

Group Benefits Policy

Policyholder: *Foundation Building Materials, LLC*
Policy Number: *G0012770*
Policy Effective Date: *July 1, 2014*
Policy Anniversary: *July 1st*
Renewal Date: *July 1st*

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THE MANUFACTURERS LIFE INSURANCE COMPANY
(hereafter called Manulife Financial) Waterloo, Ontario, Canada N2J 4C6

Manulife Financial agrees to pay benefits subject to the Policy's provisions which are set forth on the following pages.

Those provisions are a part of this Policy as fully as if stated over the signature below.

Signed at Waterloo, Ontario, Canada on July 9, 2025



President & CEO, Manulife Canada

2 Group Benefits Schedule

Policyholder: Foundation Building Materials, LLC

Policy Number: G0012770

Policy Effective Date: July 1, 2014

Policy Anniversary: July 1st

Renewal Date: July 1st

Class Number(s)

101 FBM Salaried Employees (Plans B and B1)

102 FBM Hourly Employees (Plan C)

Plan Number(s)

B FBM Salaried Employees

B1 FBM Salaried Overage

C FBM Hourly Employees

Effective Date for Increases in Insurance

When first eligible for the increase

Associated Companies

None

Employee Life Insurance

Benefit Amount

\$100,000

Non-Evidence Limit

\$100,000

Benefit Reduction

The Employee's benefit amount is reduced by 50% on the Employee's 65th birthday.

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Employee Optional Life Insurance

Benefit Amount

\$10,000 or an increment thereof to a maximum of \$500,000

Non-Evidence Limit

Evidence of Insurability is required for all amounts of Optional Life Insurance. However, evidence of insurability will be waived for an amount of Optional Life Insurance which is \$50,000 or less if applied for within 31 days of the date eligible.

Waiver of Premiums

to age 65

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Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Exclusions

If death occurs as a result of suicide, the amount of Employee Optional Life Insurance payable will be limited to the amount of Employee Optional Life Insurance which has been in effect for one or more years.

Dependent Life Insurance

Benefit Amount

Spouse - \$10,000

each Dependent Child - \$5,000

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's age 70 or retirement, whichever is earlier

Participation Basis

mandatory

Group Benefits Schedule - Plan B 5

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Dependent Optional Life Insurance

Benefit Amount

Spouse - \$10,000 or an increment thereof to a maximum of \$500,000

Non-Evidence Limit

Evidence of Insurability is required for all amounts of Spousal Optional Life Insurance. However, evidence of insurability will be waived for an amount of Spousal Optional Life Insurance which is \$50,000 or less if applied for within 31 days of the date eligible.

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's or Spouse's age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Exclusions

If death occurs as a result of suicide, the amount of Dependent Optional Life Insurance payable will be limited to the amount of Dependent Optional Life Insurance which has been in effect for one or more years.

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Accidental Death & Dismemberment

Benefit Amount

\$100,000

Benefit Reduction

the Employee's benefit amount is reduced by 50% on the Employee's 65th birthday

Waiver of Premiums

to age 65 or the date this Benefit terminates, whichever is earlier

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

3 months

For Employees hired after the Policy Effective Date

3 months

Benefits and Maximums:

Rehabilitation Expenses

\$10,000

Repatriation Expenses

\$10,000

Family Transportation Expenses

\$1,500 per accident

Dependent Education Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Accidental Death and Dismemberment, per Child per year, for a maximum of 4 years

Spousal Occupational Training Expenses

\$10,000

Seat Belt Benefit

10% of the Benefit Amount for Accidental Death and Dismemberment

Day-Care Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Accidental Death and Dismemberment, per Child per year, for a maximum of 4 years

Home Alteration and Vehicle Modification Expenses

\$10,000

Hospitalization Allowance

1% of the Benefit Amount for Accidental Death and Dismemberment, up to a maximum of \$2,500 per month

Maximum Benefit Period: 12 months

Permanent and Total Disability

an amount equal to the Benefit Amount for Accidental Death and Dismemberment, less any amount payable under this Benefit for a Covered Loss which results from the same accidental injury that caused the Permanent and Total Disability

Employee Optional Accidental Death & Dismemberment

Benefit Amount

\$10,000 or an increment thereof to a maximum of \$500,000

Waiver of Premiums

to age 65 or the date this Benefit terminates, whichever is earlier

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

3 months

For Employees hired after the Policy Effective Date

3 months

Foundation Building Materials, LLC

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Benefits and Maximums:

Aggregate Limit

\$1,000,000

Rehabilitation Expenses

\$10,000

Repatriation Expenses

\$10,000

Family Transportation Expenses

\$1,500 per accident

Dependent Education Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment, per Child per year, for a maximum of 4 years

Spousal Occupational Training Expenses

\$10,000

Seat Belt Benefit

10% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment

Day-Care Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment, per Child per year, for a maximum of 4 years

Common Accident

\$1,000,000

Home Alteration and Vehicle Modification Expenses

\$10,000

Hospitalization Allowance

1% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment, up to a maximum of \$2,500 per month

Maximum Benefit Period: 12 months

Permanent and Total Disability

an amount equal to the Benefit Amount for Employee Optional Accidental Death & Dismemberment, less any amount payable under this Benefit for a Covered Loss which results from the same accidental injury that caused the Permanent and Total Disability

Dependent Optional Accidental Death and Dismemberment

Benefit Amount

Spouse - 50% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$250,000 if there are no Children; 40% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$250,000 if there are Children.

Child - 20% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$50,000 per child if there is no Spouse; 10% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$25,000 per child if there is a Spouse.

Waiver of Premiums

to the Employee's 65th birthday or the date this Benefit terminates, whichever is earlier

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

3 months

For Employees hired after the Policy Effective Date

3 months

Benefits and Maximums:

Aggregate Limit

\$1,000,000

Repatriation Expenses

\$10,000

Family Transportation Expenses

\$1,500 per accident

Seat Belt Benefit

10% of the Benefit Amount for Dependent Optional Accidental Death & Dismemberment

Foundation Building Materials, LLC

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Common Accident

\$1,000,000

Home Alteration and Vehicle Modification Expenses

\$10,000

Hospitalization Allowance

1% of the Benefit Amount for Dependent Optional Accidental Death & Dismemberment, up to a maximum of \$2,500 per month

Maximum Benefit Period: 12 months

Weekly Income/Short Term Disability

Benefit Amount

65% of weekly Earnings rounded to the next higher \$1, if not already a multiple thereof, up to a maximum benefit of \$1,500

Qualifying Period

Accident - 0 calendar days

Sickness - 7 calendar days

If hospitalized due to sickness prior to the end of the Qualifying Period, benefits are payable from the first day of Hospitalization, provided Hospitalization is required for at least 24 hours.

Maximum Benefit Period

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Earnings

the Employee's regular rate of pay, including regular bonuses, regular overtime pay and regular commissions

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Long Term Disability

Benefit Amount

55% of monthly Earnings rounded to the next higher \$1, if not already a multiple thereof, up to a maximum benefit of \$5,500

CPP/QPP Integration

primary CPP/QPP benefits

Non-Evidence Limit

\$5,500

Qualifying Period

15 weeks

Maximum Benefit Period

up to the 65th birthday

Survivor Benefit Amount

6 times the Employee's last monthly benefit payment

Termination Age

age 65 less the Qualifying Period, or retirement, whichever is earlier

Earnings

the Employee's regular rate of pay, excluding regular bonuses, regular overtime pay and regular commissions

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

12 Group Benefits Schedule - Plan B1

Employee Life Insurance

Benefit Amount

\$50,000

Non-Evidence Limit

\$50,000

Benefit Reduction

Not applicable

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

retirement

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Dependent Life Insurance

Benefit Amount

Spouse - \$10,000

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's retirement

Group Benefits Schedule - Plan B1 13

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

14 Group Benefits Schedule - Plan C

Employee Life Insurance

Benefit Amount

\$100,000

Non-Evidence Limit

\$100,000

Benefit Reduction

The Employee's benefit amount is reduced by 50% on the Employee's 65th birthday.

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Employee Optional Life Insurance

Benefit Amount

\$10,000 or an increment thereof to a maximum of \$500,000

Non-Evidence Limit

Evidence of Insurability is required for all amounts of Optional Life Insurance. However, evidence of insurability will be waived for an amount of Optional Life Insurance which is \$50,000 or less if applied for within 31 days of the date eligible.

Waiver of Premiums

to age 65

Group Benefits Schedule - Plan C 15

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Exclusions

If death occurs as a result of suicide, the amount of Employee Optional Life Insurance payable will be limited to the amount of Employee Optional Life Insurance which has been in effect for one or more years.

Dependent Life Insurance

Benefit Amount

Spouse - \$10,000

each Dependent Child - \$5,000

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's age 70 or retirement, whichever is earlier

Participation Basis

mandatory

16 Group Benefits Schedule - Plan C

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Dependent Optional Life Insurance

Benefit Amount

Spouse - \$10,000 or an increment thereof to a maximum of \$500,000

Non-Evidence Limit

Evidence of Insurability is required for all amounts of Spousal Optional Life Insurance. However, evidence of insurability will be waived for an amount of Spousal Optional Life Insurance which is \$50,000 or less if applied for within 31 days of the date eligible.

Waiver of Premiums

to age 65

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's or Spouse's age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Exclusions

If death occurs as a result of suicide, the amount of Dependent Optional Life Insurance payable will be limited to the amount of Dependent Optional Life Insurance which has been in effect for one or more years.

Accidental Death & Dismemberment

Benefit Amount

\$100,000

Benefit Reduction

the Employee's benefit amount is reduced by 50% on the Employee's 65th birthday

Waiver of Premiums

to age 65 or the date this Benefit terminates, whichever is earlier

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

3 months

For Employees hired after the Policy Effective Date

3 months

Benefits and Maximums:

Rehabilitation Expenses

\$10,000

Repatriation Expenses

\$10,000

Family Transportation Expenses

\$1,500 per accident

Dependent Education Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Accidental Death and Dismemberment, per Child per year, for a maximum of 4 years

Spousal Occupational Training Expenses

\$10,000

Foundation Building Materials, LLC

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Seat Belt Benefit

10% of the Benefit Amount for Accidental Death and Dismemberment

Day-Care Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Accidental Death and Dismemberment, per Child per year, for a maximum of 4 years

Home Alteration and Vehicle Modification Expenses

\$10,000

Hospitalization Allowance

1% of the Benefit Amount for Accidental Death and Dismemberment, up to a maximum of \$2,500 per month

Maximum Benefit Period: 12 months

Permanent and Total Disability

an amount equal to the Benefit Amount for Accidental Death and Dismemberment, less any amount payable under this Benefit for a Covered Loss which results from the same accidental injury that caused the Permanent and Total Disability

Employee Optional Accidental Death & Dismemberment

Benefit Amount

\$10,000 or an increment thereof to a maximum of \$500,000

Waiver of Premiums

to age 65 or the date this Benefit terminates, whichever is earlier

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

3 months

For Employees hired after the Policy Effective Date

3 months

Benefits and Maximums:

Aggregate Limit

\$1,000,000

Rehabilitation Expenses

\$10,000

Repatriation Expenses

\$10,000

Family Transportation Expenses

\$1,500 per accident

Dependent Education Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment, per Child per year, for a maximum of 4 years

Spousal Occupational Training Expenses

\$10,000

Seat Belt Benefit

10% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment

Day-Care Expenses

the lesser of \$5,000 or 5% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment, per Child per year, for a maximum of 4 years

Common Accident

\$1,000,000

Home Alteration and Vehicle Modification Expenses

\$10,000

Hospitalization Allowance

1% of the Benefit Amount for Employee Optional Accidental Death & Dismemberment, up to a maximum of \$2,500 per month

Maximum Benefit Period: 12 months

Permanent and Total Disability

an amount equal to the Benefit Amount for Employee Optional Accidental Death & Dismemberment, less any amount payable under this Benefit for a Covered Loss which results from the same accidental injury that caused the Permanent and Total Disability

20 Group Benefits Schedule - Plan C

Dependent Optional Accidental Death and Dismemberment

Benefit Amount

Spouse - 50% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$250,000 if there are no Children; 40% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$250,000 if there are Children.

Child - 20% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$50,000 per child if there is no Spouse; 10% of the amount of the Employee's Optional Accidental Death and Dismemberment Benefit up to a maximum benefit of \$25,000 per child if there is a Spouse.

Waiver of Premiums

to the Employee's 65th birthday or the date this Benefit terminates, whichever is earlier

Qualifying Period for Waiver of Premiums

15 weeks

Termination Age

Employee's age 70 or retirement, whichever is earlier

Participation Basis

non-mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

3 months

For Employees hired after the Policy Effective Date

3 months

Benefits and Maximums:

Aggregate Limit

\$1,000,000

Repatriation Expenses

\$10,000

Family Transportation Expenses

\$1,500 per accident

Seat Belt Benefit

10% of the Benefit Amount for Dependent Optional Accidental Death & Dismemberment

Group Benefits Schedule - Plan C 21

Common Accident

\$1,000,000

Home Alteration and Vehicle Modification Expenses

\$10,000

Hospitalization Allowance

1% of the Benefit Amount for Dependent Optional Accidental Death & Dismemberment, up to a maximum of \$2,500 per month

Maximum Benefit Period: 12 months

Weekly Income/Short Term Disability

Benefit Amount

65% of weekly Earnings rounded to the next higher \$1, if not already a multiple thereof, up to a maximum benefit of \$1,500

Qualifying Period

Accident - 0 calendar days

Sickness - 7 calendar days

If hospitalized due to sickness prior to the end of the Qualifying Period, benefits are payable from the first day of Hospitalization, provided Hospitalization is required for at least 24 hours.

Maximum Benefit Period

15 weeks

Termination Age

age 70 or retirement, whichever is earlier

Earnings

the Employee's regular rate of pay, including regular bonuses, regular overtime pay and regular commissions

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Foundation Building Materials, LLC

22 Group Benefits Schedule - Plan C

Long Term Disability

Benefit Amount

55% of monthly Earnings rounded to the next higher \$1, if not already a multiple thereof, up to a maximum benefit of \$5,500

CPP/QPP Integration

primary CPP/QPP benefits

Non-Evidence Limit

\$5,500

Qualifying Period

15 weeks

Maximum Benefit Period

up to the 65th birthday

Survivor Benefit Amount

6 times the Employee's last monthly benefit payment

Termination Age

age 65 less the Qualifying Period, or retirement, whichever is earlier

Earnings

the Employee's regular rate of pay, excluding regular bonuses, regular overtime pay and regular commissions

Participation Basis

mandatory

Waiting Period

For Employees hired on or prior to the Policy Effective Date

none

For Employees hired after the Policy Effective Date

3 months

Accident

an unexpected or unforeseen happening or event involving an external force, causing loss or injury, independently of all other causes.

Actively at Work

at work for the Policyholder or any Associated Company shown in the Benefit Schedule on a Full-time basis at the Employee's usual place of work.

On weekends or holidays, or when on vacation, an Employee is deemed to be Actively at Work if he was Actively at Work on his last normal working day or on his last scheduled shift.

Birth

the complete live delivery of a child from its mother.

Dependent

an Employee's Spouse or Child who is insured under the Provincial Plan.

- Spouse

the Employee's legal Spouse, or the person who has, for at least 12 months, been continuously living with the Employee in a role like that of a marriage partner.

Only one Spouse will be eligible for insurance under this Policy, and will be as indicated by the Employee on his application for insurance under this Policy. Where this information is not contained on the Employee's application, the person who qualifies last under this Policy's definition of Spouse will be the eligible Spouse.

- Child

an Employee's natural or adopted child, stepchild or any other child for whom the Employee or the Employee's Spouse have been appointed guardian by a court, who:

- a) is unmarried;
- b) is not employed on a full-time basis;
- c) is not eligible for insurance as an employee under this or any other group policy; and
- d) is either under 22 years of age, or, if a full-time student at an accredited school, college or university, under 25 years of age.

A newborn child shall be insured from the moment of birth.

Stillborn children will be eligible for Dependent Life Insurance. A stillbirth is an intrauterine death that can occur after the 20th week of pregnancy all the way up to the birth. The "stillborn infant" is born without any attempt at respiration, including a beating umbilical cord.

A child insured under this Policy, who is incapacitated due to a mental or physical disability on the date he reaches the age when he would otherwise cease to be an eligible Dependent, will continue to be an eligible Dependent under this Policy.

24 Definitions

A child is considered incapacitated if he is 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 disability.

Manulife Financial may require written proof of the Dependent's condition as often as may reasonably be necessary.

A stepchild must be living with the Employee to be an eligible Dependent.

Disability or Disabled

the state of being Totally Disabled.

Drug

a medication that has been approved for use by Health Canada and has a Drug Identification Number.

Earnings

for a benefit which is earnings-related, the definition of earnings is shown in the Benefit Schedule. An Employee's earnings may also include other income as agreed to in writing by the Policyholder and Manulife Financial, and which is reported periodically by the Policyholder to Manulife Financial.

If an Employee is paid on an hourly basis Earnings are based on the Employee's regular number of hours per week. Earnings for benefit calculation purposes are determined on the basis of 52 weeks per year and 12 months per year.

For the purposes of determining the amount of an Employee's benefit at the time of claim, an Employee's Earnings will be the amount reported by the Policyholder to Manulife Financial and for which premiums have been paid.

Employee

a person who:

- a) is directly employed by the Employer on a permanent and Full-time basis;
- b) is compensated for services by the Employer; and
- c) is residing in Canada.

Employer

the Policyholder or any Associated Company shown in the Benefit Schedule.

Full-time basis

For Full-time Employees: normal work schedule of at least 24 hours per week.

Hospitalization

admittance to a Hospital as an in-patient.

With respect to the Weekly Income Benefit under this Policy, Hospitalization also includes being admitted to a Hospital as an out-patient for Medically Necessary surgical procedures, chemotherapy, or laser treatment.

Indefinite Lay-Off

a period during which the Employee is laid off work and for which there is no fixed recall date.

Leave of Absence

a period of absence from work for which the dates are fixed by legislation or by mutual agreement between the Employer and the Employee. Leave of absence includes Maternity and Parental Leave of Absence.

Maternity Leave of Absence

the period of formal maternity leave to which an Employee is entitled by legislation governing the Employer, or a longer period, if the Employer's normal practice permits.

For the purposes of this Policy, Maternity Leave of Absence will be deemed to commence on the earlier of:

- a) the date fixed by mutual agreement between the Employee and the Employer; and
- b) the date the child is born.

Medically Necessary

accepted and recognized by the Canadian medical profession and Manulife Financial as effective, appropriate and essential treatment of an illness or injury. Manulife Financial has the right after Due Diligence has been completed to determine whether the Drug, service or supply is covered under the Policy.

Net Earnings

the Employee's Earnings, less deductions normally made for federal and provincial income tax.

Non-Evidence Limit

satisfactory medical evidence must be submitted to Manulife Financial for Benefit Amounts greater than this amount.

Parental Leave of Absence

the period of formal child care leave to which an Employee is entitled by legislation governing the Employer, or a longer period, if the Employer's normal practice permits.

Physician

a doctor of medicine, licensed to practice medicine in the place where the services are provided.

Prior Plan

a previous Group Policy which insured all or some of the persons insured under this Policy and which terminated within 31 days prior to the Effective Date of this Policy.

Provincial Plan

any plan which provides hospital, medical, or dental benefits established by the government in the province where the insured person lives.

26 Definitions

Qualifying Period

a period of continuous Total Disability, starting with the first day of Total Disability, which must be completed by the Employee in order to qualify for benefits. The Qualifying Period is shown in the Benefit Schedule.

Temporary Lay-Off

a period during which the Employee is laid off work and for which there is a fixed recall date.

Vocational Plan (Vocational Rehabilitation)

a training or job placement program that is expected to facilitate a Disabled Employee's return to his own job or other gainful employment.

Waiting Period

a period of continuous active employment with the Employer, as shown in the Benefit Schedule, following which the Employee becomes eligible for insurance.

Eligibility for Insurance

Employee

An Employee is eligible for insurance under this Policy if he:

- a) is a member of a Classification which is eligible for insurance, as set out in the Benefit Schedule;
- b) is younger than the Termination Age shown in the Benefit Schedule; and
- c) has continuously been an Employee, as defined, for a period as long as the Waiting Period shown in the Benefit Schedule.

Re-hired Employees

If an Employee is re-hired within 6 months of termination of insurance under this Policy due to termination of employment, he must re-apply for insurance under this Policy, but will not be required to satisfy another Waiting Period.

Dependent

An Employee's Dependent becomes eligible for insurance at the same time that the Employee does. However, the Employee must apply for the Employee coverage in order for the Dependent to be eligible. A person who becomes a Dependent after the Employee becomes insured is eligible on the date that person becomes a Dependent.

Amount of Insurance

The amount of insurance for which a person is eligible under any Benefit will be determined in accordance with the Benefit Schedule.

How to Become Insured

To become insured under this Policy, an eligible Employee must apply in writing on forms approved by Manulife Financial. Coverage for Dependents must also be applied for on approved forms.

When Evidence of Insurability is Required

Evidence of insurability is required for all amounts of insurance in excess of any Non-Evidence Limit shown in the Benefit Schedule. Manulife Financial will bear the cost of supplying this evidence.

Late Application

For non-mandatory benefits, an application is considered late when an Employee:

- a) applies for insurance on any person after having been eligible for more than 31 days; or
- b) re-applies for insurance on any person whose insurance had earlier been cancelled.

28 Eligibility for Insurance

Effective Date of Insurance

Once an application for Employee or Dependent insurance has been completed, this insurance becomes effective as follows, if the Employee is then Actively at Work:

- a) for all insurance which does not require evidence of insurability, on the date the Employee or Dependent becomes eligible for this insurance; and
- b) for all insurance which does require evidence of insurability, on the date this evidence is approved by Manulife Financial.

If the Employee is not Actively at Work when insurance would otherwise take effect, this insurance will take effect on the next day on which he is again Actively at Work.

An Employee who is not Actively at Work on the Effective Date may still be eligible for insurance under this Policy through a Transfer of Benefits from the Prior Plan.

Dependent Insurance will not take effect prior to the Effective Date of the Employee's insurance. However, Dependent Optional Life Insurance may still become effective if the Employee is declined for Employee Optional Life.

Increases in Insurance

An increase in insurance on an Employee or Dependent will take effect as follows, if the Employee is then Actively at Work:

- a) if evidence of insurability is not required, on the Effective Date for Increases in Insurance shown in the Benefit Schedule; and
- b) if evidence of insurability is required, on the date this evidence is approved by Manulife Financial.

If the Employee is not Actively at Work when an increase in insurance would otherwise take effect, this increase in insurance will take effect on the next day on which he is again Actively at Work.

Decreases in Insurance

A decrease in the amount for which any person is insured takes effect when the person is first eligible for the decreased amount.

This Section applies only if this Policy replaces a Prior Plan.

Concessions Granted

Manulife Financial grants the following concessions to persons who were insured under the Prior Plan when it terminated:

- a) a Transfer of Coverage for Employees not Actively at Work; and
- b) Coverage for Pre-Existing Conditions.

These concessions are as described below.

Transfer of Coverage

- Eligibility

An Employee who is not Actively at Work on the Effective Date is still eligible under this Policy if he:

- a) was insured under the Prior Plan when that Plan terminated; and
- b) would be eligible for insurance under this Policy if Actively at Work on its Effective Date.

- Amount Transferred

An Employee eligible to transfer benefits will be eligible under this Policy for the lesser of:

- a) the amount for which he was insured under the Prior Plan when it terminated; and
- b) the amount of insurance for which he would be eligible under the Policy if Actively at Work on its Effective Date.

- Effective Date of Transfer

Insurance under a transferred benefit will become effective on the later of:

- a) the date insurance provided under the Prior Plan would terminate in the absence of this provision; and
- b) the Effective Date of this Policy.

Coverage for Pre-Existing Conditions

If the Prior Plan did not have a limitation on Pre-existing Conditions, the limitation contained in the Long Term Disability Benefit section of this Policy will not apply to Employees insured under this Transfer of Benefits provision.

If the Prior Plan had a limitation on Pre-Existing Conditions, the length of time the Employee's Long Term Disability Benefit was in effect under the Prior Plan will be taken into account to determine if the limitation under this Policy is applicable.

30 Termination of Insurance

Termination of Employee Insurance

An Employee's insurance terminates on the earliest of:

- a) the date the Employee no longer satisfies the definition of Employee;
- b) the date the Employee ceases to be Actively at Work;
- c) the date the Employer terminates the Employee's coverage;
- d) the date the Employee enters the armed forces of any country on a full-time basis;
- e) the date this Policy terminates or insurance on the classification to which the Employee belongs terminates;
- f) the date the Employee reaches the Termination Age, as shown under each Benefit in the Benefit Schedule; or
- g) the date the Employee dies.

Termination of Employment Exceptions

If an Employee ceases to be Actively at Work, his insurance will normally terminate as specified under the Termination of Employee Insurance provision. However, Manulife Financial will waive this rule and continue insurance under the conditions set out below. An Employee's insurance can only be continued on a basis that does not discriminate against another Employee.

Due to Illness or Injury

If an Employee ceases to be Actively at Work due to illness or injury, all insurance coverage will continue until the Policyholder terminates the coverage.

Due to Maternity, Parental or other Mandated Leave of Absence

If an Employee ceases to be Actively at Work due to Maternity, Parental or other leave of absence that is mandated by legislation, all insurance coverage may continue for the period of leave to which the Employee is entitled by legislation governing the Employer.

In jurisdictions where the continuation of insurance is mandated by legislation, a copy of the Employee's written and signed notice to discontinue any required premium contribution must also accompany the request for termination.

Due to Other Leave of Absence or Temporary Lay-Off

If an Employee ceases to be Actively at Work due to a leave of absence other than Maternity or Parental leave, or due to Temporary Lay-Off, all insurance coverage may continue until the Policyholder terminates it, but in no event for more than 180 days after the Employee was last Actively at Work.

Due to Strike or Indefinite Lay-Off

If an Employee ceases to be Actively at Work due to a strike or Indefinite Lay-Off, insurance coverage will continue only if the Policyholder informs Manulife Financial that this is the case, but in no event for more than 180 days after the Employee was last Actively at Work. Even if insurance is to continue, any disability insurance provided under this Policy terminates when the Employee ceases to be Actively at Work.

Disability Insurance During Leave of Absence and Temporary Lay-Off

If while insured for disability benefits under this Policy, an Employee becomes disabled on or after the date Leave of Absence or Temporary Lay-Off commences, the Qualifying Period for disability benefits will start as of the date of disability. Benefits will become payable on the later of:

- a) the date the Qualifying Period is satisfied; or
- b) the date the Employee is scheduled to return to work.

Legislated Benefit Extensions

If legislation mandates that employee benefits continue for a limited period after an Employee's employment terminates, Manulife Financial will extend each insurance benefit for the minimum period required by law, provided that:

- a) the Policyholder continues to pay premiums for Employee and Dependent insurance; and
- b) this Policy remains in force.

Termination of Dependent Insurance

Insurance on an Employee's Dependent terminates on the earliest of:

- a) the date the Dependent is no longer eligible for insurance under the provisions of this Policy;
- b) the date written notification is received from the Employee to cease his Dependent coverage because his Dependents are covered under another insurance plan for benefits similar to the ones in this Policy;
- c) the date a required contribution is due but not paid; or
- d) the date the Employee's insurance terminates.

32 Life Insurance Benefit

The Benefit

If a person dies while insured for this Benefit, Manulife Financial will pay the amount for which that person was insured at the time of his death.

Settlement Options

The lump sum payable on the death of an Employee may be applied to purchase any type of annuity then being offered by Manulife Financial.

Who May Choose an Option

The insured Employee may elect the type of annuity to be purchased upon his death. If the Employee does not elect an annuity, the beneficiary may elect one when the benefit becomes payable.

Waiver of Premiums

If an Employee becomes Totally Disabled while insured for this Benefit and prior to age 65, Manulife Financial will waive the premiums required to continue that Employee's and his Dependents' Life Insurance, provided the Employee meets Manulife Financial's Entitlement Criteria.

Definition of Total Disability or Totally Disabled

Restriction or lack of ability due to an illness or injury which prevents an Employee from performing the essential duties of:

- a) his own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period; and
- b) any occupation for which the Employee is qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified in part a) of this provision.

The availability of work will not be considered by Manulife Financial in assessing the Employee's Disability.

An Employee who must hold a government permit or licence to perform his duties will not be considered Totally Disabled solely because such permit or licence has been withdrawn or not renewed.

Entitlement Criteria

Manulife Financial will apply the following criteria in determining an Employee's entitlement to Waiver of Premiums:

- a) the Employee has been continuously Totally Disabled throughout the Qualifying Period. If the Employee ceases to be Totally Disabled during this period and then becomes Totally Disabled again within 14 consecutive days of a return to work due to the same or related cause, the Qualifying Period will be extended by the number of days during which the Total Disability ceased;

- b) Manulife Financial receives medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of:
 - i) his own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period; and
 - ii) any occupation for which the Employee is qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified in part i) of this provision;
- c) the Employee is receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require the Employee to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

Termination of Waiver of Premiums

Waiver of Premiums will cease on the earliest of:

- a) the date the Employee ceases to meet this Benefit's definition of Totally Disabled;
- b) the date the Employee does not supply Manulife Financial with appropriate medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of:
 - i) his own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period; and
 - ii) any occupation for which the Employee is qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified in part i) of this provision;
- c) the date the Employee is no longer receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial;
- d) the date the Employee does not attend a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial;
- e) the date the Employee attains the age shown under Waiver of Premiums in the Benefit Schedule; or
- f) the date the Employee dies.

Recurrent Disability

Where an Employee becomes Totally Disabled again from the same or related causes as those for which premiums were waived under this Benefit and such Disability recurs within 6 months of cessation of the Waiver of Premiums, Manulife Financial will waive the Qualifying Period.

All such recurrences will be considered a continuation of the same Disability. The Employee's amount of insurance on which premiums were previously waived will be reinstated.

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If the same Disability recurs more than 6 months after cessation of the Waiver of Premiums, such Disability will be considered a separate Disability.

Two Disabilities which are due to unrelated causes are considered separate Disabilities if they are separated by a return to work of at least one day.

First Premium Waived

If the Waiver of Premiums is approved, premiums will be waived from the premium due date coincident with or next following the end of the Qualifying Period.

Life Insurance Coverage Continued

While premiums are being waived, Life Insurance in force under this Policy on the Employee and on his Dependents will continue to be in force. The amount of such Life 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. This continuation of coverage is not affected by a subsequent termination of this Policy or of employment.

Conversion When Waiver Ceases

If an Employee is not eligible for Life Insurance under this Policy when the Waiver of Premiums ceases, that Employee and his Spouse may exercise the Conversion Privilege under this Benefit.

Conversion Privilege

If an Employee's or a Spouse's Life Insurance under this Policy terminates or reduces and the conditions outlined below are satisfied, that person will be eligible to continue all or part of the insurance by converting to an Individual Policy.

The insured person must satisfy the following conditions to be eligible for an Individual Policy:

- a) application for the Individual Policy must be received by Manulife Financial, within 31 days after insurance under the Group Policy terminates or reduces; and
- b) the first premium must be enclosed with the application.

Maximum Amount

The maximum amount that may be converted is the lesser of:

- a) \$200,000, or
- b) the amount of insurance that terminated less the amount of insurance under any replacing Group Policy within 31 days of the termination.

The Maximum Amount refers to all amounts of group life insurance for which the Employee is insured with Manulife Financial.

Plan of Insurance

The Individual Policy may be:

- a) non-convertible term insurance to age 65;
- b) a permanent plan that Manulife Financial offers to the public at the time of conversion; or
- c) 1-year non-renewable term insurance which may be converted while it is in force to any plan described above.

Issue of Individual Policy

Manulife Financial will apply the following rules in issuing an Individual Policy:

- a) no evidence of insurability will be required;
- b) the premium will be based on Manulife Financial's then current standard premium rates and will take into account the plan of insurance, the amount of insurance, the person's sex and attained age;
- c) no Waiver of Premium or Accidental Death & Dismemberment Benefits will be included;
- d) the effective date of the Individual Policy will be the 32nd day after the date of termination of the Group Insurance under this Benefit; and
- e) if the person elects to convert a lesser amount than that which he is entitled to convert, the Individual Policy cannot be less than the current minimum for which Manulife Financial will issue the Policy.

Death during Conversion Period

If a person dies within 31 days of the date his Group Insurance terminates, on receipt of due proof, Manulife Financial will pay the maximum amount the person was eligible to convert. This will be done even if the person did not apply for an Individual Policy. If the person had applied for the Individual Policy, any premium paid will be refunded.

Subsequent Eligibility Under this Policy

If a person obtains an Individual Policy through this Privilege and later becomes eligible for insurance under this Group Policy, the amount for which he is eligible will be reduced by the amount of insurance remaining in force under the Individual Policy.

Conversion for Residents of Quebec

Please see the *Policy Addendum - Life Insurance conversion privilege for Insured persons who reside in Quebec* in this policy for details about administration of conversion privileges for residents of Quebec.

36 Accidental Death & Dismemberment Benefit

The Benefit

If an Employee sustains an injury as a result of an Accident while insured under this Benefit and suffers a Loss specified in the Table of Covered Losses, Manulife Financial will pay the amount specified in that table, provided the Loss:

- a) is a direct result of the accidental injury;
- b) occurs within 365 days from the date of the accidental injury; and
- c) is total and irreversible or irrecoverable.

In the case of loss of speech or hearing, or loss of use of an arm, hand, or leg, the loss must be continuous for 12 months and determined to be permanent, after which time the benefit is payable.

Table of Covered Losses

In the following table, the amount payable is a percentage of the Benefit Amount for which the Employee was insured at the time the accidental injury occurred.

Only one percentage, the largest, will be paid for multiple losses to the same limb due to any one accidental injury.

No more than 100% will be paid for all losses due to any one accidental injury, except in the case of hemiplegia, paraplegia or quadriplegia, where the total amount paid will not exceed 200% (provided such benefit is paid while the Employee is living).

<i>Covered Loss</i>	<i>Percentage of Benefit Amount Payable</i>
Loss of Life	100%
Loss of or Loss of Use of Both Hands or Both Feet	100%
Loss of Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of One Hand and Sight of One Eye	100%
Loss of One Foot and Sight of One Eye	100%
Loss of Hearing in Both Ears and Speech	100%
Loss of or Loss of Use of One Arm or One Leg	75%
Loss of or Loss of Use of One Hand or One Foot	66.67%
Loss of Sight of One Eye	66.67%
Loss of Speech or Hearing in Both Ears	66.67%
Loss of Thumb and Index Finger or At Least Four Fingers of One Hand	33.33%
Loss of All Toes of One Foot	25%

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Loss of Hearing in One Ear 25%

Hemiplegia, Paraplegia or Quadriplegia 200%

Loss of hand means complete severance at or above the wrist joint, but below the elbow.

Loss of foot means complete severance at or above the ankle joint, but below the knee joint.

Loss of arm means complete severance at or above the elbow.

Loss of leg means complete severance at or above the knee joint.

Loss of sight means the entire and irrevocable loss of sight of the eye.

Loss of speech means the entire and irrevocable loss of speech which does not allow audible communication of any degree.

Loss of thumb and index finger means the complete severance between the wrist and the interphalangeal and proximal interphalangeal joints of one hand, respectively.

Loss of finger means the complete severance at or above the knuckles joining the finger to the hand.

Loss of toe means the complete severance at or above the knuckle joining the toe to the foot.

Hemiplegia means paralysis of one side of the body.

Paraplegia means paralysis of the lower portion of the body (including the bowel and bladder) and both lower limbs due to injury of the spinal cord.

Quadriplegia means paralysis of four limbs.

Exposure and Disappearance

If an Employee suffers a Loss specified in the Table of Covered Losses due to unavoidable exposure to the elements of nature after a conveyance in which the Employee was travelling, sinks, makes a forced landing or is lost, wrecked or stranded, such loss will be deemed to have occurred as a result of an accidental injury.

An Employee is deemed to have suffered death by accidental injury if his body is not found within 365 days after a conveyance in which the Employee was travelling, sinks, makes a forced landing or is lost, wrecked or stranded.

Rehabilitation Expenses

If, as a direct result of an accidental injury, an Employee suffers a Covered Loss and requires participation in a formal rehabilitation program in order to return to gainful employment, Manulife Financial will pay expenses incurred by the Employee, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial; and
- b) incurred within a period of 3 years from the date of the accidental injury.

The amount payable is subject to the Rehabilitation Expenses maximum shown in the Benefit Schedule.

No payment will be made for room and board expenses, or other living, travelling, or clothing expenses.

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Repatriation Expenses

If an Employee dies as a direct result of an accidental injury which occurs while travelling 150 kilometres or more from the Employee's normal place of residence, Manulife Financial will pay for expenses incurred for the repatriation of the deceased's body, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial; and
- b) for preparation and transportation of the body to the deceased's place of residence.

The amount payable is subject to the Repatriation Expenses maximum shown in the Benefit Schedule.

Family Transportation Expenses

If, as a direct result of an accidental injury, an Employee suffers a Covered Loss and is confined in a Hospital which is located 150 kilometres or more from his normal place of residence, Manulife Financial will pay the hotel and travel expenses incurred by an Immediate Family Member, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial;
- b) for hotel accommodations in the vicinity of the Hospital; and
- c) for transportation by the most direct route to the Hospital, including return fare.

If transportation is by means other than a conveyance which is licensed to transport fare-paying passengers, expenses incurred will be reimbursed at a rate of \$0.20 per kilometre travelled.

The amount payable is subject to the Family Transportation Expenses maximum shown in the Benefit Schedule.

Dependent Education Expenses

If an Employee dies as a direct result of an accidental injury, Manulife Financial will pay the benefit described below for each Child who is under age 22 and enrolled as a full-time student:

- a) in a school for higher learning above the secondary school level; or
- b) at the secondary school level, but who enrolls as a full-time student in a school for higher learning within 365 days after the date of the Employee's death.

A school for higher learning means any accredited university, private college, collèges d'enseignement général et professionnel (CEGEP), community college or trade school.

The benefit paid for each Child will be equal to the actual tuition expenses incurred, subject to the Dependent Education Expenses maximum shown in the Benefit Schedule.

No payment will be made for:

- a) tuition expenses incurred prior to the Employee's death; or
- b) room and board expenses, or other living, travelling, or clothing expenses.

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Spousal Occupational Training Expenses

If an Employee dies as a direct result of an accidental injury and the Spouse must participate in a formal occupational training program to become qualified for active employment in an occupation for which the Spouse would not otherwise have sufficient qualifications, Manulife Financial will pay for expenses incurred by the Spouse for the program, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial; and
- b) incurred within a period of 3 years from the date of the accidental injury.

The amount payable is subject to the Spousal Occupational Training Expenses maximum shown in the Benefit Schedule.

No payment will be made for room and board expenses, or other living, travelling, or clothing expenses.

Seat Belt Benefit

If an Employee dies as a direct result of an accidental injury sustained while driving or riding in an Automobile, Manulife Financial will pay the Seat Belt Benefit shown in the Benefit Schedule, provided:

- a) the Automobile was equipped with seat belts;
- b) the seat belt was in use and properly fastened at the time of the accidental injury; and
- c) the position of the seat belt is certified in the official report of the accident or by the investigating police officer.

An Automobile means a motorized land vehicle which does not operate on rails or crawler treads, not including a two-wheeled vehicle, farm-type tractor, or any equipment which is primarily designed for off-road use.

Day-Care Expenses

If an Employee dies as a direct result of an accidental injury, Manulife Financial will pay the benefit described below for each Child under 13 years of age who is enrolled in a legally licensed day-care centre on the date of the accidental injury, or who is subsequently enrolled within 90 days from the date of the Employee's death.

The benefit paid for each Child will be:

- a) the reasonable and necessary expenses incurred, as determined by Manulife Financial; and
- b) subject to the Day-Care Expenses maximum shown in the Benefit Schedule.

No payment will be made for:

- a) expenses incurred prior to the Employee's death; or
- b) room and board expenses, or other living, travelling, or clothing expenses.

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Home Alteration and Vehicle Modification Expenses

If, as a direct result of an accidental injury, an Employee:

- a) suffers a loss of, or loss of use of, both feet or both legs; or
- b) becomes a hemiplegic, a paraplegic, or quadriplegic,

and subsequently requires the use of a wheelchair to be ambulatory, Manulife Financial will pay for expenses incurred by the Employee, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial;
- b) incurred within 3 years from the date of the accidental injury;
- c) for alterations to the Employee's principal residence for the purpose of making it wheelchair accessible; and
- d) for modifications to one motor vehicle utilized by the Employee for the purpose of making it wheelchair accessible (subject to approval by licensing authorities, where necessary).

The amount payable is subject to the Home Alteration and Vehicle Modification Expenses maximum shown in the Benefit Schedule.

Hospitalization Allowance

If, as a direct result of an accidental injury, an Employee suffers a Covered Loss and is confined in a Hospital, Manulife Financial will pay the Hospitalization Allowance shown in the Benefit Schedule, provided:

- a) the Hospital confinement begins while the Employee is covered under this Benefit; and
- b) the Employee has been confined to the Hospital for longer than the Qualifying Period of 7 consecutive days and remains confined at the end of such period.

Payments will be made monthly in arrears. Any payments for a period less than one month will be prorated according to the formula then used by Manulife Financial.

Payments will cease on the earlier of:

- a) the date on which benefits have been paid up to the Maximum Benefit Period shown in the Benefit Schedule; or
- b) the date the Employee is no longer confined in a Hospital (for which a full day charge is not made by the Hospital).

- Recurrent Hospitalization

If an Employee becomes confined to a Hospital again following a period for which benefits were payable under this provision, such subsequent periods of confinement will be considered a continuation of the previous period of hospital confinement, provided:

- a) the subsequent period of hospitalization is directly related to the same accidental injury which caused the previous period of hospitalization; and
- b) the subsequent period of hospitalization occurs within 183 days after the previous period of hospitalization.

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For an Employee who is in a recurrent period of hospitalization:

- a) the Qualifying Period of 7 days will be waived; and
- b) the benefit which was payable during the previous period of hospitalization will be re-instated.

Benefits for all such recurrences will not be paid for a combined period longer than the Maximum Benefit Period shown in the Benefit Schedule.

Permanent and Total Disability

If, as a direct result of an accidental injury, an Employee becomes Permanently and Totally Disabled while insured for this Benefit, Manulife Financial will pay the Permanent and Total Disability benefit shown in the Benefit Schedule, provided:

- a) the Employee becomes Permanently and Totally Disabled within 365 days after the date of the accidental injury; and
- b) the Employee has been Permanently and Totally Disabled for a continuous period of 12 months and remains so disabled at the end of such period.

The benefit is payable to the Employee in a single sum.

- Definition of Permanent and Total Disability

The Employee is wholly and continuously disabled due to an accidental injury which is severe enough, in Manulife Financial's opinion, to permanently prevent the Employee from working for remuneration or profit.

Non-Duplication of Expenses

Expenses which are eligible under this Benefit and which are also payable in part or in full under any other benefit, policy, or plan providing similar coverage issued to the Policyholder, will be paid first under such other benefit, policy or plan. Any expenses not paid will then be considered under this Benefit, subject to any stated maximum.

The total amount of payments from all coverages combined will not exceed 100% of the eligible expenses incurred.

Losses Not Covered

No benefit is payable for any loss directly or indirectly related to:

- a) suicide or self-inflicted injury;
- b) war, insurrection, the hostile actions of any armed forces, or participation in a riot or civil commotion;
- c) an infection (except pyogenic infections from an accidental cut or wound), illness or disease or the medical treatment of any illness or disease, or bodily or mental infirmity;
- d) riding in, boarding or leaving, or descending from, any aircraft as a pilot, operator or member of the crew;
- e) riding in, boarding or leaving, or descending from, any aircraft which is owned, operated or leased by or on behalf of the Employer;

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- f) the committing of or attempt to commit an assault or criminal offence; or
- g) injuries sustained while operating a motor vehicle, either while under the influence of any intoxicant or if the Employee's blood contained more than 80 milligrams of alcohol per 100 millilitres of blood at the time of injury.

Waiver of Premiums

If an Employee's Life Insurance premiums are being waived while this Benefit is in force, the premiums for this Benefit will also be waived.

Waiver of Premiums for this Benefit will be effective on the same date as the Waiver of Premiums for the Life Insurance Benefit.

The amount of insurance continued under this provision will be subject to the same terms described under the Life Insurance Benefit, except that:

- a) the Conversion Privilege is not available for this Benefit (unless required by legislation or regulation); and
- b) Waiver of Premiums for this Benefit terminates when this Benefit terminates.

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The Benefit

If a person sustains an accidental injury while insured under this Benefit and suffers a Loss specified in the Table of Covered Losses, Manulife Financial will pay the amount specified in that table, provided the Loss:

- a) is a direct result of the accidental injury;
- b) occurs within 365 days from the date of the accidental injury; and
- c) is total and irreversible or irrecoverable.

In the case of loss of speech or hearing, or loss of use of an arm, hand, or leg, the loss must be continuous for 12 months and determined to be permanent, after which time the benefit is payable.

Table of Covered Losses

In the following table, the amount payable is a percentage of the Benefit Amount for which the person was insured at the time the Accidental Injury occurred.

Only one percentage, the largest, will be paid for multiple losses to the same limb due to any one Accidental Injury.

No more than 100% will be paid for all losses due to any one Accidental Injury, except in the case of hemiplegia, paraplegia or quadriplegia, where the total amount paid will not exceed 200% (provided such benefit is paid while the person is living).

<i>Covered Loss</i>	<i>Percentage of Benefit Amount Payable</i>
Loss of Life	100%
Loss of or Loss of Use of Both Hands or Both Feet	100%
Loss of Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of One Hand and Sight of One Eye	100%
Loss of One Foot and Sight of One Eye	100%
Loss of Hearing in Both Ears and Speech	100%
Loss of or Loss of Use of One Arm or One Leg	75%
Loss of or Loss of Use of One Hand or One Foot	66.67%
Loss of Sight of One Eye	66.67%
Loss of Speech or Hearing in Both Ears	66.67%
Loss of Thumb and Index Finger or At Least Four Fingers of One Hand	33.33%
Loss of All Toes of One Foot	25%

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Loss of Hearing in One Ear 25%

Hemiplegia, Paraplegia or Quadriplegia 200%

Loss of hand means complete severance at or above the wrist joint, but below the elbow.

Loss of foot means complete severance at or above the ankle joint, but below the knee joint.

Loss of arm means complete severance at or above the elbow.

Loss of leg means complete severance at or above the knee joint.

Loss of sight means the entire and irrevocable loss of sight of the eye.

Loss of speech means the entire and irrevocable loss of speech which does not allow audible communication of any degree.

Loss of thumb and index finger means the complete severance between the wrist and the interphalangeal and proximal interphalangeal joints of one hand, respectively.

Loss of finger means the complete severance at or above the knuckles joining the finger to the hand.

Loss of toe means the complete severance at or above the knuckle joining the toe to the foot.

Hemiplegia means paralysis of one side of the body.

Paraplegia means paralysis of the lower portion of the body (including the bowel and bladder) and both lower limbs due to injury of the spinal cord.

Quadriplegia means paralysis of four limbs.

Exposure and Disappearance

If a person suffers a Loss specified in the Table of Covered Losses due to unavoidable exposure to the elements of nature after a conveyance in which the person was travelling, sinks, makes a forced landing or is lost, wrecked or stranded, such loss will be deemed to have occurred as a result of an accidental injury.

A person is deemed to have suffered death by accidental injury if his body is not found within 365 days after a conveyance in which the person was travelling, sinks, makes a forced landing or is lost, wrecked or stranded.

Common Accident

If, as a direct result of a common accident, the Employee and his Spouse both die within 365 days of such common accident, the amount of the benefit payable under this Policy for loss of life of the Spouse will be automatically increased to equal the amount of the benefit payable for loss of life of the Employee.

However, in no event will the amount paid for both lives exceed the combined benefit maximum or the Aggregate Limit amounts specified in the Benefit Schedule.

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Rehabilitation Expenses

If, as a direct result of an accidental injury, a person suffers a Covered Loss and requires participation in a formal rehabilitation program in order to return to gainful employment, Manulife Financial will pay expenses incurred by the person, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial; and
- b) incurred within a period of 3 years from the date of the accidental injury.

The amount payable is subject to the Rehabilitation Expenses maximum shown in the Benefit Schedule.

No payment will be made for room and board expenses, or other living, travelling, or clothing expenses.

Repatriation Expenses

If a person dies as a direct result of an accidental injury which occurs while travelling 150 kilometres or more from the person's normal place of residence, Manulife Financial will pay for expenses incurred for the repatriation of the deceased's body, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial; and
- b) for preparation and transportation of the body to the deceased's place of residence.

The amount payable is subject to the Repatriation Expenses maximum shown in the Benefit Schedule.

Family Transportation Expenses

If, as a direct result of an accidental injury, a person suffers a Covered Loss and is confined in a Hospital which is located 150 kilometres or more from his normal place of residence, Manulife Financial will pay the hotel and travel expenses incurred by an Immediate Family Member, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial;
- b) for hotel accommodations in the vicinity of the Hospital; and
- c) for transportation by the most direct route to the Hospital, including return fare.

If transportation is by means other than a conveyance which is licensed to transport fare-paying passengers, expenses incurred will be reimbursed at a rate of \$0.20 per kilometre travelled.

The amount payable is subject to the Family Transportation Expenses maximum shown in the Benefit Schedule.

Dependent Education Expenses

If an Employee dies as a direct result of an accidental injury, Manulife Financial will pay the benefit described below for each Child who is under age 22 and enrolled as a full-time student:

- a) in a school for higher learning above the secondary school level; or
- b) at the secondary school level, but who enrolls as a full-time student in a school for higher learning within 365 days after the date of the person's death.

A school for higher learning means any accredited university, private college, collèges d'enseignement général et professionnel (CEGEP), community college or trade school.

46 Optional Accidental Death & Dismemberment Benefit

The benefit paid for each Child will be equal to the actual tuition expenses incurred, subject to the Dependent Education Expenses maximum shown in the Benefit Schedule.

No payment will be made for:

- a) tuition expenses incurred prior to the person's death; or
- b) room and board expenses, or other living, travelling, or clothing expenses.

Spousal Occupational Training Expenses

If a person dies as a direct result of an accidental injury and the Spouse must participate in a formal occupational training program to become qualified for active employment in an occupation for which the Spouse would not otherwise have sufficient qualifications, Manulife Financial will pay for expenses incurred by the Spouse for the program, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial; and
- b) incurred within a period of 3 years from the date of the accidental injury.

The amount payable is subject to the Spousal Occupational Training Expenses maximum shown in the Benefit Schedule.

No payment will be made for room and board expenses, or other living, travelling, or clothing expenses.

Seat Belt Benefit

If a person dies as a direct result of an accidental injury sustained while driving or riding in an Automobile, Manulife Financial will pay the Seat Belt Benefit shown in the Benefit Schedule, provided:

- a) the Automobile was equipped with seat belts;
- b) the seat belt was in use and properly fastened at the time of the accidental injury; and
- c) the position of the seat belt is certified in the official report of the accident or by the investigating police officer.

An Automobile means a motorized land vehicle which does not operate on rails or crawler treads, not including a two-wheeled vehicle, farm-type tractor, or any equipment which is primarily designed for off-road use.

Day-Care Expenses

If a person dies as a direct result of an accidental injury, Manulife Financial will pay the benefit described below for each Child under 13 years of age who is enrolled in a legally licensed day-care centre on the date of the accidental injury, or who is subsequently enrolled within 90 days from the date of the person's death.

The benefit paid for each Child will be:

- a) the reasonable and necessary expenses incurred, as determined by Manulife Financial; and
- b) subject to the Day-Care Expenses maximum shown in the Benefit Schedule.

Optional Accidental Death & Dismemberment Benefit 47

No payment will be made for:

- a) expenses incurred prior to the person's death; or
- b) room and board expenses, or other living, travelling, or clothing expenses.

Home Alteration and Vehicle Modification Expenses

If, as a direct result of an accidental injury, a person:

- a) suffers a loss of, or loss of use of, both feet or both legs; or
- b) becomes a hemiplegic, a paraplegic, or a quadriplegic,

and subsequently requires the use of a wheelchair to be ambulatory, Manulife Financial will pay for expenses incurred by the person, provided the expenses are:

- a) reasonable and necessary, as determined by Manulife Financial;
- b) incurred within 3 years from the date of the accidental injury;
- c) for alterations to the person's principal residence for the purpose of making it wheelchair accessible; and
- d) for modifications to one motor vehicle utilized by the person for the purpose of making it wheelchair accessible (subject to approval by licensing authorities, where necessary).

The amount payable is subject to the Home Alteration and Vehicle Modification Expenses maximum shown in the Benefit Schedule.

Hospitalization Allowance

If, as a direct result of an accidental injury, a person suffers a Covered Loss and is confined in a Hospital, Manulife Financial will pay the Hospitalization Allowance shown in the Benefit Schedule, provided:

- a) the Hospital confinement begins while the person is covered under this Benefit; and
- b) the person has been confined to the Hospital for longer than the Qualifying Period of 7 consecutive days and remains confined at the end of such period.

Payments will be made monthly in arrears. Any payments for a period less than one month will be prorated according to the formula then used by Manulife Financial.

Payments will cease on the earlier of:

- a) the date on which benefits have been paid up to the Maximum Benefit Period shown in the Benefit Schedule; or
- b) the date the person is no longer confined in a Hospital (for which a full day charge is not made by the Hospital).

48 Optional Accidental Death & Dismemberment Benefit

- Recurrent Hospitalization

If a person becomes confined to a Hospital again following a period for which benefits were payable under this provision, such subsequent periods of confinement will be considered a continuation of the previous period of hospital confinement, provided:

- a) the subsequent period of hospitalization is directly related to the same accidental injury which caused the previous period of hospitalization; and
- b) the subsequent period of hospitalization occurs within 183 days after the previous period of hospitalization.

For a person who is in a recurrent period of hospitalization:

- a) the Qualifying Period of 7 days will be waived; and
- b) the benefit which was payable during the previous period of hospitalization will be re-instated.

Benefits for all such recurrences will not be paid for a combined period longer than the Maximum Benefit Period shown in the Benefit Schedule.

Permanent and Total Disability

If, as a direct result of an accidental injury, a person becomes Permanently and Totally Disabled while insured for this Benefit, Manulife Financial will pay the Permanent and Total Disability benefit shown in the Benefit Schedule, provided:

- a) the person becomes Permanently and Totally Disabled within 365 days after the date of the accidental injury; and
- b) the person has been Permanently and Totally Disabled for a continuous period of 12 months and remains so disabled at the end of such period.

The benefit is payable to the person in a single sum.

- Definition of Permanent and Total Disability

The person is wholly and continuously disabled due to an accidental injury which is severe enough, in Manulife Financial's opinion, to permanently prevent the person from working for remuneration or profit.

Non-Duplication of Expenses

Expenses which are eligible under this Benefit and which are also payable in part or in full under any other benefit, policy, or plan providing similar coverage issued to the Policyholder, will be paid first under such other benefit, policy or plan. Any expenses not paid will then be considered under this Benefit, subject to any stated maximum.

The total amount of payments from all coverages combined will not exceed 100% of the eligible expenses incurred.

Optional Accidental Death & Dismemberment Benefit 49

Losses Not Covered

No benefit is payable for any loss directly or indirectly related to:

- a) suicide or self-inflicted injury;
- b) war, insurrection, the hostile actions of any armed forces, or participation in a riot or civil commotion;
- c) an infection (except pyogenic infections from an accidental cut or wound), illness or disease or the medical treatment of any illness or disease, or bodily or mental infirmity;
- d) riding in, boarding or leaving, or descending from, any aircraft as a pilot, operator or member of the crew;
- e) riding in, boarding or leaving, or descending from, any aircraft which is owned, operated or leased by or on behalf of the Employer;
- f) the committing of or attempt to commit an assault or criminal offence; or
- g) injuries sustained while operating a motor vehicle, either while under the influence of any intoxicant or if the person's blood contained more than 80 milligrams of alcohol per 100 millilitres of blood at the time of injury.

Waiver of Premiums

If an Employee's Life Insurance premiums are being waived while this Policy is in force, the premiums for this Benefit will also be waived.

Waiver of Premiums for this Benefit will be effective on the same date as the Waiver of Premiums for the Life Insurance Benefit.

The amount of insurance continued under this provision will be subject to the same terms described under the Life Insurance Benefit, except that:

- a) the Conversion Privilege is not available for this Benefit (unless required by legislation or regulation); and
- b) Waiver of Premiums for this Benefit terminates when this Policy terminates.

50 Weekly Income Benefit/Short Term Disability

The Benefit

If an Employee becomes Totally Disabled while insured for this Benefit, including a Total Disability due to the donation of an organ or tissue, Manulife Financial will pay a Disability Benefit as outlined below, provided the Employee meets the Entitlement Criteria.

Benefits are payable from the end of the Qualifying Period. Benefits are not payable for or during the Qualifying Period. The Employee must be receiving regular, ongoing care and treatment from a Physician during the Qualifying Period in order for benefits to be payable at the end of the Qualifying Period. Otherwise, benefits will not be payable until the date the Employee is first treated by his Physician.

Definition of Total Disability or Totally Disabled

Restriction or lack of ability due to an illness or injury which prevents an Employee from performing the essential duties of his own occupation.

The availability of work will not be considered by Manulife Financial in assessing an Employee's Disability.

An Employee who must hold a government permit or licence to perform his duties will not be considered Totally Disabled solely because such permit or licence has been withdrawn or not renewed.

Entitlement Criteria

Manulife Financial will apply the following criteria in determining an Employee's entitlement to Disability Benefits:

- a) the Employee has been continuously Totally Disabled throughout the Qualifying Period;
- b) Manulife Financial receives medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of his own occupation; and
- c) the Employee is receiving from a Physician, regular, ongoing care and treatment for the disabling condition.

Periods for Which the Employee is Not Entitled to Benefits

The Employee is not entitled to benefit payments for any period:

- a) he is not receiving from a Physician, regular, ongoing care and treatment for the disabling condition;
- b) he does not supply Manulife Financial with medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of his own occupation;
- c) after he fails to participate and cooperate in a medical, psychiatric, psychological and/or functional examination or evaluation by a medical examiner selected by Manulife Financial;
- d) he is receiving Employment Insurance maternity, parental, compassionate care or critically ill child benefits;
- e) he is on lay-off during which the Employee becomes Totally Disabled;

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- f) he is on leave of absence during which the Employee becomes Totally Disabled, unless the Employer is required to pay benefits during this period as a result of legislation, regulation or case law (in some provinces, Employers with a benefit plan are required to provide benefits to an Employee during the health-related portion of a Maternity Leave of Absence);
- g) he is engaged in employment for wage or profit; except as provided for under the Rehabilitation Assistance Provision; or
- h) he is incarcerated in a prison, correctional facility, or mental institution by order of authority of a criminal court;
- i) absent from Canada for longer than 4 weeks for any reason, unless Manulife Financial agrees in writing in advance to pay benefits during this period, or
- j) absent from Canada for 6 months or more in a 12 month period.

Amount of Disability Benefit

The Amount of Disability Benefit payable is the Benefit Amount shown in the Benefit Schedule, less any amount of benefits the Employee receives, or is entitled to receive, from the following source(s) for the same or related Disability:

- a) Canada or Quebec Pension Plans, including dependent benefits;
- b) any government motor vehicle automobile insurance plan or policy which is considered an allowable exclusion under the Employment Insurance Premium Reduction Regulations, unless prohibited by law; and
- c) any government plan benefits.

The benefit amount payable will be further reduced so that the Employee's total income from All Sources does not exceed 100% of the Employee's pre-disability net Earnings.

All Sources include those stated above and any benefit the Employee is entitled to receive from:

- a) any group, association or franchise plan;
- b) any salary continuance;
- c) any compensation received or the Employee is eligible to receive while employed or performing work of any sort other than rehabilitation earnings; and
- d) any payment to the Employee from the Employer with respect to termination of employment.

Benefit Calculation Rules

Manulife Financial will apply the following rules in determining the Employee's Disability Benefit:

- a) benefits from other sources which began before the commencement of the Employee's current Disability will not be taken into account;
- b) benefits payable from other sources will not be adjusted to take into account any difference between the tax status of those benefits and the benefit payable by Manulife Financial; and
- c) for benefits payable other than on a weekly basis, a weekly equivalent of such benefit will be estimated by Manulife Financial.

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Rehabilitation Assistance

Once Manulife Financial determines that an Employee is Totally Disabled, where appropriate and at Manulife Financial's discretion, the Employee may be offered rehabilitation to assist him in returning to gainful employment, either to his pre-disability occupation or to another occupation.

In partnership with the Employer and the Employee, Manulife Financial will provide the Employee with a structured Vocational Plan that will prepare the Employee for a return to work:

- a) with the Employer;
- b) with an alternate employer; or
- c) in a self-employed capacity.

In considering whether Rehabilitation Assistance is appropriate for an Employee, Manulife Financial will take into account:

- a) the nature, extent and expected duration of the Employee's Disability;
- b) the Employee's level of education, training or experience; and
- c) the nature, scope, objectives and cost of the Vocational Plan.

An Employee will continue to be entitled to Disability Benefits while participating in the Vocational Plan. The Employee's Disability Benefit will be reduced by earnings received from any employment only if the Employee's total income from all sources exceeds:

- a) 100% of his pre-disability Earnings, if this Benefit is taxable; or
- b) 100% of his pre-disability Net Earnings, if this Benefit is non-taxable.

If an Employee ceases to participate in a Vocational Plan because of a change in his medical status, Manulife Financial will require medical evidence documenting how the Employee's medical condition has deteriorated such that the Employee's inability to continue with the Vocational Plan is due to an increase in restrictions or lack of ability.

If the Employee is not available or does not co-operate or participate in the Vocational Plan, the Employee will no longer be entitled to Disability Benefits.

Subrogation

Conditional payments shall be made to an Employee with a potential loss of income claim against a third party who caused or contributed to the disability. Any such payments are subject to Manulife Financial's subrogation right to reimbursement when the Employee is indemnified through a judgement or settlement.

Payment of Disability Benefits

Disability benefit payments will be made weekly in arrears. Any payment for a period of less than one week will be made at a daily rate of one-seventh of the Employee's weekly benefit amount.

Weekly Income Benefit/Short Term Disability 53

Termination of Benefit Payments

Disability benefit payments will cease on the earliest of:

- a) the date the Employee ceases to meet this Benefit's definition of Totally Disabled;
- b) the date on which benefits have been paid up to the Maximum Benefit Period shown in the Benefit Schedule;
- c) the date the Employee retires; or
- d) the date the Employee dies.

Recurrent Disability

Where an Employee becomes Totally Disabled again from the same or related causes as those for which Weekly Income benefits have been paid under this Policy and such Disability recurs within 2 weeks from the end of the period for which benefits were paid under this Policy, Manulife Financial will waive the Qualifying Period.

All such recurrences will be considered a continuation of the same Disability. The benefit payable will be based on the Employee's Earnings as at the original date of Disability. Benefits for all recurrences will not be paid for a combined period longer than the Maximum Benefit Period shown in the Benefit Schedule.

If the same Disability recurs more than 14 days after the end of the period for which benefits were paid, such Disability will be considered a separate Disability.

Where Disability is the result of a non-medically necessary procedure or treatment, if complications arise which extend Disability beyond 14 days, the Employee will be eligible for Disability benefits.

Two Disabilities which are due to unrelated causes are considered separate Disabilities if they are separated by a return to work of at least one day.

Continuation of Insurance

If an Employee's insurance terminates for reasons other than retirement, Manulife Financial will continue insurance under this Benefit if the Employee is Totally Disabled and:

- a) entitled to receive benefits; or
- b) fulfilling the Qualifying Period.

The Employee must satisfy Manulife Financial's Entitlement Criteria in order for the Disability Benefit to be payable.

The insurance continued is subject to all the provisions of this Policy.

Taxability

The Policyholder must notify Manulife Financial in writing 31 days prior to a change in the tax status of this Benefit. Manulife Financial reserves the right to adjust the amount of insurance and the premium rates if such a change occurs, whether or not notification has been given. The effective date will be the date of change.

54 Weekly Income Benefit/Short Term Disability

Disabilities Not Covered

No benefits are payable for any Disability related to:

- a) any illness or injury which arises out of or in the course of employment, unless the Employee's claim has been denied by workers' compensation;
- b) medical or surgical care which is performed solely for cosmetic purposes, except if due to an illness or injury;
- c) war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion;
- d) abuse of drugs, including Drugs and alcohol, unless the Employee is participating in an in-patient medical treatment program for substance abuse;
- e) the committing of a criminal offence;
- f) injuries sustained while operating a motor vehicle under the influence of drugs or alcohol as prohibited by law; or
- g) self-inflicted injuries, unless medical evidence establishes that the injuries are related to a mental health illness.

The Benefit

If an Employee becomes Totally Disabled while insured for this Benefit, Manulife Financial will pay a Disability Benefit as outlined below, provided the Employee meets Manulife Financial's Entitlement Criteria.

Benefits are payable from the end of the Qualifying Period. Benefits are not payable for or during the Qualifying Period.

Definition of Total Disability or Totally Disabled

Restriction or lack of ability due to an illness or injury which prevents an Employee from performing the essential duties of:

- a) his own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period; and
- b) any occupation for which the Employee is qualified, or may reasonably become qualified, by training, education or experience, after the 2 years specified in part a) of this provision.

The availability of work will not be considered by Manulife Financial in assessing the Employee's Disability.

An Employee who must hold a government permit or licence to perform his duties will not be considered Totally Disabled solely because such permit or licence has been withdrawn or not renewed.

Entitlement Criteria

Manulife Financial will apply the following criteria in determining an Employee's entitlement to Disability Benefits:

- a) the Employee has been continuously Totally Disabled throughout the Qualifying Period. If the Employee ceases to be Totally Disabled during this period and then becomes Totally Disabled again within 14 consecutive days of a return to work due to the same or related cause, the Qualifying Period will be considered to be uninterrupted;
- b) Manulife Financial receives medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of:
 - i) his own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period; and
 - ii) any occupation for which the Employee is qualified, or may reasonably become qualified, by training, education or experience, after the 2 years specified in part i) of this provision;
- c) the Employee is receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require the Employee to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

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Periods for Which the Employee is Not Entitled to Benefits

The Employee is not entitled to benefit payments for any period that he is:

- a) not receiving from a Physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial;
- b) receiving Employment Insurance maternity or parental benefits;
- c) on lay-off during which the Employee becomes Totally Disabled;
- d) on leave of absence during which the Employee becomes Totally Disabled, unless the Employer is required to pay benefits during this period as a result of legislation, regulation or case law (in some provinces, Employers with a benefit plan are required to provide benefits to an Employee during the health-related portion of a Maternity Leave of Absence);
- e) receiving benefits under an employer-sponsored salary continuance or short term wage loss replacement plan;
- f) working in any occupation, except as provided for under the Rehabilitation Assistance provision;
- g) incarcerated in a prison, correctional facility, or mental institution by order of authority of a criminal court; or
- h) absent from Canada for 6 months or more in a 12 month period.

Amount of Disability Benefit

The Amount of Disability Benefit payable is the Benefit Amount shown in the Benefit Schedule, less any amount of benefits the Employee receives, or is entitled to receive, from the following sources for the same or related Disability:

- a) Workers' Compensation or similar coverage;
- b) Canada or Quebec Pension Plans, excluding dependent benefits;
- c) any government motor vehicle automobile insurance plan or policy, unless prohibited by law;
- d) any retirement or pension plan;
- e) any government plan, excluding Employment Insurance Benefits

The benefit amount payable will be further reduced so that the Employee's total income from All Sources does not exceed 85% of the Employee's pre-disability Earnings if this Benefit is taxable, or 85% of the Employee's pre-disability Net Earnings if this Benefit is non-taxable.

All Sources include those stated above and any benefit the Employee is entitled to receive from:

- a) any group, association or franchise plan;
- b) earnings or payments from any employer, including severance payments and vacation pay;
- c) self-employment; and
- d) Canada or Quebec Pension Plans, dependent benefits.

Benefit Calculation Rules

Manulife Financial will apply the following rules in determining the Employee's Disability Benefit:

- a) benefits from other sources which began before the commencement of the Employee's current Disability will not be taken into account;
- b) benefits payable from other sources will not be adjusted to take into account any difference between the tax status of those benefits and the benefit payable by Manulife Financial;
- c) subsequent changes in benefits from other sources, other than cost of living increases, will be taken into consideration and a new benefit amount may be established;
- d) benefits payable under individual disability income insurance will not be taken into account;
- e) for benefits payable other than on a monthly basis, a monthly equivalent of such benefit will be estimated by Manulife Financial; and
- f) if an Employee does not apply for a benefit for which he is eligible, the amount of such benefit will be estimated by Manulife Financial and assumed to be paid.

Subrogation

Conditional monthly payments shall be made to an Employee with a potential loss of income claim against a third party who caused or contributed to the Disability. Any such payments are subject to Manulife Financial's subrogation right to reimbursement when the Employee is indemnified through a judgement or settlement.

Payment of Disability Benefits

Disability benefit payments will be made monthly in arrears. Any payment for a period of less than one month will be made at a daily rate of one-thirtieth of the Employee's monthly benefit amount.

Rehabilitation Assistance

Once Manulife Financial determines that an Employee is Totally Disabled, where appropriate and at Manulife Financial's discretion, the Employee may be offered rehabilitation to assist him in returning to gainful employment, either to his pre-disability occupation or to another occupation.

In partnership with the Employer and the Employee, Manulife Financial will provide the Employee with a structured Vocational Plan that will prepare the Employee for a return to work:

- a) with the Employer;
- b) with an alternate employer; or
- c) in a self-employed capacity.

In considering whether Rehabilitation Assistance is appropriate for an Employee, Manulife Financial will take into account:

- a) the nature, extent and expected duration of the Employee's Disability;
- b) the Employee's level of education, training or experience; and
- c) the nature, scope, objectives and cost of the Vocational Plan.

58 Long Term Disability Benefit

An Employee will continue to be entitled to Disability Benefits while participating in the Vocational Plan. The Employee's Disability Benefit will be reduced by earnings received from any employment only if the Employee's total income from all sources exceeds:

- a) 100% of his pre-disability Earnings, if this Benefit is taxable; or
- b) 100% of his pre-disability Net Earnings, if this Benefit is non-taxable.

If an Employee ceases to participate in a Vocational Plan because of a change in his medical status, Manulife Financial will require medical evidence documenting how the Employee's medical condition has deteriorated such that the Employee's inability to continue with the Vocational Plan is due to an increase in restrictions or lack of ability.

If the Employee is not available or does not co-operate or participate in the Vocational Plan, the Employee will no longer be entitled to Disability Benefits.

Termination of Benefit Payments

Disability benefit payments will cease on the earliest of:

- a) the date the Employee ceases to meet this Benefit's definition of Totally Disabled;
- b) the date the Employee does not supply Manulife Financial with appropriate medical evidence documenting how the Employee's illness or injury causes restrictions or lack of ability, such that the Employee is prevented from performing the essential duties of:
 - i) his own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period; and
 - ii) any occupation for which the Employee is qualified, or may reasonably become qualified, by training, education or experience, after the 2 years specified in part i) of this provision;
- c) the date the Employee does not attend a medical, psychiatric, psychological, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial;
- d) the date on which benefits have been paid up to the Maximum Benefit Period shown in the Benefit Schedule; or
- e) the date the Employee dies.

Recurrent Disability

Where an Employee becomes Totally Disabled again from the same or related causes as those for which Long Term Disability benefits have been paid under this Policy and such Disability recurs within 6 months from the end of the period for which benefits were paid under this Policy, Manulife Financial will waive the Qualifying Period.

All such recurrences will be considered a continuation of the same Disability. The benefit payable will be based on the Employee's Earnings as at the original date of Disability. Benefits for all recurrences will not be paid for a combined period longer than the Maximum Benefit Period shown in the Benefit Schedule.

If the same Disability recurs more than 6 months after the end of the period for which benefits were paid, such Disability will be considered a separate Disability.

Two Disabilities which are due to unrelated causes are considered separate Disabilities if they are separated by a return to work of at least one day.

Waiver of Premiums

Premiums required on behalf of an Employee for this Benefit will be waived during any period for which Long Term Disability Benefits are payable.

Survivor Benefit

If an Employee dies while Long Term Disability benefits are payable, Manulife Financial will pay the Survivor Benefit Amount shown in the Benefit Schedule, less the amount of any Long Term Disability Benefit overpayments which have not been recovered.

Payment of the Survivor Benefit will be made to the Employee's surviving Spouse or, if there is no surviving Spouse, to the surviving Dependent Children. If there are no surviving Dependents, the benefit will be paid to the Employee's estate.

Continuation of Insurance

If an Employee's insurance terminates for reasons other than reaching the Termination Age for this Benefit, as shown in the Benefit Schedule, Manulife Financial will continue insurance under this Benefit if the Employee is Totally Disabled and:

- a) entitled to receive benefits; or
- b) fulfilling the Qualifying Period.

The Employee must satisfy Manulife Financial's Entitlement Criteria in order for the Disability Benefit to be payable.

The insurance continued is subject to all the provisions of this Policy.

Taxability

The Policyholder must notify Manulife Financial in writing 31 days prior to a change in the tax status of this Benefit. Manulife Financial reserves the right to adjust the amount of insurance and the premium rates if such a change occurs, whether or not notification has been given. The effective date will be the date of change.

Disabilities Not Covered

No benefits are payable for any Disability directly or indirectly related to:

- a) self-inflicted injuries, unless medical evidence establishes that the injuries are related to a mental health illness;
- b) war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion;
- c) medical or surgical care which is not Medically Necessary or is cosmetic in nature;
- d) the committing of or the attempt to commit an assault or criminal offence;
- e) serving a sentence for a criminal or provincial offence;
- f) any 12 month period where the Employee does not reside in Canada for at least 6 months;

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- g) injuries sustained while operating a motor vehicle, either while under the influence of any intoxicant or if the Employee's blood contained more than 80 milligrams of alcohol per 100 millilitres of blood at the time of injury;
- h) abuse of addictive substances, including Drugs and alcohol, unless the Employee is actively participating and co-operating in an in-patient medical treatment program for substance abuse which has been approved by Manulife Financial; and
- i) a Pre-Existing Condition which causes Disability within the first 12 months of insurance under this Benefit. A Pre-Existing Condition is any injury or illness (whether diagnosed or not) for which an Employee was treated or attended by a Physician, or for which Drugs were prescribed, within 90 days prior to the date the Employee's insurance under this Benefit became effective.

Payees

Benefits payable due to the death of an Employee are payable to the Employee's beneficiary or, if no such beneficiary is alive or has been designated, to the Employee's estate. All other benefits for an Employee and such Employee's Dependents are payable to the Employee, unless the Employee has previously authorized payment to be made to the person and/or corporation which has rendered services, treatment or supplies. If the Employee is not alive, these benefits are payable to such Employee's estate.

- Payment of Small Amounts

If any amount up to \$2,000 is payable to a person who is not alive or who cannot give a valid discharge for such payment, Manulife Financial may pay the amount to:

- a) any relative of that person; or
- b) any person or institution incurring expenses for the care, maintenance or burial of that person.

Requirement of Proof

No claim for benefits will be paid until Manulife Financial receives satisfactory proof in writing that such benefits are payable under the terms of this Policy.

Manulife Financial reserves the right to request any additional information necessary, as determined by Manulife Financial, to validate the eligibility of a claim for benefits under this Policy. The Employee is responsible for any expenses incurred for obtaining this additional information.

Submission of Proof

Proof that benefits are payable must be submitted by or on behalf of the Employee and received by Manulife Financial at its Head Office for Canadian Operations or one of its Group Claims Offices within:

- a) 180 days from the date of the loss, for claims for Life and Accidental Death and Dismemberment benefits;
- b) 30 days from the end of Qualifying Period for claims for Weekly Income/Short Term Disability benefits;
- c) 180 days from the end of the Qualifying Period, for claims for Long Term Disability benefits.

Continuing Proof

If benefits are being paid or coverage continued on an insured person because of disability, Manulife Financial may require written proof that this person remains Disabled under the terms of this Policy. This proof will be required as often as may reasonably be necessary.

Examination by Manulife Financial

Manulife Financial reserves the right to have any person in respect of whom a claim is being made under this Policy submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial, as often as may reasonably be required. No benefits will be payable if, without reasonable cause, the insured person fails to undergo such examination. If benefits are claimed for loss of life, Manulife Financial may require that an autopsy be performed. Manulife Financial will use the results of any such examination or autopsy to determine whether benefits are payable under this Policy.

62 Payment of Claims

Subrogation

If an insured person suffers personal injury or loss for which he has a right to bring action for damages against a third party, Manulife Financial shall be subrogated to the insured person's rights to recover damages to the extent that it may be obligated to pay benefits to the insured person. In such case, Manulife Financial will require the insured person to complete a subrogation reimbursement agreement. Manulife Financial has the right to suspend payment of benefits until the completed agreement is received.

Upon judgement or settlement for damages, the insured person shall reimburse Manulife Financial for benefits paid or payable. Unless notified to the contrary, the insured person's solicitor shall also represent Manulife Financial's interests in such a recovery.

Time Limit on Legal Action

No legal action against Manulife Financial may be commenced less than 60 days after proof has been filed in accordance with the above requirements. Every action or proceeding against Manulife Financial for the recovery of benefits payable under this Policy is absolutely barred unless commenced within the time set out in the Insurance Act or other applicable legislation.

Method of Administration

This Policy must be administered in accordance with Manulife Financial's instructions.

Participation Requirements

100% of eligible Employees must be insured for the mandatory benefits under this Policy. For the benefits which are non-mandatory, at least 75% must be insured. In addition, a minimum of 20 Employee(s) must be covered at all times.

For non-mandatory benefits under this Policy, eligible Employees must either:

- a) apply for all the non-mandatory benefits; or
- b) refuse coverage for all the non-mandatory benefits.

For Optional Life Insurance and Optional Accidental Death and Dismemberment Insurance, the greater of 10% or 10 eligible Employees must be insured at all times.

Notice of New Employees

The Policyholder must supply enrolment material to eligible Employees and inform Manulife Financial of the addition of new Employees as they become eligible for insurance.

Notice of Terminated Employees

The Policyholder must inform Manulife Financial of the termination of insurance on Employees on or before the date on which this insurance terminates. Payments made with respect to ineligible persons because of the late receipt of termination notice will be recovered from the Policyholder if they can not be recovered from the Employee on whose behalf they were paid.

Uniform Practices

Options available to the Policyholder must be chosen and administered by the Policyholder on a uniform basis without prejudice to any Employee.

Right of Verification

Manulife Financial shall have the right to inspect, as often as may reasonably be required, those books and records of the Policyholder or any person or organization that may have a bearing on the insurance in force under this Policy. Manulife Financial may require any insured person to provide proof of age.

Clerical Error and Misstatement

A clerical error is a mistake in writing or copying data. A clerical error made by the Policyholder or Manulife Financial will not invalidate insurance otherwise in force, or continue insurance otherwise terminated under the terms of this Policy.

If an insured person's age has been misstated, his true age will be used to determine:

- a) the effective date or termination date of insurance;
- b) the amount of insurance; and
- c) any other rights or benefits under this Policy.

64 Administration of the Policy

Manulife Financial will adjust the insurance in force where this is affected by a clerical error or a misstatement of age.

A premium adjustment which reflects the adjustment in insurance will be made on a subsequent premium due date.

Employee Contributions

Manulife Financial is not responsible for the collection of any employee contributions required for insurance under this Policy. However, the Policyholder may not require any contribution in respect of a person's insurance under any Benefit while the corresponding premium is being waived.

Booklets

Manulife Financial will produce a booklet for each Employee insured under this Policy, unless Manulife Financial and the Policyholder have otherwise agreed. The booklet will set out the main features of insurance coverage and state to whom benefits are payable. These booklets will be distributed by the Policyholder to each insured Employee.

Possession of a booklet alone does not entitle an Employee to insurance under this Policy. This Policy must be in effect and the Employee must satisfy all the requirements of this Policy. The booklet is not a contract of insurance, nor does it create or confer any contractual or other rights. The provisions of this Policy will govern if they are in conflict with anything stated or implied in a booklet.

If an Employee receives a booklet from the Policyholder that has not been approved by Manulife Financial, and if any claim that would otherwise be limited or denied by the provisions of this Policy, is increased or paid as a result of information included in, or missing from such booklet, the Policyholder will be responsible for reimbursing Manulife Financial for the amount of such increase or payment plus expenses and administration costs.

Naming a Beneficiary

The Employee may name a beneficiary, subject to governing law, while applying for group insurance under this Policy or by filing notice in accordance with instructions provided by Manulife Financial. An existing beneficiary may be changed by the Employee, subject to governing law, by filing notice in accordance with instructions provided by Manulife Financial. Once notice has been filed, it takes effect as of the date it was signed with respect to any payment made after the time it was filed.

Manulife Financial does not accept beneficiary designations for any benefits other than Employee Life Insurance, Employee Optional Life Insurance, Accidental Death and Dismemberment and Employee Optional Accidental Death and Dismemberment.

Time of Payment

The initial premium is due on the Effective Date and subsequent premiums are due on the first day of every month thereafter. Premiums are payable by the Policyholder to Manulife Financial at Manulife Financial's Head Office for Canadian Operations or any of its Field Offices.

Amount of Premium

The amount of premium payable by the Policyholder on each premium due date will be the aggregate of the amounts, including any retroactive premium adjustments, payable in respect of each person insured on that date.

Grace Period

After the first premium is paid, 31 days of grace are allowed for the payment of any premium. If a premium is paid during the grace period, the insurance under this Policy continues in force. However, if the premium is not paid during this time, Manulife Financial reserves the right to:

- a) apply a service charge to all overdue premiums;
- b) withhold payments for all claims incurred after the grace period until all monies due Manulife Financial are paid; and
- c) automatically cancel this Policy at the end of the grace period.

Premium for Each Insured Person

The amount payable in respect of any insured person shall be determined according to the benefits for which that person is insured and the premium rates then applicable to those benefits.

Premium Rates

Manulife Financial may set new rates:

- a) on any premium due date after July 1, 2016 for Weekly Income (Short Term Disability) and July 1, 2017 for Life and Long Term Disability, but not more than once in any policy year;
- b) upon amendment of this Policy at the Policyholder's request;
- c) upon amendment or termination of any other plan which provides benefits which are offset against benefits under this Policy;
- d) at any time after the passage of Provincial or Federal law or regulation which results in a change to:
 - i) the liability for provision of benefits under this Policy;
 - ii) the taxability of premiums or benefits.

Premium Payment Deemed Acceptance

Payment towards the first premium due on or after the date on which an amendment or a premium rate change takes effect is deemed to constitute acceptance of the amendment or premium rate change and all written terms and conditions attached to such a change. All such terms and conditions are deemed to become a part of this Policy.

66 Payment of Premiums

Premium Adjustments

A premium adjustment will be made for each of the following changes to the amount of insurance in force under this Policy:

- a) changes due to an amendment of the Policy;
- b) retroactive changes made to correct the effect of a clerical error or age misstatement;
- c) retroactive changes required due to the late reporting of the addition or termination of Employees;
and
- d) any other changes that take effect more than one month prior to the next premium due date.

Retroactive adjustments which result in a credit to the Policyholder will be limited to the lesser of:

- a) 6 months; or
- b) the number of complete months since the last Renewal Date.

However, this will in no way affect the actual effective date of the termination or reduction in an Employee's coverage.

Premium Due on Termination of Policy

The Policyholder shall remain liable for all premiums due and unpaid on the date this Policy terminates. If this date is not a premium due date, the last premium will be reduced to reflect the period between the date it was due and the date of termination.

The Entire Contract

This Policy, the Policyholder's application, the individual Employee's applications, and any document which supports or alters the information or effect of any such applications constitute the entire contract. A copy of the Policyholder's application is included with this Policy.

In the event of a discrepancy between versions of the Policy, the most recent version issued by Manulife Financial will govern.

No alteration of the Policy is permitted by any person, except by an authorized representative of Manulife Financial.

Amendments

No provision of this Policy may be waived, changed or modified unless this is done in writing and signed by an authorized representative of Manulife Financial.

Termination of the Policy

The Policyholder may terminate this Policy by giving written notice to Manulife Financial. The Policy will terminate on the latest of:

- a) the date such notice is received at Manulife Financial's Head Office;
- b) the end of the period for which premiums have been paid; and
- c) the date specified by the Policyholder.

Manulife Financial may terminate this Policy or a benefit under this Policy if:

- a) the number of insured Employees; or
- b) the percentage of insured Employees;

is less than the minimum Participation Requirements specified in this Policy.

Manulife Financial may also terminate this Policy or any benefit under this Policy on any Policy Anniversary or Renewal Date by giving at least 31 days written notice to the Policyholder.

Manulife Financial has the right to terminate this Policy at the end of the Grace Period, if premium is not paid.

The Policyholder is responsible for informing Employees when this Policy terminates.

Contesting the Policy

In the absence of fraud, the validity of this Policy will not be contested if it has been in force for two years from its issue date and all the premiums due in that time have been paid.

68 The Policy

Contesting a Person's Insurance

In the absence of fraud, no statement made in respect of the insurability of a person may be used in contesting the validity of that person's insurance after such insurance has been in force for two years during the person's lifetime.

Assignment of Insurance

The rights or interests of an Employee under this Policy are not assignable.

Non-Participation

This Policy will not share in any surplus distributed by Manulife Financial.

Gender

In this Policy, unless the context requires otherwise, reference to the masculine gender will also include the feminine gender.

Currency of Payment

All amounts payable under this Policy, to or by Manulife Financial, are payable in Canadian currency.

Conformity with the Law

If a provision of this Policy is contrary to any law to which it is subject, this provision will be deemed to conform to the minimum requirements of such law.

Administration

Manulife Financial may from time to time adopt such administrative practices as are reasonably necessary in providing benefits under this Policy, as determined in its sole discretion.

Life Insurance Conversion Privilege for Insured persons who reside in Quebec

In accordance with the Quebec Regulation under the Act respecting Insurance (S. 62,63,66), the Dependent, Minimum, Maximum and Death during Conversion Period provisions of the Life Insurance conversion privilege for Insured persons who reside in Quebec will be administered as outlined in this Addendum.

If a provision of the Policy or Addendum is, in full or in part, contrary to the Regulation or any other law or regulation replacing it, that provision, or the part that is deemed to be contrary will be presumed to be amended to comply with the minimum requirements of the applicable laws and regulations.

Conversion of Dependent coverage

If the Employee's life Insurance under this Policy terminates and the Employee had coverage for a Dependent, the Employee will be eligible to continue all or part of the life insurance by converting to an Individual Policy subject to the same terms and conditions as the Employee.

Minimum/Maximum Amount

For a Group Policy of a person residing in Quebec, the minimum amount of the life insurance that may be converted is:

- a) for the Employee, \$10,000, and
- b) for the Employee's Dependents, \$5,000.

For a Group Policy of a person residing in Quebec, the maximum amount that may be converted is the lesser of:

- a) \$400,000; or
- b) the amount of insurance that terminated less the amount of insurance under any replacing Group Policy within 31 days of the termination if any.

Death during Conversion Period

If a person dies within 31 days of the date his Group Insurance terminates, on receipt of due proof, Manulife Financial will pay the amount of coverage under their terminated insurance. This will be done even if the person did not apply for an Individual Policy. If the person had applied for the Individual Policy, any premium paid will be refunded.