



Sample Policy Contract

This sample policy contract is provided for your information only.
It is not a valid contract or an offer of insurance.

ENGINEERS CANADA
LONG TERM DISABILITY PLAN

Insured with

THE MANUFACTURERS LIFE INSURANCE COMPANY

TABLE OF CONTENTS

Part 1: Definitions
Part 2: Contractual Arrangements

Part 3: Premiums
Part 4: Claims

Part 5: Benefits Payable on Disability
Part 6: Other Benefits
Part 7: Exclusions
Part 8: Eligibility Requirements

Part 1: DEFINITIONS

We, Us, Our and **Manulife** refer to The Manufacturers Life Insurance Company, Affinity Markets, PO Box 670, Station Waterloo, Waterloo, Ontario N2J 4B8.

You, Your, and **Insured Person** refer to the person named as the Insured Person in the Schedule of Benefits.

Termination Age is the age at which Your insurance coverage automatically terminates. The Termination Age is seventy years.

Member means the definition of **Member** in Part 8.

Insured Member means the Member to whom this Certificate is issued by Us under the terms of the Master Policy.

Child means an unmarried child, stepchild or adopted child of an Insured Member who is dependent on the Insured Member for support and:

- (a) is under 21 years of age; or
- (b) is at least Age 21 but not yet Age 25, and is attending an accredited educational institution, college or university on a full-time basis.

Spouse means a person who:

- (a) is legally married to the Insured Member; or
- (b) if not legally married to the Insured Member, resides with the Insured Member in a conjugal relationship, and has so resided for a continuous period of not less than one year.

Family Member means:

- (a) an Insured Member's Spouse who is under 70 years of age on the date a Terminal Diagnosis is made; or
- (b) an Insured Member's Child.

Monthly Benefit is the amount of insurance provided and determines the monthly payments We will pay if You become Totally disabled subject to the qualifications, limitations and exclusions set out in these Provisions.

The Elimination Period means the period of days of Total or Partial Disability from the same or a related cause accumulated within a period of 12 months or less, in respect of which no benefits will be payable. Such period shall commence with and be calculated from the date of the first visit by or to a Physician for medical treatment of such Total Disability. The Elimination Period is as stated in the Schedule of Benefits.

Benefit Period for Sickness or Injury is the maximum period for which benefits will be paid in respect of Total Disability due to Sickness or Injury. The Benefit Period is as stated in the Schedule of Benefits.

Injury means accidental bodily Injury that the Insured Member sustains while his or her insurance is in force and which directly and independently of all other causes, results in a Disability. However, an Injury that results in Disability caused directly or indirectly by:

- (a) any form of Sickness, disease, hernia, or degenerative condition, or
- (b) any infection, other than infection of a visible external accidental cut or wound

shall be deemed to be Sickness for the purposes of this insurance.

Sickness means Sickness or disease that, unless disclosed by the Insured Member on his or her application, first manifests itself while his or her insurance is in force and which causes Disability or loss while his or her insurance is in force.

Physician means a Doctor of Medicine (M.D.) duly licensed to practice medicine and recognized by the College of Physicians and Surgeons in the province in which the treatment is rendered. The Physician must be other than You, a member of Your immediate family, or anyone who resides with You.

Regular Care and Attendance means a planned program of observation and treatment requiring the personal attendance of the Insured Member by a Physician, which, once initiated, is continued in accordance with existing standards of medical practice for the Injury or Sickness which is the cause of loss.

Disability and Disabled means Total or Partial Disability or being Totally or Partially Disabled respectively.

Total Disability means the complete and continuous inability of the Insured Member, by reason of Sickness or Injury for which the Insured Member is under the Regular Care and Attendance of a Physician, to perform the regular and important duties of his or her occupation. In no event shall the Insured Member be deemed to be Totally disabled if he or she is engaged in any occupation or employment for wage or profit. There must be documented evidence of medical impairments, restrictions and limitations precluding You from performing these duties.

Partial Disability or Partially Disabled means that as a result of Injury or Sickness:

- (a) You are not Totally disabled; and
- (b) You are under the Regular Care of a Physician and are following the recommended appropriate treatment; and
- (c) You satisfy either condition (i) or (ii) as follows:
 - (i) You are engaged in Your regular occupation, but are unable to perform one or more of the important duties, or are unable to work for more than half of the time usually spent at that occupation prior to the start of the Injury or Sickness; or
 - (ii) You are engaged in another gainful occupation, but are unable to work for more than 20 hours per week.

Residual Disability means:

- (a) the inability of the Insured Member by reason of Sickness or Injury to perform one or more of the important duties of his or her occupation, resulting in a continuous Loss of Earnings Ratio of 20% or more, and such Residual Disability shall be designated hereunder as Residual Partial Disability; or

- (b) the complete inability of the Insured Member by reason of Sickness or Injury to engage in the practice of his or her occupation in any form while engaged in any other gainful occupation or employment, resulting in a continuous Loss of Earnings Ratio of 20% or more, and such Residual Disability shall be designated hereunder as Residual Rehabilitation Disability.

Provided, however, Residual Disability shall not exist if the Insured Member is not under the Regular Care and Attendance of a Physician for his or her Residual Disability, unless the Insured Member is engaged in an approved Rehabilitative Employment or the Member has suffered a physical impairment for which no medical treatment or care is needed.

Terminal Diagnosis means the initial diagnosis of a medical condition affecting a Family Member, which is made by a Physician, with a prognosis of survival of one year or less.

Disability Date means the date on which You were deemed for the purpose of Your current claim to have been Totally disabled.

Earnings means wages, salaries, bonuses, commissions, professional fees, net Earnings from self-employment and other remuneration received for personal services actually performed during the period for which computation is being made. Not included are:

- (a) any income received from any pension or annuity, deferred profit sharing or deferred compensation plan, nor
- (b) any investment income, rent, royalties, income from government plans, or any other income not derived from the Insured Member's vocational activities, nor
- (c) any income which is deductible from gross income as a business expense for income tax purposes, nor
- (d) any income received as a result of severance pay or retirement allowances.

Loss of Earnings for a given month means the difference between the Average Monthly Earnings Before Disability and the Insured Member's Earnings for the given month.

Average Monthly Earnings Before Disability means the greater of:

- (a) the Insured Member's average monthly Earnings during his or her last taxation year, or
- (b) the average of the previous 24 months.

No period of compensable Disability will be used in the calculation of Average Monthly Earnings. If an Insured Member has received Disability Benefits for twelve consecutive months, the Average Monthly Earnings Before Disability shall be increased at the beginning of each successive twelve month period by the Cost of Living Adjustment Factor for that period.

Cost of Living Adjustment Benefit After benefits have been paid for a period of twelve consecutive months, subsequent benefit payments shall be based on an Adjusted Monthly Benefit. The Adjusted Monthly Benefit shall be equal to the Monthly Benefit for the previous twelve month period increased each year, commencing with the 13th monthly payment by the lesser of:

- (a) the current Monthly Benefit times 5%;
- (b) the current Monthly Benefit times the Cost of Living Adjustment Factor for the subsequent twelve month period.

This Benefit is subject to the limitations below:

- (a) the maximum Benefit Period for Cost of Living Adjustment increases as the result of a Sickness, is to age seventy;
- (b) the maximum increase for each \$100.00 of original Monthly Benefit shall be the lesser of \$200.00 or the amount attained at age seventy; except that if the increase at age seventy has not reached \$100.00 for each \$100.00 of original Monthly Benefit, increases will continue annually until a limit of \$100.00 per \$100.00 of Monthly Benefit is reached.

Such increases will be compounded annually.

The subsequent Monthly Benefit payments for Total or Partial Disability shall be equal to the Adjusted Monthly Benefit.

Cost of Living Adjustment Factor for a period means the percentage change in the Consumer Price Index (CPI). The figure used by Manulife shall be the year to year change at the end of each calendar quarter (March, June, September and December) and the percentage increase used shall be in accordance with the following table:

Date at Beginning of Period	CPI Year to Year Change
Between	at Preceding
January 1 and March 31	September
April 1 and June 30	December
July 1 and September 30	March
October 1 and December 31	June

Rehabilitation Program means a plan of training or work related activity, recommended and/or approved by Manulife which is designed to assist a Disabled Insured to re-enter the work force.

Rehabilitative Employment means any occupation for wage or profit in which the Insured Member is engaged while unable to engage in his occupation in any form as the result of Injury or Sickness.

Catastrophic Loss means You should satisfy the *minimum criteria in one* of the following four categories. However, Catastrophic Loss will not exist if You are engaged in any gainful occupation. Catastrophic Loss will not exist unless You are under Regular Care and Attendance by a Physician and are following the recommended appropriate treatment. While You are experiencing a Catastrophic Loss, You will be deemed to be Totally disabled.

1. **Self Care** - To meet the minimum criteria in this category, You must be unable to do any **two** of the four following activities:
 - (a) **Eating**--Consume food that has already been prepared and made available by using regular or adaptive utensils.
 - (b) **Toileting**--Get to and from the toilet, get on and off the toilet, and maintain a reasonable level of personal hygiene for the body, with or without the aid of equipment.
 - (c) **Dressing**--Put on and take off all garments and/or braces or artificial limbs, and secure and unfasten the garment or devices.
 - (d) **Bathing**--Take a bath or shower or otherwise maintain adequate personal cleanliness, with or without the aid of special equipment.
2. **Transfer and Mobility**--To meet the minimum criteria in this category, You must be unable to do any **two** of the following three activities:
 - (a) **Transferring**--Move in and out of a chair (including a wheelchair) or bed. If You can move with the help of a cane, crutches or walker, You will be considered capable of Transferring.
 - (b) **Mobility**--Enter and exit personal residence with or without mechanical aids (cane, crutches, walker, wheelchair).
 - (c) **Transportation**--Travel independently with or without mechanical aids (cane, crutches, walker, wheelchair) on public transportation, or drive own car or arrange own transportation.

3. **Cognitive Ability**--To meet the minimum criteria in this category, You must be unable to do any **two** of the four following activities:
 - (a) **Health Care**--Independently arrange to see a doctor and to take the prescribed amount of medication at the designated time and in the proper manner without assistance.
 - (b) **Mental Awareness**--Retain and recall recent events, facts and direction. Oriented as to time, place and person.
 - (c) **Finances**--Recognize money and its transactional value and handle basic household finances.
 - (d) **Communication**--Reliably take a telephone message with or without the use of electronic or mechanical aids.
4. **Terminal Illness**--To meet the criteria for this category, You must be diagnosed as terminally ill with a life expectancy of less than one year, as determined by Us from the provided medical information.

Part 2: CONTRACTUAL ARRANGEMENTS

1. **The Legal Contract** Your Certificate of Insurance has been issued in consideration of the statements made by You in Your application, a copy of which should be attached to Your Certificate. The Policy, any endorsement thereto, Your application and these Provisions, subject to any amendments thereto made in accordance with the terms set out in these Provisions, shall constitute the entire contract between Us and the Insured Person named in the Schedule of Benefits.
Only the President, a Vice-President, Secretary or Treasurer of Manulife has the power to make or modify the contract of insurance.
2. **Effective Date of Insurance** The insurance described herein takes effect on the Effective Date written in the Schedule of Benefits.
All periods of insurance shall begin and end at 12:01 A.M. Standard Time, at the resident address of the Insured Person.
3. **Renewal, Amendment or Termination of This Policy** The terms and conditions of this Master Policy may, at any time, be amended by agreement between Engineers Canada and Us without requiring Your consent or without notice being given to You, except that if such amendment modifies the terms and conditions of Your Insurance, then We will provide endorsements or amending documents to Engineers Canada for issuing to You.
We guarantee to renew the coverage, however, We reserve the right to review the adequacy of the rates and increase them as required.
UNLESS EXPLICITLY PROVIDED FOR IN THESE PROVISIONS, WE MAY ONLY AMEND OR TERMINATE THIS POLICY IF WE HAVE DONE SO FOR ALL OTHER INDIVIDUALS INSURED UNDER THE SAME PLAN WITHIN A PROVINCE.
NO AMENDMENT TO THIS POLICY THAT ADVERSELY AFFECTS YOUR INSURANCE WILL BE APPLIED TO A PENDING OR CURRENT CLAIM.
4. **Termination of Your Insurance** The insurance of any Insured Person shall immediately terminate on the earliest of the following dates:
 - (a) on the date the Master Policy is terminated if the Insured Person renewal premium becomes due on said date, or on the renewal premium due date following the date the Master Policy is terminated if the Insured Person renewal Premium does not become due on said date;
 - (b) on the renewal premium due date coinciding with or next following the date the Insured Person retires or totally ceases to be actively engaged in the duties of his or her occupation.
 - (c) on the renewal premium due date following the Insured Person's attainment of the Termination Age; or
 - (d) on the expiration of the Days of Grace, if the Insured Person fails to make the required premium payment.
 Any pre-payment of premium beyond the date of termination of this insurance will be returned to the Insured Person upon request. Termination of the insurance of an Insured Person during a period of Disability shall without prejudice of any claim for the portion of the period of Disability which is subsequent to the date of termination, provided such subsequent portion of Disability is not interrupted by any resumption of any of the duties of his or her occupation by the Insured Person.
5. **Misstatement of Age** Where Your date of birth has been misstated, the true date of birth shall govern and the benefits, if any allowed hereunder, shall be limited to those which would have been allowed had the true date of birth been stated on the application.
6. **Non-Waiver** Any waiver or failure to insist upon performance or observance of any covenant, condition, or provision of this Certificate by Us shall not be construed as a waiver of a subsequent breach, in whole or in part, of the same covenant, condition or provision.
7. **Currency** All amounts payable under this Insurance either to or by Us shall be payable in Canada in lawful Canadian currency.
8. **Governing Laws** Your Insurance is subject to the laws of Your Province of Residence.
9. **Non-Participating** The Insurance is a non-participating contract and is not entitled to share in the surplus Earnings of the Company.
10. **Reinstatement** This Certificate may be reinstated at any time within six months from the date of the lapse, on the following conditions:
 - (a) receipt by Us of evidence satisfactory to Us of the good health and insurability of the Life Insured determined on the same basis as when the coverage was issued;
 - (b) receipt by Us of all overdue premiums with interest;
 - (c) written confirmation by Us.
11. **Disclosure** You must disclose in the application for this Certificate or in any application for Reinstatement, every fact which is material to the contract. Subject to the Incontestability provisions, failure to do so or misrepresenting any material fact in the application will entitle Us to cancel the coverage. If We do cancel the coverage all premiums paid will be refunded without interest.

12. **Incontestability** This Certificate or the Master Policy proceeds may be contested if any statement or answer on the application or any other written statement or document submitted as proof of insurability, misrepresents or fails to disclose any facts material to the insurance. Except in the case of fraud, the Insurer will not contest this Certificate, after it has been in force during the lifetime of the Insured Member for two years from the later of the Effective Date of the Certificate or the last date of Reinstatement. No claim for indemnities commencing two years after the Effective Date of the Certificate shall be reduced or denied on the grounds that a disease or physical condition had existed prior to the Effective Date, except when the disease or physical condition is specifically excluded from this insurance, or would have been had it been disclosed to the Insurer at the time of application.
13. **Beneficiary** The right of any person to designate persons to whom or for whose benefit insurance money is to be payable is restricted to money payable in event of death.
14. **Limitation Period** Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the *Insurance Act*, or in the *Limitation Act 2002, for Ontario* or other applicable legislation.
15. **Right to obtain copies of documents** On request, the insurer will furnish to a claimant or insured person a copy of the applicable individual's application and any written document provided to the insurer as evidence of insurability, to the extent required by law.

Part 3: PREMIUMS AND NOTICE OF CHANGE OF ADDRESS

1. **The Consideration** The insurance granted by Your Certificate is in consideration of You paying the Premiums as and when due.
2. **When Due** The premium for this insurance is payable in advance and is due and payable on the Effective Date of the coverage and thereafter on each renewal premium due date. Premiums may be paid in installments in accordance with the terms, conditions and arrangements currently in force for such payments at the time they become due.
3. **Days of Grace** After the payment of the First Premium by the Insured Member, Manulife will allow a grace period of thirty-one days from the due date of each premium or installment for the payment of subsequent premium or installments and during this period of grace the insurance provided shall continue in force.
4. **Amount of Premium** The amount of each premium will be determined according to Your attained age on the premium due date, the Plan of Insurance which has been granted and the then current premium rates in effect under the terms of this Policy subject to any adjustment to the standard premium rate specified in Your Certificate of Insurance. The premiums so determined, or the installment amount thereof, will be billed by Manulife.
5. **Errors in the Billings** Should the amount billed by Manulife be subsequently determined to be incorrect, the error shall be rectified and if any balance is owing by You, an amended billing will be issued and the amount of the adjustment will be due for payment within 31 days of the date of that billing.
No rectification, however, will be made retroactively for a period greater than 6 months if the premiums billed have been less than the correct amount, unless the error was due to incorrect information supplied by You or on Your behalf.
6. **Late Payments of Premiums** Your coverage ceases to be in force if any premium is not paid by the due date or within the subsequent Days of Grace.
7. **Absence of the Receipt of a Billing Notice** Should the Insured Member fail to receive a billing notice within 5 days of a premium due date, the Member should nonetheless make a conditional payment to Manulife within the grace period not less than the amount of premium that the Member was billed on the preceding premium due date.
The conditional payment will be subject to adjustment, if necessary.
Should the owner not receive a billing, they should notify Manulife by mail.
The conditional payment will be subject to adjustment if necessary when the error in the billings has been rectified.
8. **Variations in Premiums** Premiums may change as You get older. Also, We have reserved the right to change the premium rates, but if We increase them, We will then notify You of such an increase.
9. **Notice of Change of Address** You have the obligation to inform Manulife of any change of address without delay. Where no notice of change of address has been received, the last address given by You to Us will be presumed accurate for all purposes of the Policy.

PART 4: CLAIMS

1. **Notice of Claim** The Insured Member, or the agent on behalf of the Insured Member, is entitled to make a claim under this contract and shall give written notice of claim to Manulife:
 - (i) by delivery thereof, or by sending it by registered mail, to the Head Office or chief agency of the Insured in the Province of Residence, or
 - (ii) by delivery to an authorized agent of Manulife in the province, not later than thirty days following the date of the Injury or the beginning of the Disability due to Sickness.
2. **Proof of Claim** Proof of Claim includes the initial claim form and all medical, psychiatric, psychological, educational, vocational, financial, and other information Manulife considers necessary to assess the claim.
The initial claim form must be received by Manulife within 3 months after the commencement date of Disability.
If a Totally disabled Insured is also entitled to receive benefits from Workers' Safety Insurance Board or any other source, the time period during which a claim is required to be filed under this Certificate shall be determined on the same basis as if such Insured was not eligible to such benefits.
Manulife may, at any time whether before or after the claim is approved, request from the Insured further medical, psychiatric, psychological, educational, financial, vocational or other information We consider necessary for the assessment or re-assessment of the claim. Such information will be obtained from an examiner or person approved by Manulife.
3. **Proof of Loss** Proof that You have been Disabled must be submitted no later than 3 months following the commencement date of Disability. Failure to do so, however, will not invalidate Your claim nor reduce the amount of the benefits payable, provided it was not reasonably possible to give such proof within the stipulated time and provided the proof is furnished as soon as is reasonably possible, but in no event later than 12 months following the commencement date of Disability unless You are legally incapacitated.
Should You be unable to give Notice of Claim or Proof of Loss due to the nature of Your Disability then someone acting on Your behalf may do so.

4. **Failure to Give Notice or Proof** Failure to give Notice of Claim or furnish Proof of Claim within the time prescribed above will not invalidate the claim if the Notice or Proof is given or furnished as soon as is reasonably possible and in no event later than one year from the date of the accident causing Injury or the beginning of the Disability due to Sickness, and if it is shown that it was not reasonably possible to give Notice or furnish Proof within the time so prescribed.
5. **Insurer to Furnish Forms for Proof of Claim** Manulife shall furnish forms for Proof of Claim within fifteen days after receiving Notice of Claim. If the Member has not received the forms within that time he or she may submit his or her Proof of Claim in the form of a written statement advising of the happening and character of the Injury or Sickness giving rise to the claim and of the extent of the loss.
6. **When Loss of Time Benefits Payable** The initial benefits for loss of time shall be paid by Manulife within thirty one days after it has received satisfactory Proof of Claim. Thereafter, payments shall be made within each succeeding sixty day period, except in the province of Quebec where such period shall be thirty days, while Manulife remains liable for payment if the Insured Member, whenever required to do so, furnishes proof of continuing Disability prior to payments.
7. **Examination of Records** All records of the Association or the Insured Member containing information pertinent to Insurance under the Master Policy shall be open to examination by Manulife during the Master Policy term and within one year after termination of said Master Policy.
8. **Right of Examination** We have the right, and the Insured Member shall afford to Manulife an opportunity, to examine the Insured Member when and as often as it may be reasonably require while the claim is pending, and also, in the case of the death of the Insured Member to make an autopsy subject to any law of the province relating to autopsies.
9. **Free Choice of Doctor and Hospital** The Insured Member has the sole right to select his or her own doctor or hospital, and the doctor-patient relationship shall be maintained, subject to Section 8 above.
10. **Legal Action** Any action or proceeding against Manulife for the recovery of any claim under this insurance shall be commenced within one year after the cause of action arose, except in the province of Quebec where such action or proceeding shall be commenced within three years.
11. **Arbitration** In the event the Insured Member and Manulife shall disagree as to the facts or the amount of indemnity due to any claim, at the written request of the Insured Member the matter in dispute may be submitted to three competent arbitrators to be chosen as follows:
 - (a) one by the Insured Member;
 - (b) one by Manulife;
 - (c) and the other to be mutually agreed upon by the two chosen.

Any decision agreed upon by the arbitrators shall be final and binding upon the Insured Member and Manulife. The fee of the mutually agreed upon arbitrator will be shared equally.

PART 5: BENEFITS PAYABLE ON DISABILITY

1. **Agreement To Pay** Should the Insured Member become Disabled while this Certificate is in effect, then We will pay to the Insured Member monthly, in arrears, the benefits as set out in the Schedule of Benefits, subject to the Maximum

Benefit Period and the Elimination Period stated in the Schedule of Benefits.

Benefits will not be paid under this Part for any period of Disability during which the Insured Member is not under the Regular Care and Attendance of a Physician; nor will benefits be paid under more than one of the paragraphs hereunder for the same period of Disability.

2. **Relationship of Earnings to Insurance** Where the benefits for loss of time payable under this insurance, either alone or together with benefits for loss of time under another contract, including a contract of group accident insurance or group Sickness insurance but excluding Canada Pension Plan, Quebec Pension Plan or Workers' Safety Insurance Board, exceed the money value of the time of the Insured Member, Manulife is liable only for that portion of the benefits for loss of time stated in this Certificate that the money value of the time of the Insured Member bears to the aggregate of the benefits for loss of time payable under all such contract and the excess premium, if any, paid by the Insured Member shall be returned to him by Manulife. In the province of Quebec, the following Relationships of Earnings to Insurance shall apply. Where the benefits for loss of time payable under this insurance, either alone or together with benefits for loss of time under another contract, are in excess of the Insured Member's average income for the best three years of remuneration within the last five years preceding the Disability, the indemnities are brought back proportionately to this said average income, but never below the minimum prescribed by the regulations of the Quebec Insurance Act.
3. **Amount of Benefit While Totally disabled** Unless the amount of benefit is reduced in accordance with the limitations set out in Section 6 of this Part, the amount payable for each month of Total Disability will be the Monthly Benefit set out in Your Certificate. Should the benefit be payable for a period of less than one month, the amount payable for each day in that period will be one-thirtieth of the Monthly Benefit.
4. **Residual Disability Benefit**
 - (a) **Residual Partial Disability** When Injury or Sickness, which first manifested itself prior to the Insured Member's sixtieth birthday, results in continuous Residual Partial Disability for the Insured Member, Manulife shall pay a Residual Disability Benefit equal to the product of the applicable Monthly Indemnity and the Loss of Earnings Ratio, for each month that such Residual Partial Disability shall continue.
 - (b) **Residual Rehabilitation Disability** When the Insured Member engages in Rehabilitative Employment as the result of Injury or Sickness, which first manifested itself prior to the Member's sixtieth birthday, Manulife shall pay a Residual Disability Benefit equal to the product of the applicable Monthly Indemnity and the Loss of Earnings Ratio, for each month that such Rehabilitative Employment shall continue.
No benefit shall be paid under this section if the Insured Member's monthly Earnings for that month is eighty percent (80%) or more of the Insured Member's Average Monthly Earnings Before Disability, nor will this Residual Disability Benefit for any one continuous period of Residual Partial Disability or Residual Rehabilitation Disability be paid thereafter, nor will it be paid beyond the Insured Member's Maximum Benefit Period for Sickness whether the Insured Member's Disability was due to Sickness or Injury. During a period of Residual Disability for which benefits are payable under this Section, the Insured Member shall periodically furnish to

Manulife written proof sufficient to determine any reduction in the Insured Member's monthly Earnings. Written proof may include but is not limited to federal or provincial income tax returns, income statements, audit reports and payroll records.

- (c) **Partial Disability Benefits** When the Insured Member immediately following a period of Total Disability, which commenced on or after his or her sixtieth birthday but before his or her seventieth birthday and for which benefits were payable, becomes Partially Disabled due to the same or related causes, We will pay 50% of the Monthly Benefit, for a period not to exceed six months.

5. **Presumptive Disability** Should the Member sustain, as a result of Sickness or Injury, the irrecoverable loss of (i) the entire use of both hands, or (ii) the entire use of both feet, or (iii) the entire use of both one hand and one foot, or (iv) the entire sight of both eyes, or (v) hearing in both ears, or (vi) complete and irrecoverable loss of speech, then provided that:

- (a) if You had previously sustained the partial or total loss of use of any such hand, or foot, or the partial loss of sight in either eye, or a partial loss of hearing or speech, such previous loss occurred while this benefit was in force under the terms of Your Insurance, or
(b) if such loss was sustained as a result of Sickness, the Sickness first manifested itself while this benefit was in force under the terms of Your Insurance.

You will be deemed by Us to be Totally disabled from the date of such loss and We will accordingly pay You Total Disability Benefits for the Benefit Period for Sickness (as specified for Your coverage) whether Your loss was due to Sickness or Injury, in accordance with the terms set out in this Part even though You might be gainfully employed and whether You are under the care of a legally qualified Physician or not.

If Your loss was due to Injury You would have the option within 46 months of the date of such loss to waive the rights granted by this provision, since by so doing You might qualify to receive benefits for a longer period in accordance with the terms for Total Disability Benefits set out in this Part.

6. **Integration**

- (a) **Total Benefits** The aggregate monthly amounts of the following benefits (or the monthly equivalent amount if such benefits are determined for an alternative period) received or receivable by the Insured Member will be calculated for each period that benefits are payable to the Insured Member under the Master Policy:
- (i) Insurance issued on the Member under the Master Policy.
 - (ii) Any Earnings of the Insured Member, except to the extent to which such Earnings can be reasonably considered to have been earned by the Insured Member in respect of his or her actual services prior to the commencement of the Disability.
 - (iii) Canada and or Quebec Pension Plan Benefits, but excluding any increase in such benefits payable as a Cost of Living Adjustment to the amount of benefit in course of payment.
 - (iv) All income benefits received due to Disability under the Workers' Safety Insurance Board, an Occupational Disease Act, or under any other law or plan of any government, but excluding any increase in such benefit payable as an indexing or

Cost of Living Adjustment to the amount of benefit in course of payment.

The aggregate of all such amounts in any one month will be referred to as "Total Benefits" for that month in this Part.

- (b) **Integration Provisions** For the purpose of this Section the "Maximum Monthly Benefit" is equal to 100% of the Insured Member's Average Monthly Earnings Before Disability.

In any month in which the Total Benefits would otherwise exceed the Maximum Monthly Benefit, the amount of benefits payable while the Insured Member is Disabled in respect of all Certificates on the Member issued under the Master Policy would be reduced so that the "Total Benefits" after all such reductions would be equal to the Maximum Monthly Benefit.

7. **Recurrent Total Disability** If an Insured Member returns to full time work after benefits for Total Disability become payable under Part 4, any subsequent period of Total Disability beginning while the Member's insurance is in effect will be considered a continuation of the previous period of Total Disability unless the two periods are separated by an interval during which the Insured Member was at work on a full time basis:

- (a) for not less than one full day, in the case of two periods of Total Disability being due to completely unrelated causes, or
(b) for not more than six consecutive months, in the case of two periods of Total Disability being due to the same or related cause(s).

In the event a subsequent period of Total Disability is not considered a continuation of the previous period of Total Disability, such subsequent period of Disability shall be considered a new period of Disability and subject to a new Elimination Period.

8. **Waiver of Premium** After Total Disability of the Insured Member has continued for the longer of three months or the duration of the Elimination Period, while insurance evidenced by this Certificate is in effect, Manulife will refund the premiums paid during the Elimination Period. Manulife will continue to waive premiums as they become due during any further continuation of such Total Disability for which benefits are payable under this Certificate of Insurance. Following a period during which Manulife has waived premiums, the Insured Member shall have the right to resume payment of premiums as they become due thereafter, subject to the provisions of Part 2 Section 4.

PART 6: OTHER BENEFITS

1. **Future Increase Option Benefit (FIO)**

Eligibility

Increased benefits are available under this Option if on any Option Date You are under the age of 55, actively at work on a full-time basis, not insured under any FIO Rider under this Policy, and this Option has not been specifically excluded. If applicable, Your Option Date is shown in the Schedule of Benefits, or any subsequently issued endorsement.

Wherever used in this Benefit (Part 6, Section 1), Original Coverage means in-force coverage that is medically and financially underwritten, and has been identified as having the FIO benefit in the Schedule of Benefits or any subsequently issued endorsement.

General

Each year on the Option Date, You will have the option to increase Your coverage amount by up to 15% of Your Original Coverage, with a minimum increase of \$100.00. The total of all increases cannot exceed 1½ times your Original Coverage amount and under no circumstances can the total of all in-force coverage in effect or applied for under this Policy, including all increases, exceed the overall plan maximum of \$15,000 per month.

Before any increase will be granted You must establish to Our satisfaction that Your then current Earnings (as defined in Part 1) is sufficient to entitle You to be insured for such increase.

Any increase in the amount of the insurance granted as a result of Your exercising this option will be subject to the same terms and conditions as the most recently issued medically underwritten certificate of insurance, including any restrictions or ratings endorsed thereon.

To exercise a Future Increase Option, We must receive Your completed application to increase the option, within thirty (30) days following any Option Date.

FIO Exercise Requirement

The FIO Benefit will automatically expire if We have not received an application to increase coverage at least once, within 3 consecutive Option Dates as of: (a) Your first Option Date; or (b) the Option Date this benefit was last exercised. (For example, if Your first Option Date is September 1, 2005, and You did not exercise this option, then You will have until the end of the 30-day application period following September 1, 2007 to exercise this option, after which this benefit will expire.)

10-Year FIO Limitation

The FIO Benefit will automatically expire after it has been in force for 10 continuous years following:

- (a) the Effective Date of Insurance, if the Effective Date of Insurance is on or after September 1, 2005; or
- (b) the first Option Date following September 1, 2005, if insurance was in force prior to September 1, 2005.

Renewal of the FIO Exercise Requirement and 10-Year FIO Limitation Provisions

If this FIO Benefit expired in accordance with the FIO Exercise Requirement or the 10-Year FIO Limitation provision, and You are under 54 years of age and actively at work on a full-time basis, You may apply to have this benefit renewed by submitting medical proof of insurability to Us. Upon renewal of this Benefit, the FIO Exercise Requirement, and the 10-Year FIO Limitation provision start anew. You will be eligible to exercise the option as of the first Option Date following renewal.

Exercising the Option During a Period of Disability

Subject to the Recurrent Total Disability provision (Part 5, Section 7), if You are not actively at work on an Option Date due to Disability, the FIO Benefit is limited to one increase of up to \$200, on the first Option Date following Your Disability Date. However, only the benefit amount in force on Your Disability Date would be payable subject to the policy provisions. The increased amount would only apply after Your complete recovery from the Disability that You were suffering from, on the effective date of the increase. Premiums on any increase exercised under this

limitation will be waived, while premiums are being waived under the certificate.

The FIO Exercise Requirement shall not apply during any period of Disability. Upon recovery from a Disability, the FIO Exercise Requirement period shall continue as if the Limitation had been continually in force, subject to 10-Year FIO Limitation provision. During any period of Disability the 10-Year FIO Limitation period shall continue in force.

FIO and Reinstatement of the Certificate of Insurance

If the Certificate of Insurance has been reinstated in accordance with the Reinstatement provision (Part 2, Section 10), the Option Dates under the FIO Exercise Requirement and the 10-Year FIO Limitation provision shall cumulate as if the certificate had been continually in force.

Termination of the FIO Benefit

This benefit will terminate on the earliest of the following dates:

- a) subject to the FIO Exercise Requirement, the 3rd Option Date, if this option is not exercised within 3 consecutive Option Dates;
 - b) subject to the 10-Year FIO Limitation provision, the end of the 10th consecutive year this option has been in force;
 - c) the date You attain 55 years of age;
 - d) the date all Original Coverage terminates.
2. **Cost of Living Buy Back Option** After a period of Disability for which You received increased benefits due to the Cost of Living Adjustment clause, You may elect to retain the new increased Benefit Amount. The new Benefit Amount would be equal to the sum of the basic Monthly Benefit plus any Cost of Living Adjustment Benefits declared during any period of Disability. This option must be elected within thirty days of any Return to Work date, and Your premium payments would be increased to reflect the new increased Benefit Amount.
3. **Guaranteed Re-Entry Provision** This provision is applicable to those who are and have been Insured for two consecutive years under this Master Policy. To qualify for this provision, the Member must cancel his or her current coverage in favour of an employer sponsored group program. In this circumstance, the Member may, at a later date, rejoin the program of the Association without submitting evidence of insurability, subject to all of the following conditions:
- (a) The program of the Association must be in force with the Insurer;
 - (b) Re-entry into the program must be exercised within ten years from the date the Member's coverage is cancelled;
 - (c) The Member must be under age 55 at the time of re-entry into the program;
 - (d) Application for re-entry must be made within 90 days of his or her termination from the employer's group program. Appropriate proof of continuous coverage by the prior employer's group program must be furnished by the Member;
 - (e) The coverage at re-entry may not exceed the coverage previously carried under the program of the Association.
4. **Transplant Surgery** In the event that surgery is performed on the Insured Member for the purpose of removing from the Insured Member an organ to be donated for transplant into another human being, any resulting Disability will be deemed to be caused by Sickness, and all provisions of this Certificate, including Part 4, shall apply as though the Disability was attributable to a Sickness.

5. **Death Benefit** If the Insured Member dies prior to the Termination Age and while in receipt of monthly Disability benefits, We will pay an amount equal to three times the Monthly Benefit.
6. **Catastrophic Loss Benefit** The benefit increases to 125% of the basic Monthly Benefit if the Insured Member satisfies the minimum criteria as defined in Part 1.
7. **Continuation Between Jobs** If You become Disabled within 12 months following last employment, Your Average Monthly Earnings Before Disability will be based on Your most recent 12 months of employment for the purposes of calculating Your benefit.
8. **Continuation of Long Term Disability** Should the Master Policy be terminated and neither Engineers Canada nor any Affiliate Organization have arranged for the individual coverages in force under the current Master Policy to be replaced by insurance granted by another insurer, then Manulife would be prepared to continue the Long Term Disability coverages on no less favourable terms than the following:
 - (a) Individual guaranteed renewable insurance policies would be made available to all Members irrespective of their state of health;
 - (b) The premiums for each plan would be determined by Manulife, but in no case would they exceed rates available on similar existing products;
 - (c) The initial premium would not exceed 150% of the then existing EC premium for the coverage. This maximum premium would be guaranteed for 2 years;
 - (d) The Residual Disability Benefit would be limited to a maximum Benefit Period of six months;
 - (e) All limitations and waivers under the EC plan would form part of the Individual contracts;
 - (f) For Members under the age of 65 on the termination date, Benefit Payments and Insurance Coverage would cease on the Member's 65th birthday. (see Part 2, Section 4);
 - (g) For Members age 65 or older on the termination date, Insurance Coverage would be continued, but not beyond his or her 70th birthday. However, the aggregate of the benefits payable for these Members would be limited to twelve Monthly Benefit payments.
9. **Guaranteed Benefit Reinstatement Rider** If You become over insured due to temporary reduction in income, You can reduce Your Monthly Benefit (to a Minimum of \$500). The Monthly Benefit can then be reinstated without proof of good health when Your income increases again. This Rider can only be purchased when the Monthly Benefit is reduced. This Guaranteed Benefit Reinstatement Rider will terminate upon either the date of reinstatement of the Monthly Benefit or at age 65.
10. **Compassionate Care Benefit**
Benefit
 In the event a Family Member is diagnosed with a terminal illness or involved in an accident which results in a prognosis of one year or less to live, this benefit will provide a lump-sum payment to You, equal to three times Your Monthly Benefit amount in force on the date of the Terminal Diagnosis, per Family Member. In the event You are in receipt of disability benefits on the date of the Terminal Diagnosis of a Family Member, the amount payable shall be three times Your Monthly Benefit amount in force on the Disability Date.

Eligibility

Benefits are payable to You, provided the following criteria are met on the date the Terminal Diagnosis is made:

- (a) Your coverage must have been in force for at least 12 months from the effective date of coverage or the date of last reinstatement;
- (b) The terminally ill or injured Family Member must survive for at least 30 days beyond the date of Terminal Diagnosis and must be alive on the date You apply for the benefit;
- (c) Your Spouse must be under the age of 70 on the date of Terminal Diagnosis.

No Benefit During Exercise of Guaranteed Re-Entry Benefit

Notwithstanding any provision of this Certificate, Compassionate Care benefits shall not be paid if a Terminal Diagnosis is made while Your coverage has been suspended under the Guaranteed Re-Entry Benefit. To be eligible for the Compassionate Care Benefit, coverage must be reinstated for at least 12 months following the exercise of any re-entry rights under the Guaranteed Re-Entry Benefit.

Benefits During Exercise of Guaranteed Benefit Reinstatement Rider

Compassionate Care benefits payable during any period that Your coverage has been reduced under the Guaranteed Benefit Reinstatement Rider will be based on the actual benefit amount in force, as reduced by the Guaranteed Benefit Reinstatement Rider, on the date of the Terminal Diagnosis. For the Compassionate Care Benefit to be payable on any reduced coverage, such coverage must be reinstated for at least 12 months following the exercise of any reinstatement rights under the Guaranteed Benefit Reinstatement Rider.

Proof

Proof of Terminal Diagnosis satisfactory to the Company must be submitted within 12 months following the date the Terminal Diagnosis was made. Only one benefit will be paid per Family Member, per lifetime.

Termination of the Compassionate Care Benefit

This benefit will terminate on the earlier of the following dates:

- (a) the date Your insurance under this certificate terminates; or
- (b) the Policy Anniversary You attain the Termination Age, regardless of whether You are in receipt of a lifetime disability benefit.

PART 7: EXCLUSIONS

Your insurance does not cover:

- (a) intentional self-inflicted Injury, unless medical evidence establishes that the injuries are related to a mental health illness.
- (b) pregnancy, childbirth or miscarriage, except complications thereof;
- (c) war or any act of war, or
- (d) active full-time service in the armed forces of any country or international organization.
- (e) Committing or attempting to commit an assault or criminal offence.