

**Employee Group Benefits**  
UNDERWRITTEN BY  
**SUN LIFE ASSURANCE COMPANY OF CANADA**

**Randolph Macon Woman's College**

**YOUR GROUP LIFE INSURANCE CONTAINS AN ACCELERATED BENEFITS OPTION. RECEIPT OF ACCELERATED BENEFITS MAY BE TAXABLE. ASSISTANCE SHOULD BE SOUGHT FROM YOUR TAX ADVISOR.**

**GROUP POLICY NUMBER – 79167 - 001**  
**POLICY EFFECTIVE DATE - July 1, 2004**

Welcome to Sun Life Assurance Company of Canada (Sun Life). Sun Life is pleased to be your Employer's insurance carrier for the benefits provided in the Group Policy. The description of Eligible Classes in the Benefit Highlights will help you determine what benefits apply to you.

The booklet is intended to provide a summarized explanation of the current Group Policy Benefits. However, the Group Policy is the document which forms Sun Life's contract to provide benefits. If the terms of the booklet and the Group Policy differ, the Group Policy will govern. A complete copy of the Group Policy is in the possession of your Employer and is available for your review. In the event of any changes in benefits or Group Policy provisions, you will be provided with a new booklet or a supplement which describes any changes.

Possession of this booklet does not necessarily mean you are insured under the Group Policy. The requirements for becoming eligible for insurance and the dates your insurance begins or ceases are explained within this booklet.

This booklet uses insurance terms and phrases that are listed in the Definitions Section.

For information, call the Sun Life Group Customer Service Center toll free at 1-800-247-6875.

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## BENEFIT HIGHLIGHTS

### EMPLOYEE LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

#### ELIGIBLE CLASSES

All Full-Time Employees scheduled to work at least 35 hours per week.

#### BASIC INSURANCE

LIFE	AD&D
\$30,000	\$30,000

#### OPTIONAL LIFE INSURANCE

##### LIFE

You may elect an amount of Optional Life Insurance in \$10,000 increments

The **Optional Maximum Benefit** is \$500,000.

(Applicable if you were hired on or after July 1, 2004)

The **Guaranteed Issue Amounts** for Optional Life Insurance are as follows:

<u>AGE</u>	<u>GUARANTEED ISSUE AMOUNT</u>
Under age 60	\$100,000
Ages 60 to 69	\$20,000
Ages 70 to 79	\$10,000
Age 80 or over	\$1,000

(Applicable if you were insured for Optional Life Insurance on June 30, 2004)

The **Guaranteed Issue Amount** for Optional Life Insurance is the amount of Optional Life Insurance you had in force on June 30, 2004.

Your amount of Basic and Optional Life and Basic Accidental Death and Dismemberment Insurance reduces to 65% when you reach age 65, to 40% when you reach age 70 and to 20% when you reach age 75.

Your Basic and Optional Life and Basic Accidental Death and Dismemberment Insurance cancels at your retirement.

**Evidence of Insurability**, satisfactory to Sun Life, will be required for any of the following reasons:

- you, on your initial Eligibility Date, elect Basic Life Insurance only and subsequently elect Optional Life Insurance; or
- you elect an increase in your amount of Optional Life Insurance; or
- your amount of Life Insurance is in excess of the Guaranteed Issue Amount.

## BENEFIT HIGHLIGHTS

### DEPENDENT OPTIONAL LIFE INSURANCE

#### ELIGIBLE CLASSES

All Full-Time Employees enrolled in Employee Optional Life scheduled to work at least 35 hours per week.

<b>Spouse</b>	<b>Child under age 19**</b>
You may elect an amount of Dependent Spouse Optional Life Insurance in \$10,000 increments	You may elect an amount of Dependent Child Optional Life Insurance in \$2,500 increments*

The Dependent Spouse **Optional Maximum Benefit** is \$250,000

The Dependent Child **Optional Maximum Benefit** is \$10,000

\* the amount of Dependent Optional Life Insurance for your child under 14 days is None.

\* the amount of Dependent Optional Life Insurance for your child age 14 days but under 1 year is \$1,000.

\*\* to age 26 if your child is an enrolled full-time student and depends on you for 50% or more of his/her support.

(Your amount of Dependent Optional Life Insurance cannot exceed 50% of your amount of Optional Life Insurance)

(Applicable if you were hired on or after July 1, 2004)

The **Guaranteed Issue Amounts** for Dependent Spouse Optional Life Insurance are as follows:

<b><u>AGE</u></b>	<b><u>GUARANTEED ISSUE AMOUNT</u></b>
Under age 60	\$20,000
Ages 60 to 69	\$10,000

(Applicable if you were insured for Dependent Spouse Optional Life Insurance on June 30, 2004)

The **Guaranteed Issue Amount** for Dependent Spouse Optional Life Insurance is the amount of Dependent Spouse Optional Life Insurance you had in force on June 30, 2004.

Your Dependent Spouse's amount of Optional Life Insurance cancels when your Dependent Spouse reaches age 70.

**Evidence of Insurability**, satisfactory to Sun Life, will be required for your Dependent for any of the following reasons:

- you, on your initial Eligibility Date, elect no Dependent Life coverage and subsequently elect Dependent Optional Life Insurance; or
- you elect Employee Basic Life Insurance only and subsequently elect Employee Optional Life Insurance and Dependent Optional Life Insurance; or
- you elect an amount of Life Insurance for your Dependent in excess of the Guaranteed Issue Amount; or
- you elect an increase in your amount of Dependent Optional Life Insurance.

## BENEFIT HIGHLIGHTS

### LONG TERM DISABILITY INSURANCE

#### ELIGIBLE CLASSES

All Full-Time Employees scheduled to work at least 35 hours per week.

#### AMOUNT OF INSURANCE

60% of your Total Monthly Earnings, not to exceed the Maximum Monthly Benefit, less Other Income Benefits.

- the **Maximum Monthly Benefit** is \$9,000.

Note: your amount of insurance is also subject to reductions for your employment earnings.

The **Minimum Monthly Benefit** is \$100 or 10% of your Gross Monthly Benefit, whichever is greater.

#### Elimination Period

(The period of time you need to be continuously Totally or Partially Disabled before LTD benefits are payable)

180 Days

#### Maximum Benefit Period

(The longest period of time Sun Life will pay you an LTD benefit while you are Totally or Partially Disabled)

#### Age at Disability

#### Maximum Benefit Period

<u>Age at Disability</u>	<u>Maximum Benefit Period</u>
Less than age 60	To age 65, but not less than 60 months
60	60 Months
61	48 Months
62	42 Months
63	36 Months
64	30 Months
65	24 Months
66	21 Months
67	18 Months
68	15 Months
69 and over	12 Months

#### Total Monthly Earnings

Your basic monthly earnings as reported by your Employer immediately before the first date your Total or Partial Disability begins. Total Monthly Earnings does not include commissions, bonuses, overtime pay or any other extra compensation.

If you are paid on an hourly basis, your Total Monthly Earnings will be based on your hourly rate of pay, but will not exceed 40 hours per week.

## **BENEFIT HIGHLIGHTS**

### **WAITING PERIOD**

(The period of time you must be employed in an Eligible Class before you can apply for benefits)

**Basic Employee Life, Employee AD&D, Optional Employee Life and Optional Dependent Life Insurance**  
None

### **Long Term Disability Insurance**

Until the January 1<sup>st</sup> or July 1<sup>st</sup> following 1 year of employment

### **CONTRIBUTIONS**

The cost of your Employee Basic Life, Employee Basic Accidental Death and Dismemberment and Long Term Disability Insurance is paid for entirely by your Employer. This is your non-contributory insurance.

The cost of your Employee Optional Life and Dependent Optional Life Insurance is paid for by you. This is your contributory insurance.

The following Questions and Answers will help you to better understand your benefits.

Please read them carefully and refer any questions to your Employer or call the Sun Life Group Customer Service Center toll free at 1-800-247-6875.

## **ELIGIBILITY AND EFFECTIVE DATE OF EMPLOYEE INSURANCE**

### **When am I eligible for insurance?**

If you are in an Eligible Class shown in the Benefit Highlights, you are eligible on the later of:

- July 1, 2004; or
- the January 1<sup>st</sup> or July 1<sup>st</sup> following the date you complete your Waiting Period for Long Term Disability.
- your first day of employment for Basic Employee Life, Optional Dependent Life, Employee AD&D and Optional Employee Life.

### **When do I need to apply for insurance?**

You must apply within 31 days of the date you become eligible.

### **When does my insurance start?**

For non-contributory insurance, your insurance starts on the date you are eligible, if you are Actively at Work on that date.

For contributory insurance, your insurance starts on the later of:

- the date you apply; or
- the date you are eligible;

if you are Actively at Work on that date.

### **What happens if I do not apply within 31 days?**

Your insurance will start on the date Sun Life approves your Evidence of Insurability, if you are Actively at Work on that date.

### **What if I am not Actively at Work on that date?**

If you are not Actively at Work on the date your insurance would normally start, your insurance will not start until you are Actively at Work.

### **What happens if I do not want my insurance?**

You need to sign a form refusing your insurance. This form is available from your Employer.

If you decide later you want to enroll for insurance, Sun Life must first approve your Evidence of Insurability.

**ELIGIBILITY AND EFFECTIVE DATE  
OF EMPLOYEE INSURANCE**

**When do changes in my amount of insurance occur?**

If your amount of insurance increases due to a change in your salary or incremental choice, your increase will take effect immediately upon the date of change, as long as:

- you are Actively at Work on that date; and
- Evidence of Insurability is not required for the increase in your amount of insurance.

If your amount of insurance decreases due to a change in your salary, incremental choice or age, the decrease will take effect immediately upon the date of change.

If Evidence of Insurability is required for any increase in your amount of insurance, the increase in your insurance will not start until Sun Life approves the increase, but you need to be Actively at Work on that date.

If you are not Actively at Work on the date an increase in your insurance would normally start, the increase in your insurance will not start until you are Actively at Work.

## **ELIGIBILITY AND EFFECTIVE DATE OF DEPENDENT INSURANCE**

### **When am I eligible for Dependent Optional Life Insurance?**

If you are in an Eligible Class shown in the Benefit Highlights and you have a Dependent, you are eligible on the latest of:

- the date you are insured for Employee Optional Life Insurance; or
- July 1, 2004; or
- the date you first acquire a Dependent.

### **When do I need to apply for Dependent Optional Life Insurance?**

You must apply for Dependent Optional Life Insurance within 31 days of the date you become eligible for Dependent Optional Life Insurance.

### **When does the insurance for my Dependent start?**

Your Dependent's insurance starts on the later of:

- the date you are eligible for Dependent Optional Life Insurance; or
- the date you apply for Dependent Optional Life Insurance;

as long as the Dependent is not hospital confined on that date.

### **What happens if I do not apply within 31 days?**

Your Dependent's insurance will start on the date Sun Life approves your Dependent's Evidence of Insurability, if the Dependent is not hospital confined on that date.

### **Do I need to enroll each Dependent?**

If you have already applied for Dependent insurance, each subsequent Dependent is automatically enrolled, as long as the Dependent is not hospital confined on the date of becoming a Dependent.

### **What if my Dependent is hospital confined?**

If your Dependent is hospital confined on the date your Dependent's insurance would normally start, your Dependent's insurance will not start until the Dependent is no longer hospital confined. Hospital confined does not apply to a newborn child.

### **What happens if I do not want Dependent Optional Life Insurance?**

You need to sign a form refusing Dependent Optional Life Insurance. This form is available from your Employer.

If you decide later you want Dependent Optional Life Insurance, Sun Life must first approve your Dependent's Evidence of Insurability before your Dependent can become insured.

**ELIGIBILITY AND EFFECTIVE DATE  
OF DEPENDENT INSURANCE**

**When do changes in my Dependent's amount of insurance occur?**

If your Dependent's amount of insurance increases, your Dependent's increase will take effect immediately, as long as:

- your Dependent is not hospital confined; and
- Evidence of Insurability is not required for the increase in your Dependent's amount of insurance.

If your Dependent's amount of insurance decreases, the decrease will take effect immediately.

If Evidence of Insurability is required for any increase in your Dependent's amount of insurance, the increase in your Dependent's insurance will not start until Sun Life approves the increase, but your Dependent cannot be hospital confined on that date.

If your Dependent is hospital confined on the date an increase in your Dependent's insurance would normally start, the increase in your Dependent's insurance will not start until the Dependent is no longer hospital confined.

## TERMINATION OF EMPLOYEE INSURANCE

### When does my insurance cease?

Your insurance ceases on the earliest of:

- the date the Group Policy terminates.
- the date you are no longer in an Eligible Class.
- the date your class is no longer included for insurance.
- the last day for which any required premium has been paid for your insurance.
- the date you retire.
- the date you request in writing to terminate your insurance.
- the date you enter active duty in any armed service during a time of war (declared or undeclared).
- the date your employment terminates.
- the date you cease to be Actively at Work.

### Are there any conditions under which my insurance can continue?

Yes.

Your insurance will continue during any Elimination Period or any period the premium for your insurance is waived under the Group Policy.

If you are on temporary layoff, leave of absence or vacation, your Employer may continue your insurance by paying the required premium for the length of time specified below.

- Layoff - for up to 1 month
- Leave of Absence - for up to 1 month
- Vacation - for up to 3 months.

If you are absent from work due to an injury or sickness, your Employer may continue your Life insurance, by paying the required premium, for up to 12 months.

If you are "Totally Disabled" you may be eligible for a longer continuation of Life Insurance. Refer to "What is the Waiver of Premium Provision" in the Life Benefit Section. Please note you need to apply for continued benefits under the Waiver of Premium Provision within 12 months after you cease to be Actively at Work.

If your coverage terminates and you are not eligible for any of the described continuations, you may be eligible for a Conversion Privilege. Refer to the "Conversion Privilege" in the Life or LTD Benefit section. Please note that you need to apply for the conversion and pay the required premium within 31 days following your termination of insurance.

You may be eligible to continue your insurance coverage pursuant to the Family and Medical Leave Act of 1993. You should contact your Employer for more details.

You may be eligible to continue your insurance coverage pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA). You should contact your Employer for more details.

## TERMINATION OF DEPENDENT INSURANCE

### **When does my Dependent's insurance cease?**

Your Dependent's insurance ceases on the earliest of:

- the date the Group Policy terminates.
- the date you cease to be insured.
- the date you are no longer in an Eligible Class for Dependent Insurance.
- the date the Dependent does not qualify as a Dependent.
- the last day for which any required premium has been paid for your Dependent's insurance.
- the date you request in writing to terminate your Dependent's insurance.
- the date your Dependent enters active duty in any armed service during a time of war (declared or undeclared).
- the date your Dependent Spouse reaches age 70.
- the date you retire.
- the date you die.

### **Are there any conditions under which my Dependent's insurance can continue?**

Yes.

If your Dependent's coverage terminates, your Dependent may be eligible for a Conversion Privilege. Refer to the "Conversion Privilege" of the Dependent Optional Life Benefit section. Please note that you or your Dependent need to apply for the conversion and pay the required premium within 31 days following termination of the Dependent's insurance.

## **BENEFIT PROVISIONS**

### **EMPLOYEE LIFE INSURANCE**

#### **What is the Life Insurance Benefit?**

If you die while insured, your Beneficiary will receive the amount of your Life Insurance in force when Sun Life receives written Notice and Proof of Claim.

#### **What is the amount of my Life Insurance?**

##### Basic Life Insurance

The amount of your Basic Life Insurance is the Basic amount of insurance as determined in the Benefit Highlights.

Your amount of Basic Life Insurance is subject to any age reductions or terminations shown in the Benefit Highlights.

##### Optional Life Insurance

The amount of your Optional Life Insurance is the lesser of:

1. your Optional amount of insurance elected as determined in the Benefit Highlights; or
2. the Optional Guaranteed Issue Amount shown in the Benefit Highlights, plus any amount of insurance over your Optional Guaranteed Issue Amount that Sun Life has approved your Evidence of Insurability.

Your Optional Life Insurance cannot exceed the Optional Maximum Benefit shown in the Benefit Highlights.

Your amount of Optional Life Insurance is subject to the Exclusions shown below and any Evidence of Insurability requirements, age reductions or terminations shown in the Benefit Highlights.

#### **What are the Exclusions?**

If your cause of death is suicide:

- No amount of Optional Life Insurance is payable if the suicide occurs within 24 months after your Optional Life Insurance starts. Any period of time you were insured for the same amount of Optional Life Insurance under your Employer's prior group Life policy will count towards your completion of the 24 months.
- No increased or additional amount of your Optional Life Insurance is payable if the suicide occurs within 24 months after the increased or additional amount of your Optional Life Insurance starts.
- No amount of your Life Insurance over your Guaranteed Issue Amount is payable if the suicide occurs within 24 months after the amount over your Guaranteed Issue Amount starts.

#### **What is the Waiver of Premium Provision?**

If you become Totally Disabled while insured, the Waiver of Premium Provision may continue your Life Insurance without any further payment of premiums by you or your Employer.

## **BENEFIT PROVISIONS**

### **EMPLOYEE LIFE INSURANCE**

#### **When am I eligible for the Waiver of Premium Provision?**

You are eligible if Sun Life receives Notice and Proof of Claim that you became Totally Disabled:

- while insured; and
- before your 60th birthday; and
- before you retire.

#### **What is the amount of Life Insurance that is continued under the Waiver of Premium Provision?**

Sun Life will continue the amount of your Life Insurance in force on the last day you were Actively at Work. This amount is subject to the same reductions or terminations that would have been applicable had you not become Totally Disabled.

If you have converted your Life Insurance to an individual policy, the continued insurance will be reduced by that converted amount unless you exchange that individual policy for a full refund of premiums paid.

#### **When does my Waiver of Premium cease?**

Your Waiver of Premium ceases on the earliest of:

- the date you are no longer Totally Disabled.
- the date you do not provide Proof that you continue to be Totally Disabled.
- the date you do not submit to an examination by a Physician of Sun Life's choice.
- the date you are no longer under the regular and continuing care of a Physician providing appropriate treatment by means of examination and testing in accordance with your disabling condition.
- the date you reach age 70.
- the date you retire.

For the purposes of this Waiver of Premium Provision, you are considered retired when you receive any compensation from a Retirement Plan of your Employer, or when you reach age 70, whichever is earlier.

If your Waiver of Premium ceases and you do not return to work with your Employer, your Life Insurance will terminate. You may be eligible to convert your Life Insurance under the Conversion Privilege.

**Receipt of Accelerated Benefits may be taxable. Assistance should be sought from your personal tax advisor.**

#### **What is the Accelerated Benefit?**

If Sun Life receives satisfactory proof that you are Terminally Ill, part of your Life Insurance may be payable to you while you are still living.

## **BENEFIT PROVISIONS**

### **EMPLOYEE LIFE INSURANCE**

#### **When am I eligible for an Accelerated Benefit?**

(Applicable if you were hired on or before July 1, 2004)

You are eligible if:

- you were Actively at Work on July 1, 2004 and have been insured for Life Insurance for at least 30 days. This 30 day period is waived for qualifying events due to an accidental Injury. (This includes any period of time you were insured under the prior insurer's group life policy); and

(Applicable if you were hired after July 1, 2004)

You are eligible if:

- you have been insured for Life Insurance for at least 30 days. This 30 day period is waived for qualifying events due to an accidental Injury; and

(Applicable to All Employees)

- you are certified as Terminally Ill with a life expectancy of 12 months or less; and
- you are insured for at least \$20,000 of Life Insurance.

#### **How do I receive an Accelerated Benefit?**

You need to submit a written request to Sun Life.

If you have assigned your Life Insurance, named an irrevocable Beneficiary or have a former spouse named as Beneficiary as part of a divorce decree, you must have a signed agreement from those parties.

#### **What is the amount of Accelerated Benefit?**

You can request up to 75% of the amount of your Life Insurance currently in force. The maximum amount you can request is \$500,000. The minimum amount you may request is \$10,000.

If you have received an Accelerated Benefit under the prior insurer's group life policy, you can request up to 75% of your Life Insurance currently in force reduced by the amount of the Accelerated Benefit you have previously received.

#### **How is the Accelerated Benefit paid?**

The Accelerated Benefit is paid in a single lump sum amount.

#### **Can I receive more than one Accelerated Benefit?**

You may request the Accelerated Benefit only once under Sun Life's Group Policy.

#### **Are there any charges if I request an Accelerated Benefit?**

No.

**BENEFIT PROVISIONS**  
**EMPLOYEE LIFE INSURANCE**

**What happens to my Life Insurance if I receive an Accelerated Benefit?**

If you have received an Accelerated Benefit from Sun Life or the prior insurer's group life policy, your Life Insurance will be reduced by an amount equal to the Accelerated Benefit paid by Sun Life, and an amount equal to the Accelerated Benefit paid by the prior insurer's group life policy.

**Some Important Notes about your Accelerated Benefit**

Your Accelerated Benefit is not a long term care policy. The amount your Accelerated Benefit would pay may not be enough to cover nursing home expenses or other bills. You may use the money received from the Accelerated Benefit for any purpose.

Receipt of your Accelerated Benefit may affect your Medicaid eligibility.

No Accelerated Benefit payment will be processed if you are required to request it by a third party, including any creditor, governmental agency, trustee in bankruptcy or any other person, or as the result of a court order.

Benefits payable under this provision MAY be taxable. You should consult your tax advisor. Sun Life does not give tax or legal advice.

**What is the Portability Privilege?**

If, prior to age 65, your Optional Life insurance ceases because you terminate employment, you may apply for portable coverage, during the 31 day conversion period, instead of converting to an individual policy.

**How does this differ from the Conversion Privilege?**

Portable coverage is group term life insurance. This benefit may be continued only for 10 years, or to age 65, whichever comes first. At the end of that time, you may convert the coverage then in force to an individual whole life policy under a Conversion Privilege.

Also, you must provide a statement of good health in order to qualify for portable coverage.

**What amounts of insurance are portable?**

You may apply for portable coverage up to the amount of Optional Life coverage that ceased, to a maximum of \$500,000. If you port your Optional Life coverage, you may also port any Dependent Optional Life Insurance that ceased due to your termination of employment.

**When does my portable coverage start?**

If your application is approved and the first premium is paid when due, your coverage will start on the day after the 31 day conversion period. If your application is declined, you will be given a 31 day period to apply for an individual whole life policy under the conversion privilege.

## **BENEFIT PROVISIONS**

### **EMPLOYEE LIFE INSURANCE**

#### **How do I apply for portable coverage?**

You must complete an application for portable coverage, which contains a short medical questionnaire, and send it, with payment of the first premium, to Sun Life within 31 days of the date your Optional Life Insurance terminates.

The application contains a table to calculate the applicable premium, based on your age and the amount of coverage elected.

The application is available from your Employer.

#### **What is the Conversion Privilege?**

If your Life Insurance ceases, you may be able to convert your Life Insurance to an individual policy. You need to apply for the Conversion Privilege within 31 days. See question "How do I convert my Life Insurance?".

#### **When can I convert my Life Insurance?**

1. You can convert if all or part of your Life Insurance ceases or reduces due to:
  - termination of your employment;
  - termination of your membership in an Eligible Class;
  - your retirement;
  - your reaching a specified age; or
  - your changing to a different Eligible Class; or
  - termination of your Waiver of Premium continuation; or
  - your continuation period ending during your layoff or leave of absence.
2. You can convert if you have been continuously insured for 5 or more years under Sun Life's Group Life Policy and all or part of your Life Insurance ceases or reduces due to:
  - termination of the Life Insurance Benefit Provision;
  - termination of the Group Policy;
  - an amendment to the Group Policy to reduce the amount of Life Insurance in your Eligible Class; or
  - an amendment to the Group Policy to terminate your Eligible Class.

#### **What amount of Life Insurance can I convert?**

The amount of Life Insurance you can convert depends on the reason your Life Insurance ceases.

If your amount of Life Insurance ceased or reduced for the reasons stated in #1 "When can I convert my Life Insurance?", you can convert up to the amount that ceased or reduced. If your amount of Life Insurance that ceased is \$10,000 or more, the minimum amount of your individual policy must be \$10,000.

If your amount of Life Insurance ceased or reduced for the reasons stated in #2 "When can I convert my Life Insurance?", you can convert up to the lesser of:

- \$10,000; or
- the amount that ceased or reduced less any amount of group life insurance you may become eligible for within 31 days after your Life Insurance ceased or reduced.

## **BENEFIT PROVISIONS**

### **EMPLOYEE LIFE INSURANCE**

#### **How do I convert my Life Insurance?**

You convert by applying to Sun Life for an individual policy along with sending payment of the first premium within 31 days after any part of your Life Insurance ceases or reduces. This is your 31 day conversion period. However, if you are not notified by your Employer of this conversion privilege, you will have an additional 15 days to exercise this conversion privilege. In no event will this conversion privilege be extended beyond 30 days following your 31 day conversion period.

#### **What type of individual policy is available?**

You can convert to any plan of whole life insurance available by Sun Life for conversion. The individual policy will not include any additional benefits such as disability benefits or accidental death and dismemberment benefits.

You do not have to submit Evidence of Insurability to convert to an individual policy.

#### **When does my individual policy start?**

If your application for the individual policy is received and the first premium is paid when due, your individual policy starts on the day after the 31 day conversion period.

#### **What happens if I die during the 31 day conversion period?**

If Sun Life receives Notice and Proof of Claim, a death benefit is payable to your Beneficiary, whether or not you had applied for an individual policy or had paid the first premium.

The death benefit is the amount of Life Insurance you would have been eligible to convert.

**BENEFIT PROVISIONS**  
**EMPLOYEE LIFE INSURANCE**

**What happens when my Employer transfers Insurance Carriers to Sun Life?**

In order to prevent losing your insurance, Sun Life will provide the following coverage.

If you are not Actively at Work on July 1, 2004, you will be insured if:

1. you were insured under the prior insurer's group Life policy at the time of the transfer; and
2. you are a member of an Eligible Class; and
3. premiums for you are paid up to date; and
4. you are not receiving or eligible to receive benefits under the prior insurer's group Life policy.

Any Life benefit payable will be the lesser of:

- the Life benefit payable under the Group Policy; or
- the Life benefit payable under the prior insurer's group Life policy had it remained in force.

All other provisions of Sun Life's Group Policy will apply.

## **BENEFIT PROVISIONS**

### **DEPENDENT OPTIONAL LIFE INSURANCE**

#### **What is my Dependent Optional Life Insurance Benefit?**

If your Dependent dies while insured, you will receive the amount of your Dependent Optional Life Insurance in force when Sun Life receives written Notice and Proof of Claim.

#### **What is the amount of my Dependent Optional Life Insurance?**

The amount of your Dependent Optional Life Insurance is the lesser of:

1. the amount of Optional Life Insurance you elected for your Dependent as determined in the Benefit Highlights; or
2. the Guaranteed Issue Amount shown in the Benefit Highlights, plus any amount of insurance over your Dependent's Guaranteed Issue Amount for which Sun Life has approved your Dependent's Evidence of Insurability.

The amount of your Dependent's Optional Life Insurance cannot be more than the Optional Maximum Benefit shown in the Benefit Highlights.

The amount of your Dependent's Optional Life Insurance is subject to the Exclusions shown below and any Evidence of Insurability requirements or terminations shown in the Benefit Highlights.

#### **What are the Exclusions?**

If your Dependent Spouse's cause of death is suicide:

- No amount of Dependent Spouse Optional Life Insurance is payable if your Dependent Spouse's suicide occurs within 24 months after your Dependent Spouse's Optional Life Insurance first starts. Any period of time your Dependent Spouse was insured for the same amount of Optional Life insurance under your Employer's prior group life policy will count towards your Dependent Spouse's completion of the 24 months.
- No increased or additional amount of Dependent Spouse Optional Life Insurance is payable if your Dependent Spouse's suicide occurs within 24 months after your Dependent Spouse's increased or additional amount of Optional Life Insurance starts.
- No amount of Dependent Spouse Optional Life Insurance over your Dependent Spouse's Guaranteed Issue Amount is payable if your Dependent Spouse's suicide occurs within 24 months after the amount over your Dependent Spouse's Guaranteed Issue Amount starts.

#### **What is the Conversion Privilege?**

If your Dependent's Optional Life Insurance ceases, your Dependent may be able to convert the Optional Life Insurance to an individual policy.

## **BENEFIT PROVISIONS**

### **DEPENDENT OPTIONAL LIFE INSURANCE**

#### **When can my Dependent convert?**

1. Your Dependent can convert if all or part of your Dependent's Optional Life Insurance ceases or reduces due to:
  - termination of your employment;
  - termination of your membership in an Eligible Class;
  - your retirement;
  - your reaching a specified age;
  - your changing to a different Eligible Class;
  - your death; or
  - your Dependent no longer qualifying as a Dependent.
2. Your Dependent can convert if your Dependent has been continuously insured for 5 or more years under Sun Life's Group Life Policy and all or part of your Dependent's Optional Life Insurance ceases due to:
  - termination of the Dependent Optional Life Insurance Benefit Provision;
  - termination of the Group Policy;
  - an amendment to the Group Policy to terminate your Eligible Class.

#### **What amount of Optional Life Insurance can my Dependent convert?**

The amount of Optional Life Insurance your Dependent can convert depends on the reason your Dependent's Optional Life Insurance ceased.

If your Dependent's amount of Optional Life Insurance ceased or reduced for the reasons stated in #1 "When can my Dependent convert?", your Dependent can convert up to the amount that ceased or reduced. If your Dependent's amount of Optional Life Insurance that ceased is \$10,000 or more, the minimum amount of your Dependent's individual policy must be \$10,000.

If your Dependent's amount of Optional Life Insurance ceased for the reasons stated in #2 "When can my Dependent convert?", your Dependent can convert up to the lesser of:

- \$10,000; or
- the amount that ceased, less any amount of group life insurance your Dependent may become eligible for within 31 days after your Dependent's Optional Life Insurance ceased.

#### **How can my Dependent convert?**

You or your Dependent need to apply to Sun Life for an individual policy along with sending payment of the first premium within 31 days after any part of your Dependent's Optional Life Insurance ceases or reduces. This is your Dependent's 31 day conversion period. However, if your Dependent is not notified by your Employer of this conversion privilege, your Dependent will have an additional 15 days to exercise this conversion privilege. In no event will this conversion privilege be extended beyond 30 days following your Dependent's 31 day conversion period.

#### **What type of individual policy is available?**

Your Dependent can convert to any plan of whole life insurance available by Sun Life for conversion. The individual policy will not include any additional benefits such as disability benefits or accidental death and dismemberment benefits.

Your Dependent does not have to submit Evidence of Insurability to convert to an individual policy.

## **BENEFIT PROVISIONS**

### **DEPENDENT OPTIONAL LIFE INSURANCE**

#### **When does my Dependent's individual policy start?**

If your Dependent's application for the individual policy is received and the first premium paid when due, your Dependent's individual policy starts on the day after your Dependent's 31 day conversion period.

#### **What happens if my Dependent dies during the 31 day conversion period?**

If Sun Life receives Notice and Proof of Claim, a death benefit is payable to you, whether or not your Dependent had applied for an individual policy or had paid the first premium.

The death benefit is the amount of Optional Life Insurance your Dependent would have been eligible to convert.

## **BENEFIT PROVISIONS**

### **DEPENDENT OPTIONAL LIFE INSURANCE**

#### **What happens when my Employer transfers Insurance Carriers to Sun Life?**

In order to prevent losing your insurance, Sun Life will provide the following coverage.

If your Dependent is hospital confined on July 1, 2004, your Dependent will be insured if:

1. your Dependent was insured under the prior insurer's group life policy at the time of the transfer; and
2. you are a member of an Eligible Class; and
3. premiums for your Dependent are paid up to date; and
4. your Dependent is not receiving or eligible to receive benefits under the prior insurer's group Life policy.

Any Dependent Optional Life benefit payable will be the lesser of:

- the Dependent Optional Life benefit payable under the Group Policy; or
- the Dependent Optional Life benefit payable under the prior insurer's group life policy had it remained in force.

All other provisions of Sun Life's Group Policy will apply.

**BENEFIT PROVISIONS**

**EMPLOYEE ACCIDENTAL DEATH  
AND DISMEMBERMENT INSURANCE**

**What is the Accidental Death and Dismemberment Benefit?**

If Sun Life receives written Notice and Proof of Claim that you:

- died from an accidental drowning while insured; or
  - sustained an Accidental Bodily Injury while insured, which results in your loss of life, sight or limb within 365 days of the date of that Accidental Bodily Injury; or
  - sustained a loss of life, sight or limb within 365 days due to an accidental exposure to the elements while insured;
- an Accidental Death and Dismemberment benefit may be payable to you or to your Beneficiary.

The benefit is a percentage of the amount of Accidental Death and Dismemberment Insurance in force for your class shown in the Benefit Highlights on the date of the Accidental Bodily Injury. The following is a list of percentages payable for the applicable loss.

Life .....	100%
Sight of one eye.....	50%
One limb.....	50%
Speech and hearing.....	100%
Speech or hearing.....	50%
Thumb and index finger of the same hand.....	25%
Quadriplegia.....	100%
Paraplegia.....	75%
Hemiplegia.....	50%

The maximum amount of Accidental Death and Dismemberment Benefit payable for losses resulting from any one accident is 100%.

Loss of limb means severance of the hand or foot at or above the wrist or ankle joint. Loss of sight, speech or hearing must be total and irrecoverable. Loss of thumb and index finger means severance through or above the metacarpophalangeal joints.

Quadriplegia means the total and permanent paralysis of both upper and lower limbs. Paraplegia means the total and permanent paralysis of both lower limbs. Hemiplegia means the total and permanent paralysis of the upper and lower limbs on one side of the body.

## **BENEFIT PROVISIONS**

### **EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

#### **What is the Seat Belt Benefit?**

If your loss of life occurs as a result of an automobile accident and you were wearing a seat belt at the time of the accident, an additional Seat Belt Benefit is payable. The Seat Belt Benefit is 25% of the amount of Accidental Death Benefit payable or \$25,000, whichever is less.

Sun Life must receive satisfactory written proof that your death resulted from an automobile accident and that you were wearing a seat belt at the time of the accident. A copy of the police report is required.

#### **What is the Air Bag Benefit?**

If your loss of life occurs as a result of an automobile accident, and you were wearing a seat belt and positioned in a seat protected by a Supplemental Restraint System which inflated on impact, an additional Air Bag Benefit is payable. The Air Bag Benefit is 10% of the amount of Accidental Death Benefit payable or \$5,000, whichever is less.

Sun Life must receive satisfactory written proof that your death resulted from an automobile accident and that the Supplemental Restraint System properly inflated. A copy of the police report is required.

Seat Belt means a properly installed seat belt, lap and shoulder restraint, or other restraint approved by the National Highway Traffic Safety Administration.

Supplemental Restraint System means a factory installed air bag which inflates for added protection to the head and chest areas.

Automobile means a motor vehicle licensed for use on public highways.

#### **What happens if I Disappear?**

Sun Life will presume, subject to no objective evidence to the contrary, that you are dead and your death is a result of an Accidental Bodily Injury if:

- you disappear as a result of an accidental wrecking, sinking or disappearance of a conveyance in which you were known to be a passenger; and
- your body is not found within 365 days after the date of the conveyance's disappearance.

## **BENEFIT PROVISIONS**

### **EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

#### **What are the Exclusions?**

No AD&D benefit will be payable for your loss that is due to or results from:

- suicide while sane or insane.
- intentionally self-inflicted injuries.
- bodily or mental infirmity or disease of any kind, or an infection unless due to an Accidental cut or wound.
- your committing or attempting to commit an assault, felony or other criminal act.
- your active participation in a war (declared or undeclared) or your active duty in any armed service during a time of war.
- your active participation in a riot, rebellion, or insurrection.
- injury sustained from any aviation activities, other than riding as a fare-paying passenger.
- your voluntary use of any controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless administered on the advice of a Physician.
- your operation of any motorized vehicle while intoxicated. Intoxicated means the minimum blood alcohol level required to be considered operating an automobile under the influence of alcohol in the jurisdiction where the accident occurred. For the purposes of this Exclusion, "Motorized Vehicle" includes, but is not limited to, automobiles, motorcycles, boats and snowmobiles.

#### **What happens when my Employer transfers Insurance Carriers to Sun Life?**

In order to prevent losing your insurance, Sun Life will provide the following coverage.

If you are not Actively at Work on July 1, 2004 you will be insured if:

1. you were insured under the prior insurer's group AD&D policy at the time of transfer; and
2. you are a member of an Eligible Class; and
3. premiums for you are paid up to date; and
4. you are not receiving or eligible to receive benefits under the prior insurer's group AD&D policy.

Any AD&D benefit payable will be the lesser of:

- the AD&D benefit payable under the Group Policy; or
- the AD&D benefit payable under the prior insurer's group AD&D policy had it remained in force.

All other provisions of Sun Life's Group Policy will apply.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### **What is the Long Term Disability Benefit?**

Long Term Disability Benefits (LTD) partially replace your income if you become Totally or Partially Disabled while insured.

#### **When do LTD benefits become payable?**

Sun Life will pay a monthly LTD benefit after the end of your Elimination Period, if Sun Life receives proof that you are:

- Totally or Partially Disabled due to an Injury or Sickness; and
- under the regular and continuing care of a Physician that provides appropriate treatment and regular examination and testing in accordance with your disabling condition.

#### **What conditions must be met for LTD benefits to continue?**

Sun Life will pay you an LTD benefit, up to the Maximum Benefit Period, if you provide proof that you continue to be Totally or Partially Disabled and you require the regular and continuing care of a Physician. You need to provide proof when Sun Life asks for it, but the proof is at your expense. You need to provide Sun Life with proof of your monthly earnings (if applicable) on a quarterly basis.

#### **What is the Total Disability Benefit?**

If you are Totally Disabled, your Net Monthly Benefit will be calculated based on the Total Disability Benefit formula. You will qualify for this benefit if:

- you are not working or you are working but you are earning less than 20% of your Indexed Total Monthly Earnings; and
- during your Elimination Period and the next 24 months, you, because of your Injury or Sickness, are unable to perform the Material and Substantial Duties of your Own Occupation.

After Total or Partial Disability LTD benefits combined have been paid to you for 24 months, you will continue to qualify for this benefit if you are unable to perform with reasonable continuity any Gainful Occupation for which you are or become reasonably qualified for by education, training or experience.

#### **How is the Total Disability Benefit calculated?**

To determine your Total Disability Benefit:

1. Take the lesser of:
  - a. your Total Monthly Earnings multiplied by the Benefit Percentage (shown in the Benefit Highlights); or
  - b. your Maximum Monthly Benefit (shown in the Benefit Highlights); then
2. Subtract Other Income Benefits from the amount determined in Step 1.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### What is the Partial Disability Benefit?

If you are Partially Disabled, your Net Monthly Benefit will be calculated based on the Partial Disability Benefit formula. You will qualify for this benefit if:

- you are working and have Disability Earnings of more than 20% but less than 80% of your Indexed Total Monthly Earnings; and
- during your Elimination Period and the next 24 months, you, because of your Injury or Sickness, are unable to perform the Material and Substantial Duties of your Own Occupation.

After Total or Partial Disability LTD benefits combined have been paid to you for 24 months, you will continue to qualify for this benefit if you are unable to perform with reasonable continuity any Gainful Occupation for which you are or become reasonably qualified for by education, training or experience and you have Disability Earnings of less than 60% of your Indexed Total Monthly Earnings.

#### How is the Partial Disability Benefit calculated?

To determine the Partial Disability Benefit for the first 12 months of your Partial Disability:

1. add your Disability Earnings and income received from Other Income Benefits to the Total Disability Benefit.
2. if this sum is more than 100% of your Indexed Total Monthly Earnings, subtract the amount in excess of 100% of your Indexed Total Monthly Earnings from your Total Disability Benefit. This result is your Partial Disability Benefit; or

if the sum is less than 100% of your Indexed Total Monthly Earnings, your Partial Disability Benefit is your Total Disability Benefit.

If you continue to be Partially Disabled after 12 months of Partial Disability Benefits, your Partial Disability Benefit will be recalculated based on the following formula:

(A divided by B) multiplied by C

where:

A = your Indexed Total Monthly Earnings minus your monthly Disability Earnings.

B = your Indexed Total Monthly Earnings.

C = your Total Disability Benefit.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### What are Other Income Benefits?

Other Income Benefits are those benefits provided or available to you while your monthly LTD benefit is payable. These Other Income Benefits, other than retirement benefits, must be provided to you as a result of the same Total or Partial Disability payable under the Group Policy. Other Income Benefits include:

1. The amount you are eligible for under:
  - a. Workers' Compensation Law; or
  - b. Occupational Disease Law; or
  - c. Unemployment Compensation Law; or
  - d. Compulsory Benefit Act or Law; or
  - e. any other act or law of like intent.
2. The Railroad Retirement Act (including any dependent benefits).
3. Any labor management trustee, union or employee benefit plans that are funded in whole or in part by your Employer.
4. Any disability income benefits you are eligible for under:
  - a. any other group insurance plan of your Employer;
  - b. any governmental retirement system as a result of your job with your Employer.
5. The benefits you receive under your Employer's Retirement Plan as follows:
  - a. any disability benefits;
  - b. the Employer-paid portion of any Retirement Benefits.

(Disability benefits that reduce your accrued retirement benefit will be treated as a retirement benefit. Retirement benefits do not include any amount rolled over or transferred to any other retirement plan as defined in Section 402 of the Internal Revenue Code.)
6. The disability or retirement benefits under the United States Social Security Act, or any similar plan or act, as follows:
  - a. Disability benefits you are eligible to receive.
  - b. Disability benefits your spouse, child or children are eligible to receive because of your Total or Partial Disability, unless the dependent benefits are paid directly to your divorced spouse or to your children in custody of your divorced spouse.
  - c. Retirement benefits received by you.
  - d. Retirement benefits your spouse, child or children receive because of your receipt of retirement benefits, unless the dependent benefits are paid directly to your divorced spouse or to your children in custody of your divorced spouse.

If your Total or Partial Disability begins after your Social Security Normal Retirement Age, your Social Security Retirement Benefits will not be offset if, prior to your Total or Partial Disability, you were already receiving Social Security Retirement Benefits.

7. The amount you receive from any accumulated sick leave.

## **BENEFIT PROVISIONS**

### **LONG TERM DISABILITY INCOME INSURANCE**

8. Any salary continuation paid to you by your Employer which causes your Net Monthly Benefit, plus Other Income Benefits and any salary continuation, to exceed 100% of your Total Monthly Earnings. The amount in excess of 100% of your Total Monthly Earnings will be used to reduce your Net Monthly Benefit.
9. Any amount you receive from a voluntary separation of employment agreement from your Employer including severance pay or any other income settlement of an employment contract.

Other Income Benefits will include any amount described above which would have been available to you had you applied for that benefit.

#### **What if I receive payment of Other Income Benefits in a lump sum?**

If you receive a lump sum payment for any Other Income Benefits, Sun Life will prorate the lump sum on a monthly basis over the time period specified for the lump sum payment. If no time period is stated, the lump sum payment will be prorated on a monthly basis over a reasonable period of time as determined by Sun Life.

#### **Am I required to apply for Other Income Benefits?**

You must apply for any Other Income Benefits for which you may be eligible. If such benefits are denied, you must appeal the denial to all administrative levels that Sun Life deems necessary. Sun Life has the right to receive from you written documentation of your pursuit of Other Income Benefits.

#### **What is the Social Security Disability Income Assistance Program?**

At your request, Sun Life will assist you (if appropriate) through the various levels of the Social Security claims process. Sun Life will assist you with your application and also through the appeals process.

#### **Are any of my Other Income Benefits estimated?**

Sun Life has the right to estimate the amount of any Other Income Benefits you are eligible to receive during your Total or Partial Disability, and to reduce the LTD benefit payments by the estimated amount. Sun Life will estimate the amount if, at the time of calculating any LTD benefit payments, the Other Income Benefit you may be eligible to receive has not been awarded nor denied, or if the Other Income Benefit has been denied and is being appealed. This estimate will be used to reduce the amount of your monthly LTD benefit payments until the Other Income Benefit has been awarded or denied. However, the estimate will not be used if you meet the following conditions:

- you have applied for the Other Income Benefits; and
- you agree to appeal any denials of Other Income Benefits to all administrative levels Sun Life deems necessary; and
- you complete and sign the Sun Life Reimbursement Agreement.

## **BENEFIT PROVISIONS**

### **LONG TERM DISABILITY INCOME INSURANCE**

#### **What happens when the Other Income Benefits have been awarded or have been denied?**

You must notify Sun Life in writing, within 31 days of receipt of notice, of the amount of Other Income Benefits when it is approved or if the amount is adjusted (other than for cost of living increases). Sun Life will make an adjustment to the Net Monthly Benefit when Sun Life receives written notice of the amount of the Other Income Benefit.

If after Sun Life makes an adjustment to your Net Monthly Benefit you have been underpaid, Sun Life will immediately make a lump sum refund to you of the amount that has been underpaid.

If after Sun Life makes an adjustment to your Net Monthly Benefit you have been overpaid, you must reimburse Sun Life the amount of the overpayment within 31 days of the award. Sun Life has the right to reduce or eliminate your future LTD benefit payments until the amount of the overpayment has been repaid. During the overpayment reimbursement period, the Minimum Monthly Benefit will not apply.

#### **What happens if I receive increases in my Other Income Benefits?**

After the first deduction for each of your Other Income Benefits, Sun Life will not reduce your monthly LTD benefit payments due to cost of living increases you receive from any sources described as Other Income Benefits. This does not apply to any increase in earnings you receive from employment.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### When does my monthly LTD benefit cease?

Your monthly LTD benefit will cease on the earliest of:

- the date you are no longer Totally or Partially Disabled.
- the date you die.
- the end of your Maximum Benefit Period.
- the date you do not provide adequate employment earnings information or proof that you continue to be Totally or Partially Disabled as requested.
- the date you refuse to complete a rehabilitative assessment, or the date you cease to participate in the Sun Life approved Rehabilitation Program without Good Cause.
- during the first 24 months of Partial Disability, the date your Disability Earnings are more than 80% of your Indexed Total Monthly Earnings.
- after 24 months of Partial Disability, the date your Disability Earnings are more than 60% of your Indexed Total Monthly Earnings.
- for the first 24 months of Total or Partial Disability, the date Sun Life determines you are able to perform on a full-time basis, the Material and Substantial Duties of your Own Occupation, even if you choose not to work.
- after the first 24 months of Total or Partial Disability, the date Sun Life determines you are able to perform on a full-time basis any Gainful Occupation for which you are or become reasonably qualified for by education, training or experience, even if you choose not to work.

**Full-time basis** means for the first 24 months of Total or Partial Disability, you are able or have the capacity to perform the Material and Substantial Duties of your Own Occupation for the number of hours you normally performed your Own Occupation prior to your Total or Partial Disability. After 24 months of Total or Partial Disability, you are able or have the capacity to perform any Gainful Occupation for the number of hours you normally performed your Own Occupation prior to your Total or Partial Disability.

However, if you normally performed your Own Occupation on an average in excess of 40 hours per week, Sun Life will consider you as being able to perform that requirement if you work or have the capacity to work 40 hours per week.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### **What happens if I return to full-time work and become disabled again?**

Sun Life will treat this new Total or Partial Disability as part of your prior Total or Partial Disability if you returned to work and were Actively at Work for less than:

- six months, if due to the same or related causes;
- one day, if due to an entirely unrelated cause.

You will not have to complete a new Elimination Period.

Your monthly LTD benefit will be subject to the same terms and conditions as were applicable to the original Total or Partial Disability.

Your monthly LTD benefit will not continue if:

- you become eligible for coverage under any other group LTD policy; or
- the Group Policy terminates; or
- the date you refuse to complete a rehabilitative assessment or the date you cease to participate in the Sun Life approved Rehabilitation Program without Good Cause.

If your new disability begins later than the time periods specified, you will need to complete a new Elimination Period.

#### **What are the Rehabilitation Services?**

If you become Totally or Partially Disabled, Sun Life may determine that you are a suitable candidate to receive vocational Rehabilitation Services. In order for you to be eligible for such services, you must have the functional capacity to successfully complete a Rehabilitation Program. These services include, but are not limited to:

- job modification;
- job placement;
- retraining;
- other activities reasonably necessary to help you return to work.

Sun Life may require you to participate in a rehabilitation assessment or a Rehabilitation Program at our expense. Sun Life will work with you, your employer, your Physician and others, as appropriate, to develop a Rehabilitation Program.

Eligibility for vocational Rehabilitation Services is based on your education, training, experience and physical/mental capabilities. Sun Life determines whether you are eligible for vocational Rehabilitation Services.

The Rehabilitation Program may, at Sun Life's sole discretion, allow for payment of your medical expense, education expense, moving expense, accommodation expense or family care expense while you are participating in the Rehabilitation Program.

**Rehabilitation Program** means a written agreement between you and Sun Life in which Sun Life agrees to provide, arrange or authorize vocational, physical or psychiatric rehabilitation services and you agree to participate in the Rehabilitation Program.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### **What happens if I participate in a Rehabilitation Program?**

If you participate in a Sun Life approved Rehabilitation Program, you will receive the greater of:

- your Benefit Percentage (as shown in the Benefit Highlights) multiplied by 1.10; or
- your current Net Monthly Benefit payable multiplied by 1.10.

To calculate the increased benefit:

1. Take your current Benefit Percentage and multiply by 1.10. Then calculate your Total or Partial Disability benefit including any deductions for Disability Earnings or Other Income Benefits.
2. Take your current Net Monthly Benefit payable and multiply by 1.10.

The greater of 1 or 2 is your Rehabilitation increased amount.

This increased amount will cease on the earliest of:

- the date you complete the Rehabilitation Program; or
- the date you cease to participate in the Rehabilitation Program without Good Cause; or
- the date your LTD benefits cease; or
- 12 months after your Rehabilitation Program began.

#### **What happens if I refuse Rehabilitation Services?**

If you refuse to participate in your rehabilitation efforts or you refuse to participate or cease to participate in a Rehabilitation Program without Good Cause, your LTD benefits will cease.

**Good Cause** means documented physical or mental impairments which prevents you from participating in or completing the Rehabilitation Program. Good Cause may also mean a necessary medical program which prevents or interferes with your participation in or completion of the Rehabilitation Program.

#### **What happens to my LTD benefit if I die?**

A Survivor Benefit equal to 3 times your last Gross Monthly Benefit is payable in a lump sum to your Eligible Survivor if Sun Life receives satisfactory proof that you died:

- after your Total or Partial Disability had continued for 180 or more consecutive days; and
- you were eligible to receive a monthly LTD benefit.

If you do not have an Eligible Survivor, the Survivor Benefit will be payable to your estate.

#### **Who are my Eligible Survivors?**

Your spouse, if living, or your children under age 25.

#### **What is the Pension Contribution Benefit?**

Sun Life will pay an additional benefit to your Employer or Plan Administrator for deposit in your Employer Sponsored 403(b) Plan.

## **BENEFIT PROVISIONS**

### **LONG TERM DISABILITY INCOME INSURANCE**

#### **When am I eligible for a Pension Contribution Benefit?**

You are eligible if:

- you are receiving Total Disability Benefit payments; and
- you are a participant in your Employer Sponsored 403(b) Plan; and
- you have been a participant in your Employer Sponsored 403(b) Plan for at least 3 months before your Total Disability began.

#### **How much is my Pension Contribution Benefit?**

Your Pension Contribution Benefit is the lesser of:

- 10%; or
- the actual contribution percentage that your Employer deposited monthly in your Employer Sponsored 403(b) Plan.

#### **When does my Pension Contribution Benefit terminate?**

Your Pension Contribution Benefit will terminate on the earliest of:

- the date you are no longer eligible to receive Total Disability Benefits;
- the date you die;
- the date you are no longer an eligible participant in your Employer Sponsored 403(b) Plan;
- the date your Employer Sponsored 403(b) Plan is frozen or terminated;
- the end of your Maximum Benefit Period; or
- the date you do not provide proof that you continue to be Totally Disabled as requested.

#### **What is the Cost of Living Adjustment Benefit?**

Sun Life will pay an additional benefit to you to help against increases in costs due to inflation.

#### **When am I eligible for a Cost of Living Adjustment Benefit?**

You are eligible for a Cost of Living Adjustment Benefit on the first anniversary of your Total Disability Benefit payments and each following anniversary thereafter, as long as you are receiving a Total Disability Benefit.

#### **How is my Cost of Living Adjustment Benefit calculated?**

To determine your Cost of Living Adjustment Benefit multiply your Total Disability monthly LTD benefit by 3%.

Your monthly LTD benefit adjusted by the Cost of Living Adjustment Benefit is not subject to the Maximum Monthly Benefit.

Your monthly LTD benefit will include any prior years Cost of Living Adjustments.

#### **When does my Cost of Living Adjustment Benefit terminate?**

Your Cost of Living Adjustment Benefit will terminate on the earliest of:

- the date you no longer receive Total Disability Benefits; or
- the date you die; or
- the end of your Maximum Benefit Period; or
- the date you do not provide proof that you continue to be Totally Disabled as requested

## **BENEFIT PROVISIONS**

### **LONG TERM DISABILITY INCOME INSURANCE**

#### **What is the LTD Conversion Privilege?**

If your LTD insurance ceases due to termination of your employment, you may be eligible to participate in an LTD conversion policy.

#### **How am I eligible for the LTD Conversion Privilege?**

You are eligible if:

- your LTD insurance ceases because of termination of your employment; and
- you have been insured for at least 12 consecutive months immediately before your LTD insurance under the Group Policy terminated.

#### **How do I apply for the LTD Conversion Privilege?**

You apply by making a written application to Sun Life to participate in the LTD conversion policy along with payment of the first premium, within 31 days after the date your employment terminates.

#### **When is the Conversion Privilege not available?**

The Conversion Privilege is not available to you if:

- the LTD insurance under the Group Policy has terminated; or
- you have retired; or
- you have reached age 70; or
- you are not in an Eligible Class under the Group Policy; or
- the Group Policy has been amended to exclude your Eligible Class; or
- you have failed to make any required premium contributions; or
- you are Totally or Partially Disabled under the terms of the LTD Benefit Provision; or
- you become insured for LTD insurance under another employer's LTD plan within 31 days after your insurance terminates under the Group Policy.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### What are the Limitations?

No LTD benefit will be payable to you for any Total or Partial Disability during any of the following periods:

- any period you are no longer under the regular and continuing care of a Physician providing appropriate treatment and regular examination and testing in accordance with your disabling condition, unless you have reached your maximum point of recovery and are still Totally or Partially Disabled.
- any period you do not submit to any medical examination or clinical assessment requested by Sun Life.
- any period of your Total or Partial Disability that is due to Mental Illness, unless you are under the continuing care of a specialist in psychiatric care.

After you complete your Elimination Period, LTD benefits are payable for 24 months.

Benefits after the first 24 months are payable only if you are confined in a Hospital or Institution licensed to provide psychiatric treatment.

If you continue to be Totally or Partially Disabled when discharged from a Hospital or Institution licensed to provide psychiatric treatment, Sun Life will continue your LTD Benefit payment for up to 90 days. If you become reconfined in a Hospital or Institution during the 90 day period and remain confined for at least 14 consecutive days, Sun Life will continue your LTD benefit payments during your reconfinement. Upon discharge, you will be eligible for up to an additional 90 days of LTD benefit payments if you continue to be Totally or Partially Disabled.

- any period of your Total or Partial Disability that is due to Drug and Alcohol Illness, unless you are actively supervised by a Physician or rehabilitation counselor and are receiving continuing treatment from a rehabilitation center or a designated institution approved by Sun Life.
- any period during which you are incarcerated.
- any period of your Total or Partial Disability that is due to Chemical and Environmental Illness, unless you are under the continuing care of a Physician providing appropriate treatment and regular examination and testing in accordance with your disabling condition.

After you complete your Elimination Period, LTD benefits are payable for 24 months.

Benefits after the first 24 months are only payable if you are confined in a Hospital or Institution.

- any period of your Total or Partial Disability that is due to Chronic Fatigue Illness, unless you are under the continuing care of a Physician providing appropriate treatment and regular examination and testing in accordance with your disabling condition.

After you complete your Elimination Period, LTD benefits are payable for 24 months.

Benefits after the first 24 months are only payable if you are confined in a Hospital or Institution.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

- any period of your Total or Partial Disability that is due to Musculoskeletal and Connective Tissue Illness, unless you are under the continuing care of a Physician providing appropriate treatment and regular examination and testing in accordance with your disabling condition.

After you complete your Elimination Period, LTD benefits are payable for 24 months.

Benefits after the first 24 months are only payable if you are confined in a Hospital or Institution.

#### What are the Exclusions?

No LTD benefit is payable for any Total or Partial Disability that is due to:

- intentionally self-inflicted injuries.
- war, declared or undeclared, or any act of war.
- your active participation in a riot, rebellion or insurrection.
- your committing or attempting to commit an assault, felony or other criminal act.
- your operation of any motorized vehicle while intoxicated.

**Intoxicated** means the minimum blood alcohol level required to be considered operating an automobile under the influence of alcohol in the jurisdiction where the accident occurred. For the purposes of this Exclusion, "Motorized Vehicle" includes, but is not limited to, automobiles, motorcycles, boats and snowmobiles.

- a Pre-Existing Condition.

**Pre-Existing Condition** means during the 3 months prior to your Effective Date of Insurance, you:

- received medical treatment, consultation, care or services, including diagnostic measures, or
- took prescribed drugs or medicines; or
- had symptoms which would have caused an ordinarily prudent person to have consulted a health care provider for diagnosis, care or treatment.

**Pre-Existing Condition for increases in amounts of insurance** means during the 3 months prior to your Effective Date of any increase in your amount of insurance, you:

- received medical treatment, consultation, care or services, including diagnostic measures, or
- took prescribed drugs or medicines; or
- had symptoms which would have caused an ordinarily prudent person to have consulted a health care provider for diagnosis, care or treatment.

#### Pre-Existing Condition Exclusion Exception

The Pre-Existing Condition Exclusion will not apply if your Total or Partial Disability begins later than 12 months after your Effective Date of Insurance or later than 12 months after your Effective Date of any increase in your amount of insurance.

However, the Pre-Existing Condition Exclusion for increases does not apply to cost of living, contract or periodic salary review increases.

## BENEFIT PROVISIONS

### LONG TERM DISABILITY INCOME INSURANCE

#### **What happens when my Employer transfers Insurance Carriers to Sun Life?**

In order to prevent losing your insurance, Sun Life will provide the following coverage.

If you are not Actively at Work on July 1, 2004 you will be insured if:

- you were insured under the prior insurer's group LTD policy at the time of the transfer; and
- you are a member of an Eligible Class; and
- premiums for you are paid up to date; and
- you are not receiving or eligible to receive benefits under the prior insurer's group LTD policy.

If you continue to be not Actively at Work and subsequently become Totally or Partially Disabled on or after July 1, 2004, any LTD benefit payable will be the lesser of:

- the LTD benefit payable under the Group Policy; or
- the LTD benefit payable under the prior insurer's group LTD policy, had it remained in force.

All other provisions of Sun Life's Group Policy will apply.

#### **Are Disabilities due to a Pre-existing Condition covered?**

LTD benefits may be payable for a Total or Partial Disability if you were:

- insured under the prior insurer's group LTD policy at the time of transfer; and
- Actively at Work and insured under the Group Policy on July 1, 2004.

Any benefit payable will be determined as follows:

1. if you have satisfied the Pre-Existing Condition Exception under the Group Policy, the LTD benefit will be based on the Group Policy's benefit provision.
2. if you cannot satisfy the Pre-Existing Condition Exception under the Group Policy, the prior insurer's pre-existing condition provision will be applied.
  - a. if you would have satisfied the prior insurer's pre-existing condition provision, considering time insured under both group policies, any benefit payable will be the lesser of:
    - i. the LTD benefit payable under the Group Policy; or
    - ii. the LTD benefit payable under the prior insurer's group LTD policy had it remained in force.
  - b. if you cannot satisfy the Pre-Existing Condition Exception of the Group Policy or if the pre-existing condition provision under the prior insurer's group LTD policy would apply, no LTD benefit will be paid.

## CLAIM PROVISIONS

### How is a claim submitted?

To submit a claim, you or someone on your behalf must send Sun Life written Notice and Proof of Claim within the time limits specified. Your Employer has the Sun Life Notice and Proof of Claim forms.

### When does written Notice of Claim have to be submitted?

**for a Death Claim** - written notice of claim must be given to Sun Life no later than 30 days after the date of death.

**for Life Waiver of Premium** - written notice of claim must be given to Sun Life no later than 12 months after you cease to be Actively at Work.

**for Accidental Dismemberment** - written notice of claim must be given to Sun Life no later than 12 months after the date of your loss.

**for Long Term Disability** - written notice of claim must be given to Sun Life no later than 30 days before the end of your Elimination Period or, within 30 days after the termination of the Group Policy, if earlier.

If notice cannot be given within the applicable time period, Sun Life must be notified as soon as it is reasonably possible.

When Sun Life has received written notice of claim, Sun Life will send the forms for proof of claim. If the forms are not received within 15 days after written notice of claim is sent, proof of claim may be sent to Sun Life without waiting to receive the proof of claim forms.

### When does written Proof of Claim have to be submitted?

**for a Death Claim** - proof of claim must be given to Sun Life no later than 90 days after date of death.

**for Life Waiver of Premium** - proof of claim must be given to Sun Life no later than 15 months after you cease to be Actively at Work.

**for Accidental Dismemberment** - proof of claim must be given to Sun Life no later than 15 months after the date of your loss.

**for Long Term Disability** - proof of claim must be given to Sun Life no later than 90 days after the end of your Elimination Period.

If proof cannot be given within these time limits, proof must be given as soon as reasonably possible. Proof of claim may not be given later than one year after the time proof is otherwise required unless the individual is legally incompetent.

## CLAIM PROVISIONS

### **What is considered Proof of Claim?**

Proof of Claim must consist of at least the following information:

- a description of the loss or disability;
- the date the loss or disability occurred; and
- the cause of the loss or disability.

(For example: a Death Claim would include at least the Death Certificate for Proof of Claim)

Proof of Claim may include, but is not limited to, police accident reports, autopsy reports, laboratory results, toxicology results, hospital records, x-rays, narrative reports, or other diagnostic testing materials as required.

Proof of Claim for disability must include evidence demonstrating the disability including, but not limited to, hospital records, Physician records, Psychiatric records, x-rays, narrative reports, or other diagnostic testing materials as appropriate for the disabling condition.

Sun Life may require as part of the Proof, authorizations to obtain medical and non-medical information.

Proof of your continued disability and regular and continuous care by a Physician must be given to Sun Life within 30 days of the request for proof.

Proof must be satisfactory to Sun Life.

### **When are benefits payable?**

Benefits are payable when Sun Life receives satisfactory Proof of Claim.

### **When will a decision on my claim be made?**

Sun Life will send you a written notice of decision on your claim within a reasonable time after Sun Life receives the claim but not later than 45 days after receipt of the claim. If Sun Life cannot make a decision within 45 days after receiving your claim, Sun Life will request a 30 day extension as permitted by U.S. Department of Labor regulations. If Sun Life cannot render a decision within the extension period, Sun Life will request an additional 30 day extension. Any request for extension will specifically explain:

1. the standards on which entitlement to benefits is based;
2. the unresolved issues that prevent a decision on the claim; and
3. the additional information needed to resolve those issues.

If a period of time is extended because you failed to provide necessary information, the period for making the benefit determination is tolled from the date Sun Life sends notice of the extension to you until the date on which you respond to the request for additional information. You will have at least 45 days to provide the specified information.

## CLAIM PROVISIONS

### What if my claim is denied?

If Sun Life denies all or any part of your claim, you will receive a written notice of denial setting forth:

1. the specific reason or reasons for the denial;
2. the specific Group Policy provisions on which the denial is based;
3. your right to receive, upon request and free of charge, copies of all documents, records, and other information relevant to your claim for benefits;
4. a description of any additional material or information needed to prove entitlement to benefits and an explanation of why such material or information is necessary;
5. a description of the appeal procedures and time limits;
6. your right to bring a civil action under ERISA, §502(a) following an adverse determination on review;
7. the identity of an internal rule, guideline, protocol or other similar criterion, if any, that was relied upon to deny the claim and a copy of the rule, guideline, protocol or criterion or a statement that a copy is available free of charge upon request; and
8. the identity of any medical or vocational experts whose advice was obtained in connection with the claim, regardless of whether the advice was relied upon to deny the claim.

### Can I request a review of a claim denial?

If all or part of your claim is denied, you may request in writing a review of the denial within 180 days after receiving notice of denial.

You may submit written comments, documents, records or other information relating to your claim for benefits, and may request free of charge copies of all documents, records, and other information relevant to your claim for benefits.

Sun Life will review the claim on receipt of the written request for review, and will notify you of Sun Life's decision within a reasonable time but not later than 45 days after the request has been received. If an extension of time is required to process the claim, Sun Life will notify you in writing of the special circumstances requiring the extension and the date by which Sun Life expects to make a determination on review. The extension cannot exceed a period of 45 days from the end of the initial review period.

If a period of time is extended because you failed to provide information necessary to decide your claim, the period for making the decision on review is tolled from the date Sun Life sends notice of the extension to you until the date on which you respond to the request for additional information. You will have at least 45 days to provide the specified information.

### What if my claim is denied on review?

If Sun Life denies all or any part of your claim on review, you will receive a written notice of denial setting forth:

1. the specific reason or reasons for the denial;
2. the specific Group Policy provisions on which the denial is based;
3. your right to receive, upon request and free of charge, copies of all documents, records, and other information relevant to your claim for benefits;
4. your right to bring a civil action under ERISA, §502(a);
5. the identity of an internal rule, guideline, protocol or other similar criterion, if any, that was relied upon to deny the claim and a copy of the rule, guideline, protocol or criterion or a statement that a copy is available free of charge upon request;
6. the following statement: "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State Insurance regulatory agency."; and
7. the identity of any medical or vocational experts whose advice was obtained in connection with the appeal, regardless of whether the advice was relied upon to deny the appeal.

## CLAIM PROVISIONS

### **Who are benefits payable to?**

Benefits, other than Survivor Benefits, payable upon your death are payable to your Beneficiary living at the time (other than your Employer). You must name your Beneficiary on a form acceptable to Sun Life. Unless you otherwise specify, if more than one Beneficiary survives you, all surviving Beneficiaries will share equally. If no Beneficiary is alive on the date of your death, payment will be made to your estate.

If you named Beneficiaries under your Employer's Plan prior to the effective date of the Group Policy, that beneficiary designation will remain in effect unless you elect to change Beneficiaries.

Survivor Benefits are payable to your Eligible Survivor as defined in the Long Term Disability Income Benefit Provision.

All other benefits payable during your lifetime are payable to you.

If a benefit is payable to your estate, if you are a minor, or you are not competent, Sun Life has the right to pay an amount of the benefit up to \$5,000 to any of your relatives that Sun Life considers entitled. If Sun Life pays benefits in good faith to a relative, Sun Life will not have to pay those benefits again.

If your Beneficiary is a minor or is not competent, Sun Life has the right to pay up to \$1,000 to the person or institution that appears to have assumed custody and main support for the minor, until the appointed legal representative makes a formal claim. If Sun Life pays benefits in good faith to a person or institution, Sun Life will not have to pay those benefits again.

### **Can I change my Beneficiary?**

You can change your Beneficiary at any time, unless you have stated your choice of Beneficiary is irrevocable or you have assigned your interest in your Life Insurance to another person. Any request for change of Beneficiary must be in a written form and will take effect on the date you sign and file the change with your Employer. If Sun Life has taken any action or made payment before receiving notice of that change, your change of Beneficiary will not affect any action or payment made by Sun Life. The consent of your Beneficiary is not required to change any Beneficiary unless the Beneficiary designation was irrevocable.

### **Can I assign my Life Insurance?**

You can transfer ownership of your Life Insurance under the Group Policy by means of an absolute assignment. You cannot make an absolute assignment to your Employer. All your rights and duties as owner are transferred to the new owner. The new owner can make any change the Group Policy allows, such as a change of Beneficiary.

If you made an assignment under your Employer's plan prior to the effective date of the Group Policy, that assignment remains in force with respect to the Group Policy.

Any assignment must be in a written form and will take effect on the date you sign and file the assignment with your Employer. If Sun Life has taken any action or made payment before receiving notice of that change, the assignment will not affect any action or payment made by Sun Life. Sun Life will not be responsible for the legal, tax or other effects of any assignment.

## GENERAL PROVISIONS

### **How can statements made in any application for insurance be used?**

All statements made in any application are considered representations and not warranties. No representation by you in applying for insurance under the Group Policy will be used to reduce or deny a claim unless a copy of your written application for insurance is or has been given to you, your Beneficiary or to your personal representative, if any.

No statement made by you or any of your Dependents, relating to Evidence of Insurability for an initial, increased or additional amount of insurance, will be used in contesting the validity of that insurance, after such initial, increased or additional amount of insurance has been in force for a period of two years during that individual's lifetime. This statement must be contained in a form signed by that individual.

### **What happens if facts are misstated?**

If relevant facts about you or any one of your Dependents are not accurate:

- an equitable adjustment of premium will be made; and
- the true facts will be used to determine if and in what amount insurance is valid under the Group Policy.

If the amount of benefit depends on your age, the benefit will be the amount you would have been entitled to if your correct age were known.

### **What are Sun Life's examination and autopsy rights?**

Sun Life, at its own expense, has the right to have any person, whose Injury or Sickness is the basis of a claim:

- examined by a Physician, other health professional or vocational expert of its choice; and/or
- interviewed by an authorized Sun Life representative.

This right may be used as often as reasonably required.

Sun Life has the right, in the case of death, to request an autopsy.

### **What are the time limits for legal proceedings?**

No legal action may start:

- until 60 days after Proof of Claim has been given; nor
- more than 3 years after the time Proof of Claim is required.

### **Do these group benefits affect Workers' Compensation?**

The Group Policy is not in lieu of, and does not affect, any requirement for coverage by Workers' Compensation Insurance.

### **Can the Policyholder act as a Sun Life agent?**

For all purposes of the Group Policy, the Policyholder acts on its own behalf or as your agent. Under no circumstances will the Policyholder be deemed a Sun Life agent.

## DEFINITIONS

**These are some of the general terms you need to know.**

**Actively at Work** means that you perform all the regular duties of your job for a full work day scheduled by your Employer at your Employer's normal place of business or a site where your Employer's business requires you to travel.

You are considered Actively at Work on any day that is not your regular scheduled work day (e.g., you are on vacation or holiday) as long as you were Actively at Work on your immediately preceding scheduled work day, and you:

- are not hospital confined; or
- are not disabled due to an injury or sickness.

You are considered Actively at Work if you usually perform the regular duties of your job at your home as long as you can perform all the regular duties of your job for a full work day and could do so at your Employer's normal place of business, if required, and you:

- are not hospital confined; or
- are not disabled due to an injury or sickness.

**Eligibility Date** means the date or dates you become eligible for insurance under the Group Policy. Classes eligible for insurance are shown in the Benefit Highlights.

**Employee (You)** means a person who is employed by the Employer, scheduled to work at least the number of hours shown in the Benefit Highlights, and paid regular earnings.

**Employer** means Randolph Macon Woman's College and includes any Subsidiary or Affiliated company insured under the Group Policy.

**Evidence of Insurability** means a statement or records of your or your Dependent's medical history upon which acceptance for insurance will be determined by Sun Life. In some cases, Sun Life may require that you or your Dependent submit to a paramedical examination, at Sun Life's expense, as part of the Evidence of Insurability.

**Guaranteed Issue Amount** means the maximum amount of insurance available to you or your Dependent without Evidence of Insurability.

**Injury** means bodily impairment resulting directly from an accident and independently of all other causes. Any Injury must occur and Disability must begin while you are insured under the Group Policy.

**Physician** means an individual who is operating within the scope of his license and is either:

- licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- legally qualified as a medical practitioner and required to be recognized, under the Group Policy for insurance purposes, according to the insurance regulations of the governing jurisdiction.

The Physician cannot be you, your spouse or the parents, brothers, sisters or children of you or your spouse.

**Pregnancy** means childbirth, miscarriage, abortion or any disease resulting from or aggravated by the pregnancy.

**Retirement Plan** means a program which provides retirement benefits to you and is not funded entirely by your contributions. The term does not include a 401(k) plan, a profit sharing plan, a thrift plan, an individual retirement account (IRA), a tax sheltered annuity (TSA), a stock ownership plan, or a nonqualified plan of deferred compensation.

Your Employer's Retirement Plan will include any Retirement Plan:

- which is part of any federal, state, county, municipal or association retirement system; and
- you are eligible for as a result of your employment with your Employer.

## DEFINITIONS

**Sickness** means illness, disease or pregnancy. A Disability, because of Sickness, must begin while you are insured under the Group Policy.

**Waiting Period** means the length of time immediately before your Eligibility Date during which you must be employed in an Eligible Class. Any period of time before the Group Policy Effective Date that you were Actively at Work for your Employer as a full-time Employee will count towards completion of your Waiting Period. The Waiting Period is shown in the Benefit Highlights.

## DEFINITIONS

**These are Life Insurance terms you need to know.**

**Beneficiary** means the person (it cannot be your Employer) who is entitled to receive death benefit proceeds as they become due under the Group Policy. A Beneficiary must be named by you on a form acceptable to Sun Life and executed by you.

**Optional Maximum Benefit** means the amount of Optional Life Insurance available to you. The Optional Maximum Benefit is shown in the Benefit Highlights.

**Retirement** for the purposes of your being considered retired means the first of the following dates to occur:

1. the effective date of your retirement benefits under:
  - a. any plan of a federal, state, county, municipal or an association retirement system for which you are eligible as a result of your employment with your Employer;
  - b. any Retirement Plan your Employer sponsors; or
  - c. any Retirement Plan your Employer makes or has made contributions to.
2. the effective date of your retirement benefits under the Social Security Act or any similar plan or act. However, if you meet the definition of an Employee Actively at Work and you are receiving retirement benefits under the Social Security Act or similar plan or act, you will not be considered retired.

**Terminally Ill or Terminal Illness** means your Sickness or physical condition that is certified by a Physician to reasonably be expected to result in your death within twelve months or less.

**Total Disability or Totally Disabled** for purposes of determining eligibility for Waiver of Premium, means because of your Injury or Sickness, you are unable to perform the material and substantial duties of any occupation for which you are or become reasonably qualified for by education, training or experience.

## DEFINITIONS

**These are Dependent Optional Life Insurance terms you need to know.**

**Dependent** means your:

- spouse;
- unmarried child from live birth to under age 19;
- unmarried child under age 26 who is an enrolled full-time student and depends on you for 50% or more of his/her support.

Your unmarried step-child, foster child or adopted child is included as a Dependent if he/she depends on you for 50% or more of his/her support and is living with you in a regular parent-child relationship. A child is considered adopted if in your legal custody under an interim court order of adoption, whether or not a final adoption order is ever issued.

Dependent does not include:

- any person who is insured as an Employee; or
- any person residing outside the United States, Canada or Mexico.

If an unmarried child is:

- incapable of self-sustaining employment because of mental retardation, developmental disability or physical handicap;  
and
- depends on you for 50% or more of his/her support;

that child will continue to be a Dependent for as long as these two conditions exist.

No person may be considered to be a Dependent of more than one Employee.

**Optional Maximum Benefit** means the largest amount of Dependent Optional Life Insurance available to you. The Optional Maximum Benefit is shown in the Benefit Highlights.

## DEFINITIONS

**This is an Accidental Death and Dismemberment Insurance term you need to know.**

**Accidental Bodily Injury** means bodily harm caused solely by external, violent and accidental means which is sustained directly and independently of all other causes.

## DEFINITIONS

**These are Long Term Disability insurance terms you need to know.**

**Chemical and Environmental Illness** means an allergy or sensitivity to chemicals or the environment including, but not limited to:

- a) Environmental Allergies
- b) Sick Building Syndrome
- c) Multiple Chemical Sensitivity Syndrome
- d) Chronic Toxic Encephalopathy.

Chemical and Environmental Illness does not include Asthma or Allergy-induced reactive lung disease.

**Chronic Fatigue Illness** means an Illness that is characterized by a debilitating fatigue in the absence of known medical or psychological conditions which includes but is not limited to:

- a) Chronic Fatigue Syndrome as supported by the Center for Disease Control Guidelines
- b) Chronic Fatigue Immunodeficiency Syndrome as supported by the Center for Disease Control Guidelines
- c) Post Viral Syndrome
- d) Limbic Encephalopathy
- e) Epstein-Barr virus infection
- f) Herpes virus type 6 infection
- g) Myalgic Encephalomyelitis

Chronic Fatigue Illness does not include a disorder identified as a(n):

- a) Neoplastic disorder
- b) Neurologic disorder
- c) Endocrine disorder
- d) Hematologic disorder
- e) Rheumatologic disorder
- f) Depression

**Disability Earnings** means the employment income you receive while Partially Disabled or income you receive while participating in an approved Rehabilitation program.

**Drug and Alcohol Illness** means an illness which results from the abuse of alcohol, drugs or derivatives.

**Elimination Period** means a period of continuous days of your Total or Partial Disability when no LTD benefit is payable. Your Elimination Period is shown in the Benefit Highlights and begins on your first day of Total or Partial Disability.

If you return to work for 15 working days or less during your Elimination Period and cannot continue working, your Total or Partial Disability will be treated as continuous. Only those days that you are Totally or Partially Disabled will count toward satisfying your Elimination Period.

**Family Social Security** means benefits that are paid under the Federal Social Security Act to your eligible spouse and/or children as a result of your Total or Partial Disability.

**Gainful Occupation** means employment that is or can be expected to provide you with an income of at least 60% of your Indexed Total Monthly Earnings.

**Gross Monthly Benefit** means your monthly LTD benefit before any reduction of Other Income Benefits and before any reduction of Disability Earnings.

## DEFINITIONS

**Indexed Total Monthly Earnings** means your Total Monthly Earnings prior to the date your Total or Partial Disability began adjusted on the first of the month following 12 calendar months of Partial Disability Benefit payments, and each annual anniversary thereafter. Each adjustment to the Indexed Total Monthly Earnings is the lesser of 10% or the current annual percentage increase in the Consumer Price Index for Wage Earners and Clerical Workers, as published monthly by the U.S. Department of Labor. Sun Life reserves the right to use some other similar measurement if the Department of Labor changes or stops publishing the Consumer Price Index.

**Material and Substantial Duties** means, but is not limited to, the essential tasks, functions, skills or responsibilities required by employers for the performance of your Own Occupation. Material and Substantial Duties does not include any tasks, functions, skills or responsibilities that could be reasonably modified or omitted from your Own Occupation.

**Maximum Monthly Benefit** means the largest amount payable monthly to you. The Maximum Monthly Benefit is shown in the Benefit Highlights.

**Mental Illness** means mental, nervous, emotional, behavioral, psychological, personality, cognitive, mood or stress-related abnormality, disorder, dysfunction or syndrome regardless of cause, including any biological or biochemical disorder or imbalance of the brain. Mental Illness includes, but is not limited to, bipolar affective disorder, schizophrenia, psychotic illness, manic depressive illness, depression and depressive disorders, anxiety and anxiety disorders and any other mental and nervous condition classified in the Diagnostic and Statistical Manual of the American Psychiatric Association (DSM), in effect on the date of Total or Partial Disability or a comparable manual if the American Psychiatric Association stops publishing the (DSM).

**Musculoskeletal and Connective Tissue Illness** means a disease or disorder of the neck and back and sprains and strains of joints and adjacent tissues, including but not limited to:

- a) cervical, thoracic and lumbosacral back and its surrounding soft tissue
- b) Carpal Tunnel or repetitive motion syndrome
- c) Fibromyalgia
- d) Temporomandibular joint or craniomandibular joint disorder
- e) Myofascial pain
- f) Scoliosis that does not require surgery

Musculoskeletal and Connective Tissue Illness does not include:

- a) Herniated, ruptured or bulging discs with neurological abnormalities that are documented by electromyogram, and computerized tomography or magnetic resonance imaging
- b) Scoliosis that requires surgery
- c) Tumors, malignancies, or vascular malformation
- d) Radiculopathies that are documented by electromyogram
- e) Spondylolisthesis, grade II or higher
- f) Myelopathies and myelitis
- g) Demyelinating diseases
- h) Traumatic spinal cord necrosis
- i) Osteopathies
- j) Rheumatoid or psoriatic arthritis
- k) Lupus

**Own Occupation** means the usual and customary employment, business, trade, profession or vocation that you performed as it is generally recognized in the national economy immediately prior to the first date Total or Partial Disability began. Own Occupation is not limited to the job or position you performed for the Employer or performed at any specific location.

## DEFINITIONS

**Partial Disability or Partially Disabled** means during the Elimination Period and the next 24 months, you, because of your Injury or Sickness, are unable to perform the Material and Substantial Duties of your Own Occupation and you have Disability Earnings of less than 80% of your Indexed Total Monthly Earnings. After Total or Partial Disability benefits combined have been paid to you for 24 months, you will continue to be Partially Disabled if you are unable to perform with reasonable continuity any Gainful Occupation for which you are or become reasonably qualified for by education, training or experience and you have Disability Earnings of less than 60% of your Indexed Total Monthly Earnings.

The loss of your professional or occupational license or your inability to obtain or qualify for a license for any reason does not, in itself, constitute Partial Disability.

To qualify for benefits, you must satisfy your Elimination Period with the required number of days of Total Disability, Partial Disability or a combination of days of Total and Partial Disability.

**Social Security** means the Federal Social Security Act which provides social insurance on a national scale.

**Total Disability or Totally Disabled** means during your Elimination Period and the next 24 months, you, because of your Injury or Sickness, are unable to perform the Material and Substantial Duties of your Own Occupation. After Total or Partial Disability benefits combined have been paid to you for 24 months, you will continue to be considered Totally Disabled if you are unable to perform, with reasonable continuity, any Gainful Occupation for which you are or become reasonably qualified for by education, training or experience.

The loss of your professional or occupational license or your inability to obtain or qualify for a license for any reason does not, in itself, constitute Total Disability.

To qualify for benefits, you must satisfy your Elimination Period with the required number of days of Total Disability, Partial Disability or a combination of days of Total and Partial Disability.

## **ASSISTED LIVING BENEFIT RIDER**

Effective July 1, 2004, the following Assisted Living Benefit is added to Group Policy Number 79167 Long Term Disability Income Benefit Provision.

### **What is an Assisted Living Benefit?**

An Assisted Living Benefit may be payable if you are receiving a Total Disability Benefit and you are also Cognitively Impaired or you are unable to safely and completely perform 2 or more of the Activities of Daily Living without another person's assistance or verbal cueing. Your Cognitive Impairment, or your inability to perform 2 or more of the Activities of Daily Living must begin on or after your date of Total Disability and be expected to continue for 90 or more days.

### **How is the Assisted Living Benefit Calculated?**

The monthly Assisted Living Benefit is the lesser of:

- 20% of your Total Monthly Earnings; or
- the Maximum Benefit as shown in the Benefit Highlights; or
- \$5,000.

The Assisted Living Benefit is payable in addition to the Total Disability Benefit and is not reduced by Other Income Benefits.

### **When does the Assisted Living Benefit cease?**

The Assisted Living Benefit ceases on the earliest of:

- the date you are no longer eligible to receive Total Disability Benefits; or
- the date you are no longer Cognitively Impaired or you are able to perform all the Activities of Daily Living without another person's assistance or verbal cueing; or
- the date you die.

Sun Life may require periodic proof of the continuance of your Cognitive Impairment or your inability to perform 2 or more of the Activities of Daily Living.

### **Definitions**

**Activities of Daily Living** means:

- Bathing - the ability to wash, either in the tub or shower or by sponge bath, with or without equipment or adaptive devices.
- Dressing - the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn.
- Toileting - the ability to get to and from and on and off the toilet, to maintain a reasonable level of personal hygiene, and to care for clothing.
- Transferring - the ability to move in and out of a chair or bed with or without equipment such as canes, quad canes, walkers, crutches or grab bars or other support devices including mechanical or motorized devices.
- Continence - the ability to either:
  - voluntarily control bowel and bladder function; or
  - if incontinent, be able to maintain a reasonable level of personal hygiene.
- Eating - the ability to get nourishment into the body.

**Cognitively Impaired** means an individual has a deterioration or loss in intellectual capacity resulting from injury, sickness, advanced age or Alzheimer's disease and similar forms of irreversible dementia and the individual needs another person's assistance or verbal cueing for the individual's protection or for the protection of others.

The extent of Cognitive Impairment is determined by clinical evidence and standardized tests which reliably measure the deterioration or loss in the following areas:

- short or long term memory
- orientation as to:
  - person
  - place
  - time; and
- deductive or abstract reasoning







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