

Alberta Municipalities

All employees
Effective November 1, 2016

Optional Accidental Death and Dismemberment (AD&D) insurance

is an inexpensive way to cover yourself and your family. If you should die or be severely injured in an accident, your benefit would pay a lump-sum amount to you (in the case of injury) or to your beneficiary(ies) (in the case of your death). Optional AD&D insurance is paid in addition to your Life Insurance – it is not paid for death due to natural causes and is therefore not a replacement for Life Insurance.

Optional Accidental Death and Dismemberment insurance

You can't predict when or where an accident might happen – an accident serious enough to jeopardize your retirement plans, your children's education plans or your ability to meet your day-to-day financial obligations. While you may not be able to prevent it, you can protect yourself with adequate insurance.



Dollars and sense

If you are a plan member residing in Canada and under age 65 you are eligible to apply for Optional AD&D insurance with Sun Life.

Under the Employee only plan, you can buy up to \$250,000 of Optional AD&D insurance (in units of \$25,000). The total amount you purchase is called the Principal Sum.

The following chart shows the monthly premium for each \$25,000 of coverage you purchase. Premiums are paid through payroll deduction.

Employee only plan (Covers you on a 24-hour basis e.g. you're covered regardless if an accident occurs on or off the job)	
Principal Sum Selected for Yourself	Employee Only Plan
\$25,000	\$1.03
\$50,000	\$2.05
\$75,000	\$3.08
\$100,000	\$4.10
\$125,000	\$5.13
\$150,000	\$6.15
\$200,000	\$8.20
\$250,000	\$10.25

Under the **Employee plus dependents** plan, you can buy up to \$250,000 of Optional AD&D insurance (in units of \$25,000) for yourself and your dependents. The total amount you purchase is called the *Principal Sum*.

The chart below shows the monthly premium for each \$25,000 of coverage you purchase. Premiums are paid through payroll deduction.

Employee plus dependents (Covers you on a 24-hour basis e.g. you're covered regardless if an accident occurs on or off the job)	
Principal Sum Selected for Yourself	Employee & Family Plan
\$25,000	\$1.40
\$50,000	\$2.80
\$75,000	\$4.20
\$100,000	\$5.60
\$125,000	\$7.00
\$150,000	\$8.40
\$200,000	\$11.20
\$250,000	\$14.00

If you choose the **Employee plus dependents** plan, your spouse and dependent children will be covered for a percentage of your *Principal Sum* as follows:

Spouse only (no children)	50%
Spouse and children	
Spouse	40%
Each child	5%
Children only (no spouse)	
Each child	15%

Here's an example:

An employee purchases coverage for himself of \$100,000 (the *Principal Sum*) and he has a spouse and dependent children. His spouse suffers an accidental injury and loses one of her arms. In this case, the employee would receive an amount equal to 40% of 75% of \$100,000, ie. \$30,000.

How much is paid

We will pay for this benefit if you or your spouse:

- Accidentally drown
- Disappear in an accident while travelling. This only applies if the means of transportation disappears, sinks, is wrecked, forced to land or stranded and the body is not found within one year. There must be no evidence that you or your spouse are still alive.
- Are in an accident or exposed to the elements and, as a direct result, you or your spouse suffer one of the losses listed below within one year of that accident or exposure.

The amount that we will pay is a percentage of the Accidental Death and Dismemberment coverage. The percentage depends on the loss suffered. The following table shows the percentages we use to determine the payment.

Only the largest percentage is paid for injuries to the same limb resulting from the same accident. We will not pay more than 100% of the amount of coverage if an accident results in more than one loss. This does not include quadriplegia, paraplegia or hemiplegia, where we will pay a maximum of 200%.

Loss of an arm means that it was severed at or above the elbow. Loss of a hand means that it was severed at or above the wrist. Loss of a leg means that it was severed at or above the knee. Loss of a foot means that it was severed at or above the ankle. Loss of a thumb, finger or toe means that it was severed at or above the first joint from the hand or foot. Loss of sight, speech or hearing must be total and permanent.

Loss of use must be total and must have continued for at least one year. Before we pay the benefit, you must provide proof that the loss is permanent.

If more than one person covered by the group contract is eligible for benefits resulting from the same accident, Sun Life will pay up to a maximum of \$3,000,000 for all claims related to the accident.

If the total amount of benefits payable for the accident is more than \$3,000,000 then we will pay for each person a percentage of the \$3,000,000 that is equal to the percentage the person would have received of the total payable.

Table of Losses

Loss of life	100%
Loss of both arms or both legs	100%
Loss of both hands, both feet or the entire sight of both eyes	100%
Loss of one hand and one foot	100%
Loss of one hand or one foot and the entire sight of one eye	100%
Loss of speech and loss of hearing in both ears	100%
Loss of one arm or one leg	75%
Loss of one hand, one foot or the entire sight of one eye	75%
Loss of speech or loss of hearing in both ears	75%
Loss of thumb and index finger of the same hand	33.3%
Loss of four fingers of the same hand	33.3%
Loss of four toes on the same foot	25%
Loss of hearing in one ear	25%
Loss of use of one arm or one leg	75%
Loss of use of one hand or one foot	75%
Loss of use of both arms or both legs	100%
Loss of use of both hands or both feet	100%
Quadriplegia (complete paralysis of both arms and legs)	200%
Paraplegia (complete paralysis of both legs)	200%
Hemiplegia (complete paralysis of an arm and leg on one side of the body)	200%

Other benefits available under your Optional AD&D insurance

- If you die as a direct result of an accident 100 kilometres or more from home, we will pay up to \$10,000 for the preparation and transportation of your body for burial or cremation. We will pay the usual and reasonable expenses for this service. We will not pay for this service to the extent that it is reimbursed from other sources or covered under another benefit of this plan.

We may pay this benefit to any person who paid for the reparation or has a claim for reparation expenses

against your estate. As long as this payment is made in good faith, Sun Life will be fully discharged to the extent of the payment.

- If you suffer a loss as a direct result of an accident and are hospitalized at least 150 kilometres from home, we will pay up to \$5,000 for the usual and reasonable cost of hotel accommodations close to the hospital while you are hospitalized and for the travel expenses of an immediate family member. An immediate family member means a spouse, parent, child, brother or sister.

We will only pay for the usual and reasonable travel expenses. We will pay for car travel at a rate of \$0.20 per kilometer. Transportation must be by the most direct route to and from the hospital. We will not pay for this service to the extent that it is reimbursed from other sources or covered under another benefit of this plan.

- If you suffer a loss, other than a loss of life, we will pay up to \$10,000 of your rehabilitation expenses. We will only pay for the usual and reasonable expenses connected with a rehabilitation program. This does not include ordinary living expenses such as room, board, travelling or clothing.

We must approve the rehabilitation program and the expenses must be incurred within 3 years of the accident and while you are covered for this benefit. We will not pay for this service to the extent that it is reimbursed from other sources or covered under another benefit of this plan.

Our approval of the rehabilitation program will be based on the likelihood that it will be successful. The rehabilitation will be made up of training required, because of the loss, to prepare you for a new occupation.

- If you die as a direct result of an accident, we will pay for a dependent child's tuition fees in a post-secondary school. We will pay the child 5% of the amount of coverage up to \$5,000, each year up to a maximum of 4 years. The child must enroll as a full-time student within one year of your death. We will only pay for the usual and reasonable tuition expenses. This does not include ordinary living expenses such as room, board, travelling or clothing. This also does not include education expenses incurred prior to your death.
- If you die as a direct result of an accident, we will pay up to \$5,000 to your spouse for occupational training. The training must be for a job that your spouse was not previously qualified for. We will only pay for the usual and reasonable expenses connected with an occupational training program. This does not include ordinary living expenses such as room, board, travelling or clothing. We must approve the expenses and all expenses must be incurred within 3 years of the date

of the accident. We will not pay for this service to the extent that it is reimbursed from other sources or covered under another benefit of this plan. Our approval of the training program will be based on the likelihood that it will be successful.

What is not covered

We will not pay for losses that are a result of:

- Self-inflicted injuries, by firearm or otherwise.
- A drug overdose
- Carbon monoxide inhalation
- Attempted suicide or suicide while sane or insane
- Flying in, descending from or being exposed to any hazard related to an aircraft while
 - Receiving flying lessons
 - Performing any duties in connection with the aircraft
 - Being flown for a parachute jump
 - A member of the armed forces if the aircraft is under the control of or chartered by the armed forces
- The hostile action of any armed forces, insurrection or participation in a riot or civil commotion
- Full-time service in the armed forces of any country
- Participation in a criminal offence

Coverage during total disability

If you become totally disabled while covered and premiums are no longer payable for Life coverage, this Accidental Death and Dismemberment coverage will continue without the payment of premiums, but not beyond age 65, for as long as premiums are not payable for your Life coverage.

Any amount of coverage continued is subject to the terms of this group plan when total disability began.

Submitting a claim

For any loss other than death, the claim just be received by Sun Life within one year after the loss.

If the claim is the result of a death, the claim should be a made as soon as possible after the death occurred.

Your benefits administrator will provide the forms needed to make a claim.

Life's brighter under the sun

Group Benefits are provided by Sun Life Assurance Company of Canada, a member of the Sun Life group of companies.

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When coverage ends

Employee Optional AD&D insurance ends when you retire or reach age 65, whichever is earlier.

Dependent Optional AD&D insurance ends when you retire or reach age 65. If your spouse reaches age 65 before you, the spousal portion of the Dependent Optional AD&D insurance will end.

Options available when your group benefits end

If your Accidental Death and Dismemberment coverage ends or reduces, for any reason other than your request, and if you apply to convert your group Life coverage to an individual Life policy, you may also apply at that time to have an Accidental Death benefit attached to the individual Life policy. Coverage will stop on the last day you are actively at work.

This applies to your spouse's coverage as well, but this does not apply to your children's coverage.

There are a number of rules and conditions in the group contract that apply to converting this coverage, including the maximum amount that can be converted. Please contact your employer for details. **You must apply within 31 days of your termination date.**

Leaves of absence

If you take an approved leave of absence, your benefits may be continued, however, you are still required to pay premiums for Optional AD&D insurance during such a leave. If you are unable to return to work due to total disability, you will be considered disabled as of your scheduled return date.

Questions?

This brochure has been designed to provide you with some of the highlights of Optional Accidental Death and Dismemberment insurance. Contact your municipal or organizations benefits administrator if you have any questions or would like further information.

If there are any discrepancies between the group contract and the information in this booklet, the **Group Contract** will take priority. Coverage in this booklet is subject to all the terms and conditions of the contract.

