

Transition L.T.D. – Plan Summary

Qualification: An application form must be completed. Old Republic Insurance Company of Canada (in Quebec: Reliable Life) may request additional medical information. You must be 60 years old or less and have been employed full-time at full pay for at least the past 12 months. You must apply for coverage within 90 days of outplacement.

Premium: A single premium is paid at time of application or policy delivery. If you become re-employed and covered under a new group LTD plan, you may cancel your Transition policy and receive a partial refund.

Coverage Period: The coverage periods offered are 6, 9, 12, 15, 18, 21, or 24 months. The coverage period applied for may not be less than the period of severance or salary continuance.

Benefit Period: Two benefit periods are available – to age 60 (available if you are 55 or less) and to age 65. In either case, benefits begin 90 days after the end of the Coverage Period (“Benefit Start Date”).

Definition of Disability (actual policy wording):

TOTAL DISABILITY or TOTALLY DISABLED means that as a result of Injury or Sickness:

- 1) Prior to the Benefit Start Date and for the first two years thereafter, You are unable to perform the substantial duties of Your Regular Occupation and You are not expected to be able to do so for a period of at least one year from the date of disability. During this period, Total Disability will not exist if you are engaged in any gainful occupation.
- 2) Thereafter, You are unable to perform the substantial duties of any occupation for wage or profit in which You might reasonably be expected to be engaged, with due regard to Your education, training and experience.
- 3) You are receiving care by a Physician that is appropriate in nature and frequency for the condition causing your Total Disability.

Benefit Amount: The monthly benefit amount is based on your final base salary at time of outplacement. The maximum benefit is 2/3 of the first \$2,500 of monthly salary, 50% of the next \$2,500 and 40% of the excess, with an overall maximum of \$10,000 per month. The minimum amount is \$1,000/mo. Benefits are non-taxable. An indexing option is available, under which benefits are increased each year based on the increase in the CPI, to a maximum of 3% each year. Benefits may be reduced if income is received from other sources during a disability (includes wages, government benefits or group LTD benefits).

Rehabilitation Benefit: The plan provides for continuation of benefits if the claimant is enrolled in a rehabilitation programme approved by Old Republic Insurance Company of Canada / Reliable Life.

Cancellation and Refund of Premium: When we receive a cancellation request and proof that new coverage is in place we will refund 50% of the pro-rata premium for the remaining coverage period.

Exclusions: War; riot; insurrection; military service
Attempted suicide; intentionally self-inflicted injuries
Criminal activity or illegal endeavour
Parachuting, hang-gliding, bungee jumping, rock or ice climbing, motorized racing or speeding contests
Flying except as a commercial passenger
Driving while intoxicated
Use of controlled substances other than as prescribed
Psychiatric or psychological disorders
Cosmetic or elective treatment
Disabled outside Canada or the U.S. for more than 120 days unless hospitalized
Incarceration
Undisclosed pre-existing conditions

Please Note: This is intended as a summary of the important features of the plan. Actual policy provisions will govern the payment of claims.