

# Survivor Income Benefit

## Introduction

This document provides a summary of the main features of the survivor income benefit insurance program. It 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. In the event of any conflict between this document and the master policy, the master policy shall prevail.

## The Benefit

If you pass away while insured for survivor income benefit insurance, Manulife Financial will pay the monthly benefit for which you were insured at the time of your death, provided you have an eligible survivor.

## Eligibility

To be eligible for survivor income benefit coverage, you must be a regular full-time or part-time employee and be employed at 50% full-time equivalency (FTE) or greater for a term of at least 8 months. You must also have an eligible dependant.

Grant paid and associated employees are not eligible for survivor income benefit insurance.

## Enrolment

If you have eligible dependants, you must complete a survivor income benefit beneficiary form to ensure you are enrolled in coverage. Adding your spouse and/or children to other benefits does not ensure survivor income benefit is added. Please contact the Employee Benefits team at [benefits@dal.ca](mailto:benefits@dal.ca) for guidance on adding coverage.

## Definition of Survivor

**Spouse:** Your legal spouse, or the person who has been continuously living with you in a common law relationship for at least 12 consecutive months on the date of your death

**Children:** Your natural or adopted child, stepchild, foster child and any natural child of an unmarried female minor, or other child for whom you stand “in loco parentis” on the date of your death, who:

- Is unmarried;
- Is solely dependant upon you for support;

- Is not employed on a regular and full-time basis;
- Is not eligible for insurance as an employee under this or any other group policy; and
- Is either under 21 years of age, or, if a full-time student at an accredited school, college or university, under 25 years of age.

A student whose normal residence is in Canada will also be considered a dependant when attending school outside of Canada.

A newborn child becomes an eligible dependant from the moment of birth.

A child insured under this policy, who is incapacitated due to mental or physical disability on the date they reach the age when they would otherwise cease to be an eligible dependant, will continue to be an eligible dependant under this policy, up to age 25.

A child is considered incapacitated if they are incapable of engaging in any substantially gainful activity and are dependant on you for support, maintenance and care, due to mental or physical disability. Manulife Financial may require written proof of the dependant's condition as often as may reasonably be necessary.

A stepchild must be living with you to be considered an eligible dependant.

## **Benefit Amount**

Eligible survivor dependants are eligible for a monthly benefit equal to the following:

Spouse's Benefit: 25% of your gross monthly earnings to a maximum of \$1,389

Children's Benefit: 5% of your gross monthly earnings per child, to a maximum of \$278 per child, and limited to your 3 youngest children

Orphan's Benefit: 10% of your gross monthly earnings per child, to a maximum of \$556 per child, and limited to your 3 youngest children

Maximum Family Benefit: 40% of your gross monthly earnings

## **Benefit Amount Offsets**

The spouse's benefit outlined above will be reduced by any benefit they receive, or are entitled to receive, from the Canada/Quebec Pension Plan surviving spouse benefits only.

## **Maximum Benefit Period**

Spousal benefits: To spouse's age 65

Children benefits: To the end of the period in which your child qualifies as a dependant

## **Payment of Survivor Income Benefits**

If there is a survivor, the monthly benefit is paid starting the first day of the month following the death, as follows:

- If there is a surviving spouse, spousal and children benefits are paid to the spouse.
- If there is no surviving spouse, the orphan's benefit is paid as follows:
  - For any child who is 18 years of age or more, payment is made to the child.
  - For any child under 18 years of age, payment is made to any person or institution appearing, in Manulife Financial's opinion, to have assumed custody of the child and who is the child's principal supporter, until claim is made by a duly appointed guardian. Manulife Financial fully discharges its liability by making any such payment, to the extent of the amount paid.
- If the total children benefit is not payable to the spouse, it will be divided equally among all children.

No payment is made in respect of a person who qualifies as your spouse less than 12 months before death, unless:

- Your health on the date of qualification was, in the opinion of both Manulife Financial and the employer, such that you were expected to live at least 12 more months after the date of qualification;
- Your death was caused by accident; or
- A child was born to you and your spouse on or after the date of qualification.

## **Termination Age**

Coverage terminates on the July 1<sup>st</sup> following the date you turn age 65.

## **Increases in Insurance**

If you are not actively at work when an increase in insurance would otherwise take effect, this increase in insurance will take effect on the next day you are again actively at work.

## **Decreases in Insurance**

A decrease in the amount for which you are insured takes effect when you are first eligible for the decreased amount.

## **Waiver of Premium for Disabled Employees**

If you become totally disabled and are accepted for benefit payments under the long term disability (LTD) benefit while covered under this policy, your survivor income benefit insurance will continue without payment of premium.

Premiums will be waived from the premium due date coincident with or immediately following commencement of LTD benefit payments, until the earliest of the following events:

- The date you cease to be totally disabled, as defined under the LTD benefit,
- The date benefit payments cease under your LTD benefit,
- The date of your death,
- Your 65<sup>th</sup> birthday. However, if you are receiving disability benefits at age 65, premiums will continue to be waived until 1<sup>st</sup> of July coincident with or next following your 65<sup>th</sup> birthday.

While premiums are being waived, survivor income benefit insurance continues to be in force. The amount of such survivor income benefit insurance will be the amount of insurance that was in effect on the date of commencement of the disability, subject to any age reduction or termination shown in the policy at that time.

## **Conversion Privileges**

If your survivor income benefit coverage under this policy terminates before your 65<sup>th</sup> birthday, you may convert all or a portion of your insurance to an individual policy, without providing evidence of insurability.

You must apply for the individual policy and pay the first premium within 31 days of the date your survivor income benefit insurance ends. The maximum amount available for conversion is \$200,000. The maximum amount refers to all amounts of group life insurance for which you are insured with Manulife Financial, including basic and optional life insurance, and the commuted value of your survivor income benefit. Conversion will not include waiver of premiums and/or accidental death and dismemberment benefits. If you elect to convert lesser than the amount you are eligible to convert, it must meet the current minimum amount for which Manulife Financial will issue an individual policy.

You may choose one of the following types of individual life insurance policies:

- Non-convertible term insurance to age 65
- Permanent plan that Manulife Financial offers to the public at the time of conversion
- One-year non-renewable term insurance which may be converted while it is in force to any plan described above

Premium rates are determined by the insurer based on your age, sex, and the type and amount of coverage selected at the time of conversion.

Non-smoker premium rates are not available on converted policies.

Conversion is available only if you are under age 65 on the date your coverage ends.

If the group policy terminates and you have been continuously insured under the plan for at least five years, you have the same conversion privilege described above. In this case, the maximum amount available for conversion is three times the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan, less any amount of insurance for which you become eligible under another group policy within 31 days of the policy termination.

Please contact the Employee Benefits team at [benefits@dal.ca](mailto:benefits@dal.ca) for guidance on how to apply for a conversion of coverage.

## **Death During the Conversion Period**

If you die within the 31-day conversion period, Manulife Financial will pay the maximum amount that you were eligible to convert, even if you did not apply for an individual policy. If you had already applied for an individual policy, any premium paid will be refunded.

## **Termination of Coverage**

Your insurance will terminate on 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 your 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 for the class to which you belong terminates
- The date you reach the termination age
- The date you retire
- The date of your death

## **Termination of Coverage Exception**

If you cease to be actively at work, insurance will normally terminate. However, certain eligible leave of absences may provide you with the option to continue coverage for the duration of the leave, provided premiums are paid in full.

## **How to Claim**

If you have a claim, contact Dalhousie University's Employee Benefits team at [benefits@dal.ca](mailto:benefits@dal.ca). Employee Benefits will assist you in completing and submitting your claim.

**Claims should be submitted as soon as possible following a loss. Specific deadlines apply under the policy and may vary depending on the circumstances of the claim.**

A claim will not be denied solely because proof of loss could not reasonably be submitted within the required timeframe, provided it is submitted as soon as reasonably possible.

## **Further Information**

If you have questions about your survivor income benefit eligibility or coverage, contact Dalhousie University's Employee Benefits team at [benefits@dal.ca](mailto:benefits@dal.ca).