An unmarried child of the participant or of his spouse who wholly depends on the participant for support and maintenance and who meets at least one of the following conditions:

- i) He is under 21 years of age; or
- ii) He is 21 years of age or over but under 26 and is attending a recognized educational institution on a full-time basis with proof to the satisfaction of the insurer; or
- iii) He is mentally or physically handicapped and is unable to hold a substantially gainful occupation because of such handicap

GENERAL PROVISIONS

provided such handicap commenced while he was a child as defined in (i) or (ii) and for which medical evidence was provided to the insurer.

Full-time resident of Canada: Has a permanent residence in Canada and resides in Canada for at least 182 days a year.

Insured person: A participant or a dependent of a participant who is insured under the group policy.

Insurer: Industrial Alliance Insurance and Financial Services Inc.

Participant: Any retiree who is a full-time resident of Canada and who is insured under the group policy.

Retiree: Any retired director who receives a retirement pension under a pension plan for which his employer was contributing and who is an approved member of the Association Québécoise des Directeurs et Directrices d'Établissement d'Enseignement Retraités (AQDER).

Retirement date: The date on which the participant starts receiving a retirement pension under a pension plan for which his employer was contributing.

Surviving spouse: A spouse of a deceased retiree who was insured as a spouse under the group policy at the time of the retiree's death and who is a member in good standing of the Association Québécoise des Directeurs et Directrices d'Établissement d'Enseignement Retraités (AQDER).

INCONTESTABILITY

Where evidence of insurability is required by the insurer in order to approve

- a) insurance or a benefit for a participant or a dependent; or
- b) an increase, addition or change in the insurance or benefit for a participant or dependent;

the statements provided by the participant or dependent as evidence of insurability will be accepted as true and will not be contested by the insurer

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after the latest of the following dates, provided the participant or dependent is alive at the time:

- a) 2 years from the effective date of the insurance or benefit for which the evidence was provided; or
- b) 2 years from the effective date of the increase, addition or change to the insurance or benefit; or
- c) 2 years from the effective date of the last reinstatement of the insurance or benefit.

However, this restriction on the insurer's right to contest the evidence of insurability will not apply in cases of fraud or misstatements of age.

Where evidence is required to approve an increase, addition or change in the insurance or benefit, the insurer's right to void the insurance or benefit will be limited to that increase, addition or change.

LAWFUL CURRENCY

All payments hereunder will be made in the lawful currency of Canada and according to the exchange rates effective at the time the event giving entitlement to a benefit took place.

ELIGIBILITY

Retiree

A retiree will become eligible to be insured under the group policy as a participant on the date (his "eligibility date") on which he satisfies the following conditions:

- a) He satisfies the definition of *Retiree* in the group policy; and
- b) He is a full-time resident of Canada.

GENERAL PROVISIONS

Dependents

A person will become eligible to be insured under the group policy as a dependent on the date (his “eligibility date”) on which he satisfies the following conditions:

- a) He satisfies the definition of *Dependent* in the group policy; and
- b) He is a full-time resident of Canada; and
- c) The retiree of whom he is a dependent has become eligible to be insured under the group policy.

Dependent group insurance may not be effective before the retiree’s group insurance becomes effective.

APPLICATION FOR GROUP INSURANCE

Any retiree who is eligible to become insured under the group policy must complete and submit an application for himself and for each of his dependents, on their respective eligibility dates, on forms supplied by, or satisfactory to, the insurer.

EFFECTIVE DATE OF INSURANCE

Life Insurance without evidence of insurability:

The retiree's insurance and dependents' insurance, if any, will take effect on the person's eligibility date, if the application for group insurance has been received by the insurer on or prior to such date, or within 30 days after such date, in regard to Life Insurance.

Life Insurance with evidence of insurability:

If the application for group insurance is received after a period of 30 days of the eligibility date, the insurance will take effect on the date on which the insurer receives and approves the evidence of insurability for the retiree and his dependents, if applicable, in regard to Life Insurance.

GENERAL PROVISIONS

TERMINATION OF INSURANCE

Participant

A participant's insurance automatically terminates on the earliest of the following dates:

- a) The date the group policy is terminated;
- b) The date the participant is no longer a full-time resident of Canada;
- c) The date of the participant's death;
- d) The date on which the participant fails to pay all of his group insurance premiums.
- e) The later of the following dates:
 - i) the date indicated on a written notice received from the policyholder;
 - ii) the date this notice was received by the insurer;
- f) The date the participant is incarcerated after committing a criminal offence for which he was found guilty;
- g) The date the participant ceases to qualify as a *Retiree* as defined in the group policy.

Dependents

A dependent's insurance terminates on the earliest of the following dates:

- a) The date the participant of whom he is a dependent ceases to be covered under the group policy.
- b) The date the dependent ceases to be a *Dependent* as defined in the group policy;
- c) The date the dependent reaches the age limit specified in the Summary of Benefits;
- d) The date the dependent is no longer a full-time resident of Canada;

GENERAL PROVISIONS

- e) The later of the following dates:
 - i) the date indicated on a written notice received from the policyholder;
 - ii) the date this notice was received by the insurer.
- f) The date on which the participant fails to pay all of his group insurance premiums.

CLAIMS

Life Insurance:

The insurer must receive notice of any claim for a Life Insurance benefit as soon as possible after the date of the event which gives entitlement to the benefit, but in any event within one year of the event.

All notices of claims must be submitted to the insurer on the forms provided for that purpose by the insurer and must include all information that the insurer deems necessary for the assessment of the claim. If all information that is required by the insurer is not received, the insurer will have the right to deny the claim.

The insurer reserves the right to require additional proof or information regarding a claim whenever it deems necessary.

If notice of claim is not received by the insurer within the periods set out above or additional proof or information requested by the insurer is not provided, the insurer will have the right to deny the claim.

The insurer will undertake all necessary actions to detect and investigate fraudulent claims under the group policy.

It is a crime if a participant should knowingly, and with the intent to defraud the insurer and the group plan, file a claim that contains any false, incomplete or misleading information.

The insurer retains the right to audit all claims at any stage, including after payment has been made, for fraud or misrepresentation. If the insurer determines that a participant has intentionally submitted a claim that contains false or misleading information, the insurer shall have the right, at its sole discretion, to notify the policyholder, decline the claim or require reimbursement if the claim has been paid. In addition, the insurer will have the

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right to terminate the participant's entire coverage under the group policy including any coverage for the participant's dependents, and will have the right to undertake the prosecution of the participant in accordance with provincial and/or federal law.

BENEFICIARY

The participant's beneficiary shall be the person or persons designated by the participant, in writing, to receive the death benefit payable under the Participant's Basic Life Insurance benefit, and if applicable, Participant's Optional Life Insurance benefit. If the participant does not designate a beneficiary, any death benefit payable under such benefits will be payable to the participant's estate.

All benefits, other than the Participant's Basic Life Insurance benefit and Participant's Optional Life Insurance benefit, will be payable only to the participant, or if the participant is deceased at the time of the payment of the benefit, to his estate.

The participant will be able to designate a beneficiary or change a named beneficiary by a signed written declaration, subject to the provisions of the law.

The insurer will not be responsible for the sufficiency or validity of the beneficiary designation or change of beneficiary.

If the participant had named a beneficiary under the Policyholder's prior group policy, such designation will be applicable to the insurance provided under the group policy, unless the participant has changed the designation in writing with the insurer. The participant should review the beneficiary designation made under the Policyholder's prior group policy to ensure that it reflects the participant's current intentions in regard to his insurance.

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

INSURER'S RIGHT TO EXAMINATION OF A CLAIMANT

The insurer, at its own expense, shall have the right and opportunity, whenever it deems necessary, to require a medical examination, by a physician designated by it, of any person for whom a claim is submitted and to make an

GENERAL PROVISIONS

autopsy in case of death, where it is not forbidden by law. In addition, the insurer reserves the right to obtain the report of any medical practitioner who has examined the person for whom a claim was submitted.

The insurer, at its own expense and discretion, shall have the right and opportunity to conduct an examination under oath of any person who has submitted a claim or for whom a claim has been submitted under the group policy, whether or not a legal action has been commenced by the person under the group policy with respect to the claim.

SUBROGATION

Where a benefit is payable under the group policy with respect to a participant or to a dependent of a participant and if such person has a right to recover damages from an individual or organization, the insurer will be subrogated to the rights to recovery of the participant or dependent against such individual or organization to the extent of all benefits paid in the past and all benefits payable in the future.

Without limiting the generality of this provision, the term “damages” will include any lump sum or periodic payments received on account of (i) past, present or future loss of income, loss of wages, or loss of earnings, and (ii) any other benefits paid or payable under the group policy. The participant or dependent shall reimburse the insurer up to the amount of any benefits paid in the past or that are payable in the future under the group policy out of the gross damages recovered whether recovered at trial, or prior to trial by way of any form of settlement, and without regard to whether the participant or dependent has obtained full recovery of his losses.

Where the participant or dependent recovers damages in a lump sum, either by way of settlement or court order, and no allocation has been made in that settlement for the benefits paid or payable by the insurer, the insurer shall be reimbursed, out of the gross damages recovered, the full amount of benefits that have been paid to the participant or dependent. The insurer shall also be entitled to be reimbursed an amount, as determined by the insurer, which reasonably reflects the value of the future benefits payable to the participant or dependent under the group policy. The insurer's recovery in this regard shall not exceed the participant or dependent's gross damages or settlement recovered. These rights of reimbursement shall be without regard to the terms of settlement or allocation that may have been agreed to by the participant or dependent and the third party or otherwise allocated.

GENERAL PROVISIONS

In the event that the participant or dependent fails to reimburse the insurer in accordance with the group policy, no future benefits will be paid by the insurer until such time as the insurer recovers (a) the total amount of benefits paid to the participant or dependent; and (b) an amount that reasonably reflects, as determined by the insurer, the total amount or value of any future benefits payable to the participant or the dependent. The insurer's recovery in this regard shall not exceed the participant or dependent's gross damages or settlement recovered. The insurer shall also have the right to seek recovery directly from the participant or dependent in the event that any overpayment has resulted from the lack of reimbursement.

The participant shall notify the insurer as soon as any action is commenced by him or his dependent against any third party which involves a claim for damages. The participant or dependent shall provide the insurer information, including copies of all relevant documentation, about any judgement or settlement of any claim against a third party which involves a claim for damages. The participant or the dependent will ensure that the subrogated rights of the insurer are advanced in any third party action and shall instruct his solicitor accordingly. The insurer shall not be responsible for any legal fees or expenses in regards to the advancement of its subrogated claim unless it has clearly agreed to such fees and expenses in writing in advance. The insurer reserves the right to retain its own counsel and/or pursue its subrogated rights against the third party and, in this respect, the participant/dependent and his solicitor shall fully cooperate with the insurer in the pursuit of its claim.

The insurer's subrogated claims shall not be settled or compromised in any way without its prior written consent. Unless the prior consent of the insurer has been obtained, no such settlement of any claim against the third party shall be binding on the insurer and the insurer shall have the right to seek recovery directly from the participant or dependent in accordance with its rights under the group policy.

LIMITATION ON LEGAL ACTIONS

No action or proceeding against the insurer shall be commenced within the first 60 days following the date on which written proof of claim is provided to the insurer in accordance with the terms and conditions of the group policy.

Every action or proceeding against an insurer for the recovery of insurance money payable under this group policy is absolutely barred unless commenced within the time set out in the *Insurance Act*, or other similar applicable

GENERAL PROVISIONS

legislation (e.g. *Limitations Act, 2002* [Ontario]; Civil Code [Quebec]) in the participant's province.

PARTICIPANT'S BASIC LIFE INSURANCE

Upon the death of the participant while insured under this benefit, the insurer undertakes to pay to the beneficiary the sum insured as indicated in the Summary of Benefits, subject to the terms and conditions of this benefit and the group policy.

CONVERSION PRIVILEGE

A participant whose life insurance is cancelled on or prior to his 65th birthday due to termination of

- a) his employment;
- b) his group membership; or
- c) the group policy and he has been continuously insured under a life insurance benefit provided by the policyholder for at least 5 years,

will be able to convert all or part of his life insurance to an individual life insurance policy without having to provide evidence of insurability.

The participant may choose to convert to one of the following types of insurance:

- a) permanent;
- b) term to age 65; or
- c) one year term convertible into permanent or term to age 65 at the end of one year.

The amount that can be converted to an individual policy will include all amounts of life insurance that the participant was covered for under this benefit, an Optional Life Insurance benefit and any other group insurance policy issued by the insurer, and will not exceed the lesser of:

- a) The amount selected by the participant;
- b) The amount for which the participant was insured immediately prior to the termination of his insurance;
- c) The difference between the amount for which the participant was insured immediately prior to the termination of his insurance, and the amount for which he is eligible under a new group insurance policy;
- d) \$200,000 (\$400,000 for participants living in the province of Quebec).

PARTICIPANT'S BASIC LIFE INSURANCE

The individual insurance policy shall not include a disability benefit, nor an accidental death and dismemberment benefit, and the premium shall be based on the insurer's rates in effect which apply to the type and amount of such policy, according to the participant's sex and attained age.

The individual policy will only be issued if the insurer receives a written request to that effect, together with a deposit covering the monthly premium for a one year term policy within 31 days of the date of the termination of the participant's insurance, and will take effect only at the expiration of that period.

Should the participant die during the period of 31 days following the termination of his insurance, the insurer shall pay an amount equal to that which he could have converted whether or not he made application for the individual policy.

PARTICIPANT'S OPTIONAL LIFE INSURANCE

A participant may obtain an amount of optional life insurance if he so requests it in writing to the insurer and furnishes evidence of insurability satisfactory to the insurer.

The sum insured that will be applicable to the participant will be the amount of insurance requested as provided for in the Summary of Benefits.

Upon the death of the participant while insured under this benefit, the insurer undertakes to pay the beneficiary the sum insured at the time of the participant's death, subject to the terms and conditions of this benefit and the group policy.

NON-SMOKER STATUS

If the insurer provides reduced premium rates for non-smokers, the participant must provide a non-smoker statement on his application card to receive such rates.

Misrepresentation of Non-Smoker Status

A participant who states that he is a non-smoker on his application card or on his last evidence of insurability declaration, if it is more recent, when he is a smoker, will be considered to have made a misrepresentation.

If it is proven, after the participant's death, that he had made a misrepresentation, the optional life insurance benefit of the participant will become null and void and no optional life insurance will be payable under this benefit.

Proof of Status

The insurer reserves the right to request new proof of the participant's non-smoker status each time evidence of insurability may be required.

EXCLUSION

If a participant commits suicide, regardless of any impairment, illness, or state of mind, less than 24 months after the date his coverage under this benefit commenced, no benefit will be payable by the insurer. The insurer will refund to the beneficiary the premiums paid in respect of the participant's optional life

PARTICIPANT'S OPTIONAL LIFE INSURANCE

insurance and such refund will constitute a full discharge of the insurer's liability under this benefit.

The 24 month period starts anew on the date:

- a) the optional life insurance is reinstated; or
- b) the optional life insurance amount is increased at the participant's request, but only for the additional amount of insurance.

ADDITIONAL PROVISIONS

Any provisions of the Participant's Basic Life Insurance benefit which are not inconsistent with the provisions of this benefit will form part of this benefit.

BASIC LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE AND DEPENDENT CHILDREN

Upon the death of a dependent while insured under this benefit, the insurer undertakes to pay to the participant the sum insured, as indicated in the Summary of Benefits, subject to the terms and conditions of this benefit and the group policy.

CONVERSION PRIVILEGE

A participant whose spouse's life insurance is cancelled on or prior to the earlier of (i) his 65th birthday and (ii) his spouse's 65th birthday, due to the termination of

- a) his employment;
- b) his group membership; or
- c) the group policy and his spouse had been continuously insured under a Basic Life Insurance for the Participant's Spouse benefit provided by the policyholder for at least 5 years,

will be able to convert all or part of his spouse's life insurance to an individual life insurance policy without having to provide evidence of insurability.

A spouse whose life insurance is cancelled on or prior to the earlier of (i) his 65th birthday and (ii) the 65th birthday of the participant, due to the death of the participant, will be able to convert all or part of his life insurance to an individual life insurance policy without having to provide evidence of insurability.

The participant or spouse, if applicable, will be able to convert the life insurance to one of the following types of insurance:

- a) permanent;
- b) term to age 65; or
- c) one year term convertible into permanent term or term to age 65 at the end of the one year.

The amount that can be converted to an individual policy will include all amounts of life insurance that the spouse is covered for under the group policy, an Optional Life Insurance benefit and any other group insurance policy issued by the insurer and will not exceed the lesser of:

- a) the amount selected by the participant or the spouse, if applicable;

BASIC LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE AND DEPENDENT CHILDREN

- b) the amount for which the spouse was insured immediately prior to the termination of his insurance; and
- c) the difference between the amount for which the spouse was insured immediately prior to the termination of his insurance and the amount for which he is eligible under a new group insurance policy; and
- d) \$200,000 (\$400,000 for participants living in the province of Quebec).

The individual policy shall not include a disability benefit nor an accidental death and dismemberment benefit and the premiums shall be based on the insurer's rates in effect which apply to the type and amount of such policy, based on the spouse's sex and attained age.

The individual policy will only be issued if the insurer receives a written request to that effect, together with a deposit covering the monthly premium for a one year term policy, within 31 days of the date of the termination of the spouse's insurance and will take effect only at the expiration of that period.

Should the spouse die during the period of 31 days following the termination of his insurance, the insurer shall pay an amount equal to that which could have been converted to the participant, or the participant's estate if he is no longer living, whether or not application had been made for the individual policy.

OPTIONAL LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE

A participant may obtain an amount of optional life insurance on his spouse if he so requests it in writing to the insurer and furnishes evidence of insurability satisfactory to the insurer.

The sum insured that will be applicable to the spouse will be the amount of insurance requested as provided for in the Summary of Benefits.

Upon the death of the spouse while insured under this benefit the insurer undertakes to pay to the participant the sum insured at the time of death, subject to the terms and conditions of this benefit and the group policy.

CONVERSION PRIVILEGE

A participant whose spouse's optional life insurance is cancelled on or prior to the earlier of (i) his 65th birthday and (ii) his spouse's 65th birthday, due to the termination of

- a) his employment;
- b) his group membership; or
- c) the group policy and his spouse had been continuously insured under a Basic Life Insurance for the Participant's Spouse benefit provided by the policyholder for at least 5 years,

will be able to convert all or part of his spouse's optional life insurance to an individual life insurance policy without having to provide evidence of insurability.

A spouse whose optional life insurance is cancelled on or prior to the earlier of (i) his 65th birthday and (ii) the 65th birthday of the participant, due to the death of the participant, will be able to convert all or part of his life insurance to an individual life insurance policy without having to provide evidence of insurability.

The participant or spouse, if applicable, will be able to convert the optional life insurance to one of the following types of insurance:

- a) permanent;
- b) term to age 65; or

OPTIONAL LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE

- c) one year term convertible into permanent term or term to age 65 at the end of the one year.

The amount that can be converted to an individual policy will include all amounts of optional life insurance that the spouse is covered for under the group policy, a Life Insurance benefit and any other group insurance policy issued by the insurer and will not exceed the lesser of:

- a) the amount selected by the participant or the spouse, if applicable;
- b) the amount for which the spouse was insured immediately prior to the termination of his insurance; and
- c) the difference between the amount for which the spouse was insured immediately prior to the termination of his insurance and the amount for which he is eligible under a new group insurance policy; and
- d) \$200,000 (\$400,000 for participants living in the province of Quebec).

The individual policy shall not include a disability benefit nor an accidental death and dismemberment benefit and the premiums shall be based on the insurer's rates in effect which apply to the type and amount of such policy, based on the spouse's sex and attained age.

The individual policy will only be issued if the insurer receives a written request to that effect, together with a deposit covering the monthly premium for a one year term policy, within 31 days of the date of the termination of the optional life insurance for the participant's spouse and will take effect only at the expiration of that period.

Should the spouse die during the period of 31 days following the termination of his insurance, the insurer shall pay an amount equal to that which could have been converted to the participant, or the participant's estate if he is no longer living, whether or not application had been made for the individual policy.

NON-SMOKER STATUS

If the insurer provides reduced premium rates for non-smokers, the spouse must provide a non-smoker statement on the application card to receive such rates.

OPTIONAL LIFE INSURANCE FOR THE PARTICIPANT'S SPOUSE

Misrepresentation of Non-Smoker Status

A spouse who states that he is a non-smoker on the application card or on his last evidence of insurability declaration, if it is more recent, when he is a smoker, will be considered to have made a misrepresentation.

If it is proven, after the spouse's death, that he had made a misrepresentation, the optional life insurance of the spouse will become null and void and no optional life insurance will be payable under this benefit.

Proof of Status

The insurer reserves the right to request new proof of the spouse's non-smoker status each time evidence of insurability may be required.

EXCLUSION

If a person insured for optional life insurance commits suicide, regardless of any impairment, illness, or state of mind, less than 24 months after the date his optional life insurance commenced under this benefit no benefit will be payable by the insurer. The insurer will refund to the participant the premiums paid in respect of such person and the refund will constitute a full discharge of the insurer's liability under this benefit.

The 24 month period starts anew on the date:

- a) the optional life insurance is reinstated; or
- b) the optional life insurance amount is increased at the participant's request, but only for the additional amount of insurance.

COPY OF CONTRACT AND ENROLLMENT MATERIAL

A participant may request from the insurer a copy of the policy, his enrollment form and any written documents (provided as evidence of insurability) that may have been provided to the insurer in relation to his insurance under the policy. The insurer will provide the first copy of the policy, enrollment form and relevant written documents without charge to the participant. Any additional copies will be subject to a charge set by the insurer.

PROTECTING PERSONAL INFORMATION

Industrial Alliance Insurance and Financial Services Inc. (hereafter “the Company”) is committed to protecting the privacy of a participant’s (including his or her dependent’s) personal information that it collects while providing services under the Group Plan issued to the Policyholder. The Company recognizes and respects a person’s right to privacy concerning his or her personal information.

When a participant enrolls under the Group Plan, the Company will establish a confidential file containing the personal information collected. The file will be kept at the Company’s offices.

Access to the file will be limited to the Company employees, agents and service providers who require access in the performance of their jobs, individuals to whom the participant has granted access, and persons authorized by law.

At the Company, the personal information that is collected is used to perform administrative services with respect to the Group Plan. Administrative services include, but are not limited to,

- Determining eligibility under the Group Plan or a particular benefit;
- Enrolling participants under the Group Plan;
- Adjudicating claims;
- Underwriting (includes determining the rates applicable to the Group Plan).

Participant’s Right to Access His or Her Personal Information

A participant has the right to access his or her personal information and to request, in writing, that any inaccurate information be corrected. In addition, the participant can request that any outdated or unnecessary information be deleted.

If the Company has medical information about the participant which was not obtained directly from the participant, the Company will release the information to the participant only through the participant’s physician.

To request access to his or her personal information or to have his or her name removed from the list to be shared within the Company, the participant must send a written request to:

Industrial Alliance Insurance and Financial Services Inc.
Access Officer
1080 Grande Allée West
P.O. Box 1907, Station Terminus
Quebec City, Quebec G1K 7M3

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