GROUP LIFE INSURANCE AND SURVIVOR INCOME BENEFIT
GROUP LIFE INSURANCE AND SURVIVOR INCOME BENEFIT

BASIC COVERAGE
Enrollment in the basic plan is mandatory for all appointed staff, both full time and part-time (25 per cent or more of full-time employment) within 60 days from the date of hire/appointment provided you have not reached your normal retirement date.

Your Normal Retirement Date, for purposes of the Plan, is the 30th day of June immediately following (or coincident with) your 65th birthday. You are covered for one times your annual salary to a maximum insurable salary of $125,000, at no cost to you.

ADDITIONAL OPTIONAL COVERAGE
Most staff under the age of 65 are eligible for additional optional coverage, with the exception of some unions who have made an agreement limiting the Group Life Insurance coverage.

Your insurance may be upgraded if you sign up for the additional coverage within sixty days of your date of hire or eligibility.

Beyond the sixty-day period, you are required to complete a Statement of Health for Group Insurance in order to obtain coverage of more than the basic one times your annual salary. This form is available from your divisional Human Resources Department. You may upgrade your coverage within 60 days of a marital status change or the birth/adoption of a child without completing this form.

You may purchase additional amounts of insurance up to three times your basic salary. The basic coverage of one times your annual salary (to a maximum of $125,000) does not cost you anything. However, it is a taxable benefit. For additional coverage the University’s subsidy is 33-1/3% of the total cost.

EFFECTIVE DATE OF COVERAGE
Coverage is effective as of the date of completing the Benefits Application Form within the specified sixty-day period; or upon approval from the insurance carrier if you have completed the Statement of Health for Group Insurance.

OUR GROUP INSURANCE PROGRAM

A. a lump sum payment
The basic life insurance is equal to one times your annual salary (presently up to a maximum insurable salary of $125,000).

Then, if you wish, additional coverage is available on a cost-sharing basis.

The options available to you are:

- an amount equal to one times your annual salary,

or

- an amount equal to two times your annual salary,

or

- an amount equal to three times your annual salary;

or instead

B. the Survivors’ Income Benefit Plan
There are two selections available:

1) the Survivor Income Benefit Provision, with a maximum insurable salary of $65,000;

2) the Survivor Income Benefit Provision plus an amount equal to one times your annual salary. The maximum insurable salary for this option is presently $125,000.

The Survivor Income Benefit provides the following:

1) a lump sum payment of either one times (i.e., the basic coverage) or two times your annual salary, depending upon the option chosen is paid to your named beneficiary.

plus

2) 30% of your annual salary paid to your spouse in monthly instal-
GROUP LIFE INSURANCE AND SURVIVOR INCOME BENEFIT

ments until his/her death or remarriage, guaranteed for at least ten years,

plus

3) 10% of your annual salary to each child (with a maximum of two children) paid in monthly instalments until the age of 21 and is in the care and custody of the employee or the employee’s spouse. If you have more than two children, payment would be made to the two youngest.

Our group insurance is a term insurance plan, has no cash surrender value and you cannot take a loan against it.

Each year after your death the benefits payable will be increased by a cost-of-living adjustment determined by the University.

IF YOU BECAME DISABLED

If you are in receipt of Long Term Disability benefits, your group life insurance coverage (both the basic and optional) will remain in effect, at no cost to you, until you return to active employment, reach your Normal Retirement Date (i.e., June 30th next following, or coincident with, your 65th birthday), or die. Your coverage will be based on your regular annual earnings immediately prior to the date disability payments commenced (or would have commenced if you are not a participant in the Long Term Disability Plan) for the first twelve (12) months and adjusted annually thereafter by the across-the-board increase or 7%, whichever is the lesser.

LEAVES OF ABSENCE

If you take a paid Leave of Absence and receive 25% or more of your regular salary (and it is at least equal to the total of your required monthly benefit contributions), you will continue to have your regular monthly benefit contributions deducted from your salary.

If you take an unpaid Leave of Absence you may make alternative arrangements with Payroll to continue your coverage in the Plan. You will be required to pay both the University's and your contributions to continue coverage during your unpaid Leave of Absence.

IF YOUR APPOINTMENT DROPS TO BELOW 25%

If your appointment with the University is reduced to less than 25% of full-time, you may convert your life insurance coverage to a regular whole life or endowment policy. In this case, the amount you may convert is the same as if you terminated your employment with the University.

SHOULD YOU TERMINATE EMPLOYMENT

Upon termination from the University (prior to your Normal Retirement Date) coverage will continue for 31 days. During this period you may convert all or part of your coverage to a regular whole life or endowment policy offered by Great-West Life Assurance Company.

To convert to a personal policy, contact the Great-West Life Agent listed below within 31 days from your date of termination.

Bruce Peckover
Senior Executive Consultant
Great-West Life Assurance Company
3080 Yonge Street, Box 86
Toronto, Ont.
M4N 3N1
Telephone (416) 362-3080

Rates for such a policy will depend upon the nature of the policy selected and your age and other factors as determined by the insurer. No medical examination will be required.

If you should die within the 31-day period before you make the conversion, the Plan will provide protection as if you were still an active staff member at the time of your death.

WHEN YOU RETIRE

When you cease to be an active staff member and retire from the University on (or after) your Normal Retirement Date, your coverage will continue for 31 days. During this time, you may convert your coverage by notifying the Great-West Life Assurance Company in writing.
GROUP LIFE INSURANCE AND SURVIVOR INCOME BENEFIT

The maximum you can convert is:

- an amount equal to your regular annual salary,
- or
- $15,000

whichever is the lesser amount.

FAMILY COMPOSITION CHANGE

You may, under the following circumstances, elect additional optional coverage after the eligibility period has expired, without having to provide proof of medical insurability:

- you were single at the time you joined the plan and later married or entered into a common-law relationship, or
- you were single and later acquired dependents recognized by the Income Tax Act, or
- you were married, and became widowed, divorced or legally separated and still have a dependent as recognized by the Income Tax Act.

It is recommended that you contact your divisional Human Resources Department to set up an appointment.

In these instances, you must elect the optional coverage within sixty (60) days of your change in status. Otherwise, you will be required to provide satisfactory proof of insurability to the insurance company.

Should any questions arise, the legal plan documents will govern at all times.

This plan summary outlines the main features of the University of Toronto Life Insurance and Survivor Income plan.

Questions regarding eligibility or enrollment can be directed to your divisional Human Resources Office.