

Optional Life Insurance

Introduction

This information booklet has been prepared to give you an informal summary of the main features of your voluntary term life insurance program.

This booklet is not an insurance policy and does not grant or confer any contractual rights. All rights under this program shall be governed by the provisions of the master policy and by applicable law.

Eligibility

All regular full-time, part-time, sessional, associated or grant paid employees who work at least the required number of hours, are eligible for optional group term life insurance as follows on a voluntary basis and at the employee's own expense.

Plan Coverage

The plan provides optional term life insurance coverage beyond that provided under the University's basic program to eligible employees and/or their spouses and dependant children.

Amount of Benefit

Employees under age 70 may apply for this coverage in units of \$10,000 subject to a maximum of 20 units (\$200,000). Employees under age 70 may also apply for this coverage for their spouse, if under age 70, in units of \$10,000 subject to a maximum of 20 units (\$200,000) and for 1 unit for each dependant child (\$10,000). Coverage will become effective subject to approval by the insurer of the medical information provided in the application. Evidence of insurability, satisfactory to the insurer, shall be required for all amounts in excess of \$50,000. An employee must apply within 31 days of the date of eligibility otherwise all amounts of insurance are subject to evidence of insurability. This coverage is available in addition to, not in lieu of, basic life.

Definition of Dependants

Spouse

The term "spouse" is defined as a person who is legally married to the employee, or a person who has continuously cohabited with the employee in a conjugal relationship for at least twelve months.

In the event of divorce, legal separation or discontinuance of cohabitation, you may elect to continue membership of the former spouse or to provide notice to terminate the spouse. At no time will an employee be eligible to cover more than one spouse under the same policy.

Child

Dependant children include an employee's: natural, adopted, foster child, stepchildren, any natural child of an unmarried female minor, or any other child for whom you stand in "loco parentis". Dependant children of a conjugal spouse may be covered if they are living with the employee.

Dependant children are eligible for benefits if they are under age 21 or under age 25 if a full-time student, unmarried, or not employed on a regular and full-time basis.

A child who is incapacitated on the date they reach the age of when coverage would normally terminate will continue to be an eligible dependent. A child is considered incapacitated if they are incapable of engaging in any substantially gainful activity and is dependent on the employee for support, maintenance and care, due to a mental or physical handicap.

Beneficiary

The employee may appoint any beneficiary desired; the beneficiary of the spouse's insurance or dependent child insurance will be the employee.

Payment of Premiums

Premiums will be applicable from the first of the month following the date coverage is approved, however, coverage will be effective from the date the application is approved.

The monthly premium is based on the age of the employee, smoker or non-smoker, and the amount of coverage selected. Please note that the rate applicable to the spouse's coverage will also be based on the age of the employee.

Premiums will increase each July 1st for employees who enter a higher age bracket during the previous year.

Retroactive changes made to correct the effect of a clerical error, will be limited to the lesser of six months, or the number of complete months since the last renewal date.

Misstatement of Non-Smoker Clause

Misstatement of non-smoker status by you and/or your dependant shall constitute fraud, and the insurer will not pay any part of optional life insurance, regardless of the cause of death.

Benefit Limitations

If death results from suicide, any amount of optional life insurance that has been in effect for less than two years will not be payable.

Waiver of Premium for Disabled Employees

If you become totally disabled while insured and prior to the life insurance benefit terminating and have been accepted for benefit payments under the long term disability benefit, your employee optional life insurance will continue without payment of premium.

Your waiver premium will cease on the earliest of:

- The date you cease to be totally disabled, as defined under this benefit
- The date benefit payments cease under your long term disability benefit
- The date of your death
- Your 65th birthday. However if you are receiving disability benefits at age 65, premiums will continued to be waived until 1st of July coincident with or next following your 65th birthday.

Conversion Privileges

Please refer to the Conversion Privilege under the basic group life insurance insert for details regarding conversion for the employee. The optional dependant life insurance continues for 31 days following your death, your classification changing to one in which you are not insured or termination of employment. During this 31 day period, your spouse's amount of dependant optional life insurance may be converted, provided the spouse is under 70 years of age without submitting evidence of health. The premium rate will be determined from your spouse's age and class of risk at the time of conversion.

The amount of the individual policy shall not exceed the amount of basic plus optional insurance for which your spouse was insured when coverage was discontinued, subject to a maximum of \$200,000 less any amount your spouse becomes eligible for under a replacing contract of group life insurance.

Note:

The conversion privilege does not apply for loss of insurance if insurance terminates when you (or your spouse) reach the age(s) specified in the summary of benefits section upon your retirement.

Termination of Coverage

Your group insurance will terminate the earliest of:

- The date you cease to be an eligible employee
- The date you cease to be actively at work, unless the group policy allows for coverage to be extended beyond this date
- The date your employer terminates coverage
- The date you enter the armed forces of any country on a full-time basis
- The date the group policy terminates or coverage on the class to which you belong terminates
- The date you reach the termination age
- The date of your death
- The date a required contribution is due but not paid
- The date written notification is received from the employee ceasing dependant coverage.

Your dependants insurance terminates on the date your insurance terminates or the date the dependant ceases to be an eligible dependent, whichever is earlier.

How to Claim

When you have a claim, you should contact Dalhousie University Employee Benefits who will supply you with the proper forms and instructions for completion. Claims for benefits must be submitted within 12 months of the date incurred.