

Disability insurance

Advisor guide

Information accurate as of June 24, 2019

Not for use with clients

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Lifestyle protection plan (June 2019 series)

The lifestyle protection plan is a non-cancellable personal disability insurance policy which can provide a monthly disability benefit during a total disability. The premium is level to age 65 (with the exception of the health care profession rider and graded premium rider). The policy is conditionally renewable on a modified basis after age 65, while the insured continues to work full-time.

The lifestyle protection plan is available to all occupation classes – 4A, 3A, 2A, A and B.

Non-cancellable to age 65

Once issued, the lifestyle protection plan policy cannot be cancelled or modified and the premium cannot be raised by Canada Life prior to age 65 (with the exception of the health care profession rider and graded premium rider), as long as premium is paid when due. This period is known as the non-cancellable period.

Conditionally renewable after age 65

After age 65, modified coverage may be continued on an annually renewable basis as long as the insured is not disabled and continues to work full-time*. No evidence of medical insurability will be required. All optional benefit riders will terminate on the policy anniversary nearest the insured's 65th birthday. The benefit period will be 24 months if the insured becomes totally disabled before his or her 75th birthday and 12 months if the insured becomes totally disabled after his or her 75th birthday. The premium will be based on rates in effect at time of renewal.

*Full-time means the insured is working at least 30 hours per week on a year-round basis.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60: 24 months and to age 65 benefit periods 18 – 55: 60 and 120 months benefit periods
Graded premium issue ages	18 – 45

Issue limits

Minimum monthly disability benefit

The minimum monthly disability benefit available is \$500.

Maximum monthly disability benefit

The maximum monthly disability benefit available varies by occupation class and issue age as shown in the table below.

Occupation class	Maximum monthly disability benefit	
	Issue ages 18 – 55	Issue ages 56 - 60
4A	\$25,000	\$12,000
3A	\$15,000	\$8,000
2A	\$8,000	\$5,000
A	\$6,000	\$4,000
B	\$4,000	\$3,000

Important basic policy definitions

Total disability means the insured, due directly to injury or sickness, is unable:

- During the first 24 months, to perform the substantial duties of his or her regular occupation and is not engaged in any other gainful occupation; and

- Thereafter, to work in any gainful occupation.

Injury means accidental bodily injury which occurs on or after the policy effective date and while the policy is in force. The signs and symptoms of the injury must be assessed and documented by a doctor and supported by objective medical evidence.

Sickness means disease or illness which is first manifested on or after the policy effective date and while the policy is in force. The signs and symptoms of the sickness must be assessed and documented by a doctor and supported by objective medical evidence.

Regular occupation means the occupation(s) in which the insured is regularly engaged at the time he or she becomes disabled, except, if the insured regularly engages in any other gainful occupation between successive periods of disability, that gainful occupation will be considered the insured's regular occupation.

Gainful occupation means any occupation for which the insured is reasonably fitted by reason of his or her education, training or experience.

Basic policy benefits

Presumptive disability benefits

Presumptive disability means the total and irreversible loss of any of the following due directly to injury or sickness:

- Speech;
- The hearing of both ears;
- The sight of both eyes;
- The use of both hands or both feet; or
- The use of one hand and one foot.

If the insured is presumptively disabled, he or she will be considered totally disabled even if he or she engages in any occupation.

If the insured becomes presumptively disabled before the monthly disability benefit becomes payable (i.e. he or she is not already on claim):

- The waiting period will not have to be satisfied;
- Premium will be waived from the date he or she becomes totally disabled; and
- The monthly disability benefit will be payable to the end of the benefit period.

If the insured becomes presumptively disabled while the monthly disability benefit is payable (i.e. he or she is already on claim):

- Premium will be waived from the date he or she becomes presumptively disabled (if it has not already been waived under the waiver-of-premium provision); and
- The monthly disability benefit will be payable for the remainder of the benefit period.

For occupation classes 3A and 4A only — the monthly disability benefit will be increased by 25 per cent and Canada Life will pay a lump-sum benefit equal to the lesser of three times the increased monthly disability benefit and \$15,000.

If the monthly disability benefit under the basic policy steps up or down, the monthly disability benefit used to calculate the lump sum benefit will be the higher amount. The maximum lump sum benefit we will pay is \$15,000, regardless of the number of disability insurance policies with Canada Life insuring the same life.

The insured will not be considered totally disabled under this provision if he or she has already been deemed to be catastrophically disabled.

Catastrophic disability benefits (for occupation classes 3A and 4A only)

Catastrophic disability means the insured satisfies the definition of loss of independent existence (see definition below).

If the insured is catastrophically disabled, he or she will be considered totally disabled, even if he or she engages in any occupation. The insured will not be considered totally disabled under this provision if he or she has already been deemed to be presumptively disabled

If the insured becomes catastrophically disabled before the monthly disability benefit becomes payable (i.e. he or she is not already on claim):

- The waiting period will not have to be satisfied;
- Premium will be waived from the date he or she becomes totally disabled;
- The monthly disability benefit will be increased by 25 per cent and will be payable to the end of the benefit period; and
- A lump-sum benefit will be payable equal to the lesser of three times the increased monthly disability benefit and \$15,000.

If the insured becomes catastrophically disabled while the monthly disability benefit is payable (i.e. he or she is already on claim):

- Premium will be waived from the date he or she becomes catastrophically disabled (if it has not already been waived under the waiver-of-premium provision);
- The monthly disability benefit will be increased by 25 per cent and will be payable for the remainder of the benefit period; and
- A lump-sum benefit will be payable equal to the lesser of three times the increased monthly disability benefit and \$15,000.

If the monthly disability benefit under the basic policy steps up or down, the monthly disability benefit used to calculate the lump sum benefit will be the higher amount. The maximum lump sum benefit we will pay is \$15,000, regardless of the number of disability insurance policies with Canada Life insuring the same life.

Definition of loss of independent existence — loss of independent existence means a condition that qualifies under the definition of physical impairment or cognitive impairment below and there is no reasonable chance of recovery based on the then current medical practice.

Physical impairment means the insured is unable to perform, by himself or herself, whether with or without the use of any equipment, at least two of the following six activities of daily living.

1. Bathing – the ability to wash oneself in a bathtub, shower or by sponge bath;
2. Dressing – the ability to put on, remove, fasten and unfasten all necessary clothing, braces, artificial limbs or other surgical appliances;
3. Toileting – the ability to get to and from the toilet and complete related personal hygiene;
4. Bladder and bowel continence – the ability to manage bowel and bladder functions, with or without any protective undergarments or surgical appliances, so that a reasonable level of hygiene is maintained;
5. Transferring – the ability to move into and out of a bed, chair or wheelchair; and
6. Eating – the ability to consume food that has already been prepared and made available.

The diagnosis for the insured's condition must be made by a doctor and accompanied by a current physical assessment from an occupational therapist other than the insured.

Cognitive impairment means mental deterioration and loss of intellectual ability, evidenced by deterioration in memory, orientation and reasoning, which is measurable by neuro-psychometric methods and results from demonstrable organic cause, and where the severity is such that the insured is incapable of independent living and requires a minimum of eight hours of daily supervision.

For further clarification, any mental or nervous disorder without a demonstrable organic cause, including but not limited to anxiety disorders, mood disorders, sleep disorders, pain disorders, personality disorders and psychotic disorders, does not satisfy the definition of cognitive impairment.

Survivorship benefit

If the insured dies while receiving disability benefits, a lump-sum death benefit of three times the monthly disability benefit will be paid to the insured's estate.

Vocational training program

Vocational Training Program means a government sponsored or other professionally planned vocational program Canada Life has approved in writing in advance of the insured's participation in the program. In considering whether to approve a vocational training program, Canada Life will assess such factors as the expected duration of the total disability and the level of activity required to facilitate the earliest possible return to work.

The disability benefit will be payable while the insured is totally disabled and participates in a vocational training program.

Canada Life may pay the cost of a program provided in connection with the vocational training program, as long as:

- a) The program will assist the insured in working in a gainful occupation;
- b) The program is not covered by any other program or plan;
- c) The program has been approved in advance; and
- d) Canada Life receives satisfactory evidence of the cost of the program.

Reasonable expenses associated with the program may be paid by Canada Life.

If approved, payment will be made to the supplier of the program or to the insured if Canada Life receives satisfactory proof that the supplier has been paid.

Accumulation of days to satisfy the waiting period

To satisfy the waiting period, non-consecutive days of disability, which result from the same or a related cause, may be accumulated, provided they are separated by:

- 24 months or less — for occupation classes 3A and 4A.
- 6 months or less — for occupation classes B, A and 2A.

Recurrent disability

If the insured becomes disabled again within 12 months (for occupation classes 3A and 4A) or 6 months (for occupation classes B, A and 2A) from the same or a related cause as a prior disability (for which benefits have been payable), the disability will be considered a continuation of the prior disability.

Such an extension only applies if the insured has worked continuously in a full-time* occupation away from his or her home for less than:

- 12 months following the earlier period of disability — for occupation classes 3A and 4A.
- 6 months following the earlier period of disability — for occupation classes B, A and 2A

In the case of a recurrent disability, a new waiting period will not need to be satisfied and the original benefit period will be continued.

*Full-time means the insured is working at least 30 hours per week on a year-round basis.

Payment of disability benefit

Disability benefits are payable only while the insured is receiving medical care from a doctor that is of an appropriate nature and frequency for the disability. The doctor must be a licensed medical doctor other than the insured.

Disability benefits will be paid at the end of the month after the waiting period has been satisfied while the insured is disabled until the earliest of:

- The date the insured is no longer disabled;
- The end of the benefit period;
- The date of the insured's death; and
- The date the claim is terminated by us for failure to comply with requirements outlined in the policy.

The payment of any benefits will be subject to receiving any information that we may request for the adjudication, investigation and verification of a claim.

Recovery benefit

A recovery benefit will be payable for two months after the insured returns to full-time work in his or her regular occupation. The waiting period must have been satisfied and the disability must have lasted at least three months. The benefit will be 50 per cent of the monthly disability benefit for the first month and 25 per cent of the monthly disability benefit for the second month.

The recovery benefit will not be paid if the insured:

- Is receiving any other benefits under the policy;
- Has already received disability benefits for the entire benefit period;
- Is over age 65; or
- Has already received this benefit for this period of disability.

Transplant surgery benefit

If the policy has been in force for at least six months and the insured becomes disabled as a result of surgery to transplant an organ or other part of the insured's body to the body of another person, Canada Life will consider the insured to be disabled due to sickness.

Extension of benefits

If the insured is disabled on the date the policy expires and 24 months of disability benefits have not been paid, Canada Life will continue to pay disability benefits for the remaining balance of the 24 months while the insured's disability continues.

Waiver-of-premium

After disability has lasted 90 days, Canada Life will waive premium while disability continues. We will then refund any premium paid by the owner for the first 90 days of that period. Premium will be payable from the date the insured is no longer disabled.

Exclusions

No benefits will be payable and no premium will be waived under the policy:

- a) If the disability results, directly or indirectly, from any of the following causes:
 - i. Normal pregnancy. However, Canada Life will not exclude a disability which results from a complication of pregnancy;
 - ii. War and any hazard arising from war;
 - iii. Active duty in any armed forces, whether or not a war;
 - iv. Surgery to transplant an organ or other part of the insured's body to the body of another person, except as provided under the transplant surgery benefit provision; or
- b) During any period of time the insured is incarcerated or under a court ordered restriction that prevents them from performing their regular occupation.

Integration (for occupation class B, A and 2A only)

Canada Life will offset the disability benefits under the policy dollar for dollar with any benefits the insured is entitled to receive due to the disability from any workers' compensation or automobile insurance.

Graded premium

In addition to level premium, graded premium is also available. Graded premium is designed for young individuals (age 18 - 45) who are not yet established, but who have the potential for substantial future incomes. These individuals pay a lower rate for the first five years and then a higher premium thereafter.

Optional benefit riders

The following optional benefit riders are available to customize the lifestyle protection plan to suit your client's individual needs.

- Own occupation rider
- Regular occupation period extender
- Residual disability rider
- Partial disability rider
- Extended partial disability rider
- Future Insurability option rider
- Cost-of-living (maximum 3% or 8% per year)
- Catch-up rider
- First day accident rider
- Return-of-premium (50%) rider
- Sickness rider
- Lifetime benefit – accident and graded sickness rider
- Accident death and dismemberment rider
- Health care profession rider

Own occupation rider

Professionals often have a significant investment in their occupation, including years of training and acquired experience. However, many feel that although they might be able to find alternative employment during a total disability, they would experience a drastic reduction in income. The own occupation rider allows the insured to work in another occupation while he or she is totally disabled in his or her own occupation and continue to receive disability benefits.

Availability

Occupation classes	4A, 3A
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. It is only available to true occupation class 3A and 4A risks (i.e. has not been upgraded to occupation class 3A or 4A through the quality risk upgrade program).

Only one of the following optional benefit riders can be included on a policy — own occupation rider, or regular occupation period extender rider.

Rider summary

The own occupation rider modifies the definition of total disability under the basic policy so the insured will be considered to be totally disabled even if he or she engages in any other gainful occupation.

Regular occupation period extender rider

Under the basic policy total disability benefits may be denied after 24 months if the insured would be able to work in another occupation based on his or her education, training and experience. The regular occupation period extender rider extends the regular occupation period from 24 months to the end of the benefit period selected. It guarantees that as long as the insured is totally disabled in his or her regular occupation, disability benefits will be paid until the end of the selected benefit period and the insured will not be required to work in another gainful occupation.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. Only one of the following optional benefit riders can be included on a policy — regular occupation period extender rider, or own occupation rider.

Rider summary

The regular occupation period extender rider modifies the definition of regular occupation period used to determine whether or not the insured qualifies for total disability benefits from 24 months to the end of the benefit period.

Residual disability rider

The benefits provided by this rider can contribute to the insured's financial security by helping to close the gap between what the insured was earning before becoming disabled and what he or she is able to earn while either partially or residually disabled.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. Only one of the following optional benefit riders can be included on a policy — residual disability rider, extended partial disability rider or partial disability rider.

Rider Summary

If the insured is not totally disabled, the residual disability rider allows a choice between receiving the partial disability benefit if he or she suffers a loss of time or duties or the residual disability benefit if he or she suffers a loss of income.

Partial disability means the insured is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness:

- Is unable to perform one or more of the important daily duties of his or her gainful occupation; or
- Suffers the necessary and continuous loss of at least one-half of the time normally spent in the daily performance of his or her gainful occupation.

Residual disability means the insured is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness the percentage loss of earned income is 20 per cent or more.

Partial disability benefit

While the insured is partially disabled and has not elected to receive the residual disability benefit, the partial disability benefit payable will be 50 per cent of the monthly disability benefit for the first 24 months of partial disability and 25 per cent thereafter.

For occupation classes 2A, A and B, the benefits will be subject to any reduction in benefits under the integration provision of the basic policy.

Residual disability benefit

During a period of disability, an election can be made to receive residual disability benefits, subject to providing Canada Life with written evidence of the insured's earned income loss.

- **For occupation classes 3A and 4A** — the residual disability benefit payable will be:
 - The monthly disability benefit if the earned income loss is 80 per cent or more; or
 - The earned income loss multiplied by the monthly disability benefit if the earned income loss is 20 per cent or more, but less than 80 per cent.
- **For occupation classes B, A and 2A** — the residual disability benefit payable, subject to any reduction in benefits under the integration provision of the basic policy, will be:
 - 50 per cent of the monthly disability benefit if the earned income loss is 50 per cent or more; or
 - The earned income loss multiplied by the monthly disability benefit if the earned income loss is 20 per cent or more, but less than 50 per cent.

Once the election is made, the insured cannot go back to receiving partial disability benefits during that period of disability.

Recovery benefit exclusion

If the option to elect residual disability benefits was made, the recovery benefit will not be payable following a period of residual disability.

Partial disability rider

This rider recognizes that the insured may continue to be partially disabled after returning to work following a total disability or may only be partially disabled due to the injury or sickness from the start. The benefits provided by this rider can contribute to the insured's financial security by helping to close the gap between what the insured was earning before becoming disabled and what he or she is able to earn while partially disabled. Partial disability benefits are available **for up to 24 months**.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. Only one of the following optional benefit riders can be included on a policy — partial disability rider, extended partial disability rider or residual disability rider.

Rider summary

The insured will be considered partially disabled if he or she is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness, the insured:

- Is unable to perform one or more of the important daily duties of his or her gainful occupation; or
- Suffers the necessary and continuous loss of at least one-half of the time normally spent in the daily performance of his or her gainful occupation.

Disability benefit

The disability benefit payable will be 50 per cent of the monthly disability benefit for up to 24 months while partial disability continues.

For occupation classes 2A, A and B, the benefits will be subject to any reduction in benefits under the integration provision of the basic policy.

Extended partial disability rider

This rider recognizes that the insured may continue to be partially disabled after returning to work following a total disability or may only be partially disabled due to the injury or sickness from the start. The benefits provided by this rider can contribute to the insured's financial security by helping to close the gap between what the insured was earning before becoming disabled and what he or she is able to earn while partially disabled. Partial disability benefits are available for the entire benefit period.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. Only one of the following optional benefit riders can be included on a policy — extended partial disability rider, partial disability rider or residual disability rider.

Rider Summary

The insured will be considered partially disabled if he or she is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness, the insured:

- Is unable to perform one or more of the important daily duties of his or her gainful occupation; or
- Suffers the necessary and continuous loss of at least one-half of the time normally spent in the daily performance of his or her gainful occupation.

Disability Benefit

The disability benefit payable will be 50 per cent of the monthly disability benefit for the first 24 months of partial disability and 25 per cent thereafter while disability continues.

For occupation classes 2A, A and B, the benefits will be subject to any reduction in benefits under the integration provision of the basic policy.

Future insurability option rider

Often income rises over a person's working years and health may deteriorate. Although most people hope they fully insure themselves when they buy a disability insurance policy, they may find the original amount of disability insurance becomes insufficient as their careers and needs change. Unfortunately, these people may not qualify medically to buy additional coverage at a later date.

The future insurability option rider helps alleviate this problem by guaranteeing that additional coverage may be purchased subject only to financial underwriting on specified option dates, regardless of changes in the insured's health. If the insured is disabled, additional coverage may only be purchased once during the period of disability, on the first option date.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 50

The rider can be included at issue of the basic policy or added after issue.

The future insurability option rider is not available on rated cases.

Rider summary

Option dates

- If the insured is not disabled – each policy anniversary following the date the rider takes effect up to and including the policy anniversary nearest the insured's 55th birthday.
- If the insured is disabled – the first policy anniversary to occur during the period of disability. This feature may only be exercised once during a period of disability.

Issue limits — the total benefit available for future increases in coverage is selected at the time the rider is purchased. At the option dates, medical evidence of insurability will not be required; however, approval of the

increase will be subject to financial underwriting. Please refer to the appropriate maximum issue limits table in the financial underwriting section to determine the maximum benefit amount available when applying for a future insurability option rider election.

- **Minimum** – the minimum total benefit available is \$1,000.
- **Maximum** – the maximum total benefit available varies according to occupation class. Note: The combined basic policy monthly disability benefit and total benefit available under the future insurability option rider cannot exceed the issue and participation limit applicable for the date the original policy was issued.
 - Class 4A: no restrictions up to issue and participation limits of \$25,000
 - Class 3A: 2.5 times the basic monthly disability benefit up to \$15,000
 - Class 2A: 2.5 times the basic monthly disability benefit up to \$8,000
 - Class A: 2.5 times the basic monthly disability benefit up to \$6,000
 - Class B: 2.5 times the basic monthly disability benefit up to \$4,000

New policy created by future insurability option rider exercise — an application to increase coverage (purchase new policy) must be received between 60 days before the option date and 30 days after the option date.

- **Maximum increase** — on any option date, the maximum increase available under a new policy may not exceed the amount remaining in the total benefit available (i.e. balance of amount that has not previously been exercised).
 - If the insured is not disabled on the application date – the maximum increase available is 20 per cent of the total benefit available.
 - If the insured is disabled on the application date – the maximum increase available is the lesser of \$600 and 20 per cent of the total benefit available. If the insured has more than one future insurability option rider issued by Canada Life and in force, the total increase available on that option date under all such riders cannot exceed \$600.
- **Minimum increase** — \$200 per month.

Increases in coverage are guaranteed to be issued under a new policy with the same basic policy provisions as the original policy. The following riders will be guaranteed if they are in effect under the original policy on the option date — catch-up rider, cost-of-living (maximum 8% per year) rider, cost-of-living (maximum 3% per year) rider, first day accident rider, health care-profession rider, own occupation rider, partial disability rider, extended partial disability rider, regular occupation period extender rider and residual disability rider. If the policy also included a rider that provides for a return of premium benefit, any new policy will include such rider or a similar rider, as long as such rider or a similar rider is then offered by Canada Life. The lifetime benefit – accident and graded sickness and the accidental death or dismemberment riders are not guaranteed to be available on a future insurability option rider election and are subject to underwriting.

The policy fee for the new policy will be waived.

Carry-over provision

If the owner is not disabled and didn't increase the monthly disability benefit on the prior option date, then the maximum increase available at the current option date is 33 1/3 per cent of the total benefit available.

Cost-of-living (maximum 3% or 8% per year) riders

The cost of living benefit helps reduce the impact of inflation by providing yearly adjustments to the monthly disability benefit during disability.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

Either rider can be included at issue of the basic policy or added after issue. A policy cannot include both the cost-of-living (maximum 3% per year) rider and cost-of-living (maximum 8% per year) rider.

Rider Summary

During disability, the monthly disability benefit will be increased annually based on the percentage change in the consumer price index by up to:

- 3% compounded annually — for the cost-of-living (maximum 3% per year) rider.
- 8% compounded annually — for the cost-of-living (maximum 8% per year) rider.

Increases in the monthly disability benefit will start on the first anniversary of the date on which the insured became disabled and continue at 12-month intervals while disability continues until the policy anniversary nearest the insured's 65th birthday.

For cost-of-living (maximum 8% per year) rider — if the percentage change in the consumer price index is less than two per cent, the monthly disability benefit will be increased by two per cent of the current year's monthly disability benefit.

For cost-of-living (maximum 3% per year) rider — if the percentage change in the consumer price index is less than zero per cent, the monthly disability benefit will remain unchanged.

Carry forward provision

For cost-of-living (maximum 3% per year) rider — the annual three per cent maximum is cumulative. In any given year, if the consumer price index increase is less than three per cent, the unused portion may be carried forward for use in a later year if the consumer price index increase is greater than three per cent.

For cost-of-living (maximum 8% per year) rider — the annual eight per cent maximum is cumulative. In any given year, if the consumer price index increase is less than eight per cent, the unused portion may be carried forward for use in a later year if the consumer price index increase is greater than eight per cent.

Example: The insured has a lifestyle protection plan, \$100.00 monthly disability benefit and cost of living (maximum 8 per cent per year) rider. He becomes disabled on January 1, 2015.

- On January 1, 2016, the applicable consumer price index increase is four per cent. The monthly disability benefit payable in 2016 is \$104.00 per month.
$$\$100.00 \times \text{the lesser of } (1.04 \text{ and } 1.08) = \$100 \times 1.04 = \$104.00$$
- On January 1, 2017, the applicable consumer price index increase is 10 per cent. The monthly disability benefit payable in 2017 is \$114.40 per month.
$$\$100.00 \times \text{the lesser of } [(1.04 \times 1.10) = 1.144 \text{ and } (1.08 \times 1.08) = 1.166] =$$
$$\$100 \times 1.144 = \$114.40$$

In the calculation shown above, even though the consumer price index increase applicable at January 1, 2017 is greater than eight per cent, the amount carried forward from the prior year allows the full 10 per cent increase to be applied to the monthly disability benefit.

- On January 1, 2018, the applicable consumer price index increase is 12 per cent. The monthly disability benefit payable in 2018 is \$126.00 per month.
$$\$100.00 \times \text{the lesser of } [(1.04 \times 1.10 \times 1.12) =$$
$$1.281 \text{ and } (1.08 \times 1.08 \times 1.08) = 1.260] = \$100 \times 1.260 = \$126.00$$

In the calculation shown above, the cumulative value of the consumer price index increases applicable at January 1, 2018 is greater than the cumulative value of eight per cent compounded over three years. The amount of the increase is therefore capped by the eight per cent maximum.

Buy back provision

After the end of a period of disability, if the insured is age 60 or less and actively engaged in a full-time occupation away from his or her home, the owner may apply to purchase a new policy for the amount of the cost of living increases provided during the period of disability. The option to purchase the increase must be exercised within 90 days after the date of the final disability benefit payment. Medical evidence of insurability will not be required.

The following conditions will apply to the new policy:

- The benefit period will be same as on the original policy, if then available, otherwise the next shorter benefit period available.

- The waiting period will be the same as on the original policy, if then available, otherwise the next longer waiting period available.
- The plan will be the same plan as the original policy, if then available, otherwise the most similar plan we then issue.
- The premium will be based on Canada Life's rates in effect on the date the new policy takes effect, using the insured's attained age, occupation class and policy class for the original policy. However, if the insured's occupation class on the date the new policy takes effect would produce a lower premium rate, that premium rate will be used to determine the premium for the new policy.
- Any rider included in the original policy may be added to the new policy, except any rider which provides the option to purchase additional coverage without providing medical evidence of the insured's insurability (example: future insurability option rider).

Catch-up rider

Provides a lump-sum payment equal to the amount not paid during the waiting period of the policy should the insured become totally disabled for a period of at least 180 consecutive days. This coverage is designed to help the insured financially catch-up from the impact of a disability.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90 and 120 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue. A policy can have both the catch-up rider and the first day accident rider, however, the catch-up benefit will not be payable if the insured is receiving benefits under the terms of the first day accident rider.

Rider summary

The catch-up rider pays a lump sum equal to the amount not paid during the waiting period, as long as:

- The waiting period under the policy is 120 days or shorter; and
- The insured has been totally disabled without interruption for 180 days.

If for any reason, the insured is not required to satisfy the waiting period, the catch-up benefit will not be payable. Example: if the insured is deemed presumptively disabled, the catch-up benefit will not be payable because disability benefits for presumptive disability become payable from the start of disability.

First day accident rider

Individuals, who don't have emergency funds saved-up, often feel exposed should they have an accident and their income comes to an abrupt stop. Choosing an extended waiting period (such as 90 days) to economize on their disability insurance premium, they recognize they may struggle to find funds to meet their expenses, should a disability occur. The first day accident rider can be an economical approach to a shorter waiting period because it eliminates the waiting period for disabilities due to an injury.

Availability

Occupation classes	A and B
Waiting periods	30, 60 and 90 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series.

Rider summary

The monthly disability benefit will be payable from the first day of a disability due to an injury. The waiting period will not have to be satisfied.

If the insured dies during the waiting period, the survivorship benefit will not be payable.

Return-of-premium (50%) rider

Adding the return-of-premium (50%) rider helps ensure the client has an opportunity to receive a benefit whether or not he or she suffers a disability.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90 and 120 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 55

This rider can be included at issue of the basic policy or added after issue. If added after issue of the basic policy, the effective date of the rider will be the nearest policy anniversary.

This rider cannot be added while the insured is on claim or while a claim is pending.

Rider summary

The return-of-premium (50%) rider provides for the return of up to 50 per cent of the yearly eligible premium paid or waived under the policy on certain dates if the insured is not disabled and claims have been minimal. The return-of-premium benefit is payable to the insured.

Return-of-premium criteria

The **return periods** are non-overlapping seven consecutive policy year periods during which the conditions for payment have been met.

The **conditions for payment** are:

- The insured is not disabled at the end of the applicable return period; and
- Any benefits paid and any eligible premiums waived or refunded have not exceeded 20 per cent of the total amount of eligible premium that was paid or waived.

The return-of-premium benefit becomes payable to the insured (or owner of a wage loss replacement plan) at the end of any return period provided the conditions for payment are satisfied. If a claim is in pending status (with a date of disability before the end of the return period), the return-of-premium benefit will be paid, however, it will be required to be returned should the claim be accepted.

A return-of-premium benefit may also be payable upon the insured's death or the policy anniversary nearest the insured's 65th birthday.

The **return-of-premium benefit**, if any, will be:

- 50 per cent of the sum of the yearly eligible premium paid or waived during the applicable return period, less
- The sum of any benefits paid and any eligible premium waived or refunded under the policy during that return period.

For the purposes of determining the return-of-premium benefit:

- Eligible premium is the sum of the premium for the basic policy and any optional benefit riders (except the accidental death and dismemberment rider). It includes the additional cost associated with paying the premium by a premium frequency other than yearly. It will not include any interest or additional fees.
- Yearly eligible premium is the eligible premium (determined above) excluding the additional cost associated with paying the premium by a premium frequency other than yearly.
- Benefits paid will not include any benefits paid under the accidental death and dismemberment rider.

The return-of-premium benefit will be reduced if the owner requests any of the following changes during that return period:

- A reduction in the monthly disability benefit,
- A lengthening of the waiting period,
- A shortening of the benefit period,
- A reduction in a benefit under any rider, or
- A termination of any rider.

Example: Assume the eligible premium is \$108 monthly or \$1,296 (\$108 x 12) yearly. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly is \$1,200.

After four years, the owner decreases the monthly disability benefit such that the eligible premium becomes \$72 monthly or \$864 (\$72 x 12) yearly. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly becomes \$800. This example assumes the insured is not disabled and there were no claims in the first seven policy years.

Year 4: the yearly eligible premium for the first return period is adjusted to reflect the decrease in monthly disability benefit as shown in the following calculations:

- Determine the sum of yearly eligible premium for years 1-4: \$4,800 (\$1,200 x 4)
- Determine the adjustment ratio: $\frac{\text{New yearly eligible premium}}{\text{Prior yearly eligible premium}} = \frac{\$ 800}{\$ 1,200} = 0.667$
- Determine the sum of yearly eligible premium for years one-four after adjustment:
 $\$4,800 \times 0.667 = \$3,200$

Year 7: to determine the return-of-premium benefit payable, we have to calculate:

- The sum of eligible premium to date:

Years 1 – 4	\$5,184 (\$1,296 x 4)
Years 5 – 7:	<u>\$2,592</u> (\$864 x 3)
Total:	\$7,776
- The sum of yearly eligible premium to date:

Years 1 – 4	\$3,200 (\$800 x 4)
Years 5 – 7:	<u>\$2,400</u> (\$800 x 3)
Total:	\$5,600

The amount of benefits paid and premium waived (\$0) does not exceed 20 per cent of the total eligible premium paid or waived (\$1,555.20 = 20% of \$7,776). Therefore, the return-of-premium benefit is payable on the 7th policy anniversary in the amount of \$2,800 (50% of \$5,600).

Return-of-premium options

A letter will be sent to the owner 90 days before the date the return-of-premium benefit may become payable. It will include the return-of-premium benefit amount that may be payable and provide the owner with an election form.

If the return-of-premium benefit is payable, the owner may choose either of the following two options in connection with the benefit:

- Cash option: The return-of-premium benefit may be paid to the insured in cash.
- Premium deposit account option: The return-of-premium benefit can remain on deposit with Canada Life and applied to pay future annual premium under the policy for up to seven years. If this option is elected, interest will be credited on the deposit, compounded annually. Any part of a return-of-premium benefit which cannot be applied to pay future annual premium will be paid to the insured in cash.

If the election form is not received by Canada Life at least 30 days before the date the return-of-premium benefit becomes payable, the return-of-premium benefit will be paid to the insured in cash.

No claims during return period

A return-of-premium benefit of 50 per cent of the yearly eligible premium that was paid or waived under the policy during the seven consecutive policy year period will be payable to the insured. Future return periods are every seven consecutive policy years during which the conditions for payment are met.

Minimal claims during return period

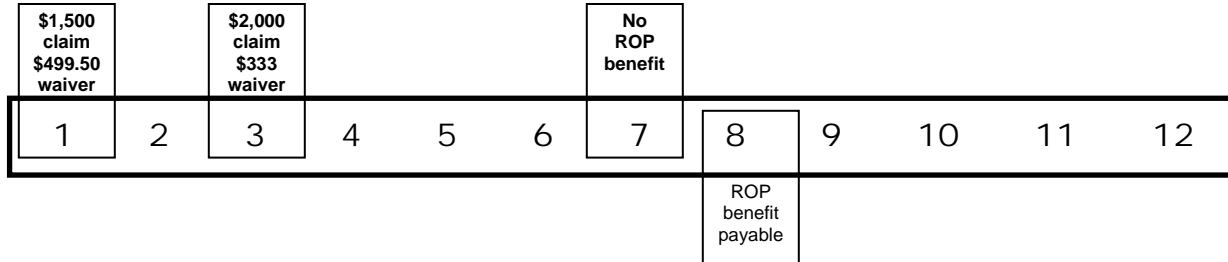
If the amount of benefits paid and eligible premium waived or refunded during the return period have not exceeded 20 per cent of the total eligible premium paid or waived, a return-of-premium benefit will be payable. The return-of-premium benefit payable to the insured will be 50 per cent of the sum of the yearly eligible premium that was paid or waived, less the amount of benefits paid and eligible premium waived or refunded under the policy during the seven consecutive policy year period. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

Large claims during return period

If the amount of benefits paid and eligible premium waived or refunded during the return period have exceeded 20 per cent of the total eligible premium paid or waived, the return-of-premium benefit is not payable. However, a return-of-premium benefit will be payable at the next policy anniversary for which the conditions for payment have

been met for the immediately preceding seven consecutive policy years, if any. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

Example: Assume the eligible premium is \$1,998. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly is \$1,850. After seven years, the total eligible premium is \$13,986 (\$1,998 x 7) and the total yearly eligible premium is \$12,950 (\$1,850 x 7). In the first policy year, the insured has a claim for \$1,500 and \$499.50 of premium has been waived. In the third policy year, the insured has a claim for \$2,000 and \$333 of premium has been waived.



- Policy years 1-7: The amount of benefits paid and eligible premium waived (\$4,332.50 = \$1,500 + \$499.50 + \$2,000 + \$333) exceed 20 per cent of the total eligible premium paid or waived for the return period (\$2,797.20 = 20% of \$13,986). Therefore, the return-of-premium benefit is not payable on the 7th policy anniversary.
- Policy years 2-8: The amount of benefits paid and eligible premium waived (\$2,333 = \$2,000 + \$333) do not exceed 20 per cent of the total eligible premium paid or waived for the return period (\$2,797.20 = 20% of \$13,986). Therefore, the return-of-premium benefit payable on the 8th policy anniversary would be \$4,142 [(50% of \$12,950) less \$2,000 (benefits paid) and \$333 (premium waived)].

Insured disabled or claim is pending

If the insured is disabled at the end of the applicable return period, the return-of-premium benefit will not be payable. If the conditions for payment are met but a claim is in pending status (with a date of disability before the end of the return period), the return-of-premium benefit will be paid, however, it will be required to be returned should the claim be accepted.

However, a return-of-premium benefit will be payable at the next policy anniversary for which the conditions for payment have been met for the immediately preceding seven consecutive policy years, if any. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

At age 65 or death

As long as the amount of benefits paid and eligible premium waived or refunded since the last return period have not exceeded 20 per cent of the total eligible premium paid or waived, a return-of-premium benefit may be payable. The return period will be the number of complete consecutive policy years and months starting on the later of the effective date of the rider and the date the last return-of-premium benefit was payable and ending on the date of the insured’s death or age 65, as applicable.

The return period will never be longer than seven policy years.

Lifetime benefit – accident and graded sickness rider

Provides an income for life by paying a monthly disability benefit from age 65 for life while the insured remains totally disabled. Total disability must begin before age 65.

Availability

Occupation classes	4A, 3A and 2A
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	to age 65
Issue ages	18 – 55

This rider can be included at issue of the basic policy or added after issue to policies in the May 2007 and later policy series.

Rider summary

If the insured becomes totally disabled before age 65 and remains totally disabled at age 65, monthly disability benefits will be payable from age 65 for life, as long as the insured continues to be totally disabled.

Lifetime benefit for total disability

The owner cannot select the amount of the lifetime benefit for total disability. The amount of the lifetime benefit for total disability will be the same as the amount of the monthly disability benefit under the basic policy. If the monthly disability benefit under the basic policy:

- Steps up — the amount of the lifetime benefit for total disability will equal the higher amount.
- Steps down — the amount of the lifetime benefit for total disability will equal the lower amount.

If the cost-of-living (maximum 3% per year) rider or cost-of-living (maximum 8% per year) rider is included in the policy, the amount of the lifetime benefit for total disability will also include the increases made to the monthly disability benefit prior to the insured's age 65.

If total disability is caused by an injury (accident) — before age 65, the monthly disability benefit will be paid until age 65. After age 65, 100 per cent of the lifetime benefit for total disability will be payable while total disability continues.

If total disability is caused by a sickness first manifested:

- Before the insured's 55th birthday — the monthly disability benefit will be paid until age 65. After age 65, 100 per cent of the lifetime benefit for total disability will be payable while total disability continues.
- After the insured's 55th birthday — the monthly disability benefit will be paid until age 65. After age 65, a percentage of the lifetime benefit for total disability will be payable while total disability continues. The percentage is 100 per cent for sickness first manifested on or before age 55, and grades down 10 per cent for each year of age until age 64, as follows:

Insured's age when sickness is first manifested	% of lifetime benefit for total disability payable
18 - 55	100%
56	90
57	80
58	70
59	60
60	50
61	40
62	30
63	20
64	10
65	0

Example: The insured has a \$2,000 monthly disability benefit payable to age 65. He becomes totally disabled due to a sickness at age 45. He will receive \$2,000 (100 per cent) for life as long as the total disability continues. If instead he becomes disabled due to sickness at age 59, he will receive \$2,000 until age 65 and then \$1,200 (60 per cent) for life as long as the total disability continues.

Presumptive and catastrophic disability (for occupation classes 3A and 4A only)

If the insured is presumptively or catastrophically disabled:

- Before age 65, the lifetime benefit for total disability will be increased by 25 per cent; or
- After age 65, the lifetime benefit for total disability will not be increased.

A lump-sum benefit will not be payable under this rider.

Accidental death and dismemberment rider

Provides a benefit for accidental loss of life, sight, a hand or a foot or the loss of use of a hand or a foot.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue.

Rider summary

A lump-sum benefit equal to the maximum benefit amount selected will be paid to the insured if living, otherwise to a beneficiary designated by the owner, if any, and otherwise to the insured's estate, for the loss of:

- Life;
- Sight of both eyes;
- Both hands or both feet;
- One hand and one foot;
- The use of both hands or both feet; or
- The use of one hand and one foot.

One-half of the maximum benefit amount selected will be paid for the loss of:

- Sight of one eye;
- One hand or one foot; or
- The use of one hand or one foot.

For greater certainty, the benefit payment will be made only once.

Issue limits

The total amount of benefit is limited according to the table below.

Insured's age	For each \$1,000 of annual earned income, the total benefit which can be purchased is:
18 – 30	\$12,500
31 – 40	\$10,000
41 – 50	\$8,000
Over 50	\$6,000

This includes the amount of accidental death benefit and accidental death and dismemberment benefit in force and applied for with Canada Life and all other carriers under both individual and group disability plans and under both individual and group life insurance plans.

- Minimum benefit: \$10,000
- Maximum benefit: \$400,000

Exclusions

The accidental death and dismemberment benefit will not be paid if:

- Injury is:
 - Not caused by external and violent means; or
 - Caused by war or any hazard arising from war.
- Loss is not visible or revealed by autopsy in the event of loss of life.
- Loss occurs:
 - More than 365 days after the date on which the injury is sustained;
 - While the insured is operating, riding in or descending from an aircraft, if:
 - The insured is acting in any capacity other than as a passenger, or
 - The aircraft is being used for testing, training or experimenting;
 - While the insured is committing or attempting to commit an assault, battery or criminal offense, whether or not the insured has been charged with a criminal offense; or
 - During service in any armed forces, whether or not at war.
- Loss is due directly or indirectly to:
 - Sickness, or to medical or dental treatment, including surgery, for the sickness;
 - Inhaling any gas or fumes, whether voluntarily or otherwise;
 - Taking any poison or drug, whether voluntarily or otherwise, unless prescribed for the insured by a doctor and taken by the insured in accordance with directions given by the doctor; or
 - Suicide, or attempt at suicide, while the insured is sane or insane.

Health care profession rider

If a health care professional were to become infective with HIV, hepatitis B or hepatitis C, it could have career implications. Although the health care professional may be fully functional, legislation or regulations may prohibit him or her from performing the substantial duties of his or her occupation. In such a case, it is possible that disability benefits may not be payable, as the insured may not be physically disabled at the time. The health care profession rider helps remove this doubt.

Availability

Occupation classes	4A, 3A, 2A, A and B (subject to published list of eligible occupations — see below)
Waiting periods	30, 60, 90, 120, 180, 365 and 730 days
Benefit periods	24, 60, 120 months and to age 65
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue. Blood profile with hepatitis screen will be required as part of the underwriting assessment to determine if the client qualifies for this rider.

Rider summary

The health care profession rider has been designed specifically for the following health care occupations:

- Chiroprapist
- Dental hygienist
- Dentist
- Medical doctor
- Nurse — RN, RNA, LPN
- Paramedic
- Podiatrist
- Lab technician

Total disability — for the purpose of this rider, the insured will be considered totally disabled due to sickness if, as a direct result of an infected condition (HIV, hepatitis B or hepatitis C), the insured is and remains prohibited from performing the substantial duties of his or her regular occupation by law or by a written policy of general application of a medical/dental regulatory body or medical/dental licensing body.

Residual disability (only if residual disability rider has been selected) — if the residual disability rider has been added to the policy, the insured may qualify for residual disability benefits if he or she is not totally disabled.

For the purpose of this rider, the insured will be considered residually disabled due to sickness if, as a direct result of an infected condition, he or she is and remains:

- Prohibited from performing one or more of the substantial duties of his or her regular occupation; or
- Required to disclose an infected condition to patients, by law or by written policy of general application of a medical/dental regulatory body or medical/dental licensing body.

Benefit amount

During a period of total or residual disability resulting from an infected condition, the amount of the total or residual disability benefit will be determined as outlined in the basic policy and the residual disability rider.

The insured will not be required to satisfy the waiting period or be receiving medical care from a doctor.

Disability benefits payable under the terms of this rider will not be payable past the policy anniversary nearest the insured's 65th birthday.

Premium

Currently no premium is payable for this rider. However, Canada Life reserves the right to charge a premium in the future. If a premium is charged for this rider, subsequent premium changes can only be made at the end of every five-year period.

Independence plan

The independence plan is a basic disability policy that will provide total or partial disability income benefits to the insured in the event of a disability from injury, or sickness if applicable. The independence plan has been specially designed for lower income occupations, home-based workers, part-time workers, seasonal workers and new business owners.

Renewability

The independence plan is a conditionally renewable contract. As long as the client remains within the broad range of occupational categories covered by the plan, the client can renew his or her coverage annually. Canada Life cannot change or alter the provisions or premium for an individual contract unless the policy provisions and premium are changed for the entire specified occupation class.

Availability

Waiting periods	14, 30, 90 and 120 days
Benefit periods	1, 2, 5 years and to age 65
Issue ages	18 – 60 (18 – 55 for the 5-year benefit period)

Issue limits

Minimum monthly disability benefit

The minimum monthly disability benefit available is \$500.

Maximum monthly disability benefit

The maximum monthly disability benefit available is \$3,000.

Basic policy benefits

Total disability benefits

Total disability means, except where modified under the occasional occupation status provision, that due to injury, or sickness if applicable:

- The insured is under the care of a doctor appropriate for the condition, unless such care is unlikely to improve the condition; and
- During the first 24 months of benefit payment, the insured is unable to perform the substantial and material duties of his or her regular occupation and is not engaged in any occupation for which he or she is reasonably fitted by education, training or experience. Thereafter, the insured is unable to engage in any occupation for which he or she is reasonably fitted by education, training or experience.

Partial disability benefits

Partial disability benefits are designed for those insureds that are able to work part-time or in a reduced capacity.

The definition has a dual aspect which offers flexibility to the insured. A partial disability claim can be based on either a loss of time from work or being unable to perform certain parts of the occupation.

Partial disability means that due to injury, or sickness if applicable, the insured is:

- Under the care of a doctor appropriate for the condition, unless such care is unlikely to improve the insured's condition, and
- Unable to perform one or more of the substantial and material daily duties of the gainful occupation for which he or she is engaged, or
- Unable to perform the substantial and material daily duties of the gainful occupation in which he or she is engaged, for at least 50 per cent of the time normally required.

Partial disability benefits are payable for a maximum period of nine months. The first three months are guaranteed to be at least 50 per cent of the total benefit amount.

Hospitalization

The waiting period during a period of disability will be waived if the disability is caused by injury and results in hospitalization for a minimum period of 48 consecutive hours.

Presumptive disability benefits

Presumptive disability means if the insured suffers a loss of eyesight, hearing, speech or loss of use of two limbs, full disability benefits will be paid to age 65, beginning from the date of disability.

If the insured dies while receiving these benefits, a lump sum death benefit of two times the monthly disability benefit will be paid.

Recurrent disability

If the insured becomes disabled again within six months from the same cause, the current disability will be considered a continuation of the prior disability and the insured will not be required again to satisfy the waiting period.

Waiver-of-premium

Canada Life will waive all premium that come due while benefits are payable.

Integrated benefits

Disability benefits will be reduced so that the total amount the insured receives from employment insurance, workers' compensation, Canada pension plan, Quebec pension plan, disability benefits from a pension plan, automobile coverage (personal or government) together with benefits received from any income replacement contract and current earnings do not exceed 80 per cent of the insured's prior earned income.

Change of occupation/change of residence

Canada Life requires written notification of any material change of occupation or residence (change of province, territory or country) as this may result in a change in the insured's risk class. A change in risk class may result in any of the following;

- An increase or decrease in yearly premium;
- An increase or decrease in policy benefits; and
- Cancellation of the policy if the change results in a policyholder becoming a member of an ineligible risk class.

Note: cancellation of coverage, or a change in terms of coverage or premium, would not be applicable unless done so for all persons of a specified risk class.

If at time of claim, Canada Life has not received notification of any applicable change in risk class, Canada Life reserves the right, as described above, to cancel the policy, or to change the terms of coverage and/or policy premiums retroactively.

Occasional occupation status

A policyholder will be considered occasionally employed if, on the date of a disability, he or she:

- Has not been continuously working in any occupation during the immediately preceding 17 weeks and has not worked in any occupation for at least 35 weeks in each of the immediately preceding two years;
- Has not worked in an occupation immediately prior to becoming disabled and cannot return to his or her most recent occupation for any reason other than disability; or
- Has spent an average of less than 20 hours per week working during the immediately preceding six months.

If the policyholder is deemed to be occasionally employed then:

- A regular occupation definition and the two-year regular occupation period would not apply;
- An "any occupation" definition would apply;
- The monthly disability benefit amount payable during a period of total disability would be the lesser of:
 - The total disability benefit payable; or
 - 30 per cent of the maximum monthly disability benefit amount; and
- No partial disability benefits would be payable.

Limitations and exceptions

The maximum benefit period will be limited to 30 days per occurrence, with a lifetime maximum of 120 days for all such periods, if the disability (injury, or sickness if applicable) is contributed to or caused by any one or more of the following:

- Sprain, strain, contusion or bruise of the insured's muscles, tendons or ligaments and any related complications including, but not limited to tendonitis, bursitis, repetitive strain syndrome and whiplash; or
- Degenerative disc disease of the insured's spine or similar chronic back and neck conditions including, but not limited to chronic mechanical low back pain and facet syndrome.

Benefits will not be payable if the disability (injury, or sickness if applicable) is contributed to or caused by any one or more of the following:

- Any substance abuse or dependency disorder related to the use of any drug, intoxicant or narcotic;
- Chronic fatigue syndrome, chronic pain syndrome, fibromyalgia or environmental illness including multiple chemical sensitivity syndrome;
- Any psychiatric, emotional or behavioural disorder including, but not limited to burnout, stress, anxiety and depression (schizophrenia, bipolar disorder and pre-senile dementia are eligible for coverage);
- Human immunodeficiency virus (HIV) infection or complications resulting from HIV infection, if the policyholder tested positive or there was other diagnostic evidence of HIV infection prior to the date the policy took effect or was last reinstated;
- Attempted suicide or intentional inflicted injuries;
- Committing, attempting or provoking an assault, battery or criminal offence;
- Mountaineering, rock or ice climbing, parachuting, sky diving, hang gliding, bungee jumping, scuba diving, horse jumping or horse racing;
- Professional participation in athletics;
- Use or intake of any drug, poisonous substance, intoxicant or narcotic, other than as prescribed and administered by a doctor, or inhaling gas or absorbing fumes;
- Flying, other than as a civilian passenger;
- Operation of a motorized vehicle while under the influence of alcohol;
- Membership in any armed forces, or any hazard resulting from war; or
- Participation in any riot, insurrection or civil commotion.

If a policyholder becomes disabled while outside of Canada or the United States of America, the date of disability will be deemed to commence on the date the policyholder returns to Canada or the United States of America. Benefits will not become payable until the policyholder returns to Canada and a Canadian doctor confirms the disability. In addition, policy benefits will not be payable while a policyholder is incarcerated in a jail, prison or other correctional facility.

Optional benefit riders

The following optional benefit riders are available to customize the independence plan to suit your client's individual needs.

- Death by accidental means rider
- Cost-of-living rider – simple interest
- Future insurability option rider
- Sickness rider

Death by accidental means rider

Provides a lump-sum benefit to the beneficiary in the event of the insured's death by accidental means. The accident must occur prior to the policy anniversary nearest the insured's age 65. Death must take place within 365 days following the accident.

Availability

Waiting periods	14, 30, 90 and 120 days
Benefit periods	1, 2, 5 years and to age 65
Issue ages	18 – 60 (18 – 55 for the 5-year benefit period)

The death by accidental means rider will only be available on a standard basis or with an exclusion rider. This rider can be added after issue.

Rider summary

Issue limits — accidental death benefit limits are \$10,000 for every \$100 of disability income coverage subject to the following limits:

- Minimum benefit: \$25,000
- Maximum benefit: \$250,000

Note: The maximum amount of accidental death benefit coverage available from all sources is \$400,000.

Cost of living rider – simple interest

The cost of living benefit helps reduce the impact of inflation by providing yearly adjustments to the monthly disability benefit during disability.

Availability

Waiting periods	14, 30, 90 and 120 days
Benefit periods	to age 65
Issue ages	18 – 60 (18 – 55 for the 5 year benefit period)

The cost of living rider – Simple interest is not available with an injury-only coverage.

This rider can be added after issue.

Rider summary

During disability, the monthly disability benefit will be adjusted annually based on the percentage change in the consumer price index, subject to a maximum increase of 4 per cent. All cost of living adjustments are based on simple interest.

Carry forward provision

The annual four per cent maximum is cumulative. In any given year, if the consumer price index increase is less than four per cent, the unused portion may be carried forward for use in a later year if the consumer price index increase is greater than four per cent.

Future insurability option rider

Often income rises over a person's working years and health may deteriorate. Although most people hope they fully insure themselves when they buy a disability insurance policy, they may find the original amount of disability insurance becomes insufficient as their careers and needs change. Unfortunately, these people may not qualify medically to buy additional coverage at a later date.

The future insurability option rider helps alleviate this problem by guaranteeing that additional coverage may be purchased subject only to financial evidence on specified option dates, regardless of the person's state of health.

Availability

Waiting periods	14, 30, 90 and 120 days
Benefit periods	1, 2, 5 years and to age 65
Issue ages	18 – 49

This rider can be added after issue.

Rider summary

Option dates — the insured may elect to increase coverage on every policy anniversary. The final option date is age 50. There is no policy fee for the new policy.

If the insured elects to increase coverage while disabled, the monthly disability benefit under the new policy will not be payable while disability continues. However, if premium is being waived under the policy, premium for the new policy will also be waived.

Issue limits — the maximum amount of available future insurability option rider varies according to issue age. The combined basic monthly amount and future insurability option rider amount may not exceed current issue and participation limits.

- For issue ages 18 – 45 – the same as the basic monthly disability benefit at issue.
- For issue ages 46 and 47 – the future insurability option rider maximum is reduced to 75 per cent of the issue and participation limit minus the basic policy monthly disability benefit.
- For issue ages 48 and 49 – the future insurability option rider maximum is reduced to 50 per cent of the issue and participation limit minus the basic policy monthly disability benefit.

The minimum future insurability option rider at issue is \$500.

The future insurability option rider is not available on rated cases.

Future insurability option rider options

An application to increase coverage must be received within 60 days before the option date and 31 days after the option date.

The maximum single option amount varies according to original issue age. For issue age:

- 46 and under — 25% of future insurability option rider amount selected
- 47 — 33% of future insurability option rider amount selected
- 48 — 50% of future insurability option rider amount selected
- 49 — 100% of future insurability option rider amount selected

The minimum single option is \$250 per month.

Increases in the coverage will be issued under a new policy with the same base contract provisions as the original policy, if then available. Otherwise, the increase in coverage will be issued under the most similar plan we then offer, if any, or any other plan or type of insurance coverage we then offer, subject to our consent.

Sickness rider

In addition to the injury-only protection provided in the base policy of the independence plan, the sickness rider helps offer protection against disability due to sickness. As a result, the definition of disability (total and partial) is expanded to include both injury and sickness.

Sickness means both disease and illness not listed under the benefit limitations and exclusions section of the policy. Benefits are payable for complications of pregnancy or childbirth, but not payable for normal pregnancy or childbirth.

Availability

Waiting periods	14, 30, 90 and 120 days
Benefit periods	1, 2, 5 years and to age 65
Issue ages	18 – 60 (18 – 55 for the 5-year benefit period)

This rider can be added after issue.

Transplant surgery benefit

If the policy and the sickness rider have been in force for a period of at least six months prior to transplant surgery, the sickness rider will cover a disability resulting from the insured participating as an organ or tissue donor.

Overhead expense plan (June 2019 series)

The overhead expense plan is a non-cancellable overhead expense disability insurance policy which can provide a reimbursement of eligible business overhead expenses during total disability. The premium is level to age 65 (with the exception of the health care profession rider). The policy is conditionally renewable on a modified basis after age 65, while the insured continues to work full-time and continues to have an ownership interest in the business.

The overhead expense plan is available to all occupation classes — B, A, 2A, 3A and 4A. However, certain policy provisions and maximum issue limits will be different for:

- Classes 3A and 4A in the following select occupations — accountant (CA, CGA, CMA, CPA), architect, chiropodist, dentist, lawyer, notary (Quebec), optometrist, physician, podiatrist, professional engineer, psychiatrist, psychologist and veterinarian.
- Classes 3A and 4A in all other occupations.
- Classes B, A and 2A.

Non-cancellable to age 65

Once issued, the overhead expense plan cannot be cancelled or modified and the premium cannot be raised by Canada Life prior to age 65 (with the exception of the health care profession rider), as long as premium is paid when due. This period is known as the non-cancellable period.

Conditionally renewable after age 65

After age 65, modified coverage may be continued on an annually renewable basis as long as the insured continues to work full-time* and has an ownership interest in the business. No evidence of medical insurability will be required. Any optional benefit riders will terminate on the policy anniversary nearest the insured's 65th birthday. The benefit period will be 12 months if the insured becomes totally disabled after his or her 75th birthday. The premium will be based on rates in effect at time of renewal.

*Full-time means the insured is working at least 30 hours per week on a year-round basis.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 60

Note: Refer to overhead expense plan eligibility criteria section for additional information.

Issue limits

Minimum monthly disability benefit

The minimum monthly disability benefit available is \$500.

Maximum monthly disability benefit

The maximum monthly disability benefit available varies by occupation class as shown in the table below.

Occupation class	Maximum monthly disability benefit
4A	\$20,000 (higher for selected occupations)
3A*	\$15,000
2A	\$7,000
A	\$5,000
B	\$3,500

*Dental generalists are eligible for 4A maximum monthly disability benefit.

Important basic policy definitions

Total disability means the insured, due directly to injury or sickness, is unable:

- During the regular occupation period, to perform the substantial duties of his or her regular occupation and is not engaged in any other gainful occupation; and
- Thereafter, to work in any gainful occupation.

Injury means accidental bodily injury which occurs on or after the policy effective date and while the policy is in force. The signs and symptoms of the injury must be assessed and documented by a doctor and supported by objective medical evidence.

Sickness means disease or illness which is first manifested on or after the policy effective date and while the policy is in force. The signs and symptoms of the sickness must be assessed and documented by a doctor and supported by objective medical evidence.

Regular occupation period is:

- 12 months — if a 12-month benefit period is selected, or
- 24 months — if a 24-month benefit period is selected.

Regular occupation means the occupation(s) in which the insured is regularly engaged at the time he or she becomes disabled, except, if the insured regularly engages in any other gainful occupation between successive periods of disability, that gainful occupation will be considered the insured's regular occupation.

Gainful occupation means any occupation for which the insured is reasonably fitted by reason of his or her education, training or experience.

Basic policy benefits

Presumptive disability benefits

Presumptive disability means the total and irreversible loss of any of the following due directly to injury or sickness:

- Speech;
- The hearing of both ears;
- The sight of both eyes;
- The use of both hands or both feet; or
- The use of one hand and one foot.

If the insured is presumptively disabled, he or she will be considered totally disabled. The maximum monthly disability benefit will be paid through the entire benefit period and evidence of the overhead expenses will not be required. The waiting period will not have to be satisfied and the premium will be waived.

The insured will be considered totally disabled even if he or she engages in any occupation.

Survivorship benefit

If the insured dies while receiving disability benefits, prior to age 65, a lump-sum death benefit of three times the maximum monthly disability benefit will be paid to the owner if other than the insured, otherwise to the insured's estate.

Cumulative benefit

If the insured's overhead expenses are less than the maximum monthly disability benefit in a given month while the insured is totally disabled, the difference may be carried forward and used in a subsequent month. In such an event, a subsequent monthly disability benefit could exceed the maximum monthly disability benefit by this difference, or the benefit period could be extended, until the maximum monthly disability benefit times the number of months in the benefit period has been paid.

Cumulative benefits will not apply after the insured's 65th birthday.

Accumulation of days to satisfy the waiting period for occupation classes 3A and 4A only

To satisfy the waiting period, non-consecutive days of disability, which result from the same or a related cause, may be accumulated, provided they are separated by 12 months or less.

Accumulation of days to satisfy the waiting period is not available for occupation classes B, A and 2A.

Recurrent disability

If the insured becomes disabled again within 12 months (for occupation classes 3A and 4A) or six months (for occupation classes B, A and 2A) from the same or a related cause as a prior disability (for which benefits have been payable), the disability will be considered a continuation of the prior disability.

Such an extension only applies if the insured has worked continuously in a full-time* occupation away from his or her home for less than:

- 12 months following the earlier period of disability — for occupation classes 3A and 4A.
- 6 months following the earlier period of disability — for occupation classes B, A and 2A.

In the case of a recurrent disability, a new waiting period will not need to be satisfied and the original benefit period will be continued.

*Full-time means the insured is working at least 30 hours per week on a year-round basis.

Payment of disability benefit

Disability benefits are payable only while the insured is receiving medical care from a doctor that is of an appropriate nature and frequency for the disability. The doctor must be a licensed medical doctor other than the insured.

Disability benefits will be paid at the end of the month after the waiting period has been satisfied while the insured is disabled until the earliest of:

- The date the insured is no longer disabled;
- The end of the benefit period;
- The date of the insured's death; and
- The date the claim is terminated by us for failure to comply with requirements outlined in the policy.

The payment of any benefits will be subject to receiving any information that we may request for the adjudication, investigation and verification of a claim.

Recovery benefit

A recovery benefit will be payable for two months after the insured returns to full-time work in his or her regular occupation. The waiting period must have been satisfied and the disability must have lasted at least three months. The benefit will be 50 per cent of the maximum monthly disability benefit for the first month and 25 per cent of the maximum monthly disability benefit for the second month.

The recovery benefit will not be paid if the insured:

- Is receiving any other benefits under the policy;
- Has already received disability benefits for the entire benefit period;
- Is over age 65; or
- Has already received this benefit for this period of disability.

Transplant surgery benefit

If the policy has been in force for at least six months and the insured becomes disabled as a result of surgery to transplant an organ or other part of the insured's body to the body of another person, Canada Life will consider the insured to be disabled due to sickness.

Extension of benefits

If the insured is disabled when the benefit period ends, the benefit period will be extended while total disability continues, until the earlier of:

- The date the total amount of benefits paid is equal to the maximum monthly disability benefit times the number of months in the benefit period; and
- The policy expiry date.

Waiver-of-premium

After disability has lasted 90 days, Canada Life will waive premium while disability continues. We will then refund any premium paid by the owner for the first 90 days of that period. Premium will be payable from the date the insured is no longer disabled.

Conversion

At any time before the insured's age 60 if the insured is not disabled, the owner may apply to convert the policy and any riders to a disability insurance plan then offered by Canada Life for conversion, if any. No evidence of medical insurability will be required.

Exclusions

No benefits will be payable, and no premium will be waived under the policy:

- a) If the disability results, directly or indirectly, from any of the following causes:
 - i. Normal pregnancy. However, Canada Life will not exclude a disability which results from a complication of pregnancy;
 - ii. War and any hazard arising from war;
 - iii. Active duty in any armed forces, whether or not at war;
 - iv. Surgery to transplant an organ or other part of the insured's body to the body of another person, except as provided under the transplant surgery benefit provision; or
- b) During any period of time the insured is incarcerated or under a court ordered restriction that prevents them from performing their regular occupation.

Optional benefit riders

The following optional benefit riders are available to customize the overhead expense plan to suit your client's individual needs.

- Own occupation rider
- Residual disability rider
- Partial disability rider
- Future insurability option rider
- Catch-up rider
- Return-of-premium (50%) rider
- Health care profession rider

Own occupation rider

Professionals often have a significant investment in their occupation, including years of training and acquired experience. However, many feel that although they might be able to find alternative employment during a total disability, they would experience a drastic reduction in income. The own occupation rider allows the insured to work in another occupation while he or she is totally disabled in his or her own occupation and continue to receive disability benefits.

Availability

Occupation classes	4A and 3A
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series.

Rider summary

The own occupation rider modifies the definition of total disability under the basic policy so the insured will be considered to be totally disabled even if he or she engages in any other gainful occupation.

Residual disability rider

The benefits provided by this rider can contribute to the insured's financial security by helping to close the gap between what the insured was earning before becoming disabled and what he or she is able to earn while either partially or residually disabled.

Availability

Occupation classes	4A and 3A
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. A policy cannot include both the residual disability rider and the partial disability rider.

Rider summary

If the insured is not totally disabled, the residual disability rider allows the insured a choice between receiving the partial disability benefit if he or she suffers a loss of time or duties or the residual disability benefit if he or she suffers a loss of income.

Partial disability means the insured is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness:

- Is unable to perform one or more of the important daily duties of his or her gainful occupation; or
- Suffers the necessary and continuous loss of at least one-half of the time normally spent in the daily performance of his or her gainful occupation.

Residual disability means the insured is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness the amount by which overhead expenses exceeds 75 per cent of gross income is greater than \$100. Gross income is the total income of the business for a particular month that is directly generated by the insured.

Partial disability benefit

While the insured is partially disabled and has not elected to receive the residual disability benefit, the partial disability benefit payable will be 50 per cent of the lesser of the actual overhead expenses and the maximum monthly disability benefit selected. The partial disability benefit will not be payable beyond the end of the benefit period.

Residual disability benefit

During a period of disability, an election can be made to receive residual disability benefits, subject to providing Canada Life with written evidence of the insured's gross income.

The residual disability benefit payable will be the lesser of the maximum monthly disability benefit selected and the amount by which actual overhead expenses exceed 75 per cent of gross income.

Once the election is made, the insured cannot go back to receiving partial disability benefits during that period of disability.

Recovery benefit exclusion

If the option to elect residual disability benefits was made, the recovery benefit will not be payable following a period of residual disability.

Partial disability rider

This rider recognizes that the insured may continue to be partially disabled after returning to work following a total disability or may only be partially disabled due to the injury or sickness from the start. The benefits provided by this rider can help cover expenses while the insured is partially disabled.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue to policies in the November 2005 and later series. A policy cannot include both the partial disability rider and the residual disability rider.

Rider summary

The insured will be considered partially disabled if he or she is not totally disabled and is working full or part-time in any gainful occupation, but due directly to injury or sickness, the insured:

- Is unable to perform one or more of the important daily duties of his or her gainful occupation; or
- Suffers the necessary and continuous loss of at least one-half of the time normally spent in the daily performance of his or her gainful occupation.

Disability benefit

The expense benefit payable will be 50 per cent of the lesser of the actual overhead expenses and the maximum monthly disability benefit selected.

The partial disability benefit will not be payable beyond the end of the benefit period.

Future insurability option rider

Often income rises over a person's working years and health may deteriorate. Although most people hope they fully insure themselves when they buy a disability insurance policy, they may find the original amount of disability insurance becomes insufficient as their careers and needs change. Unfortunately, these people may not qualify medically to buy additional coverage at a later date.

The future insurability option rider helps alleviate this problem by guaranteeing that additional coverage may be purchased subject only to financial underwriting on specified option dates, regardless of changes in the insured's health. If the insured is disabled, additional coverage may only be purchased once during the period of disability, on the first option date.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 50

The rider can be included at issue of the basic policy or added after issue.

The future insurability option rider is not available on rated cases.

Rider summary

Option dates

- If the insured is not disabled – each policy anniversary before the insured's 55th birthday.
- If the insured is disabled – the first policy anniversary to occur during the period of disability. This feature may only be exercised once during a period of disability.

Issue limits — the total benefit available for future increases in coverage is selected at the time the rider is purchased. At the option dates, medical evidence of insurability will not be required; however, approval of the increase will be subject to financial underwriting.

- Minimum – the minimum total benefit available is \$1,000.
- Maximum – the maximum total benefit available varies according to occupation class. Note: The combined basic policy monthly disability benefit and total benefit available under the future insurability option rider cannot exceed the current issue and participation limit.
- Class 4A: no restrictions up to issue and participation limits of \$25,000
- Class 3A: 2.5 times the basic monthly disability benefit up to \$15,000
- Class 2A: 2.5 times the basic monthly disability benefit up to \$7,000
- Class A: 2.5 times the basic monthly disability benefit up to \$5,000
- Class B: 2.5 times the basic monthly disability benefit up to \$3,500

New policy created by future insurability option rider exercise — an application to increase coverage (purchase new policy) must be received between 60 days before and 30 days after the option date.

- **Maximum increase** — on any option date, the maximum increase available under a new policy may not exceed the amount remaining in the total benefit available (i.e. balance of amount that has not previously been exercised).
 - If the insured is not disabled on the application date – the maximum increase available is 20 per cent of the total benefit available.
 - If the insured is disabled on the application date – the maximum increase available is the lesser of \$600 and 20 per cent of the total benefit available. If the insured has more than one future insurability option rider issued by Canada Life and in force, the total increase available on that option date under all such riders cannot exceed \$600.
- **Minimum increase** — \$200 per month.

Increases in coverage are guaranteed to be issued under a new policy with the same basic policy provisions as the original policy. The following riders will be guaranteed if they are in effect under the original policy on the option date — catch-up rider, health care profession rider, own occupation rider, partial disability rider and residual disability rider. If the policy also included a rider that provides for a return-of-premium benefit, any new policy will include such rider or a similar rider if such rider or similar rider is then offered by Canada Life.

The policy fee for the new policy will be waived.

Carry-over provision

If the owner is not disabled and did not increase the monthly disability benefit on the prior option date, then the maximum increase available at the current option date is 33 1/3 per cent of the total benefit available.

Catch-up rider

Provides a lump-sum payment equal to the amount not paid during the waiting period of the policy should the insured become totally disabled for a period of at least 180 consecutive days. This coverage is designed to help the insured financially catch-up from the impact of a disability. The amount of the catch-up benefit will be determined using the first reimbursement cheque paid to the insured after satisfying the waiting period.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue.

Rider summary

The catch-up rider pays a lump-sum equal to the amount not paid during the waiting period, as long as the insured has been totally disabled without interruption for 180 days.

If for any reason, the insured is not required to satisfy the waiting period, the catch-up benefit will not be payable. Example: if the insured is deemed presumptively disabled, the catch-up benefit will not be payable because disability benefits for presumptive disability become payable from the start of disability.

Return-of-premium (50%) rider

Adding the return-of-premium (50%) rider helps ensure the client has an opportunity to receive a benefit whether or not he or she suffers a disability.

Availability

Occupation classes	4A, 3A, 2A, A and B
Waiting periods	30, 60 and 90
Benefit periods	12 and 24 months
Issue ages	18 – 55

This rider can be added to policies of the March 2001 series or earlier and to policies of the May 2007 policy series or later. If added after issue of the basic policy, the effective date of the rider will be the nearest policy anniversary.

This rider cannot be added while the insured is on claim or while a claim is pending.

Rider summary

The Return-of-premium (50%) rider provides for the return of up to 50 per cent of the yearly eligible premium paid or waived under the policy on certain dates if the insured is not disabled and claims have been minimal. The return-of-premium benefit is payable to the owner.

Return-of-premium criteria

The return periods are non-overlapping seven consecutive policy year periods during which the conditions for payment have been met.

The conditions for payment are:

- The insured is not disabled at the end of the applicable return period; and
- Any benefits paid, and any eligible premiums waived or refunded have not exceeded 20 per cent of the total amount of eligible premium that was paid or waived.

The return-of-premium benefit becomes payable to the insured at the end of any return period provided the conditions for payment are satisfied. If a claim is in pending status (with a date of disability before the end of the return period), the return-of-premium benefit will be paid, however, it will be required to be returned should the claim be accepted.

A return-of-premium benefit may also be payable upon the insured's death or the policy anniversary nearest the insured's 65th birthday.

The **return-of-premium benefit**, if any, will be:

- 50 per cent of the sum of the yearly eligible premium paid or waived during the applicable return period, less
- The sum of any benefits paid, and any eligible premium waived or refunded under the policy during that return period.

For the purposes of determining the return-of-premium benefit:

- Eligible premium is the sum of the premium for the basic policy and any optional benefit riders. It includes the additional cost associated with paying the premium by a premium frequency other than yearly. It will not include any interest or additional fees.
- Yearly eligible premium is the eligible premium (determined above) excluding the additional cost associated with paying the premium by a premium frequency other than yearly.

The return-of-premium benefit will be reduced if the owner requests any of the following changes during that return period:

- A reduction in the maximum monthly disability benefit,
- A lengthening of the waiting period,
- A shortening of the benefit period,
- A reduction in a benefit under any rider, or
- A termination of any rider.

Example: Assume the eligible premium is \$108 monthly or \$1,296 (\$108 x 12) yearly. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly is \$1,200.

After four years, the owner decreases the maximum monthly disability benefit such that the eligible premium becomes \$72 monthly or \$864 (\$72 x 12) yearly. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly becomes \$800. This example assumes the insured is not disabled and there were no claims in the first seven policy years.

Year 4: the yearly eligible premium for the first return period is adjusted to reflect the decrease in maximum monthly disability benefit as shown in the following calculations:

- Determine the sum of yearly eligible premium for years 1-4: \$4,800 (\$1,200 x 4)
- Determine the adjustment ratio:
$$\frac{\text{New yearly eligible premium} = \$ 800}{\text{Prior yearly eligible premium} \quad \$1,200} = 0.667$$
- Determine the sum of yearly eligible premium for years 1-4 after adjustment:
\$4,800 x 0.667 = \$3,200

Year 7: to determine the return-of-premium benefit payable, we have to calculate:

- The sum of eligible premium to date:

Years 1 – 4	\$5,184 (\$1,296 x 4)
Years 5 – 7:	<u>\$2,592</u> (\$864 x 3)
Total:	\$7,776
- The sum of yearly eligible premium to date:

Years 1 – 4	\$3,200 (\$800 x 4)
Years 5 – 7:	<u>\$2,400</u> (\$800 x 3)
Total:	\$5,600

The amount of benefits paid and premium waived (\$0) does not exceed 20 per cent of the total eligible premium paid or waived (\$1,555.20 = 20% of \$7,776). Therefore, the return-of-premium benefit is payable on the seventh policy anniversary in the amount of \$2,800 (50% of \$5,600).

Return-of-premium options

A letter will be sent to the owner 90 days before the date the return-of-premium benefit may become payable. It will include the return-of-premium benefit amount that may be payable and provide the owner with an election form.

If the return-of-premium benefit is payable, the owner may choose either of the following two options in connection with the benefit:

- Cash option: The return-of-premium benefit may be paid to the owner.
- Premium deposit account option: The return-of-premium benefit can remain on deposit with Canada Life and be applied to pay future annual premium under the policy for up to seven years. If this option is elected, interest will be credited on the deposit, compounded annually. Any part of a return-of-premium benefit which cannot be applied to pay future annual premium will be paid to the owner.

If the election form is not received by Canada Life at least 30 days before the date the return-of-premium benefit becomes payable, the return-of-premium benefit will be paid to the owner.

No claims during return period

A return-of-premium benefit of 50 per cent of the yearly eligible premium that was paid or waived under the policy during the seven consecutive policy year period will be payable to the owner. Future return periods are every seven consecutive policy years during which the conditions for payment are met.

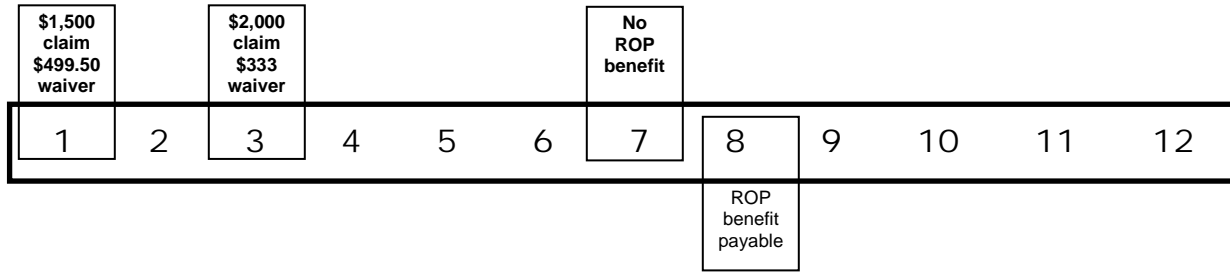
Minimal claims during return period

If the amount of benefits paid and eligible premium waived or refunded during the return period have not exceeded 20 per cent of the total eligible premium paid or waived, a return-of-premium benefit will be payable. The return-of-premium benefit payable to the owner will be 50 per cent of the sum of the yearly eligible premium that was paid or waived, less the amount of benefits paid, and eligible premium waived or refunded under the policy during the seven consecutive policy year period. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

Large claims during return period

If the amount of benefits paid and eligible premium waived or refunded during the return period have exceeded 20 per cent of the total eligible premium paid or waived, the return-of-premium benefit is not payable. However, a return-of-premium benefit will be payable at the next policy anniversary for which the conditions for payment have been met for the immediately preceding seven consecutive policy years, if any. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

Example: Assume the eligible premium is \$1,998. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly is \$1,850. After seven years, the total eligible premium is \$13,986 (\$1,998 x 7) and the total yearly eligible premium is \$12,950 (\$1,850 x 7). In the first policy year, the insured has a claim for \$1,500 and \$499.50 of premium has been waived. In the third policy year, the insured has a claim for \$2,000 and \$333 of premium has been waived.



- Policy years 1-7: The amount of benefits paid, and eligible premium waived (\$4,332.50 = \$1,500 + \$499.50 + \$2,000 + \$333) exceed 20 per cent of the total eligible premium paid or waived for the return period (\$2,797.20 = 20% of \$13,986). Therefore, the return-of-premium benefit is not payable on the 7th policy anniversary.
- Policy years 2-8: The amount of benefits paid, and eligible premium waived (\$2,333 = \$2,000 + \$333) do not exceed 20 per cent of the total eligible premium paid or waived for the return period (\$2,797.20 = 20% of \$13,986). Therefore, the return-of-premium benefit payable on the eighth policy anniversary would be \$4,142 [(50% of \$12,950) less \$2,000 (benefits paid) and \$333 (premium waived)].

Insured disabled or claim is pending

If the insured is disabled at the end of the applicable return period, the return-of-premium benefit will not be payable. If the conditions for payment are met but a claim is in pending status (with a date of disability before the end of the return period), the return-of-premium benefit will be paid, however, it will be required to be returned should the claim be accepted.

However, a return-of-premium benefit will be payable at the next policy anniversary for which the conditions for payment have been met for the immediately preceding seven consecutive policy years, if any. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

At age 65 or death

As long as the amount of benefits paid, and eligible premium waived or refunded since the last return period have not exceeded 20 per cent of the total eligible premium paid or waived, a return-of-premium benefit may be payable. The return period will be the number of complete consecutive policy years and months starting on the later of the effective date of the rider and the date the last return-of-premium benefit was payable and ending on the date of the insured's death or age 65, as applicable.

The return period will never be longer than seven policy years.

Health care profession rider

If a health care professional were to become infective with HIV, hepatitis B or hepatitis C, it could have career implications. Although the health care professional may be fully functional, legislation or regulations may prohibit him or her from performing the substantial duties of his or her occupation. In such a case, it is possible that disability benefits may not be payable, as the insured may not be physically disabled at the time. The health care profession rider helps remove this doubt.

Availability

Occupation classes	4A, 3A, 2A, A and B (subject to published list of eligible occupations — see below)
Waiting periods	30, 60 and 90 days
Benefit periods	12 and 24 months
Issue ages	18 – 60

This rider can be included at issue of the basic policy or added after issue.

Rider summary

The health care profession rider has been designed specifically for the following health care occupations:

- Chiroprapist
- Dental hygienist
- Dentist
- Medical doctor
- Nurse - RN, RNA, LPN
- Paramedic
- Podiatrist
- Lab technician

Total disability — for the purpose of this rider, the insured will be considered totally disabled due to sickness if, as a direct result of an infected condition (HIV, hepatitis B or hepatitis C), the insured is and remains prohibited from performing the substantial duties of his or her regular occupation by law or by a written policy of general application of a medical/dental regulatory body or medical/dental licensing body.

Residual Disability (only if residual disability rider has been selected) — if the residual disability rider has been added to the policy, the insured may qualify for residual disability benefits if he or she is not totally disabled.

For the purpose of this rider, the insured will be considered residually disabled due to sickness if, as a direct result of an infected condition, he or she is and remains:

- Prohibited from performing one or more of the substantial daily duties of his or her regular occupation; or
- Required to disclose an infected condition to patients,
- By law or by written policy of general application of a medical/dental regulatory body or medical/dental licensing body.

Benefit amount

During a period of total or residual disability resulting from an infected condition, the amount of the total or residual disability benefit will be determined as outlined in the basic policy and the residual disability rider.

The insured will not be required to satisfy the waiting period or be receiving medical care from a doctor.

Disability benefits payable under the terms of this rider will not be payable past the policy anniversary nearest the insured's 65th birthday.

Premium

Currently no premium is payable for this rider. However, Canada Life reserves the right to charge a premium in the future. If a premium is charged for this rider, subsequent premium changes can only be made at the end of every five-year period.

Buy/sell plan

The buy/sell plan is designed to provide the necessary funds to enable one or more business owners to purchase the shares of a disabled shareholder or partner in the event of total disability. This coverage provides funds to help complete the buy-out.

The buy/sell plan is ideally suited for owners of privately held businesses. The plan provides a single lump sum payment and is available to occupation classes 2A, 3A, and 4A. (Please note that class A individuals who are upgraded through the quality risk upgrade program are not eligible to purchase buy/sell coverage.) A copy of the buy/sell agreement or a letter of intent to complete the agreement is required.

Note: A buy/sell agreement must be in effect within one year of the policy date, otherwise Canada Life will have the right to deem the policy to be void and any premium paid will be refunded. When the buy-out expense becomes payable under the terms of the buy/sell agreement, the policyowner must incur the buy-out expense within the 12-month period immediately following the end of the waiting period.

Conditionally renewable to age 62

As long as premium is paid, then subject to the renewal conditions below, the policy may be renewed until the policy anniversary nearest the insured's age 62. While the policy is being renewed as described, Canada Life cannot alter the schedule of premium, cancel or change the benefits of the policy.

Renewal conditions

The policy may be renewed until the earliest of:

- The policy anniversary date nearest the insured's age 62;
- The date the insured ceases his or her full-time occupation in the business, for any reason other than total disability;
- The date the buy/sell agreement is terminated;
- The date one person owns more than 90 per cent of the business;
- The date the insured ceases to have an ownership interest in the business; and
- The date the disability buy-out expense benefit is paid.

The policy terminates on the earliest of the above dates.

Availability

Occupation classes	4A, 3A and 2A (Class A individuals who are upgraded through the quality risk upgrade program are not eligible to purchase buy/sell coverage.)
Waiting periods	365 and 730 days
Benefit periods	single lump-sum payment
Issue ages	18 – 55

Business

The buy/sell plan is available as long as:

- The business is profitable;
- There are two to five owners (single owners cannot be insured). Individual consideration may be given if there are more than five owners; and
- Financial statements are provided for the two most recent fiscal years.

Insured

The insured must:

- Work a minimum of 30 hours per week for the business; and
- Have an ownership interest in the business which is at least 10 per cent and less than 90 per cent.
- Have or be applying for adequate:
 - Personal disability insurance coverage (individual or group); and
 - Life insurance coverage to fund the buy-sell agreement.

Important notes

- All eligible owners must apply for buy/sell coverage at the same time with Canada Life; and
- The buy/sell plan will not be available where a husband/wife or parent/child relationship exists between owners.

Issue limits

Minimum benefit

The minimum benefit available is \$50,000.

Maximum benefit

The maximum benefit available is \$1,000,000.

Insurable value for the insured

Refer to the buy/sell plan valuation guide section for the steps to use to determine the business value. 90 per cent of this value can be insured — this is the insurable business value. The insurable value for an insured is determined by multiplying the insured's percentage of ownership interest in the business by the insurable business value.

Example: There are two partners in the business — one partner owns 30 per cent of the business, and the second partner owns 70 per cent. The business value was determined according to the buy/sell plan valuation guide to be \$185,000.

The insurable business value is $\$185,000 \times 90\% = \$166,500$. The insurable value for each insured would be:

- For the partner owning 30 per cent — $\$166,500 \times 30\% = \$49,950$
- For the partner owning 70 per cent — $\$166,500 \times 70\% = \$116,550$

If the value of the disabled partner's/shareholder's interest in the business is lower at the date of claim than at the date of issue, the lump-sum benefit will be proportionately reduced.

Policy ownership

If the business is:

- A partnership — the owner of the policy may be:
 - A partner if there are only two partners; or
 - A trustee (or a trust in the case of Quebec policies) if there are more than two partners.
- A corporation — the owner of the policy may be:
 - The corporation or a shareholder if there are only two shareholders; or
 - The corporation or a trustee if there are more than two shareholders.

Basic policy benefits

Total disability benefits

Total disability means that due to injury or sickness the insured is:

- Under the care of a doctor appropriate for the condition, if such care is likely to improve the insured's condition, and
- Unable to perform the important duties of his or her regular occupation and is not engaged in any other occupation.

Graded benefits

If total disability occurs on or after age 60, the maximum benefit will be graded as outlined below.

Disability at age	Percentage of full benefit
60	80%
61	60%

Accumulation of days to satisfy the waiting period

To help the insured satisfy the waiting period more quickly, days of disability separated by no more than six months, due to the same cause, may be accumulated to satisfy the waiting period.

Waiver-of-premium

Once the insured has been disabled for 90 days, Canada Life will waive all premiums that become due during that disability. Any premium that was paid during those 90 days will be refunded.

Exclusions

No benefits will be payable, and no premiums will be waived under the policy:

- a) If the disability results, directly or indirectly, from any of the following causes:
 - i. Normal pregnancy. However, Canada Life will not exclude a disability which results from a complication of pregnancy;
 - ii. War and any hazard arising from war;
 - iii. Active duty in any Armed Forces, whether or not at war;
- b) During any period of time the insured is incarcerated or under a court ordered restriction that prevents them from performing their regular occupation.

Optional benefit riders

The following optional benefit riders are available to add to the buy/sell plan.

- Future insurability option rider
- Future needs rider

Future insurability option rider and future needs rider

Often income rises over a person's working years and health may deteriorate. Although most people hope they fully insure themselves when they buy a disability insurance policy, they may find the original amount of disability insurance becomes insufficient as their careers and needs change. Unfortunately, these people may not qualify medically to buy additional coverage at a later date.

The future insurability option rider and future needs rider help alleviate this problem by guaranteeing that additional coverage may be purchased subject only to financial underwriting on specified option dates, regardless of the person's state of health.

Availability

Occupation classes	4A, 3A and 2A
Waiting periods	365 and 730 days
Benefit periods	single lump-sum payment
Issue ages	18 – 49

Either rider can be added after issue. A policy cannot include both the future insurability option rider and future needs rider.

The future insurability option rider and future needs rider are not available on rated cases.

Rider summary

Option dates — the insured may elect to increase coverage on every policy anniversary. The final option date is age 50. There is no policy fee for the new policy.

If the insured elects to increase coverage while disabled, the lump-sum disability benefit under the new policy will not be payable while disability continues. However, if premium is being waived under the policy, premium for the new policy will also be waived.

Issue limits — the maximum amount of available future insurability option rider and future needs rider varies according to occupation class and issue age. The combined basic amount and future insurability option rider and future needs rider amount may not exceed current issue and participation limits.

- For issue ages 18 – 45:
 - Class 4A — no restrictions
 - Class 3A — two times the basic lump-sum amount
 - Class 2A — two times the basic lump-sum amount
 - For issue ages 46 and 47 — the future insurability option rider and future needs rider maximum is reduced to the lower of the maximum per class (as set out above) or 75 per cent of the issue and participation limit minus the basic lump-sum benefit.
 - For issue ages 48 and 49 — the future insurability option rider and future needs rider maximum is reduced to the lower of the maximum per class (as set out above) or 50 per cent of the issue and participation limit minus the basic lump-sum benefit.

The minimum future insurability option rider and future needs rider at issue is \$50,000.

Future insurability option rider and future needs rider options

An application to increase coverage must be received within 60 days before the option date and 31 days after the option date.

The maximum single option amount varies according to original issue age. For issue age:

- 46 and under — 25% of future insurability option rider and future needs rider amount selected
- 47 — 33% of future insurability option rider and future needs rider amount selected
- 48 — 50% of future insurability option rider and future needs rider amount selected
- 49 — 100% of future insurability option rider and future needs rider amount selected

The minimum single option is \$25,000 lump-sum.

Increases in coverage will be issued under a new policy with the same base contract provisions as the original policy, if then available. Otherwise, the increase in coverage will be issued under the most similar plan we then offer, if any, or any other plan or type of insurance coverage we then offer, subject to our consent.

Return-of-premium benefit (future needs rider only) — at the last option date or upon death of the policyholder, a return-of-premium benefit of 75 per cent of the premiums paid on any unused future needs rider will be made. The percent of premium returned is reduced from 75 percent if the original issue age is greater than 41. If your issue age is 42 or greater, the return-of-premium benefit will be multiplied by the following factor $[(51 - \text{issue age})/10]$. For example, if the issue age is 43, the percent of premium returned is reduced from 75 percent of premiums paid on any unused future needs rider to 60 percent of premiums paid on any unused future needs rider ($0.75 \times [(51 - 43)/10] = 0.60$)

Key person plan

The key person plan is a disability policy that will provide benefits in the event of a key employee's total disability. A key person is defined as someone who brings a special talent, skill or experience base to the company that the owners or partners cannot. Key person coverage is available to occupation classes 2A, 3A and 4A. (Please note that Class A individuals who are upgraded through the quality risk upgrade program are NOT eligible to purchase the key person plan).

There are two types of key person plans — the wage loss plan and the reimbursement plan.

1. **Key person coverage — wage loss plan**

This plan is designed to provide a source of income for a key employee while he or she is totally disabled. The premium is deductible to the employer but is considered a taxable benefit to the key employee. The disability benefit is tax free to the key employee. Regular underwriting applies.

2. **Key person coverage — reimbursement plan**

This plan is designed to help protect the company from lost sales, increased expenses or high replacement costs when a key employee is totally disabled. Doubling up of the coverage on the key employee's life with regular, individually owned disability coverage is allowed. The premium is not deductible and the disability benefit is tax free to the company. The policy must be company owned and cannot be assigned.

This coverage is not available to anyone having more than 10 per cent ownership in the business. The following details apply to both the wage loss plan and the reimbursement plan.

Occupation class	Maximum monthly disability benefit
4A	\$20,000
3A	\$15,000
2A	\$7,000

Conditionally renewable to age 62

As long as premium is paid, then subject to the renewal conditions below, the policy may be renewed until the policy anniversary nearest the key employee's age 62. While the policy is being renewed as described, Canada Life cannot alter the schedule of premium, cancel or change the benefits of the policy unless requested by the owner.

Renewal conditions

The policy may be renewed until the earliest of:

- The policy anniversary date nearest the key employee's age 62;
- The date the key employee ceases his or her full-time occupation or ceases to be a key person in the business, for any reason other than total disability; and
- The date that total disability benefits have been made for 12 months for one period of disability.

Issue limits

Minimum monthly disability benefit

The minimum monthly disability benefit available is \$500.

Maximum monthly disability benefit

The maximum monthly disability benefit available varies by plan type, occupation class and issue age

1. Wage loss plan
The amount for the applicable occupation class and issue age are shown in the table below
2. Reimbursement plan

The maximum monthly disability benefit available is the lesser of:

- 75 per cent of the insured's salary and
- The amount for the applicable occupation class shown in the table below.

Availability

Occupation classes	4A, 3A and 2A (Class A individuals who are upgraded through the quality risk upgrade program are not eligible to purchase the key person plan).
Waiting periods	30 days
Benefit periods	1 year
Issue ages	18 – 55 (52 if return-of-premium (50%) rider is added)

Basic policy benefits

Total disability benefits

Total disability means that due to injury or sickness the key employee is:

- Under the care of a doctor appropriate for the condition, if such care is likely to improve the key employee's condition, and
- Unable to perform the important duties of his or her regular occupation and is not engaged in any other occupation.

Accumulation of days to satisfy the waiting period

To help the key employee satisfy the waiting period more quickly, days of disability separated by no more than 12 months, due to the same cause, may be accumulated to satisfy the waiting period.

Recurrent disability

If the key employee becomes disabled again within 12 months from the same cause, the current disability will be considered a continuation of the prior disability and the key employee will not be required to satisfy the waiting period.

Waiver-of-premium

Once the key employee has been disabled for 90 days, Canada Life will waive all premiums that come due during that disability. Any premium that was paid during those 90 days will be refunded.

Exclusions

The policy will not cover a loss by:

- War, whether declared or undeclared;
- Insurrection; and
- Normal pregnancy. However, Canada Life will not exclude a disability which results from a complication of pregnancy.

Optional benefit riders

The following optional benefit riders are available to customize the key person plan to suit your client's individual needs.

- Future insurability option rider
- Future needs rider
- Return-of-premium (50%) rider

Future insurability option rider and future needs rider

Often income rises over a person's working years and health may deteriorate. Although most people feel they fully insure themselves when they buy a disability insurance policy, they may find the original amount of disability insurance becomes insufficient as their careers and needs change. Unfortunately, these people may not qualify medically to buy additional coverage at a later date.

The future insurability option rider and future needs rider help alleviate this problem by guaranteeing that additional coverage may be purchased subject only to financial underwriting on specified option dates, regardless of the person's state of health.

Availability

Occupation classes	4A, 3A and 2A
Waiting periods	30 days
Benefit periods	1 year
Issue ages	18 – 49

Either rider can be added after issue. A policy cannot include both the future insurability option rider and future needs rider.

The future insurability option rider and future needs rider are not available on rated cases.

Rider summary

Option dates — the insured may elect to increase coverage on every policy anniversary. The final option date is age 50. There is no policy fee for the new policy.

If the insured elects to increase coverage while disabled, the monthly disability benefit under the new policy will not be payable while disability continues. However, if premium is being waived under the policy, premium for the new policy will also be waived.

Issue limits — the maximum amount of available future insurability option rider and future needs rider varies according to occupation class and issue age. The combined basic amount and future insurability option rider and future needs rider amount may not exceed current issue and participation limits.

- For issue ages 18 – 45:
 - Class 4A — no restrictions
 - Class 3A — two times the basic monthly amount
 - Class 2A — two times the basic monthly amount
- For issue ages 46 and 47 — the future insurability option rider and future needs rider maximum is reduced to the lower of the maximum per class (as set out above) or 75 per cent of the issue and participation limit minus the basic monthly disability benefit.
- For issue ages 48 and 49 — the future insurability option rider and future needs rider maximum is reduced to the lower of the maximum per class (as set out above) or 50 per cent of the issue and participation limit minus the basic monthly disability benefit.

The minimum future insurability option rider and future needs rider at issue is \$500.

Future insurability option rider and future needs rider options

An application to increase coverage must be received within 60 days before the option date and 31 days after the option date.

The maximum single option amount varies according to original issue age. For issue age:

- 46 and under — 25% of future insurability option rider and future needs rider amount selected
- 47 — 33% of future insurability option rider and future needs rider amount selected
- 48 — 50% of future insurability option rider and future needs rider amount selected
- 49 — 100% of future insurability option rider and future needs rider amount selected

The minimum single option is \$250 per month.

Increases in coverage will be issued under a new policy with the same base contract provisions as the original policy, if then available. Otherwise, the increase in coverage will be issued under the most similar plan we then offer, if any, or any other plan or type of insurance coverage we then offer, subject to our consent.

Return-of-premium benefit (future needs rider only)

At the last option date or upon death of the policyholder, a return-of-premium benefit of 75 per cent of the premium paid on any unused future needs rider will be made. The 75 per cent return-of-premium benefit is reduced by 7.5 per cent a year if the original issue age is greater than 41. (Example: if the issue age is 43, the return-of-premium benefit would be 60 per cent of premium for unused future needs rider).

Return-of-premium (50%) rider

Adding the return-of-premium (50%) rider helps ensure the client has an opportunity to receive a benefit whether or not he or she suffers a disability.

Availability

Occupation classes	4A, 3A and 2A
Waiting periods	30 days
Benefit periods	1 year
Issue ages	18 – 52

This rider can be added at issue of the basic policy or after issue. If added after issue of the basic policy, the effective date of the rider will be the nearest policy anniversary.

This rider cannot be added while the insured is on claim or while a claim is pending.

Rider summary

The return-of-premium (50%) rider provides for the return of fifty per cent of the yearly eligible premium paid or waived under the policy on certain dates if the insured is not disabled and claims have been minimal. The return-of-premium benefit is payable to the owner.

Return-of-premium criteria

The **return periods** are non-overlapping seven consecutive policy year periods during which the conditions for payment have been met.

The **conditions for payment** are:

- The insured is not disabled at the end of the applicable return period; and
- Any benefits paid and any eligible premiums waived or refunded have not exceeded 20 per cent of the total amount of eligible premium that was paid or waived.

The return-of-premium benefit becomes payable to the owner at the end of any return period provided the conditions for payment are satisfied. If a claim is in pending status (with a date of disability before the end of the return period), the return-of-premium benefit will be paid, however, it will be required to be returned should the claim be accepted.

A return-of-premium benefit may also be payable upon the insured's death or the policy anniversary nearest the insured's 65th birthday.

The **return-of-premium benefit**, if any, will be:

- Fifty per cent of the sum of the yearly eligible premium paid or waived during the applicable return period, less
- The sum of any benefits paid and any eligible premium waived or refunded under the policy during that return period.

For the purposes of determining the return-of-premium benefit:

- Eligible premium is the sum of the premium for the basic policy and any optional benefit riders. It includes the additional cost associated with paying the premium by a premium frequency other than yearly. It will not include any interest or additional fees.
- Yearly eligible premium is the eligible premium (determined above) excluding the additional cost associated with paying the premium by a premium frequency other than yearly.

The **return-of-premium benefit will be reduced** if the owner requests any of the following changes during that return period:

- A reduction in the monthly disability benefit,
- A lengthening of the waiting period,
- A shortening of the benefit period,
- A reduction in a benefit under any rider, or
- A termination of any rider

Example: Assume the eligible premium is \$108 monthly or \$1,296 (\$108 x 12) yearly. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly is \$1,200.

After four years, the owner decreases the monthly disability benefit such that the eligible premium becomes \$72 monthly or \$864 (\$72 x 12) yearly. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly becomes \$800. This example assumes the insured is not disabled and there were no claims in the first seven policy years.

Year 4: the yearly eligible premium for the first return period is adjusted to reflect the decrease in monthly disability benefit as shown in the following calculations:

- Determine the sum of yearly eligible premium for years 1-4: \$4,800 (\$1,200 x 4)
- Determine the adjustment ratio: $\frac{\text{New yearly eligible premium}}{\text{Prior yearly eligible premium}} = \frac{\$ 800}{\$1,200} = 0.667$
- Determine the sum of yearly eligible premium for years 1-4 after adjustment:
\$4,800 x 0.667 = \$3,200

Year 7: to determine the return-of-premium benefit payable, we have to calculate:

- The sum of eligible premium to date:

Years 1 – 4	\$5,184 (\$1,296 x 4)
Years 5 – 7:	<u>\$2,592</u> (\$864 x 3)
Total:	\$7,776
- The sum of yearly eligible premium to date:

Years 1 – 4	\$3,200 (\$800 x 4)
Years 5 – 7:	<u>\$2,400</u> (\$800 x 3)
Total:	\$5,600

The amount of benefits paid and premium waived (\$0) does not exceed 20 per cent of the total eligible premium paid or waived (\$1,555.20 = 20% of \$7,776). Therefore, the return-of-premium benefit is payable on the seventh policy anniversary in the amount of \$2,800 (50% of \$5,600).

Return-of-premium options

A letter will be sent to the owner 90 days before the date the return-of-premium benefit may become payable. It will include the return-of-premium benefit amount that may be payable and provide the owner with an election form.

If the return-of-premium benefit is payable, the owner may choose either of the following two options in connection with the benefit:

- Cash option: The return-of-premium benefit may be paid to the owner in cash.
- Premium deposit account option: The return-of-premium benefit can remain on deposit with Canada Life and applied to pay future annual premium under the policy for up to seven years. If this option is elected, interest will be credited on the deposit, compounded annually. Any part of a return-of-premium benefit which cannot be applied to pay future annual premium will be paid to the owner in cash.

If the election form is not received by Canada Life at least 30 days before the date the return-of-premium benefit becomes payable, the return-of-premium benefit will be paid to the owner in cash.

No claims during return period

A return-of-premium benefit of 50 per cent of the yearly eligible premium that was paid or waived under the policy during the seven consecutive policy year period will be payable to the owner. Future return periods are every seven consecutive policy years during which the conditions for payment are met.

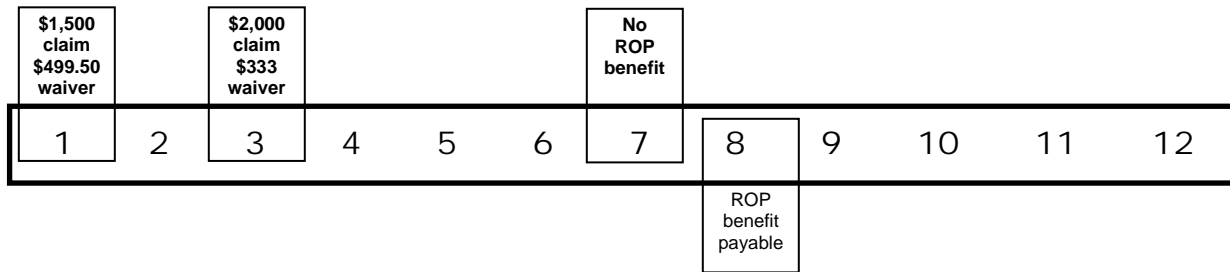
Minimal claims during return period

If the amount of benefits paid and eligible premium waived or refunded during the return period have not exceeded 20 per cent of the total eligible premium paid or waived, a return-of-premium benefit will be payable. The return-of-premium benefit payable to the owner will be 50 per cent of the sum of the yearly eligible premium that was paid or waived, less the amount of benefits paid and eligible premium waived or refunded under the policy during the seven consecutive policy year period. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

Large claims during return period

If the amount of benefits paid and eligible premium waived or refunded during the return period have exceeded 20 per cent of the total eligible premium paid or waived, the return-of-premium benefit is not payable. However, a return-of-premium benefit will be payable at the next policy anniversary for which the conditions for payment have been met for the immediately preceding seven consecutive policy years, if any. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

Example: Assume the eligible premium is \$1,998. The yearly eligible premium which excludes the additional cost associated with paying the premium monthly is \$1,850. After seven years, the total eligible premium is \$13,986 (\$1,998 x 7) and the total yearly eligible premium is \$12,950 (\$1,850 x 7). In the first policy year, the insured has a claim for \$1,500 and \$499.50 of premium has been waived. In the third policy year, the insured has a claim for \$2,000 and \$333 of premium has been waived.



Policy years 1-7: The amount of benefits paid and eligible premium waived (\$4,332.50 = \$1,500 + \$499.50 + \$2,000 + \$333) exceed 20 per cent of the total eligible premium paid or waived for the return period (\$2,797.20 = 20% of \$13,986). Therefore, the return-of-premium benefit is not payable on the seventh policy anniversary. Policy years 2-8: The amount of benefits paid and eligible premium waived (\$2,333 = \$2,000 + \$333) do not exceed 20 per cent of the total eligible premium paid or waived for the return period (\$2,797.20 = 20% of \$13,986). Therefore, the return-of-premium benefit payable on the eighth policy anniversary would be \$4,142 [(50% of \$12,950) less \$2,000 (benefits paid) and \$333 (premium waived)].

Insured disabled or claim is pending

If the insured is disabled at the end of the applicable return period, the return-of-premium benefit will not be payable. If the conditions for payment are met but a claim is in pending status (with a date of disability before the end of the return period), the return-of-premium benefit will be paid, however, it will be required to be returned should the claim be accepted.

However, a return-of-premium benefit will be payable at the next policy anniversary for which the conditions for payment have been met for the immediately preceding seven consecutive policy years, if any. Thereafter, future return periods are every seven consecutive policy years during which the conditions for payment are met.

At Age 65 or death

As long as the amount of benefits paid and eligible premium waived or refunded since the last return period have not exceeded 20 per cent of the total eligible premium paid or waived, a return-of-premium benefit may be payable. The return period will be the number of complete consecutive policy years and months starting on the later of the effective date of the rider and the date the last return-of-premium benefit was payable and ending on the date of the insured's death or age 65, as applicable.

The return period will never be longer than seven policy years.

Premium

Premium modalization factors

Canada Life may approve a premium payment frequency other than annual. Any payment frequency other than annual will result in a higher annualized premium. The premium modalization factors are:

Monthly PAC:	0.09
Quarterly:	0.27
Semi-annual:	0.54

Policy fees

Monthly PAC:	\$5.00
Quarterly:	\$15.50
Semi-annual:	\$28.50
Annual:	\$50.00

Premium reductions

Upgrader plus premium reduction

Available plans

The upgrader plus premium reduction is available on the following plans:

Lifestyle protection plan
Overhead expense plan

Amount of premium reduction

The five per cent premium reduction is applied at issue (excluding the policy fee).

Premium reduction criteria

The upgrader plus premium reduction is available based on the following criteria:

1. The insured is one of the following true occupation class 4A risks (i.e. has not been upgraded to occupation class 4A through the quality risk upgrade program):
 - Accountant
 - Actuary
 - Architect
 - Computer consultant
 - Executive*
 - Lawyer
 - Optometrist
 - Pharmacist
 - Professional engineer
 - Physician specialist (excluding family and emergency medicine)

* Office and consulting duties only (if any sales, must be less than 25% of duties), no direct supervision of employees with manual duties and minimum of 10 full-time year-round employees.

2. The insured's earned income must have been at least \$100,000 for the past two years.
3. The insured must have worked for the same employer for at least three years.
4. The insured must work outside the home more than 50 per cent of the time.
5. Premium reduction is only available at issue.
6. Premium reduction will be applied to new policies issued under a future insurability option rider election, as long as the premium reduction criteria continues to be met.

Combining with other premium reductions

The upgrader plus premium reduction may be combined with the following premium reductions, if applicable:

For lifestyle protection plan — premier value, wage loss replacement plan and group complements.
For overhead expense plan — premier value.

Premier value premium reduction

Available plans

The premier value premium reduction is available on the following plans:

- Lifestyle protection plan
- Overhead expense plan
- Buy/sell plan
- Key person plan

Amount of premium reduction

The premium reduction applied at issue (excluding the policy fee) differs by plan, occupation class and premium payment frequency:

- Lifestyle protection plan and overhead expense plan:
 - 15 per cent for occupation classes 4A, 3A and 2A with an annual premium payment frequency.
 - 10 per cent for occupation classes A and B with an annual premium payment frequency.
 - 10 per cent for all occupation classes with a premium payment frequency other than annual.
- Buy/sell plan and key person plan: 10 per cent for occupation classes 4A, 3A and 2A regardless of premium payment frequency.

The premium reduction is guaranteed for the coverage up to age 65.

Premium reduction criteria

The premier value premium reduction is available based on the following criteria:

1. Group must be comprised of three or more lives working for a common employer or professionals sharing office space and expenses.
2. Available to all occupation classes.
3. Premium reduction is only available at issue.
4. Premium reduction will be applied to new policies issued under a future insurability option rider election, as long as the premium reduction criteria continues to be met.

Submission requirements

For new groups — it is important to submit at least three applications at the same time.

If two members purchase disability coverage and a third member purchases later, only the third member will qualify for the premier value premium reduction.

Combining with other premium reductions

The premier value premium reduction may be combined with the following premium reductions, if applicable:

- For lifestyle protection plan — upgrader plus, wage loss replacement plan and group complemter.
- For overhead expense plan — upgrader plus.

Wage loss replacement plan premium reduction

Available plans

The wage loss replacement plan premium reduction is available to all policies that are issued as part of a wage loss replacement plan. Only the lifestyle protection and the independence plans are available for use with a wage loss replacement plan.

Amount of premium reduction

The five per cent premium reduction is applied at issue (excluding the policy fee).

Premium reduction criteria

The wage loss replacement plan premium reduction is available based on the following criteria:

1. There must be two or more employees purchasing a policy at the same time under a wage loss replacement plan.
2. Available to all occupation classes.
3. Premium reduction is only available at issue.
4. Premium reduction will be applied to new policies issued under a future insurability option rider election, as long as the premium reduction criteria continues to be met.

Submission requirements

The applications must be submitted at the same time. For more information on the wage loss replacement plan, contact your product solutions centre.

Combining with other premium reductions

The wage loss replacement plan premium reduction may be combined with the following premium reductions, if applicable — upgrader plus, premier value, group complemter and StartRight disability insurance grad program.

Group complements premium reduction

The group complements rider allows individuals to purchase a Canada Life personal disability plan, even though there is a mandatory group or association disability plan in place.

Benefits

- The individual policy may have a definition of disability that may better suit the insured's needs.
- If the insured changes his or her employment situation, the lifestyle protection plan policy is retained, thus the insured does not have to worry about proving medical insurability to obtain disability coverage.
- The insured is in control. The policy cannot be cancelled or modified by Canada Life prior to age 65, as long as premium is paid when due.

Available plans

The lifestyle protection plan will be issued with the group complements rider when an individual has mandatory group or association coverage and applies for personal coverage under the lifestyle protection plan.

Amount of premium reduction

The 10 per cent premium reduction (excluding the policy fee) is applied to the lifestyle protection plan when the group complements rider is included with the policy. Premium reduction will be applied to new policies issued under a future insurability option rider election, as long as the mandatory group or association coverage is still in force.

Payment offset

When a claim occurs, Canada Life will be second payor to benefits received from group or association coverage. We will use the maximum amount of monthly disability benefit we would normally then issue for the insured's age, earned income and class of risk, according to our issue and participation limits then in effect and reduce this amount by:

- 100 per cent of the monthly amount of group/association benefits — if the group/association benefits and Canada Life benefits are both taxable or both not taxable.

Example: The insured submits a claim on November 15, 2015. He is an occupation class 4A with \$180,000 of annual earned income at time of claim. The maximum monthly disability benefit amount Canada Life would then issue is \$7,925. Although the monthly disability benefit under his lifestyle protection plan policy is \$6,000 (non-taxable), we would use the maximum monthly disability benefit amount of \$7,925 to determine the offset amount.

At time of claim, the insured was eligible to receive \$2,500 from his group coverage (non-taxable). The lifestyle protection plan policy will pay \$5,425 as calculated below:

$$\$7,925 - 2,500 = \$5,425$$

- The monthly amount of group/association benefits multiplied by the applicable factor found in the table below — if the group/association benefits are not taxable and Canada Life benefits are taxable.

Maximum amount of monthly disability benefit	Factor
Under \$5,000	1.33
\$5,000 - \$11,000	1.67
Over \$11,000	1.82

Example: The insured submits a claim on November 15, 2015. He is an occupation class 4A with \$180,000 of annual earned income at time of claim. The maximum monthly disability benefit amount Canada Life would then issue is \$11,950. Although the monthly disability benefit under his lifestyle protection plan policy is \$10,000 (taxable), we would use the maximum monthly disability benefit amount of \$11,950 to determine the offset amount.

At time of claim, the insured was eligible to receive \$2,500 from his group coverage (non-taxable). The offset amount would be \$4,550 and the lifestyle protection plan policy would pay \$7,400 as calculated below.

$$\$11,950 - (\$2,500 \times 1.82) = \$11,950 - \$4,550 = \$7,400$$

- 75 per cent of the monthly amount of group/association benefits — if the group/association benefits are taxable and Canada Life benefits are not taxable.

Example: The insured submits a claim on November 15, 2015. He is an occupation class 4A with \$180,000 of annual earned income at time of claim. The maximum monthly disability benefit amount Canada Life would then issue is \$7,925. Although the monthly income benefit under his lifestyle protection plan is \$6,000 (non-taxable), we would use the maximum monthly disability benefit amount of \$7,925 to determine the offset amount.

At time of claim, the insured was eligible to receive \$2,500 from his group coverage (taxable). The lifestyle protection plan policy would pay \$6,050 as calculated below:

$$\$7,925 - (\$2,500 \times 75\%) = \$7,925 - \$1,875 = \$6,050$$

In no event will the monthly disability benefit payable under the policy be greater than the monthly disability benefit selected.

When other coverage is no longer in force

If an individual with a group complementer rider has his or her group or association coverage terminated, the owner may apply to remove this rider. The premium reduction will then be removed. If Canada Life is not informed and a claim occurs, the disability benefits payable will be reduced by 10 per cent.

Combining with other premium reductions

The group complementer premium reduction may be combined with the following premium reductions, if applicable — upgrader plus, premier value, wage loss replacement plan and StartRight disability insurance grad program.

StartRight disability insurance grad program

Graduating professionals are in high occupation classes and have tremendous future earning potential — definitely the type of individuals you want to secure as long-term clients. To help you approach this high potential market, StartRight provides you with the opportunity to offer these prospects quality disability insurance protection without providing financial evidence of insurability. Business expense coverage is also available to graduating professionals under the StartRight disability insurance grad program.

For complete information on the StartRight disability insurance grad program, contact your product solutions centre.

Waived policy fee

If two or more non-cancellable disability insurance policies are purchased within three months of each other, insuring the same life, the policy fee will be charged on only one of the policies.

Available plans

The waived policy fee is available on:

- Lifestyle protection plan
- Overhead expense plan
- Buy/sell plan
- Key person plan

Disability claims

Claim philosophy

Personal adjudication, good judgement, fair handling, accurate payments, and prompt settlement are all underlying goals of the Claims Department.

The claims team

The claims team is a group of well-trained professionals with many years of adjudication experience. The departmental goal is to provide excellent service to the policyholder.

Canada Life's obligation

Canada Life recognizes its obligation to pay all valid claims promptly and, at the same time, realizes its obligation to protect the insurance-buying public from increased cost that can result from fraudulent claims.

Advisor's role

When an insured suffers a disability, he or she most likely will contact the advisor, or the call centre. As an advisor, it is your responsibility to encourage the client to get the claim submitted as quickly as possible.

Claims forms

If completed properly, the claim forms will provide Canada Life with sufficient information to obtain a general view of the claim. Important information includes, but is not limited to:

- Dates and place of any hospitalization or treatment
- The name and addresses of attending physicians
- The cause of disability (accident or sickness)
- The place of employment at time of disability
- The diagnosis, treatment and prognosis for a return to work
- Copies of any consultation reports and test results

The claim form contains an authorization so that information may be requested from any of the necessary sources.

Disability claims process

To help ensure minimal interruption in income, it is important to submit a claim promptly. Claim forms are available on RepNet, or through the call centre.

Notification of a pending claim should be submitted to head office within 30 days of the onset of disability. Completed claim forms with satisfactory proof of disability must be submitted within 90 days.

Acknowledgement

Upon receipt of fully completed claim forms, the claimant will generally receive a letter from the claims examiner within 10 working days confirming receipt of the claim form.

During the claim review period, the claimant may be contacted to confirm information or to provide additional information needed to adjudicate the claim. A written request for additional medical information is usually sent directly to the physician. The claimant will be notified of such a request by mail. If the claim is submitted during the contestable period, a company representative may call or visit the claimant to interview for pertinent details.

Claims decision

There are five possible decisions:

- **Approve the claim based on evidence submitted**

If the information on the claim form is sufficient and all criteria are met, benefits will be paid at the end of the calendar month following the waiting period.

Example: If the waiting period is 30 days and total disability began on July 20th, a cheque will be issued on August 31st (covering days from August 20th to the end of the calendar month). Afterwards, full monthly disability benefits will be issued at the end of each calendar month while the claimant remains disabled.

- **Approve the claim with further benefits to be considered pending additional information**

The claims examiner may be able to pay initial benefits, with additional payments pending receipt of additional medical information. This method of payment is usually used when the disability extends beyond the normal recovery period.

- **Request additional information before considering acceptance of the claim**

The claim examiner may have to write directly to the physician if claim forms have not been fully completed or if there is insufficient information to support a claim for disability. To minimize delay, the claimant is advised to ensure that the physician replies as quickly as possible.

In some cases, the claims examiner may need to know the amount of benefits that are being paid by other sources (e.g. workers' compensation, no-fault auto insurance, etc.)

- **Claim not accepted**

This occurs if the information provided does not meet the definition for disability set out in the policy.

- **Claim is denied and policy rescinded**

This occurs if the validity of the information provided in the application or during the underwriting process, including medical and financial information, misrepresents any fact material to the risk assumed. If the policy has been in force for more than two years, the validity of the policy cannot be contested except in the case of fraud.

The right of examination

The claimant may be required to be examined by a doctor or other person determined by Canada Life, if and when we reasonably require.

The continuing claim

The claimant may be requested, at intervals appropriate to the diagnosis, to provide updated medical information. The form for completion will be sent to the claimant by mail and it must be returned within 30 days. The claimant may be advised that benefits will only continue for this period while we await the completed form.

In the event of a claim for residual disability, monthly financial proof of earned income may also be required.

Summary

Discussing the claims philosophy and claims procedures before your client becomes disabled is the best way to eliminate some of the uncertainty and frustration that a client may otherwise experience at claim time.

If you do have any questions regarding claims at any time, do not hesitate to contact the claims examiner or associate manager of the claims department.

Beneficiary

Where legislation has been adopted, a policyowner can name a beneficiary for all benefits payable under a Disability insurance policy using form F544 (CL). This form can also be used to name beneficiaries for specific benefits. If the policy wasn't issued in one of these provinces, beneficiary designations are not allowed.

F545 (CL) *Direction to pay* form may be used to allow the policyowner to direct that benefits be paid to another person during the lifetime of the policyowner.

A direction to pay expires on the death of the policyowner, does not provide any creditor protection for benefits, and can be revoked by the policyowner at any time.

Taxation

Lifestyle protection plan and independence plan

The premium on a personally owned individual disability insurance policy, with benefits payable to the insured, can either be paid for by the individual, by the employer, or by another person.

If the employer pays the premium, then the premium paid is generally deductible to the employer as a business expense and is a taxable benefit to the employee. This treatment appears reasonable, since the employer has in effect paid an additional salary to the employee, which was used to pay the premium. The tax treatment of the arrangement described here to provide an employee benefit would not apply if the benefit was provided to a shareholder-employee in his/her capacity as a shareholder.

If the employee pays the premium, then the premium is not deductible and any benefits paid are received tax-free. Since the premium is considered personal or living expenses, it is not deductible for tax purposes. Again, this appears reasonable since the benefits are received tax-free.

Return-of-premium (50%) rider — is designed to provide a return-of-premium benefit of up to 50 per cent of the yearly eligible premium paid or waived under the policy on certain dates if the insured is not disabled and claims have been minimal.

The Canada Revenue Agency (CRA) has not as yet provided a formal ruling regarding the tax treatment of return-of-premium benefits which are included in a disability insurance policy. The tax treatment of an optional return-of-premium feature is, therefore, subject to interpretation.

Overhead expense plan

The premium paid for an overhead expense policy purchased to help protect a business from specified losses would generally be deductible for tax purposes. Any benefits paid are taxable while the expenses for which reimbursement is made are generally deductible as a business expense.

Buy/sell plan

Disability insurance policies used to fund buy/sell agreements receive the same tax treatment as personal policies, and as such, the premium would not be deductible. Generally, for any policy where the premium is not deductible, the benefits are received tax-free. This treatment appears reasonable since the premium is paid with after-tax dollars.

Wage loss replacement plan

Refer to the wage loss replacement plan advisor guide (62 CAN) for more information regarding the taxation of wage loss replacement plans and return-of-premium rider.

The tax information provided here is of a general nature only and should not be relied upon as providing legal or tax advice. Clients are encouraged to consult with their own professional tax and/or legal advisor about their particular circumstances.

Disability underwriting

As the field underwriter you are an important part of disability underwriting. Understanding the difference between life and disability underwriting will be a great asset to you; the more you know and understand, the more interesting and profitable you will find the disability income business.

Certain factors, while not very significant when underwriting a life risk, are vital when assessing the risk for individual disability insurance. Many medical conditions, which may pose no additional mortality risk to life insurance, may well lead to a prolonged or recurrent disability. The advisor is in a good position to evaluate an applicant's stability, motivation and general character — all characteristics which can have an impact on disability claims experience more than they do for life insurance. Other factors critical to disability underwriting are income and occupation.

Your primary tool in disability field underwriting is the application form. Information you provide on the application and any other medical, occupational or financial questionnaires requested, help the head office underwriter to more accurately and fairly evaluate each risk. Make sure you provide your underwriter with as much information as possible. Never hesitate to write an accompanying memo to elaborate on any information you think is pertinent.

For your reference, a medical underwriting guide – Individual disability insurance is available on Canada Life™ RepNet. This guide provides general information on probable underwriting action based on the more common physical impairments and/or medical histories.

Medical underwriting

Lifestyle protection, overhead expense, buy/sell and key person plans

Amount	Age		
	18-35	36-45	46-60
Up to \$2,500	NM	NM	NM
\$2,501 -5,000	NM, BP	NM, BP	PM, BP
\$5,001-10,000	PM, BP	PM, BP	PM, ECG, BP
\$10,001- 15,000	PM, BP	PM, ECG, BP	PM, ECG, BP
Over \$15,000	PM, BP	PM, ECG, BP	PM, ECG, BP

NM = non medical (or telephone interview)*

PM = paramedical (or telephone interview and vitals)

BP = blood profile and urine**

ECG = resting electrocardiogram

Calculations for Medical Evidence Purposes

Disability – For medical evidence purposes, use the monthly disability benefit amount.

Overhead expense

For medical evidence purposes, use 50% of the monthly expense benefit amount.

Future insurability option rider (for disability and overhead expense)

For medical evidence purposes, add 25 per cent of the future insurability option rider amount to the monthly disability or overhead expense benefit amount.

Buy/sell plan

For medical evidence purposes, divide the lump-sum amount (plus 50 per cent the future needs rider or future insurability option rider amount, if any) by 60.

When applying for more than one policy (i.e. disability, overhead expense and/or buy sell), add together the amounts calculated when determining the evidence required.

Note:

*If the health care profession rider is applied for, a blood profile/urine (including hepatitis B and C screen) is required.

Also, refer to the height and weight guidelines and arrange for paramedical if applicable.

**If a blood profile/urine is required and the insured is a health care worker as defined in the health care profession rider section or is eligible for the health care profession rider; a hepatitis B and C screen will also be required.

Evidence required is considered current for a period not exceeding 12 months.

Previous evidence received for prior Canada Life disability coverages should not be duplicated unless required for current coverage.

In determining evidence required, include all amounts currently applied for as well as any amounts issued by Canada Life within the last 12 months, unless those coverages are to be replaced.

Attending physician’s statements — The head office underwriter uses, amongst other things, age/amount limits for determining the need for an attending physician’s statement. Discretion is used in applying these limits. Factors such as reason for consultation, recency of consultation, waiting period, benefit period and other risk factors are used in determining the need for a report.

As previously mentioned in this section, many medical impairments which are standard for life insurance could, in fact, result in a disability. For this reason you will notice that there are more reports requested on disability cases as these reports are a very valuable source of information in the assessment of morbidity. All reports are requested from head office.

Independence plan - We will consider up to \$3,000 a month on a non-medical basis. This includes all coverage in force with Canada Life within the past twelve months. Underwriters may request medical evidence at their discretion.

Canada Life reserves the right to request any requirement deemed necessary regardless of age, amount, or product.

Paramedical

Only paramedical companies approved by head office are to be used. These companies maintain a supply of blood profile kits.

Height and weight guidelines

Please submit a paramedical exam as indicated below based on the applicant's stated height and weight. A change in weight due to voluntary dieting must also be taken into consideration. One half the weight loss within one year should be added to the present weight in determining probable action. A paramedical exam may also be requested at the discretion of the underwriter.

Risk assessment (Weight in lbs)		Risk assessment (Weight in kgs)		Maximum acceptable weight for standard (in the absence of any other risk factors)	
Height (ft/in)	Paramedical required	Height (cms)	Paramedical required	Lbs	Kgs
4' 10"	155 - 210	147	70 - 95	173	78
4' 11"	159 - 215	151	73 - 97	177	80
5' 0"	162 - 220	153	74 - 99	181	82
5' 1"	166 - 225	156	76 - 102	185	84
5' 2"	170 - 230	158	78 - 104	189	85
5' 3"	175 - 237	161	80 - 107	195	88
5' 4"	180 - 244	163	82 - 109	201	91
5' 5"	185 - 251	166	84 - 113	206	93
5' 6"	190 - 257	168	86 - 116	212	96

5' 7"	194 - 263	171	88 - 119	216	98
5' 8"	199 - 269	173	90 - 122	222	100
5' 9"	204 - 276	176	93 - 125	227	103
5' 10"	210 - 285	179	96 - 129	234	106
5' 11"	215 - 291	180	98 - 131	240	109
6' 0"	221 - 301	184	102 - 135	247	112
6' 1"	226 - 307	186	104 - 139	252	114
6' 2"	232 - 315	189	107 - 142	259	117
6' 3"	239 - 324	191	109 - 146	266	120
6' 4"	246 - 334	194	113 - 151	275	124
6' 5"	254 - 344	196	115 - 156	283	128
6' 6"	261 - 354	199	120 - 160	292	132

Note: For applicants whose weight is below the paramedical limit, submit normal age and amount requirements. Individuals who are within the paramedical exam limits may be standard or may require modifications, such as an extra rating, or other modifications, such as limited benefit period, declination of an optional benefit rider or may be uninsurable. Note that excess weight has a definite effect on morbidity experience. It plays an independent factor in increasing morbidity risk factors such as cardiovascular disease, diabetes, hypertension and may potentially lengthen the normal recovery period from a disability. The final outcome may also be influenced by factors such as smoker status, waist circumference, family history, lifestyle concerns and the presence of other impairments.

Other companies' evidence

Please note that the other insurer will require a written request and authorization to send this medical information. It is the advisor's responsibility to obtain authorization properly signed and dated by the applicant permitting Canada Life to request evidence from another insurer. Whenever possible include the policy number of the other insurance coverage in order to expedite the process. When another insurer's medical or paramedical is used, Canada Life requires that the medical and lifestyle questionnaire of our application be fully completed.

Medical evidence (medical exam, paramedical, blood profile) is valid for 12 months from the time completed. Should the medical evidence from other companies expire during the underwriting process, Canada Life may request new medical evidence be submitted.

Completing the medical and lifestyle questionnaire

Being thorough on the medical and lifestyle questionnaire helps provide your underwriter with the information needed to underwrite in a timely manner. Take your time and ask each question slowly, recording answers in your client's own words. Be specific and give details to all yes answers.

Remember to:

- Describe symptoms, cause, and diagnosis, (if known);
- Specify any tests performed and the results, treatment and any medication;
- Give physicians' names and addresses;
- Record dates of onset, most recent symptoms, most recent treatment, recovery and physician's consultations;
- Specify any time lost from work.

When an applicant has had a routine physical examination or regular medical check-up, be sure to indicate:

- The purpose of the exam (e.g. employment, licensing, personal, etc.);
- If any symptoms prompted the check-up;
- If special studies; (e.g. ECG, x-ray, etc.) were performed or treatment was administered.

Making sure the non-medical is thorough and complete has several advantages:

- Your underwriter can often make an offer without an attending physician's statement
- You eliminate follow-up phone calls or electronic mail requests for clarification on incomplete, incorrect or omitted information
- You build credibility with your underwriter as a dependable and reliable field underwriter

Verifying medical Information

The head office underwriter must confirm the information provided in the medical and lifestyle questionnaire is accurate and develop medical histories indicated to determine if the applicant can be accepted on a standard basis. If not, a limitation of coverage, exclusion rider, rating or for very serious histories, a decline of the application may be necessary.

Among the tools available are:

- **Paramedical exam:** a limited exam by a nurse. In addition to completing the medical and lifestyle questionnaire, it provides confirmation of the height, weight, blood pressure and any obvious medical abnormality. The nurse will also take a urine specimen and forward it to the head office reference lab for analysis.
- **Medical exam:** a physical exam performed by a Canada Life appointed examiner. The doctor will complete the medical and lifestyle questionnaire and then do a physical exam of the applicant. The doctor will check all the major systems of the body and report any abnormality such as heart murmurs, eye problems or joint deformities as well as reporting the blood pressure, height, weight, etc.
- **Blood profile:** blood is collected from the applicant and tests are performed which can detect problems in various areas. The tests include HIV screening, diabetes, liver function, kidney function, cholesterol and triglycerides. The blood can be collected by the paramedical nurse who will forward it to the head office reference lab.
- **Urine specimen:** urine is collected with all paramedicals and medicals. A urine sample is also included in the blood profile kit. Positive results indicate the possibility of ongoing or past urinary problems. It is also tested for nicotine to verify smoking status.
- **Attending physician's statements:** a request is sent to the applicant's doctor asking for a summary of the applicant's medical history. For disability insurance, this is the underwriter's most valuable tool. Although we prefer to get these from the family doctor, we occasionally may have to get a report from a specialist to get detailed information on a specific problem.

Special underwriting considerations

Non-smoker

To qualify for non-smoker rates, applicants must have not smoked or used cigarettes, cigars, pipes, cigarillos, chewing tobacco, nicotine patch and/or gum, betel nuts, tobacco or nicotine in any other form within the past 12 months, with an exception of an occasional cigar. An occasional cigar is defined as one large cigar or less, per week. In addition, the insured must test negative for cotinine.

Misrepresentation of smoking status is significant. If such misrepresentation is discovered, we will cancel (void) the policy whether the misrepresentation is discovered within the first two years or thereafter and will not agree to adjust the premium or benefit amount. Misrepresentation of smoking habits will be presumed to be fraudulent misrepresentation, in the absence of any other information.

Hours worked per week

The number of hours an applicant works per week can affect the claims frequency. Applicants must be working at least 20 hours a week to qualify for the independence plan and at least 30 hours a week to qualify for all other disability contracts. Likewise, applicants working excessive hours will be reviewed carefully due to the possibility of burnout or medical problems due to overwork.

Canada Life is prepared to consider exceptions in selected situations for individuals who are working between 24 – 29 hours per week subject to the following:

- Must be in a white-collar professional occupation.
- Established pattern of consistently working a minimum of 24 hours per week for a minimum of three years. History of irregular employment hours will not be considered.
- Stable income history of earnings of at least \$15,000 per year and must otherwise be a standard risk with respect to medical history, lifestyle, etc.
- Office or business premises must be located away from personal residence.

Seasonal employment

There is a direct relationship between unemployment and increased claims on disability policies. Generally, if the period of unemployment is no more than four weeks, no specific restrictions apply. Applicants with a seasonal layoff of up to 90 days can be accepted with a minimum waiting period of 30 days. Applicants with seasonal layoffs longer than 90 days can apply for the independence plan only, providing they are working at least 35 weeks a year. The layoff period must be continuous and not an accumulation of periods throughout the year.

The first day accident rider is not available for applicants who have seasonal employment variations.

Working from home

Insurability is generally not a problem where the insured:

- Leaves the residence on a regular basis to transact the insured's business — spending at least 20 per cent of the insured's time each week outside the home; or
- Is a professional whose business and residence are at the same location and whose business requires that patients/clients visit regularly — such as physicians, dentists, professional accountants and lawyers.

Insurability becomes a problem when insureds do not leave their residence on a regular basis to transact business. In these situations, questionable claims can be very difficult to administer (such as determining the degree and duration of disability) and the additional expense involved in adjudicating such claims is not covered by the standard premium rate. For example, a commercial artist could continue to produce sketches at a drawing board in his home without having to leave the residence or consult with anyone for long periods of time, while still claiming total disability. On the other hand, a chiropractor with an office in his home must either leave the home to attend to patients or have patients come there for treatment. It is easier to determine when the chiropractor has returned to work.

However, the number of people who work out of their homes continues to increase and represents an important market.

Applications will be considered on a selective basis. To provide you with the opportunity to establish an appropriate case for acceptance by underwriting, an outline of positive and negative factors is listed. Documenting the case on the report completed by the associate/broker section of the application will be of valuable assistance in this process. Applications will have a higher chance of acceptance if all positive factors are present.

Positive factors	Negative factors
Employed in the same occupation from home on a full-time basis for at least two years.	Employed from home for less than two years; part-time occupation.
Works as an employee of a firm.	Unstable work history.
Earns at least \$25,000 per year after business expenses.	Earns less than \$25,000 per year after business expenses.
Proof of income supplied with application.	No proof of income supplied with application.
Occupation requires a high level of technical expertise.	Occupation does not involve a high level of technical skills/knowledge.
High amount of outside contact/people visiting the business.	Low amount of outside contact/people visiting the business.
No or few employees.	Several employees.
File clear in other respects.	File not otherwise clear (i.e. history of psychiatric problems, poor claims record, etc.).

Where an insured is acceptable, the shortest waiting period available will be 90 days. Note: Partial disability, extended partial disability, residual disability and first day accident optional benefit riders are not available.

Sports and recreations

Professional athletes are not eligible for disability coverage. Amateur athletes competing in hazardous sports will be accepted at standard rates with an exclusion rider for any disabilities resulting from their participation in that sport.

Activities such as automobile racing, hang gliding, contact football and hockey, martial arts, mountain climbing, rodeo events, etc. will be excluded.

Activities such as recreational softball, non-contact hockey, downhill skiing (not racing or back country), etc. can be ignored.

Complete form 56 when applicable or submit a signed description from the applicant giving a detailed description and the frequency of their activity.

Recent immigrants, foreign residence and travel

Persons applying for disability insurance must reside in Canada. We are able to give more favorable consideration of an application if the person has done so for at least one year and is a permanent resident (landed immigrant). We need to be able to confirm a history of stable employment and develop the personal and medical history. A minimum of one year of residency allows us to do this adequately. We must also be assured that the insured intends to continue to reside in Canada. Depending on the country of origin and the availability of medical records, there may be additional underwriting requirements (such as blood tests).

For individuals new to Canada, please consult the *Individual life, critical illness and disability insurance questionnaire for people new to Canada* form (46-8525) for details.

Individuals who intend to reside outside of Canada permanently or for an indefinite period of time are ineligible. The main reason for this is the difficulty of claims administration in a foreign country. Individuals who are in Canada for short duration and do not intend to apply for permanent resident status or citizenship are not eligible for coverage.

We may be able to consider applicants where temporary foreign residence or travel (outside Canada or the United States) is anticipated. Full details must be provided regarding the frequency, purpose and duration of the trips, type of transportation, cities and countries to be visited, duties while abroad, etc. Individuals travelling to remote or less civilized areas, or politically unstable countries, are ineligible for individual disability coverage. Depending on country of origin and travel history, foreign travel exclusion may apply. The conditional insurance agreement should not be given to the insured on cases involving pending foreign travel (outside Canada or the United States).

Driving habits

Multiple driving violations are a concern for disability insurance as motor vehicle accidents are a common cause of disability. Traffic violations such as speeding and other related infractions are important in assessing the risk, particularly if the applicant's occupation requires driving in order to earn a living. The underwriter may request a motor vehicle report to properly assess the risk. Please provide driver's license number on the application where there has been a history of license suspensions within three years.

Underwriting impaired lives

The nature of individual disability insurance coverage requires a closer review of medical history than is required for life insurance coverage. A given medical impairment may be of more significance in assessing morbidity risk due to a potential for prolonged or recurrent disability.

Some of the important factors to consider when submitting an application with any medical history are as follows:

- Effect of the medical history on the overall health of the applicant;
- Impact of medical history on the applicant's ability to perform their regular occupational duties;
- The possibility of recurrence or the potential for future complications;
- The possibility of deterioration in condition due to aging or due to normal progression of the impairment; and
- How will the existing medical history interact or complicate any disability arising from an unrelated cause in the future.

Unlike life insurance underwriting, the underwriting approach to handling an impaired life for disability insurance can vary. Based on the history and overall assessment of the risk, the underwriter may use various options, including those listed below to offer disability insurance to a potentially uninsurable or substandard risk.

Limitation of coverage

Some medical histories may require an adjustment to the coverage. For instance, a person with multiple, but fairly minor complaints, might create a greater risk on a 30-day waiting period, but be insurable on a standard basis with a 90-day waiting period. A shorter benefit period may be necessary on applicants with an increased chance of long-term disability.

Exclusion rider

Based on the medical history developed at the time of underwriting, an applicant who would otherwise be declined because of a serious recent or ongoing medical problem, may be offered coverage with an exclusion. The policy is approved at standard rates; however, the policyholder is not covered for disabilities caused by the excluded condition. Examples of medical conditions which may be insurable albeit with an exclusion are back disorders, respiratory disorders (such as asthma) and bowel disorders. At time of issue, the underwriter will generally advise if an exclusion rider can be reconsidered or removed in future.

Ratings (extra premium)

Certain medical conditions such as hypertension, diabetes and obesity are too broad in scope with respect to potential complications and too difficult to define to be adequately protected by an exclusion rider. When underwriting such risks, an extra premium may be applied as long as the medical history is deemed to be insurable. This would be indicated as a percentage of the policy premium. For example, an extra premium of 25 per cent is quoted as 125 per cent, as a standard applicant pays 100 per cent of the premium. In addition to an extra rating, there may also be other modifications such as limited benefit period and or declination of optional benefit riders.

Reconsideration of exclusions and rating

Although it may be necessary to add an exclusion or rating at the time of issue, it may be possible to eliminate these at a later date. The underwriter will generally advise you at the time of issue as to whether an exclusion rider or rating can be removed or reduced at any time in the future and at what point in time this can take place.

To apply for reconsideration of any modifications such as exclusions or ratings, the *Application for change and reinstatement of adult and child critical illness and disability insurance* form (F561(CL)) should be submitted to the Living Benefits Client Service Department. The request will be referred to the underwriter for review and you will be advised of any additional evidence required to complete the assessment. When completing form (F561(CL)), make sure full details of the medical condition under review are given including the current status and any other changes since the date of original application.

Occupation class guide

The applicant's occupation class determines the type of policy you can sell, the benefits available and the premium to be charged. The specific duties of the job and our experience with that occupation, not the job title, determine the occupation class. When completing the application, be sure to describe the specific duties the applicant performs - if necessary use the report completed by the associate/broker section of the application or attach a memo.

The following information is important when determining occupation classes:

- Daily duties and percentage of time spent on each;
- Number of years in occupation;
- Nature of business; and
- Number of employees in the firm.

If the proposed insured performs a variety of duties, indicate the percentage of time spent performing each duty. For example, if your client's job title is vice-president, ask what his or her specific duties include. While a vice-president may perform only administrative or supervisory duties, many do much more, including supervising construction sites, making sales calls or working side by side with other workers in a manufacturing or retail operation.

Remember, it's the actual duties that count, not job titles.

We have five occupation classes. Here's a general idea of how they work:

Class 4A

4A occupations involve the least amount of risk. These occupations have a very high degree of stability and are:

Fee for service professionals, such as doctors, dentists, specialists, lawyers and;

Business owners and executives who perform administrative and consulting office duties only and who have an established record of stability and increasing earned income which consistently averages in excess of \$65,000 per year. A minimum number of employees is required. Generally, middle managers or supervisors will be employed to handle day-to-day activities.

Class 3A

This classification includes an occupation involving no physical exertion or effort other than expected in clerical or similar non-hazardous work. For the most part, this would consist of paper work at a desk or operating customary office business machines. The environment and circumstances surrounding the business should be those normally associated with the average business office. For example, the office should not be located at the site of an operation (e.g. mine or quarry) which, of itself, creates an occupational risk.

Executives and proprietors who perform office and administrative duties, except for periodic business trips, would qualify for 3A. However, if selling merchandise or a service is involved, the physical requirements are proportionately increased and a somewhat less favourable classification may be required.

When the owner or executive of a business comes in contact with or has direct connection with the manufacturing, processing, or assembling of a product or merchandise, or is required to be in the area where such operations are in progress, a lower classification may be required.

Class 2A

The degree of risk or physical activity again increases in the 2A risk. A 2A risk normally has more specific physical duties than a 4A or 3A risk. These include some business owners and people working in a supervisory capacity. Examples: taxidermists, surveyors.

Certain professional people are included, not only because of requirements of their profession (such as physical activities), but because technical and hygienic standards may also prolong periods of disability.

The proprietor or manager of a business, whose duties include supervision or inspection of plant operations, usually qualifies for 2A unless the operation involves heavy industry or presents significant occupational risk.

Duties must not include personal participation in the actual work being supervised. Most professionals who are not eligible for 4A or 3A, by reason of special duties or physical requirements, qualify for 2A.

Class A

A's are skilled manual workers. Normally A risks have a specific trade for which they are trained. Business owners in this category are usually working proprietors (perhaps a one-person operation). Examples: upholsterers, plumbers.

This is the most favourable classification for applicants whose duties include any manual labour. The class is restricted primarily to skilled manual workers in lighter trades or industries, and some unskilled workers whose duties are light and where working conditions are favourable.

Supervisors and superintendents with light manual duties are included.

To qualify for Class A, there must be:

- An absence of extreme hazard from the products used in manufacturing, such as chemicals, explosives, extreme heat, etc.;
- No particular hazard from heavy equipment, heavy machinery, overhead machinery or the product manufactured; and
- Assurance that duties do not require work to be performed at extreme heights, near a blast furnace, or in the vicinity of wires carrying high voltage.

Class B

B risks are normally occupations requiring heavy physical exertion. Their jobs involve a considerable degree of risk and on average, a high absenteeism rate. In general, this classification takes in all the remaining insurable occupations. Examples: janitors, brick layers.

In addition to the risk of injury, the main considerations are:

The requirements of extreme physical exertion which result in prolongation of most disabilities; and
Working conditions of extreme heat, humidity, or temperature changes which include frequent illness.

Uninsurable occupations (U)

In general, an occupation that is considered to be uninsurable presents such unusual hazards as to make it very clear that Canada Life could not be expected to cover such an exposure. Not only would the risk call for a very high premium, but underwriting problems encountered would make it neither practical nor sound to consider such risks. There are also some occupations that are no longer insurable because of extremely bad claims experience.

Although uninsurable occupations comprise a very small group in comparison with those that can be insured, it would be impractical to give a complete list, particularly with the variation in job titles used in different businesses and areas. However, some examples of uninsurable occupations are actors/actresses and taxi drivers.

Individual consideration (IC)

A few occupations must be considered on an individual basis for proper classification. These are designated by the letters IC. Applications are to be submitted on a trial basis accompanied by a full description of the duties and any other pertinent information.

Split duties

People with a variety of duties spanning several occupation classes are more difficult to classify. Remember it is actual duties that count. It is important to establish all of their duties and the percentage of time spent at each. Even though your client may not be an executive, you may find the information contained under executive and business owners in the occupation class guide helpful in establishing the correct occupation class.

Change of Occupational Class

All non-cancellable disability insurance policies:

- If Canada Life makes a favorable change to the occupational class of the insured's current occupation, a request to change the occupational class on their inforce disability policy may be made up to 5 years after the issue date of the policy. Evidence of insurability will be required. After 5 years, any change in occupational class will need to be handled as a replacement of the inforce policy. If the change in occupational class is not favorable, Canada Life need not be notified, as the premium for non-cancellable policies cannot be increased because of a change of occupational class.
- If the insured changes their occupation to one less hazardous, a request to change the occupational class may be made after one year has elapsed in the new occupation. The insured must intend to remain in the new occupation. Evidence of insurability will be required. This request must be made within 5 years of the issue date of the policy. After 5 years, any change in occupational class will need to be handled as a replacement of the inforce policy. When the insured changes occupation to one more hazardous, Canada Life need not be notified, as the premium for non-cancellable policies cannot be increased because of a change of occupation.

Quality risk upgrade program

The quality risk upgrade program is designed to enable quality risks to upgrade up to two classes. It is available to Classes A, 2A and 3A applicants (Classes B and 4A excluded). A minimum score of 55 points enables you to improve an applicant's occupation class by one, and a minimum score of 75 points improves the class by two.

Upgraded applicants will be eligible for the contract provision issue limits, and certain riders available to the higher class (see own occupation exception below). The quality risk upgrade program rater has been provided below.

Using the quality risk upgrade program can:

- Obtain a better rate for your client,
- Improve the coverage available, and
- Give you an edge in a competitive situation.

Available plans

The quality risk upgrade program is available on the following plans:

- Lifestyle protection plan
- Overhead expense plan
- Buy/sell plan
- Key person plan

The own occupation rider is only available to true occupation class 3A and 4A risks (i.e. has not been upgraded to occupation class 3A or 4A through the quality risk upgrade program)

Completing the quality risk upgrade program

- Select the correct occupation class. (refer to the occupation class guide)
- Carefully complete each of the categories, taking the appropriate points, when applicable. Remember, points can only be taken once in each of the categories.
- Once you have established how many points the applicant scores, determine how many classes you may upgrade (if any).

Quality risk upgrade program rater (classes A - 3A)

The point score for the following three categories will determine whether a higher occupation class is available.

	Category	Points
1.	<p>Earned income* — minimum net earned income (after business expenses and before income tax) in the past two years</p> <p>\$60,000 to \$74,999</p> <p>\$75,000 to \$119,999</p> <p>\$120,000 or more</p> <p>* Minimum net earned income in the past two years includes 20 per cent gross-up if self-employed.</p> <p>Note: Acceptable financial evidence must be submitted for earned income points. Self-employed individuals may be able to enhance their insurable income by 20% to an annual maximum of \$40,000 (see 20 per cent enhancement of income section for more details).</p> <p>For real estate representatives, deduct five points from each earned income category.</p>	<p>15</p> <p>25</p> <p>35</p>
2.	<p>Number of years in current occupation</p> <p>3 years</p> <p>4 years</p> <p>5 years and over</p>	<p>15</p> <p>25</p> <p>35</p>
3.	Return-of-premium (50%) rider will be included	15
	Total points	

If the total of all points is:

- Less than 55 — no upgrade
- A minimum of 55 — upgrade one class
- 75 or more — upgrade two classes

Terms and conditions

The quality risk upgrade program is not guaranteed. Canada Life reserves the right to review and alter the quality risk upgrade program at any time.

Canada Life also reserves the right to reduce the occupation class and modify the premium if the owner removes the return-of-premium (50%) rider.

Please note, certain occupations are not eligible for the quality risk upgrade program, including but not limited to dentists, chiropractors, electricians, etc. Please see the occupation class guide for further details.

Financial underwriting

Determining the amount of disability coverage for an applicant is a very important component of the underwriting process. It is important to provide sufficient income, so disabled policyholders do not suffer financial hardships, while at the same time not eroding any incentive to return to work

Maximum monthly issue and participation limits

Personal disability plans — up to and including \$25,000 monthly disability benefits

The maximum amounts set out below by occupation class represent the maximum amounts Canada Life is prepared to issue for each occupation class, regardless of the insured's monthly earned income or tax status of the coverage applied for or in force. These amounts also represent the maximum amount of insurance in which we are prepared to participate, including coverage in force with other companies.

Age	Occupation class					Independence plan
	4A	3A	2A	A	B	
to 55	\$25,000	\$15,000	\$8,000	\$6,000	\$4,000	\$3,000
56 – 60	\$12,000	\$8,000	\$5,000	\$4,000	\$3,000	\$3,000

Note: Includes occupations upgraded to 4A through the quality risk upgrade program.

Lifestyle protection plan — participation limits for occupation class 4A* — over \$25,000 monthly disability benefits (with group long-term disability remaining in force).

The maximum amounts set out below for occupation class 4A represent the amounts Canada Life is prepared to participate in for occupation class 4A where group long-term disability exists. As part of our usual underwriting process, cases in excess of \$25,000 monthly disability benefit are subject to mandatory financial documentation, including a full evaluation of income, unearned income and net worth.

Age	Maximum issue limits	Maximum participation limits
to 55	\$25,000	\$35,000
56 – 60	\$12,000	\$25,000

Note: includes occupations upgraded to 4A through the quality risk upgrade program.

Overhead expense plan

Occupation class	Maximum monthly disability benefit
4A (select occupations —see list below)	\$30,000*
4A (other occupations)	\$20,000
3A**	\$15,000
2A	\$7,000
A	\$5,000
B	\$3,500

*A higher amount will be considered on an individual consideration basis.

**Dental generalists are eligible for 4A maximum monthly disability benefit limits

Note: For dentists if an amount over \$25,000 is requested, dental hygienist salaries will not be considered an eligible expense.

Select occupations eligible for higher limits include:

- Accountant (CA, CGA, CMA, CPA)
- Architects
- Physicians
- Podiatrist

- Chiropracist
- Dentist(all)
- Lawyer, notary (Quebec)
- Optometrist
- Professional engineer
- Psychiatrist
- Psychologist
- Veterinarian

Buy/sell plan

- \$1,000,000 lump-sum benefit. This amount also represents the maximum amount of insurance in which we are prepared to participate, including coverage in force with other companies.

Key person plan

Age	Occupation class		
	4A	3A	2A
to 55	\$20,000	\$15,000	\$7,000

StartRight disability insurance grad program

Canada Life issues policies without requiring income evidence under the StartRight disability insurance grad program. For complete information on the StartRight disability insurance grad program, contact your product solutions centre.

Maximum issue limits table post-November 2005 and later policy series

For new business and future insurability with return-of-premium option rider or future insurability option rider increases on policies originally issued in November 2005 and later policy series:

Maximum limits – up to and including \$25,000 monthly disability benefit (from all sources – individual, association, group long-term disability)				Participation limits for class 4A* – over \$25,000 monthly disability benefit (with group long-term disability remaining in force)	
Insurable earned income	Initial benefit with EI	Ultimate benefit**	Limit benefit is taxable	Ultimate benefit	Limit benefit is taxable
\$12,000	\$300	\$900	\$950	-	-
13,000	350	950	975	-	-
14,000	425	1,025	1,025	-	-
15,000	425	1,050	1,075	-	-
17,000	450	1,175	1,250	-	-
19,000	450	1,250	1,400	-	-
21,000	500	1,375	1,575	-	-
23,000	550	1,500	1,725	-	-
25,000	575	1,600	1,875	-	-
27,000	625	1,725	2,025	-	-
29,000	700	1,825	2,175	-	-
31,000	725	1,950	2,300	-	-
33,000	775	2,075	2,450	-	-
35,000	850	2,200	2,600	-	-
40,000	1,150	2,500	2,975	-	-
45,000	1,400	2,750	3,325	-	-
50,000	1,625	2,975	3,700	-	-
55,000	1,850	3,200	4,050	-	-
60,000	2,100	3,475	4,375	-	-
65,000	2,325	3,700	4,750	-	-
70,000	2,575	3,950	5,100	-	-
75,000	2,775	4,175	5,500	-	-
80,000	3,000	4,400	5,750	-	-
85,000	3,225	4,600	6,150	-	-
90,000	3,450	4,825	6,500	-	-
100,000	3,850	5,200	7,075	-	-
110,000	4,225	5,550	7,750	-	-
120,000	4,625	5,925	8,350	-	-
130,000	5,000	6,300	8,975	-	-

140,000	5,325	6,625	9,625	-	-
150,000	5,725	6,975	10,200	-	-
160,000	6,050	7,300	10,775	-	-
170,000	6,350	7,600	11,375	-	-
180,000	6,725	7,925	11,950	-	-
190,000	7,050	8,250	12,525	-	-
200,000	7,375	8,550	13,075	-	-
210,000	7,650	8,825	13,600	-	-
220,000	7,950	9,125	14,125	-	-
230,000	8,275	9,425	14,700	-	-
240,000	8,550	9,700	15,225	-	-
250,000	8,850	10,000	15,725	-	-
260,000	9,125	10,275	16,250	-	-
270,000	9,400	10,550	16,750	-	-
280,000	9,675	10,825	17,250	-	-
290,000	9,925	11,075	17,725	-	-
300,000	10,200	11,350	18,225	-	-
310,000	10,450	11,600	18,675	-	-
320,000	10,725	11,875	19,175	-	-
330,000	10,950	12,100	19,600	-	-
340,000	11,175	12,325	20,025	-	-
350,000	11,425	12,575	20,475	-	-
400,000	12,525	13,675	22,450	-	-
450,000	13,775	14,900	24,700	-	-
500,000	14,925	16,050	25,000	-	-
550,000	16,200	17,325	25,000	-	26,000
600,000	17,400	18,525	25,000	-	27,000
700,000	19,750	20,875	25,000	-	31,500
800,000	21,950	23,075	25,000	-	35,000
900,000	23,950	25,000	25,000	-	35,000
1,000,000	23,950	25,000	25,000	25,575	35,000

* Includes occupations upgraded to class 4A through the quality risk upgrade program.

** The ultimate benefit limit amount available (with any waiting period) if insured is self-employed and not eligible for employment insurance benefit or employee with employment insurance benefit and applying for 90 day waiting period.

- Self-employed includes sole proprietors, partnerships, professionals, closely held corporation shareholders owning more than 20 percent of voting shares and any other individual who does not make employment insurance contributions. Interpolate to arrive at maximum income benefit levels for annual incomes between ranges. Figures quoted are maximum limits from all sources.
- Subject to maximum monthly issue and participation limits per occupation class.

Maximum issue limits table pre-November 2005 policy series

For future insurability option rider/future needs rider increases on policies originally issued in a series prior to November 2005:

Insurable earned income	Initial benefit with EI	Ultimate benefit	Limit benefit is taxable	Insurable earned income	Initial benefit with EI	Ultimate benefit	Limit benefit is taxable
\$12,000	\$300	\$900	\$950	\$150,000	\$5,500	\$6,750	\$9,950
13,000	325	925	975	160,000	5,800	7,050	10,650
14,000	350	950	1,000	170,000	6,075	7,325	11,150
15,000	400	1,025	1,050	180,000	6,425	7,625	11,750
17,000	400	1,075	1,100	190,000	6,750	7,950	12,150
19,000	425	1,250	1,300	200,000	7,075	8,225	12,600
21,000	475	1,350	1,400	210,000	7,325	8,475	13,250
23,000	550	1,500	1,700	220,000	7,600	8,750	13,650
25,000	575	1,600	1,750	230,000	7,850	9,000	13,950
27,000	600	1,700	1,850	240,000	8,100	9,250	14,350
29,000	700	1,825	2,000	250,000	8,350	9,500	14,400

31,000	700	1,925	2,150		260,000	8,600	9,750	15,250
33,000	750	2,050	2,250		270,000	8,850	10,000	15,750
35,000	850	2,150	2,400		280,000	9,100	10,250	16,400
40,000	1,150	2,450	2,900		290,000	9,300	10,450	16,800
45,000	1,375	2,700	3,250		300,000	9,525	10,675	17,450
50,000	1,600	2,925	3,450		310,000	9,750	10,900	17,800
55,000	1,850	3,175	3,850		320,000	9,975	11,125	17,850
60,000	2,100	3,425	4,350		330,000	10,175	11,325	17,850
65,000	2,325	3,650	4,750		340,000	10,350	11,500	17,850
70,000	2,575	3,900	5,000		350,000	10,550	11,700	18,200
75,000	2,725	4,100	5,500		400,000	11,425	12,575	19,900
80,000	2,925	4,300	5,700		450,000	12,500	13,625	21,650
85,000	3,150	4,525	6,150		500,000	13,550	14,675	23,400
90,000	3,375	4,725	6,500		550,000	14,775	15,900	25,000
100,000	3,725	5,075	6,750		600,000	15,925	17,050	25,000
110,000	4,075	5,375	7,750		700,000	18,200	19,325	25,000
120,000	4,475	5,775	8,350		800,000	20,350	21,475	25,000
130,000	4,800	6,100	8,800		900,000	22,450	23,500	25,000
140,000	5,125	6,425	9,550		1,000,000	23,950	25,000	25,000

Interpolate to arrive at maximum income benefit levels for annual incomes between ranges.
 Figures quoted are maximum limits from all sources.
 Subject to maximum monthly issue and participation limits per occupation class.

Financial information

Earned income

Earned income consists of all compensation for services performed, less business expenses. Before you can calculate an individual's earned income, it is important to determine whether the individual is an employee or whether he/she is self-employed.

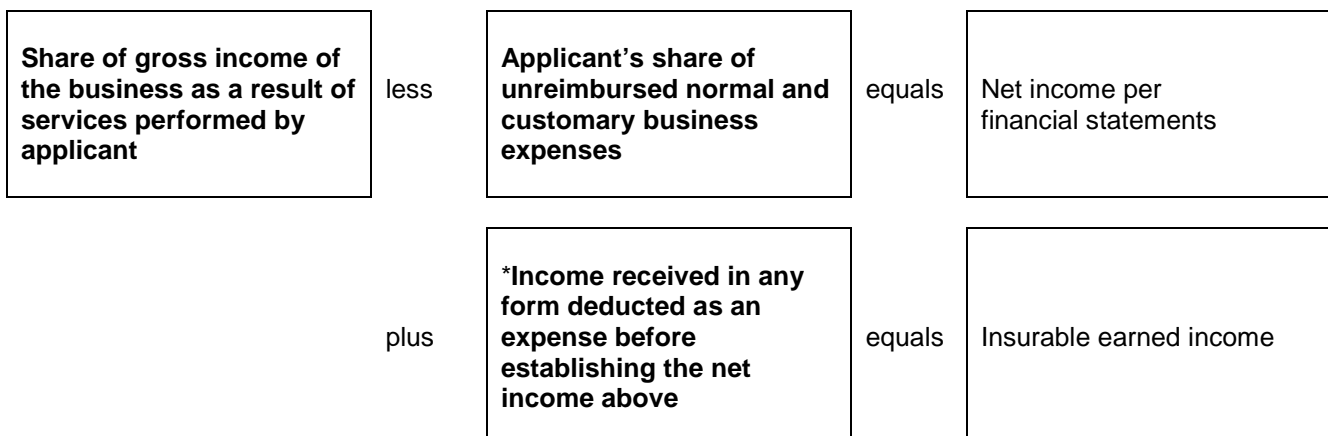
- Employees:



* If earned on a consistent basis

Note: An employee's insurable earned income can generally be found on line 101 of the tax return or in box 14 of the T4 slip.

- Self-employed / major shareholding employee (20 per cent or more ownership interest)



* This can be in the form of management fees or salaries, income splitting with a spouse, etc. Such items must be clearly identified and explained by the advisor.

The 20 per cent enhancement of income

Self-employed individuals (sole proprietor, partner, incorporated) who have at least 20 per cent ownership and can provide adequate financial documentation will generally qualify for this 20 per cent enhancement to a maximum of \$40,000. Under no circumstances can the enhanced income exceed the insured’s gross income. This is also subject to maximum issue and participation limits for the occupation class.

Note: This 20 per cent gross-up can be used for purposes of qualifying for an occupation upgrade.

Income splitting

For a business owner, income split with a spouse for tax purposes will be considered for disability insurance depending on the spouse’s contribution to the business. A full explanation should be supplied. Proof will be required.

Unearned income

Unearned income is any income which would continue while the insured is disabled, such as investments, rent, royalties, pension and similar sources. Unearned income in an amount up to \$2,000 or 15 per cent of earned income can generally be ignored.

Net worth

Applicants with large net worth, although ideal life insurance applicants, have to be underwritten carefully for disability insurance. Net worth can often be liquidated and invested in areas to generate unearned income. Net worth up to \$5,000,000 is normally not a concern. It is important to evaluate the breakdown of net worth in excess of \$5 million in order to determine if it requires underwriting action. An underwriting action on individuals with large net worth may include limiting the benefit period on the basis that in the event of total disability, the insured may liquidate a portion of the assets and the proceeds could in fact eliminate the need for disability insurance. Applicants with net worth in excess of \$5 million may be uninsurable.

Bankruptcy

If an insured has a history of bankruptcy that has not been discharged, disability insurance is not available. Disability insurance will be considered one year after discharge of bankruptcy with verification of steady full-time employment and proof of income.

Maximum issue limits

Once the insurable earned income figure has been determined, refer to the maximum issue limits table to determine the maximum amount of monthly disability coverage available.

Please note that the maximum amount of available coverage varies according to occupation class (See maximum monthly issue and participation limits).

Financial evidence requirements

Independence plan only — Please note that it will be necessary to submit financial evidence at the time of claim.

For monthly incomes of \$1,500 or less, with full financial disclosures on the application, there is no other financial documentation required.

All other loss of income contracts — acceptable financial evidence documentation is as follows:

Employment status	Required financial documentation*	Monthly benefit amount applied for plus amount in force from all sources	Number of years of required financial documentation
Salaried employee (no ownership)	Page 1,2 and 3 of Personal T1 General Return to include sections Total Income and Net Income **	Up to \$8,000	0***
		\$8,001 and over	1
Commissioned employee	Page 1,2 and 3 of Personal T1 General Return to include sections Total Income and Net Income **	Up to \$1,500	0***
		\$1,501 to \$6,000	1

		\$6,001 and over	2
Unincorporated business owner (sole proprietorship/partnership)	Page 1,2 and 3 of Personal T1 General Return to include sections Total Income and Net Income **	Up to \$1,500	0***
		\$1,501 to \$6,000	1
		\$6,001 and over	2
Incorporated business owner	Page 1,2 and 3 of Personal T1 General Return to include sections Total Income and Net Income ** and complete financial statements	Up to \$1,500	0***
		\$1,501 to \$6,000	1
		\$6,001 and over	2

* Business owners and fee for service professionals, who have at least 20% ownership, can enhance the insurable income used to calculate the amount of insurance for which they are eligible by 20% (to annual maximum of \$40,000). If the 20% enhancement is being used, all individuals including those with \$1,500 or less of insurance (applied for and in force from all sources) must submit financial documentation.

**Required financial documentation, pages 1, 2, and 3 of Personal T1 General Income Tax Return to include sections Total income and Net income. If any dividend income, rental income, capital gains or other income is reported in the Total Income section, the full and complete personal tax return (all pages) should be submitted to avoid the need to go back to the client for the required schedules.

*** With full financial disclosures on the application, there is no other required financial documentation.

Underwriting reserves the right to request financial documentation as deemed necessary on a case by case basis.

Note: If the insured is a major shareholding employee, a copy of the corporate income and expense statement is required.

Monthly disability benefit amounts up to \$6,000 require one year financials. Amounts exceeding \$6,000 require financial documentation for two years.

Notices of assessment cannot be accepted on their own as the first entry on a notice of assessment is total income and no breakdown of how it was arrived at is shown.

Customer interview

A Customer Interview is used by underwriting to validate and more fully develop information disclosed on the application such as personal, occupation, financial and health history. The information is collected by an experienced interviewer over the telephone. The interviewer contacts the applicant directly to obtain the information. In addition to confirming disclosures from the application, a Customer Interview can also be used to gather answers to questions left blank or to complete questionnaires such as avocation, foreign travel or medical.

In order for a Customer Interview to be completed successfully and on a timely basis convenient to the applicant, it is important that the advisor inform the applicant at time of application that they may be contacted by an interviewer during the underwriting process. It is also important for the advisor to collect and provide the applicant's contact information including telephone number(s), preferred time and place in the appropriate section of the application.

Underwriting reserves the right to request an Inspection Report or Customer Interview as deemed necessary on a case by case basis.

Inspection reports

Inspections are third party verification of the information provided in the application. An inspection company will contact your client and ask questions regarding the occupation, financial and medical information provided. They will also ask about past and present drug use, alcohol use and driving record. You must make your client aware and prepared for this investigation.

Conditional insurance agreement

The conditional insurance agreement permits Canada Life to offer coverage on the later of:

- The date of the properly completed application and any supplement to the application; and
- The date any paramedical, medical exam or medical tests (excluding APS) which may be required by Canada Life are fully completed.

This means the insured has disability insurance protection while the application is being considered by underwriting, provided he or she is found to be insurable.

Provide conditional insurance agreement to an applicant

The conditional insurance agreement can be given to an applicant when:

- A properly signed and current dated cheque for the correct amount (equal to monthly premium payment) is submitted with the application; and
- The conditional insurance agreement found in the application has been properly completed, signed and dated, and the receipt has been detached and given to the applicant.

The conditional insurance agreement allows Canada Life to offer coverage if:

- The conditions listed above have been met;
- Any paramedical, medical exam or medical tests (excluding APS) which may be required by Canada Life are fully completed;
- The risk is insurable and acceptable under Canada Life's rules and practices; and
- The policy is issued either, as applied for, or on a modified basis and is placed.

If any of the above conditions are not met, there is no insurance in force until the policy is accepted by the applicant and the first premium is paid. The insured's good health must also continue.

The conditional insurance agreement **is not in effect and should not be given** to an applicant when:

- The conditional insurance agreement is not properly completed;
- Less than the required minimum payment is received;
- There is a request to future date the policy;
- The applicant has been rated or declined by another company or is obviously not a standard risk;
- Money is submitted after the application has been received and underwriting has already been initiated; or
- There is pending foreign travel (see the recent immigrants, foreign residence and travel section for more details).

Date conditional coverage goes into force

The conditional insurance goes into force on the later of the following dates:

- The date of the properly completed application and any supplement to the application; and
- The date any paramedical, medical exam or medical tests (excluding APS) which may be required by Canada Life are fully completed.

Payment received after the application

If payment was not taken with the original application, but the applicant wishes to have coverage effective from the date of payment, you must:

- Obtain a new application, fully completed and signed (to replace the original); and
- Give the applicant the receipt from the new application.

The conditional insurance goes into force on the later of the following dates:

- The date of the new application and any supplement to the new application; and
- The date any paramedical, medical exam or medical tests (excluding APS) which may be required by Canada Life are fully completed.

Minimum payment rules

In order for a payment to be valid for the conditional insurance agreement, the following conditions must be met:

- The amount of payment received must be equal to, or more than, one monthly premium for the coverage applied for;
- The payment acknowledged in the receipt must be made on the date the application is completed and signed as required by you and each proposed insured;
- Post-dated payment or payment made later than the date of the receipt is not valid for any conditional insurance agreement;
- Any cheque or money order given as payment for the conditional insurance agreement must be honoured the first time we present it for payment; and
- Cheques or money orders must be made payable to Canada Life.

Current dating

Will be applied to all policies.

Backdating

Specific dating requests must be provided at the time of application or at least prior to approval of the policy. In order to save a younger age, we may backdate a policy up to a maximum of 30 days before the application date. We will current date coverage unless we are specifically requested to save age.

Delivery of policies

Examine the policy carefully to see that the name of the insured, the premium, the benefit amount and optional benefits are correct. If any error is found, return the policy immediately so that the necessary corrections can be made by the Living Benefits Issue Department at head office.

Deliver each policy as quickly as possible. The insurance does not become effective until the policy is delivered to the owner and full settlement is received, unless, of course, the conditional insurance agreement was given to the owner at the time the application was taken and full settlement was received then. Full settlement of the premium must be forwarded to Canada Life immediately.

Review the policy in detail with the owner and place emphasis upon the importance of maintaining premium payments as they come due. If it is clearly demonstrated that the insurance fulfils a specified need, the payment of future premium will be more certain.

Overhead expense plan eligibility criteria

Guidelines for occupation classes B, A, 2A, 3A and 4A (except select occupations in classes 3A and 4A)

The following guidelines will apply for all eligible businesses. Contact the head office underwriter if you have any specific questions.

- The applicant must be:
 - Working full-time in the business and providing specialized personal or technical skills essential to the continued operation of the business;
 - The sole proprietor of the business, a partner, or a shareholder employee of the corporation; and
 - Responsible for not less than 40 per cent of total overall business expenses or not less than 40 per cent shareholder interest in the business.
- The business cannot employ more than three people full or part-time and must be an established business that has been operating as an ongoing entity for at least 18 months.
- Individual consideration may be given if the business employees' four to six people full or part-time if it is clearly established that the applicant's business cannot continue or will be materially impacted if the applicant becomes disabled.
- Salaries of employees who have specialized or technical skills that generate revenue for the business will not be covered.

Special rules apply to retail and home-based businesses as follows:

Retail business:

- The business cannot employ more than three people full or part-time;
- Maximum benefit period available is 12 months; and
- Maximum monthly disability benefit available is the lesser of 50 per cent of the eligible business expenses and \$1,500 (in force and applied for)

Home based business:

- The applicant must be an insurable risk for both personal disability insurance and the overhead expense plan (personal insurance does not have to be in force or applied for);
- The applicant must work outside the residence at least 20 per cent of the time;
- The applicant is required to submit a financial statement disclosing all expenses;
- Certain expenses will be limited or not covered; and
- Maximum benefit period available is 12 months.

The following occupations are uninsurable for overhead expense coverage:

- Farmers; and
- Long distance truck drivers.

Overhead expenses for occupation classes 3A and 4A – select occupations only

The insured must be:

- Self-employed and working full-time in a professional practice or business
- The sole proprietor of the business, a partner, or a shareholder employee of the corporation; and
- Responsible for not less than 20 per cent of total overall business expenses or not less than 20 per cent shareholder interest in the business.

Overhead expenses include the insured's share of the expenses reasonably and regularly incurred by the business while the insured is disabled

For further clarification, overhead expenses include:

- Employees' remuneration;
- The following, to the extent attributable to any premises, or portion of premises used by the business:
 - Rent;
 - The cost of utilities, including electricity, heat and water;
 - The cost of janitorial and maintenance services;
 - Property taxes; and
 - Property insurance premium;

- The cost of leasing furniture and equipment, including any automobile or other vehicle, used in the operation of the business, up to the amount deductible in respect of such business expense under the Income Tax Act (Canada), as amended from time to time;
- Interest payable on money borrowed to the extent attributable to the business premises and the furniture and equipment and, at the owner's option, the amount of either:
 - Any scheduled principal repayment in respect of such borrowing; or
 - Scheduled depreciation on the business premises or the furniture and equipment up to the amount deductible in respect of depreciation under the Income Tax Act (Canada), as amended from time to time. If the owner elects to use scheduled depreciation, it will be used for purposes of determining overhead expenses for the remainder of the period of disability, if any;
 - The cost of telephone, postage and other communication services;
 - The cost of independent accounting and legal services;
 - Professional, trade association and union membership fees;
 - Business insurance premium; and
 - Business taxes.

Overhead expenses do not include:

- Any expense of the business for which the owner was responsible prior to the date the insured became disabled, unless expenses are reported using the accrual method of accounting and are attributable to a period on or after the date expense benefits began;
- Wages, salaries, employee benefits, payroll taxes, fees, drawing accounts and other remuneration payable to or on behalf of:
 - The insured;
 - Any member of the insured's occupation;
 - Any member of the insured's family:
 - Who is working part-time;
 - Who began working in or for the business within 60 days before the date the insured became disabled; or
 - Whose remuneration is not commensurate with their duties and responsibilities;
- Any expenses directly incurred in generating income for the business during a period of total disability, including, but not limited to:
 - The cost of any goods, wares or merchandise purchased for sale or use in the business;
 - The cost of operating any equipment, including automobiles or other vehicles; and
 - The cost of travel and entertainment;
- Personal taxes; and
- Overhead expenses reimbursed through any other source.

Overhead expenses for occupation classes B, A, 2A, 3A and 4A (except select occupations in classes 3A and 4A)

Overhead expenses include the insured's share of the expenses reasonably and regularly incurred by the business while the insured is disabled.

For further clarification, overhead expenses include:

- Employees' remuneration;
- The following, to the extent attributable to any premises, or portion of premises used by the business which is not contained in the insured's home:
 - Rent;
 - The cost of utilities, including electricity, heat and water;
 - The cost of janitorial and maintenance services;
 - Property taxes; and
 - Property insurance premium;

The cost of leasing furniture and equipment, including any automobile or other vehicle, used in the operation of the business, up to the amount deductible in respect of such business expense under the Income Tax Act (Canada), as amended from time to time;

- Interest payable on money borrowed to the extent attributable to the business premises and the furniture and equipment and, at the owner's option, the amount of either:

- Any scheduled principal repayment in respect of such borrowing; or
- Scheduled depreciation on the business premises or the furniture and equipment up to the amount deductible in respect of depreciation under the Income Tax Act (Canada), as amended from time to time. If the owner elects to use scheduled depreciation, it will be used for purposes of determining overhead expenses for the remainder of the period of disability, if any;
- The cost of telephone, postage and other communication services;
- The cost of independent accounting and legal services;
- Professional, trade association and union membership fees;
- Business insurance premium; and
- Business taxes.

Overhead expenses do not include:

- Any expense of the business for which the owner was responsible prior to the date the insured became disabled, unless expenses are reported using the accrual method of accounting and are attributable to a period on or after the date expense benefits began;
- Wages, salaries, employee benefits, payroll taxes, fees, drawing accounts and other remuneration payable to or on behalf of:
 - The insured;
 - Any member of the insured's occupation;
 - Any person whose duties or technical skills generate income for the business;
 - Any member of the insured's family:
 - Who is working part-time;
 - Who began working in or for the business within 60 days before the date the insured became disabled; or
 - Whose remuneration is not commensurate with their duties and responsibilities;
- Any expenses directly incurred in generating income for the business during a period of total disability, including, but not limited to:
 - The cost of any goods, wares or merchandise purchased for sale or use in the business;
 - The cost of operating any equipment, including automobiles or other vehicles; and
 - The cost of travel and entertainment;
- Personal taxes; and
- Overhead expenses reimbursed through any other source.

Buy/sell plan valuation guide

In order to determine the coverage required, a fair buy-out value must be determined for the business. Easy valuation methods have been designed to help you accomplish this goal. You will need complete financial statements for the last two fiscal years, including balance sheets, income statements, notes and accountant's reports. Canada Life will not participate with any other existing buy-sell coverage with another company. All disability buy/sell coverage for the insured must be with Canada Life.

Step 1 — determine the category of the business

In order to determine the insurable business value, you must determine under which one of the four categories the business falls. Below are examples of businesses which fall under each of the four categories.

Category 1	Category 2	Category 3	Category 4
Selected medical professionals: <ul style="list-style-type: none"> • Chiropractors • Dentists • Denturologists • Optometrists • Osteopaths • Physicians • Physiotherapists • Podiatrists • Psychologists • Veterinarians 	<ul style="list-style-type: none"> • Accounting firms • Insurance agencies • Law firms 	Product and service-oriented businesses: <ul style="list-style-type: none"> • Manufacturers • Retail sales • Wholesale • Pharmacist 	Personal service businesses: <ul style="list-style-type: none"> • Advertising • Architects • Computer software • Consulting • Engineers • Funeral services • Printing • Restaurant

Step 2 — determine the insurable business value

The formula to calculate the insurable business value differs by category as outlined below.

- **Categories 1 and 2** — use a similar valuation method. This method uses net book value plus a percentage of gross billings to determine the insurable business value. The formula to calculate the insurable business value is:
 - Business value = net book value + (average gross billings x percentage of gross billings)
 - Insurable business value = business value x 90%

To calculate the insurable business value in the above formula, you will need the following information:

- **Net book value** — is found on the balance sheet and is referred to as shareholders equity or partners' capital. You can also calculate the net book value by subtracting total liabilities from total assets. Both are found on the balance sheet.
- **Gross billings** — are found on the income statement under revenues. They may be listed as fees or billings. Use an average of the last two years' gross billings.
- **Percentage of gross billings** — 75 per cent for category one and 100 per cent for category two

Categories 3 and 4 — use a similar valuation method. The formula to calculate the insurable business value is:

- Business value = net book value + [(average net income + average salaries > \$100,000) x multiple]
- Insurable business value = business value x 90%

To calculate the insurable business value in the above formula, you will need the following information:

- **Net book value** — is found on the balance sheet and is referred to as shareholders equity or partners' capital. You can also calculate the net book value by subtracting total liabilities from total assets, both are found on the balance sheet.
- **Net income** — use the average net income for the last two years which can be found on the income statement:
 - For partnerships — net income before income tax
 - For corporations — net income after income tax

- **Salaries in excess of \$100,000** — are found on the shareholder's income tax return. For each shareholder, include only the portion of the salary in excess of \$100,000. Use an average of the last two years' salaries.
- **Multiple** — the table below shows the applicable multiple to be used in the insurable business value formula

	Number of full-time employees	Category 3 multiples		Category 4 multiples	
		Corporation	Partnership	Corporation	Partnership
Established businesses which meet the following criteria: <ul style="list-style-type: none"> • Stable • No losses in past two years • Current management for five years • History of increasing profits 	6 or more	7	5	4	3
	5 or less	7	5	2	1.5
All other businesses	All	4	3	1	1

Valuation worksheet

Below is a valuation worksheet that can be used to help determine insurable business value. Complete the appropriate calculations based on the category of the business.

Company name: _____

Company is a: Partnership Corporation

Insureds:

Calculations for category 1 and 2

$$\frac{\$ \text{ net book value}}{\$ \text{ net book value}} + \frac{(\$ \text{ average gross billings})}{\$ \text{ average gross billings}} \times \frac{(\% \text{ percentage of gross billings})}{\% \text{ percentage of gross billings}} = \frac{\$ \text{ business value}}{\$ \text{ business value}}$$

$$\frac{\$ \text{ business value}}{\$ \text{ business value}} \times 90\% = \frac{\$ \text{ insurable business value}}{\$ \text{ insurable business value}}$$

Calculations for category 3 and 4

$$\frac{\$ \text{ net book value}}{\$ \text{ net book value}} + \frac{[(\$ \text{ average net income}) + (\$ \text{ average salaries } > \$100,000)]}{\$ \text{ average net income} + \$ \text{ average salaries } > \$100,000} \times \frac{[\text{multiple}]}{[\text{multiple}]} = \frac{\$ \text{ business value}}{\$ \text{ business value}}$$

$$\frac{\$ \text{ business value}}{\$ \text{ business value}} \times 90\% = \frac{\$ \text{ insurable business value}}{\$ \text{ insurable business value}}$$

Occupation class guide

Occupations listed as class A, 2A, or 3A may be eligible for a quality risk upgrade program rater upgrade. Refer to the quality risk upgrade program section for further details.

IC refers to individual consideration.

UC refers to occupations that may be eligible for consideration under our cancellable plan; restrictions may also apply.

U refers to occupations that are uninsurable.

The following definitions are what we have based our classification on for the common general terms. Advisors should always provide as much detail as possible regarding the exact duties.

- EXECUTIVE: top management personnel with essentially office duties only.
- MANAGER: this term usually implies an in-office supervisor, however, in many industries they have a wide scope of duties. Advisors should establish the duties and classify accordingly.
- SUPERINTENDENT: an on-the-job supervisor who often works along with employees.

In general, occupations not listed in the complete occupation class guide are considered uninsurable for disability insurance. If any doubt exists on a particular occupation, the advisor should furnish complete details to head office for consideration before a formal application is taken.

ACCOUNTANT		• Others, non-hazardous	3A
• CA, CGA, CMA, CPA	4A	ARCADE - refer to Athletics, Sports & Amusements	
• Others	3A	ARCHITECT	
ACTOR or ACTRESS	U	• Office and consulting duties only	
ACTUARY	4A	• Less than 20 hours per week at construction site	4A
ACUPUNCTURIST		• 20 or more hours per week at construction site	3A
• M.D.	4A	• On the job supervision, no manual duties	2A
• Others	2A	• Landscape architect - fully qualified	
ADJUSTERS, INSURANCE		• Professional, office and consulting only	3A
• Fire & Marine	2A	• On-the-job supervising but no manual work	2A
• Other than fire and marine, non-hazardous	3A	ARMED FORCES PERSONNEL	U
ADVERTISING		ARTIFICIAL INSEMINATOR	A
• Agency executives, managers and employees	3A	ARTIST	
AIR CONDITIONING & HEATING		• Commercial (cartoonists, illustrators, graphic, etc.) working full time away from residence, not freelance	3A
• Engineer - refer to Engineer		• Others	UC
• Inspection - refer to Inspector		ATHLETICS, SPORTS & AMUSEMENTS	
• Installer or repairer	A	• Athlete	
• Insulation worker - refer to Insulation Installers		• Professional	U
• Supervisor, Superintendent - no manual work	2A	• Amateur	IC
AIR DRILL/HAMMER OPERATOR	B	• Professional coaches, referees, umpires	U
ALUMINUM SIDING INSTALLER	A*	• Talent Scout	
AMBULANCE DRIVER - refer to Driver		• Hockey (if with the same team 3 years - minimum 90 day waiting period)	A
ANIMAL TRAINERS - all employees	U	• All other sports	IC
ANTIQUA DEALER		• Bowling alley, billiard parlour, pool hall, pinball/video arcade, amusement park - must be year-	
• Sales - refer to Retail Sales			
• Restoration work	A		
• Collecting and delivering only	B		
APPLIANCE REPAIR - no pickup or delivery	A		
APPRAISER			
• Real estate	2A		

round, full-time employment		proofers	
• Office and supervisory duties only	A	frame masters	B
• Cashiers	A	• Trim and decal specialists	A
• Others	UC	• Windshield installer	B
• Diver or Diving Attendant	UC	• Car wash	
• Fitness centre, health spa, dance studio & tanning salon		• Owner or manager (no manual duties)	A
• Office and supervisory duties only	2A	• Employees	UC
• Aerobic, yoga, tai-chi instructors	B**	• Dealership	
• Dance instructors	A	• New vehicles	
• Karate, judo and other martial arts instructors	U	• Owner - refer to Executive/Business Owners	
• Personal trainers	B**	• Manager - administrative duties only, no sales	3A
• Attendants, other employees	UC	• Office worker - administrative duties only	3A
• Curling rink, golf course, skating and hockey rink, tennis and racquet clubs - must be year-round, full-time employment		• Sales only	2A
• Cashier	A	• Used vehicles	
• Office and supervisory duties only	2A	• Owner and office worker - administrative duties only, no sales	2A
• Instructors, club pros	A**	• Sales	A
• Greenskeeper, icemaker and arena attendant	B	• Parts and service manager - no repairs	2A
• Racing		• Parts & stock clerk	A
• Automobile, bicycle, motorboat, motorcycle, speedboat, snowmobile		• Washer	UC
• Drivers, mechanics, pit crew, starters	U	• Parking station attendant	UC
• Horse racing		AVIATION INDUSTRY	
• Judges, officials, starters, stewards	2A	• Air traffic controller	U
• Pari-mutuel clerk	A	• Baggage handler, freight handler, porter	B
• Harness drivers and jockeys	U	• Clerk (passenger, reservation & ticket)	3A
• Riding school		• Fuel attendant	B
• Office and supervisory duties only	2A	• Mechanic	A
• Instructor	B	• Pilot & flying crew	U
• Stable person	UC	• Flight attendant	U
• Horse trainer	UC	• Weather observer	3A
• Rodeo performers	U	AWNING INSTALLER	A*
• Skiing Instructors	UC	BACK HOE OPERATOR	B
ATTORNEY - refer to Lawyer		BAGGAGE HANDLER/PORTER - refer to Aviation Industry	
AUCTIONEER	2A	BAILIFF - refer to Law Enforcement	
AUDIOLOGIST/AUDIO PROSTHESIS	3A	BAKERY	
AUDITOR - refer to Accountant		• Office, supervisory or counter duties only	2A
AUTOMOBILE INDUSTRY - refer to Group II Retail Sales for motorcycle, sea-doo, recreational vehicles (RV's) and boat sales		• Baker	A
• Autobody and transmission shops, service stations, garages and gas bars		• Driver - refer to Driver	
• Owner and managers (no manual duties), auto and motorcycle mechanics, gas bar cashiers, gas pump attendants	A	• All other workers	A
• Autobody repairmen, tire retreaders, painter, rust		BANK	
		• Managers, clerks, tellers	3A
		• Executives - refer to Executive/Business Owners	
		BARS, COCKTAIL LOUNGES, NIGHTCLUBS & TAVERNS	
		• Managers - office and supervisory duties only	A
		• Discjockeys	B
		• Bartenders	B

• Waiters, waitresses	B	BUILDING MOVING & WRECKING	
BARBER, HAIRDRESSER, BEAUTY PARLOUR/SALON & SPA		• Superintendents, managers - supervisory duties only	A
• Owner, manager, barber, beautician, cosmetologist, electrologist, esthetician, hairdresser, manicurist/pedicurist		• Others	B
• With a regular place of business away from home		BULLDOZER OPERATOR	B
• Working from home – see individuals who work from home guidelines	A	BUS DRIVER - refer to Driver	
BED & BREAKFAST - owner or operator	A*	BUS LINES & STATIONS	
BEE KEEPER - refer to Farmers	U	• Manager - refer to Executive/Business Owners	
BILLIARD or POOL - refer to Athletics, Sports & Amusements		• Superintendent, starter and ticket agent	3A
BILLBOARD - erectors and builders - refer to Sign & Billboard Erectors & Builders		• Others	B
BIOCHEMIST/BIOLOGIST		BUSINESS MACHINE SALES & SERVICE	
• Consulting only - Ph.D.	4A	• Owner/manager - refer to Executive/Business Owners	
• Lab duties - not handling hazardous material	3A	• Office worker, dealers, no repairs	3A
BLACKSMITH	B	• Sales - refer to Sales	
BLASTER	UC	• Repairing, servicing	2A
BODYGUARD	U	BUTCHER	
BOOKKEEPER	3A	• Retail	A
BOTANIST		• Working in a stockyard, slaughter or packing house	B
• Ph.D.	4A	BUTLER	UC
• Others - not handling hazardous material	3A	BUYER - refer to Broker or Buyer	
BRICKLAYER	B	CABINET MAKER/INSTALLER	A*
BRICKYARD EMPLOYEE		CAISSON WORKER OR LABOURER	U
• Superintendent	A	CAMERA REPAIR PERSON	2A
• Others	B	CAMPS & LODGES (year-round occupation only)	
BROADCASTING - refer to Motion Picture, Recording, Radio, Television & Theater Industry		• Office duties only	2A
BROKER or BUYER		• Other employees	UC
• Customs broker (not handling merchandise)	3A	CANNERY - refer to Manufacturing	
• Merchandise, cotton, grain, livestock, produce, tobacco, lumber (not in woods)		CANTOR	2A
• Office duties only	3A	CARETAKER	
• Others	2A	• Building - refer to Building Maintenance & Service	
• Fur, Hide, Pawn, Pelt		• Private house or grounds	U
• Office duties only	3A	CARNIVAL OR CIRCUS WORKERS OR EMPLOYEES	U
• Others	A	CARPENTER	A*
BUILDING & CONSTRUCTION - refer to Construction Industry		CARPET CLEANING & INSTALLING	
BUILDING ERECTING - refer to Structural Iron & Steel		• Cleaning or installing	B
BUILDING MAINTENANCE & SERVICE		• Makers or menders	A
• Property manager, office and administrative only (not residing in building)	3A	CASINO	
• Building manager, superintendent		• Manager, supervising duties only	3A
• Not residing in building		• Dealers, pit boss	2A
• Supervisory duties only	2A	CATERING COMPANY	
• Others	A	• Owner/Managers - office duties only	3A
• Residing in building	A	• Supervisory duties	2A
• Door person, watch person, elevator operator	A	• Drivers - refer to Driver	
• Window washer or cleaner		• All other workers	B
• Over 2 stories	UC	CEILING (SUSPENDED) INSTALLER	A
• Others	B	CEMENT and CONCRETE WORKER – non-hazardous locations	A*
• Building cleaners, janitors, caretakers	B	CEMETERY & CREMATORY - refer to Funeral Services, Funeral Homes, Cemetery and Crematory	
		CHAUFFEUR	U
		CHEF - refer to Restaurant	

CHEMIST			
• Consulting only - Ph.D.	4A		
• Lab duties - not handling hazardous material	3A		
CHIMNEY CLEANER/SWEEP	B		
CHIROPODIST	4A		
CHIROPRACTOR	2A*		
CIVIL ENGINEER - refer to Engineer			
CLERGY PERSON or MINISTER (salaried only)	3A		
CLERK (office duties only and not otherwise classified)	3A		
CLOCK/WATCH MANUFACTURING and REPAIR	2A		
COAL INDUSTRIES - refer to Mining			
COLLECTION AGENCY			
• Office and supervisory duties only	2A		
• Collector	A		
COMPUTER INDUSTRY			
• Systems analysts, consultants, programmers, website designer earning \$50,000 plus or university degree in computer science	4A		
• Others including computer operators	3A		
• Service person, technicians, other skilled employees	2A		
• Sales person - refer to Sales			
CONSTRUCTION INDUSTRY			
• Owner, contractors			
• Office and consulting duties only, no out-of-office supervision, income of \$65,000 for last 2 years and minimum of 20 full time employees or minimum of 10 full time employees if all manual work is subcontracted out	4A		
• Others, office, supervisory or estimating duties only, no manual work	2A		
• Foremen, superintendents, supervisors, office, supervisory or estimating duties only, no manual work	2A		
(Owners, contractors, foreman, superintendents, supervisors with manual duties should be classified in accordance with their construction trade.)			
• Estimators - no manual duties	2A		
• Inspectors - refer to Inspector			
• Surveyors - refer to Surveyor			
• Anyone working with compressed air or handling explosives	UC		
CONSULTANTS - Office duties only	3A		
COOK - refer to Restaurant			
COPPER MINER - refer to Mining			
COPPERSMITH	A		
COPYWRITER - refer to Newspaper or Magazine Industry			
CORONER	4A		
COSMETOLOGIST - refer to Barber, Hairdresser, Beauty Parlour/Salon & Spa			
		COURIER SERVICE	
		• Owner or manager (office duties only) -refer to Executive/Business Owners	
		• Bicycle couriers	U
		• Driver - refer to Driver	
		CRANE & DERRICK OPERATOR	B
		CREMATORY - refer to Funeral Services, Funeral Homes, Cemetery and Crematory	
		CURATOR (library, museum or art gallery)	3A
		CUSTODIAN - refer to Building Service & Maintenance	
		CUSTOMS BROKER (not handling merchandise) - refer to Broker or Buyer	
		DAIRY & CREAMERY	
		• Owner or manager - refer to Executive/Business Owners	
		• Milk delivery person - refer to Driver	
		• Inspector - refer to Inspector	
		• Office duties only	3A
		• Supervisory duties only	2A
		• Others	A
		DANCING INSTRUCTOR - refer to Athletics, Sports & Amusements	
		DAYCARE	
		• Licensed, away from own residence	
		• Office duties only	3A
		• Teaching only - Early Childhood Education Degree (ECE)	2A
		• Others	A
		• Licensed or affiliated with Centre de Petite Enfance (CPE), own residence	IC
		DECORATOR/DESIGNER	
		• Interior - consulting only	3A
		• Manual duties	A
		DELICATESSEN - refer to Restaurant	
		DENTISTRY	
		• Dentist	
		• General dentistry	3A*
		• Specialty	
		• Dental Public Health	4A
		• Endodontics	4A
		• Oral and Maxillofacial Radiology	4A
		• Oral and Maxillofacial Surgery	4A
		• Oral Medicine and Oral Pathology	4A
		• Orthodontics	4A
		• Pediatric Dentistry	4A
		• Periodontics	4A
		• Prosthodontics	4A
		• Other	4A
		• Dental assistant	B
		• Dental hygienist	B
		• Denturist/denturologist	3A
		• Lab worker & technician	2A
		DETECTIVE/PRIVATE INVESTIGATOR - refer to	

Law Enforcement		• Tractor trailer	B
DIAMOND CUTTER, POLISHER & SETTER	2A	DRIVING SCHOOL	
DIEMAKER - refer to Manufacturing		• Owner or manager, no instructing	2A
DIETITIAN		• Instructor	A
• Cooking duties	A	DRY CLEANER	
• All others	3A	• Owner or manager - office, counter & supervising only	2A
DISPATCHER (not otherwise classified)	2A	• Clerk, counter duties only	2A
DISTILLERY - refer to Liquor Industry		• Cleaner, dyer, presser	B
DOCK WORKER		• Drivers - refer to Driver	
• Superintendent & wharf master (no manual duties)	2A	• All other workers	A
• Checker, foreman	A	DRYWALL INSTALLER, TAPER	B
• Crane operator, hoist operator, mechanical loader and machine operator	B	EAVESTROUGH INSTALLER	A*
• Others, including longshore person and stevedore	UC	ELECTRICAL INDUSTRY	
DOG BREEDER, TRAINER or GROOMER - refer to Kennels		• Apparatus manufacturing	
DOG CATCHER	B	• Solderer, tester	B
DOG KENNEL - refer to Kennels		• General electric	
DOMESTIC SERVANT	UC	• Electrical engineers - refer to Engineers	
DOOR PERSON - refer to Building Maintenance & Service		• Electricians	2A*
DRAFTS PERSON (office only)	3A	• Inspectors - refer to Inspector	
DREDGING - refer to Marine Industry		• Meter reader/installer - refer to Meter Reader/Installer	
DRESSMAKER		• Powerline construction and maintenance overhead lines	
• Factory employee	B	• Foreman - not climbing or repairing	A
• Others, not at residence	A	• Inspectors - refer to Inspector	
DRIVER		• Line person, cable splicers, trouble person, tree trimmers, pole setters, ground person	U
• Ambulance	B	• Conduit and tunnel workers	
• Armored car	B	• Foreman	B
• Bakery	A	• Inspectors - refer to Inspector	
• Bus	A	• Others	UC
• Coal, wood	B	• Tower erectors	U
• Courier, including mail (minimum of 1 year)	A	ELECTROPLATER	A
• Dairy		ELEVATOR INSTALLATION & REPAIR	
• Residential	A	• Owner, manager, foreman, supervisory duties only (not repairing)	2A
• Other	B	• Inspector - refer to Inspectors	
• Driving instructor - refer to Driving School		• Servicing, maintenance, no installation	A
• Explosives	UC	• Installer or repairer	B
• Forklift - refer to Heavy Equipment Operator		EMBALMER - refer to Funeral Services, Funeral Homes, Cemetery and Crematory	
• Funeral service	B	ENGINEER	
• Garbage/Recycle collection	B	• Professional (P.Eng Designation)	
• Gardening service	B	• Office and consulting and non-hazardous field and plant	4A
• Gasoline, oil	B	• Oil fields and mining with field duties	3A
• Highway transport	B	• Underground duties	B
• Ice delivery person	B	• Technical graduates	
• Laundry/Drycleaning	A	• Office and consulting only	3A
• Light retail goods	A	• Field & plant	2A
• Liquor industry	B	• Stationary	
• Logging	B		
• Lumberyard	B		
• Moving van (driving only)	B		
• Newspaper	B		
• Taxi, limousine	U		
• Tow truck	B		

• Lumber Industry - not staying in camp and not using a chainsaw	B	duties	
• Others	A	• Supervision of uninsurable employees and over 10% hands on uninsurable duties	U
• Forestry			
• Office and consulting only	3A	EXTERMINATOR	B
• Others not staying in camp	2A	FARMERS (general farms, dairy farms, fruit farms, bee keeping, cattle ranches, stock farms, mixed farms, vegetable farms)	
• Marine			
• Passenger vessel	2A	• Owner	2A*
• Others	A	• Foreman	A
• Safety	2A	• Farmers logging in the off-season	B
• Train	A	• Other farm workers (other than migrants, transients), must be employed year-round	B
• Motion Picture, Recording, Radio, Television or Theatre		• Migrants, transient workers	U
• Chief Engineer	2A	(If exclusively crop farming, First Day Accident Rider (FDA) is not available.)	
• Control Engineer	2A	FAST FOOD/DELI - refer to Restaurant	
• Recording Engineer	2A	FINANCIAL SERVICES	
• Sound or Acoustic Engineer	2A	• Banking - refer to Banks	
• Switchboard Engineer	2A	• Commodity broker/stockbroker, stock/money/commodity trader, portfolio manager, financial/investment analyst, investment banker	
• Maintenance Engineer	A	• Day trader	3A
ENGRAVER - refer to Monument Industry		• Executives whose duties do not include the sale or trading of stocks or other financial instruments; or other activities listed below - refer to Executive/Business Owner	U
ENTOMOLOGIST	3A	• Floor trader	B
ESTHETICIAN - refer to Barber, Hairdresser, Beauty Parlour/Salon & Spa		• Insurance sales, financial consultant, financial planner, investment advisor	
ETCHER	2A	• Less than 24 months experience (consideration for class 3A will be given if previous occupation was more favourable)	2A
EXECUTIVE/BUSINESS OWNERS (not otherwise listed)		• 24 months experience	3A
• For construction industry - refer to Construction Industry		• 5 years experience or more and earning \$75,000 per year in the last 2 years, or C.L.U., C.F.P. or an acceptable professional designation (LL.B., C.A., CGA, CMA, or CPA)	4A
• Office and consulting duties only (if any sales, must be less than 25% of duties), income of \$65,000 for last 2 years, no direct supervision of employees with manual duties and minimum of 10 full-time year-round employees	4A	• Mortgage broker	3A
• Others		FIRE DEPARTMENT	
• Office and consulting duties only, if more than 25% sales duties, refer to Sales	3A	• Chiefs (supervising only)	2A
• Supervision of occupation class 2A employees and/or up to 25% hands on 2A duties	3A	• Chief engineer, fire marshal, superintendent or warden	A
• Supervision of occupation class 2A employees and over 25% hands on 2A duties	2A	• Fire fighter	B
• Supervision of occupation class A employees and/or up to 25% hands on A duties	2A	• Paramedics	B
• Supervision of occupation class A employees and over 25% hands on A duties	A	• Others	B
• Supervision of occupation class B employees and/or up to 25% hands on B duties	A	FIRE EXTINGUISHER REPAIR	A
• Supervision of occupation class B employees and over 25% hands on B duties	B	FIREWORKS (dealer, exhibitor, maker or worker)	U
• Supervision of uninsurable employees and/or up to 10% hands on uninsurable	B	FISHING INDUSTRY	
		• Fishermen	
		• Owners/fishing vessel captains (inshore/offshore), with no manual duties other than the operation of the fishing vessel, minimum of 5 years with same employer, works at least 8 months per year, minimum of 5 employees (excluding owner/captain) who work at	A*

least 8 months per year, net earned income over \$100,000 for at least 2 years (income verification required). If insurable, we will consider with minimum of 90 day waiting period and eligible for AD&D, COLA and ROP optional benefit riders		GARDENING, LANDSCAPING & NURSERY	
• Other owners and employees, employed as a full-time fisherman for at least 2 years, working at least 8 months per year (income verification required). If insurable, we will consider with minimum of 90 day waiting period and eligible for AD&D, COLA and ROP optional benefit riders	B	• Office, supervisory or counter duties only	2A
• Others	U	• Foremen, supervisory duties only	A
• Hatchery		• Planting and tending to stock in nursery	A
• Supervisory duties only	2A	• Driver or delivery - refer to Driver	
• Other employees	B	• Others	B
FITNESS CENTERS - refer to Athletics, Sports and Amusements		GEOLOGIST	
FLOOR FINISHER, INSTALLER, SANDER	B	• Office and consulting	4A
FLORIST		• Field duties	3A
• Owner, manager, clerk		GLAZIER	A
• Store duties only (no greenhouse duties)	2A	GOLDSMITH	2A
• Others	A	GOLF PRO - refer to Athletics, Sports and Amusements	
FOREST RANGER, FORESTER & WARDEN		GRAIN, FLOUR and SEED MILLS/GRAIN ELEVATORS	
• Not using aircraft	A	• Managers, inspectors, foremen (no manual duties)	2A
• Using aircraft	UC	• Process workers, skilled workers	A
FORKLIFT OPERATOR	B	• Other workers	B
FOUNDRY - refer to Manufacturing		GRAPHIC ARTIST - refer to Artist	
FRAMER	A*	GRAVEL PIT EMPLOYEE - refer to Mining	
FUMIGATOR	B	GROCERY - refer to Retail Sales	
FUNERAL SERVICES, FUNERAL HOMES, CEMETERY & CREMATORY		GUARD - refer to Law Enforcement	
• Owner - refer to Executive/Business owner		GUIDE	
• Director - no embalming, no manual duties	3A	• Hunting & fishing	U
• Office and sales duties only	3A	• Tours, motion picture, theatre, television and radio	2A
• Supervisory duties only, outside of office	2A	• Tours, sightseeing, employed all year	2A
• Funeral services assistant - no manual duties	A	• Museums, public buildings	2A
• Embalmer, undertaker, mortician	A	GUNSMITH	A
• Driver - refer to Drivers		HAIRDRESSER - refer to Barber, Hairdresser, Beauty Parlour/Salon & Spa	
• Others	B	HARBOUR MASTER - refer to Marine Industry	
FURNACE INSTALLER, REPAIRER	A	HEALTH INSPECTOR/OFFICIAL - Field duties (no hazardous activities)	2A
FURNITURE REPAIR OR UPHOLSTER	A	HEATING & AIR CONDITIONING - refer to Air Conditioning & Heating	
GAME WARDEN - refer to Forest Ranger, Forester & Warden		HEAVY DUTY MECHANIC	
GARAGE - refer to Automobile Industry		• Shop duties only	A
GARBAGE & RECYCLING COLLECTION, DISPOSAL & INCINERATION		• Others	B
• Office duties only	2A	HEAVY EQUIPMENT OPERATOR	B
• Foremen, supervisory duties only	A	HOME INSPECTOR - refer to Inspector	
• Driver - refer to Driver		HOMEOPATH	
• Others	B	• M.D.	4A
		• Others	3A
		HORSE TRAINER - Refer to Athletics, Sports and Amusements	
		HOSPITAL, CLINIC or PERSONAL CARE HOME	
		• Attendant, orderly, nurse's aide, kitchen and laundry worker	B
		• Dietitian - refer to Dietician	
		• Doctor - refer to Physician	
		• Executive - refer to Executive/Business Owners	
		• Nurse	
		• RNA, RPN, LPN	A
		• R.N.	
		• Doctor's office, school, teaching,	3A

instructing		• Plumbing	2A
• Others (hospital, home visits)	2A	• Postal services	2A
• Nurse Practitioner		• River and harbour improvements	A
• Office duties only	3A	• Sanitation (including garbage/recycling collection, disposal and incineration, above ground only)	A
• Others (hospital, home visits)	2A	• Scales, weights or measure	2A
• Physician Assitant		• Street, highway	2A
• Office duties only	3A	• Structural iron & steel	UC
• Others (hospital, home visits)	2A	• Telephone	
• Technicians		• No outside work	2A
• Lab, radiation, ultrasound, x-ray	2A	• No climbing poles or work in tunnels or with conduits	A
• Therapists		• Timepiece or precision instruments	3A
• Occupational	3A	• Train or boat services	A
• Physiotherapist	3A	• Waterworks, meter	2A
• Speech	3A	• X-ray	A
• Inhalation, Ergo, Reflexology	2A	INSTALLER - (not otherwise classified) refer to specific industry	
• Kinesiology	2A	• Cable	A
HOTELS/MOTELS/INNS		• Intercom/Home security	A
• Owner, manager, office and supervisory only	2A	INSTRUCTOR - refer to Athletics, Sports & Amusements	
• Cashier, desk clerk, hostess, events coordinator	2A	INSULATION INSTALLER	B
• Bellhop, checkroom attendant	A	INTERIOR DECORATOR - refer to Decorator/Designer	
• Door person, porter	A	INTERPRETER	3A
• Chambermaid, housekeeper, laundry, maintenance	B	IRON OR STEEL MILL - refer to Manufacturing	
HUNTER or TRAPPER	U	JAILER OR GUARD - refer to Law Enforcement	
INSPECTOR		JANITOR - refer to Building Services & Maintenance	
• Agricultural	2A	JEWELLERY - not at residence	
• Air conditioner and heating	2A	• Sales - refer to Retail Sales	
• Aircraft (ground duties only)	2A	• Makers and repairers using hand tools only, diamond cutters, polishers and setters	2A
• Automatic sprinkler	2A	• Others, including machine work	A
• Boiler	2A	JOURNALIST - refer to Newspaper or Magazine Industry	
• Building and Construction	2A	JUDGE or JUSTICE OF THE PEACE - refer to Law Enforcement	
• Caisson work	U	JUDO/KARATE or OTHER MARTIAL ART - refer to Athletics, Sports & Amusements	
• Credit or mercantile		JUNK DEALER (including car wreckers)	
• Office duties only	3A	• Dealer (office & supervisory duties only, no manual duties)	A
• Others	2A	• Others	B
• Dairy or milk	2A	KENNEL	
• Electrical		• Owner/manager, office duties only	2A
• General Electric	2A	• Breeder, trainer, groomer	A
• Powerline	A	• Others	B
• Conduit/Tunnel	B	KINESIOLOGIST - refer to Hospital, Clinic or Personal Care Home	
• Elevator - no manual duties	2A	LABORATORY TECHNICIAN - refer to Hospital, Clinic or Personal Care Home	
• Flour, food, fruit, grain, meat, produce and tobacco - no manual duties	2A	LABOURER	
• Gas pipeline - not offshore	A	• Bridge, chimney, dock, smokestack	UC
• Grain, flour, seed mills and grain elevators - no manual duties	2A	• Others, unless otherwise listed	B
• Home	2A	LANDSCAPE ARCHITECT - refer to Architects	
• Liquor	2A	LANDSCAPER - refer to Gardening, Landscaping & Nursery	
• Livestock			
• Not in stockyard	2A		
• Others	A		
• Logging, mills or lumber yards	A		
• Manufacturing	2A		
• Meter (electric, gas or water)	2A		
• Mines	U		
• Narcotic agents	U		
• Oil refineries	A		
• Oil wells	A		

LAUNDRY - refer to Dry Cleaner

LAW ENFORCEMENT

- Court Transcriber 3A
- Police Detective or Constable
 - Patrol duties including motorcycle B
 - Special, riot or bomb squad or narcotics U
- Fingerprint expert or evidence collection (not making arrests) 2A
- Investigating or suppressing the illicit manufacture, sale or transportation of alcohol or drugs U
- Judge or justice of the peace (office and court duties only) 4A
- Chiefs, Marshal, sheriff & bailiff, other officers
 - Office & court duties only, not making arrests or process serving 2A
 - Others B
- Penitentiary or correctional institute
 - Warden, superintendent, chaplain or other official 2A
 - Guard, Jailor or Keeper B
- Parole or probation officer 2A
- Process server A
- Title searcher 3A
- Truant officer 2A
- Secret service agent U
- Security guard/Watchperson
 - Unarmed A
 - Armed B
- Private Detective/Investigator B

LAWYER

4A

LECTURER

U

LENS GRINDER, POLISHER or CUTTER

2A

LIBRARIAN

3A

LIFEGUARD

- Year round, full time employment B

LIQUOR INDUSTRY

- Brewery, Distillery or Winery
 - Owner or manager - refer to Executive/Business Owners
 - Office duties only 3A
 - Others A
- Distribution
 - Administrative/Supervisory Duties only 2A
 - Drivers/Delivery person - refer to Driver
- Inspector - refer to Inspectors
- Clerk/Sales person - refer to Retail Sales

LITHOGRAPHER

2A

LOCKSMITH

2A

LOGGING INDUSTRY - refer to Lumber Industry

LONGSHOREMAN - refer to Dock Worker

LOTTERY SALES - refer to Retail Sales

LUMBER INDUSTRY

- Logging
 - Contractor, manager
 - Office duties only, not in woods 2A
 - In woods, supervising, not staying in camp A
 - Others - rate for duties
 - Forestry Engineer - refer to Engineer
 - Time keepers, clerks, scalers, timber cruisers, saw filers, tallymen A
 - Surveyors - refer to Surveyor
 - Foremen fire fighters, teamsters, tractor operators, truck drivers, skidder operators B
 - Peelers, rafts people, riggers, river people, top people, fallers, buckers UC
 - Anyone using a chainsaw regularly U
- Mills, lumber yards
 - Office and supervisory duties only 2A
 - Foreman, grader, markers, raters, saw filers, clerks, tally people, timekeepers A
 - Beater person, colour person, cooker, cylinder, machine tender, digester operator and helper, filter person, fourdrinier machine operator, pump operator, roller size person, washers, other skilled workers B
 - Booms people, pond people, slip people, blocksetters, logsetters, carriage riders, sawyers and all others UC

- Logging/Lumber Inspector - refer to Inspector
- Stationary Engineer - refer to Engineer
- Paper Making - refer to Manufacturing

LUNCH ROOM/CAFETERIA - refer to Restaurant

MACHINE SHOP - refer to Manufacturing

MANAGER - refer to specific industry or Executive/Business Owners

MANICURIST - refer to Barber, Hairdresser, Beauty Parlour/Salon & Spa

MANUFACTURING

- Designers, drafts people, paymasters 3A
- Lab technicians, superintendents, timekeepers 2A
- Inspector - refer to Inspector
- Non-Toxic Materials
 - Abrasives, aircraft, aluminum, automobile, beverage, bottling, brick, briquette, broom, brush, can, candy, canning, carpet cellophane, cement block, cereal, cigar, cigarette, clothing, concrete products, corn products, cotton, drug, electrical,

felt goods, feed, flour, frozen food, fur goods, furniture, garment, glove, metal mills, nylon, paper, potash, pulp, radio, radar, television, refrigerators, rugs, salt, shoes, starch, synthetics, sugar, textile, tile, tobacco, toiletry, other non-hazardous or non-chemical industries:		pursers, quartermasters, radio operators	
<ul style="list-style-type: none"> Foreman Assemblers, installers, labelers, machine operators, machinists, mechanics, millwrights, molders, tailors, testers, tool and die makers, welders, other skilled workers Crane operator, craters, fire fighters, grinders, kiln operators, mixers, unskilled workers 	2A	<ul style="list-style-type: none"> Passenger vessel Other Other Crew <ul style="list-style-type: none"> Non-ocean going Ocean going Engineer - refer to Engineer 	2A A B UC
<ul style="list-style-type: none"> Toxic Materials 			
Acetylene, acid, alcohol, alkali, ammonia, asbestos, asphalt, battery, boiler, carbon, cement, ceramics, charcoal, chemical, chlorine, compressed gas, detergent, dry ice, enameling, fertilizer, fiberglass, film, foundries, fur, gas, glass, graphite, gypsum, insecticides, leather and leather goods, lime, linoleum, malt, match, metal refineries and rolling mills, oil, paint and varnish, pottery, putty, rock wool, roofing material, resin, rubber, soap, stone, tanneries, tar, turpentine, other industries Involving use of chemicals			
<ul style="list-style-type: none"> Foreman Glass blowers, labelers, metal blowers, pipefitters, welders Stationary engineers - refer to Engineer Bench molders, bleachers, boilermakers, burners, chemical workers, core makers, crane operator, cutters, dyers, enamellers, furnace tenders, glazers, splicers, tool and die makers, weavers, grinders, kiln operators, ladlers, process workers, other skilled workers Laborers, lead burners, cleaners, maintenance people, fire fighters, stokers, unskilled workers 	A A B UC	<ul style="list-style-type: none"> Electric <ul style="list-style-type: none"> Installer Reader Gas <ul style="list-style-type: none"> Installer Reader Water <ul style="list-style-type: none"> Installer Reader 	3A A 2A A 2A A 2A
MAPLE SUGAR FARMER – refer to Gardening, Landscaping & Nursery		MASON, BRICK or STONE WORKERS (not working in tunnel)	B
MARINA		MESSAGE THERAPIST - RMT	2A
<ul style="list-style-type: none"> Office and supervisory duties only - employed year- round Skilled workers, employed year-round Others, employed year-round 	2A A B	MASSEUR or MASSEUSE	U
MARINE INDUSTRY		MEATCUTTER IN MARKET or STORE - refer to Butcher	
<ul style="list-style-type: none"> Ships, tugs and barges <ul style="list-style-type: none"> Captain, chief officer & mates, stewards, pilots, 		MECHANIC - refer to Automobile Industry or Aviation Industry	
		METEOROLOGIST	3A
		METER READER/INSTALLER (electric, gas or water)	
		METER INSPECTOR - refer to Inspector	
		MIDWIFE	2A
		MILLWRIGHT (not otherwise classified)	A
		MINING, QUARRYING, ORE DRESSING & CONCENTRATING	
		<ul style="list-style-type: none"> Assayer, managers, metallurgists, superintendents <ul style="list-style-type: none"> No underground or manual duties Underground duties Engineer - refer to Engineer Surveyor - refer to Surveyor Underground miners and workers Open pit and surface workings - asbestos, clay, coal, gravel and sand pits, open pit and strip mines, stone quarries etc <ul style="list-style-type: none"> Clerks, foremen, weighers (no manual duties) Breakerperson, channelers, cobblerperson, crusherperson, deckperson, drillers, fireperson, mater drillers, operator, ore sorters, pit person, power shovel operators, slate pickers, tippelperson, truck drivers, washhouseperson, yardperson and other workers not handling 	3A B UC A B

explosives

• Ore dressing and concentrating			• Script writer (full time, no freelancing, office away from residence)	3A
• Foreman and all others	B		• Sound effects technician	A
• Handling explosives	UC		• Sound engineer - refer to Engineer	
MINISTER or CLERGY PERSON (salaried only)	3A		• Stagehand	B
MODEL, PROFESSIONAL	U		• Stage manager	2A
MONUMENT INDUSTRY			• Station director	3A
• Office, Sales (no manual duties)	2A		• Stunt work	U
• Engraver	A		• Switchboard Engineer - refer to Engineer	
• Carver or Setter	B		• Transmitter, operators and engineers	A
MORTGAGE BROKER - refer to Financial Services			• Wardrobe custodian	2A
MOTEL EMPLOYEES - refer to Hotels/Motels/Inns			• Movie theatre	
MOTION PICTURE, RECORDING, RADIO, TELEVISION & THEATER INDUSTRY			• Ushers, attendants, concession, full time	A
• Acoustic engineer or service person (adjusting, repairing or installing sound equipment) - refer to Engineer			• Box office worker, full time	2A
• Acrobat or gymnast	U		MOVING & STORAGE - refer to Warehouse	
• Actor or actress	U		MUSIC	
• Announcer	3A		• Instrument maker, repairer or tuner	2A
• Antennae or satellite dish installer	B		• Instrument stores - refer to Retail Sales	
• Booking agent (full-time with office away from residence)	3A		• Teacher - refer to Teaching	
• Boom person	UC		MUSICIAN (sole occupation)	
• Cable installer	A		• Concert, theater, symphony, television	U
• Camera repair person	2A		NANNIES	UC
• Camera operator			NATUROPATH	
• In studio only	2A		• M.D.	4A
• Others - no stunt work	A		• Others	3A
• Chief Engineer - refer to Engineer			NEWSPAPER or MAGAZINE INDUSTRY	
• Control Engineer - refer to Engineer			• Advertising, business or circulation manager (not delivering), publisher	3A
• Costume/set designer	2A		• Columnist, not freelance, not working at residence	3A
• Director (must be well established with stable employment history)	2A		• Driver or delivery person - refer to Driver	
• Editor	3A		• Editor	3A
• Film developer	2A		• Newsstand proprietor or attendant	U
• Film editor	3A		• Photographer - refer to Photographer	
• Guide - refer to Guide			• Print Shop - refer to Printing and Publishing	
• Gripp/dollygrip	B		• Proofreader	2A
• Lighting technician	2A		• Reporter, correspondent, journalist	2A
• Location person	2A		• Sales (advertising or other)- refer to Sales	
• Maintenance Engineer - refer to Engineer			• Telephoto operator	2A
• Make-up artist	A		• War correspondent	U
• Microphone operator (no other duties)	2A		NIGHT CLUB/BARS/COCKTAIL LOUNGES - refer to Bars, Cocktail Lounges Nightclubs, Taverns	
• Monitor person in booth (no other duties)	2A		NOTARY	
• Painter or prop maker	B		• Quebec	4A
• Photographer			• Others	3A
• In studio only	2A		NURSE - refer to Hospital, Clinic or Personal Care Home	
• Others	A		NURSE PRACTITIONER – refer to Hospital, Clinic or Personal Care Home	
• Producer (must be well established with stable employment)	2A		NURSERY - refer to Gardening, Landscaping & Nursery	
• Program director	3A		NURSING HOME EMPLOYEE - refer to Hospital, Clinic or Personal Care Home	
• Projectionist	2A		OCCUPATIONAL THERAPIST - refer to Hospital, Clinic or Personal Care Home	
• Property person	A		OFFICE WORKER - administrative duties only	3A
• Recording engineer - refer to Engineer				
• Rigger	U			

OFFICE MACHINE SALES & SERVICE - refer to Business Machine Sales and Service		• Superintendents - office duties only	3A
OIL and NATURAL GAS INDUSTRY		• Administrative worker, ticket taker, gate attendant	2A
• Drilling production and exploration – on-shore only		• Forest ranger/warden - refer to Forest Ranger, Forester & Warden	
• Manager or superintendent (with no manual duties), oil scout, instrument technologist, tester	2A	• Maintenance workers	B
• Inspector - refer to Inspector		PAVING WORKER	A*
• Petroleum engineer - refer to Engineer		PENITENTIARY WORKER - refer to Law Enforcement	
• Foreman (no manual duties)	A	PERSONAL TRAINER - refer to Athletics, Sports & Amusements	
• Land person/land agent (office duties only)	3A	PHARMACIST	4A
• Others (not handling explosives)		PHARMACY ASSISTANT/TECHNICIAN	3A
• Skilled, light manual duties	A	PHOTO DEVELOPER	2A
• Unskilled, heavy manual duties	B	PHOTOENGRAVER	
• Driver - refer to Driving		• Artist	2A
• Shooters, detonators, firers and others handling explosives	UC	• All other employees	A
• Offshore workers	UC	PHOTOGRAPHER	
OIL REFINERY - refer to Manufacturing		• Newspaper/magazine	2A
OPTICAL DISPENSER	3A	• Commercial and Studio work	3A
OPTICIAN	3A	• Freelance	IC
OPTOMETRIST	4A	• Aerial	U
ORCHESTRA LEADER	U	PHYSICAL THERAPIST/PHYSIOTHERAPIST - refer to Hospital, Clinic or Personal Care Home	
ORNAMENTAL IRON WORKER		PHYSICIAN ASSISTANT - refer to Hospital, Clinic or Personal Care Home	
• Shop only	A	PHYSICIAN & SURGEON, M.D.	
• Others	B	• Emergency or Critical Care	
ORTHODONTIST - refer to Dentistry		• Anesthesiology	4A
ORTHOTIST	3A	• Emergency	4A
OSTEOPATH		• Others	4A
• M.D.	4A	• Family Practice	
• Others	3A	• Less than 20% emergency or critical care duties	4A
PACKING HOUSE - refer to Stockyards/Slaughter & Packing House		• 20% or more emergency or critical care duties	4A
PAINTER		• Lab, Pathology, Research or Insurance	4A
• Artist	U	• Specialist	
• Bridge, railroad, ship hull or interior	B	• Cardiology	4A
• Automobile - refer to Automobile Industry		• Clinical Immunology and Allergy	4A
• Signs - refer to Sign & Billboard Erectors & Builders		• Endocrinology and Metabolism	4A
• Shop painter of manufactured goods, highway	B	• Gastroenterology	4A
• Residential	A*	• Geriatric Medicine	4A
• Spray painters	B	• Hematology	4A
PARALEGAL	3A	• Internal Medicine	4A
PARAMEDIC/EMT		• Nephrology	4A
• Air ambulance	U	• Neurology	4A
• Other	B	• Oncology	4A
PARKING LOT		• Pediatrics	4A
• Owner, manager, office duties only	2A	• Respiriology	4A
• Attendant	UC	• Rheumatology	4A
PARKS (city, provincial or national)		• Surgeon	4A
		• Other	4A
		PHYSICIST	4A
		PIANO REPAIRER or TUNER - refer to Music	
		PICTURE FRAMER	2A

PILE DRIVER	B	REAL ESTATE - refer to Sales	
PILOT - refer to Aviation Industry		RECEIVING or SHIPPING CLERK - refer to Warehouses	
PIPE or GAS FITTER	A	REPAIR PERSON	
PLASTERER	B	• Appliances - refer to Appliance Repairs	
PLUMBER	A	• Radio, television, small electronics	A
PODIATRIST	4A	REPORTER - refer to Newspaper or Magazine Industry	
POLICE - refer to Law Enforcement		RESPIRATORY THERAPIST - refer to Hospital, Clinic or Personal Care Home	
POSTAL WORKER	U	RESTAURANT	
POWER SHOVEL OPERATOR	B	• Owner or manager, office and supervisory only	2A
PRINTING & PUBLISHING		• Chef	A
• Lithographer, pressperson	2A	• Head waiters, maitre d'hotels	2A
• Photoengraving - etchers, finishers, photoengravers, printers, proofers, proofreaders, strippers	2A	• Counter persons, busboys, checkroom attendants	A
• Publisher, editor, manager, office employees	3A	• Cashiers, checkers or hostesses	2A
• Printing compositors, electrotyper, jobber, linotype and monotype operator, press operator, stereotyper, stone hand, typesetter	2A	• Cooks	B
• Machine book binders, routers, maintenance mechanics, press operators, stone hands, type foundry workers, other skilled workers	A	• Dish washers, kitchen help, parking attendants	B
PRISON WORKERS - refer to Law Enforcement		• Bartenders	B
PROFESSOR - refer to Teaching		• Waiters, waitresses	A
PROOFREADER - refer to Printing and Publishing		RETAIL SALES	
PROPERTY MANAGER - refer to Building Services & Maintenance		• Group I	
PROSPECTOR, MINING	U	• Art goods, books, clothing, computers, department stores (light merchandise), drugs, furs, jewellery, musical instruments, photographic supplies, shoes, sporting goods, stationary, tobacco, liquor, video	
PROSTHETIST	3A	• Owners, managers, office, sales or supervisory duties only	3A
PSYCHIATRIST	4A	• Sales people and clerks with sales duties only	2A
PSYCHOLOGIST		• Other duties including stocking shelves, repairing and delivery	A
• Ph.D.	4A		
• Others	3A		
PULP & PAPER INDUSTRY - refer to Lumber Industry		• Group II	
PUMP REPAIRER, CLEANER or SETTER - refer to Water Works		• Auto parts, building, supplies, carpet, electrical supplies, electronics, farm implements, feed, flour, floor covering, furniture, hardware, household appliances, machinery (including motorcycle, sea-doo, recreational vehicles (RV's) and boat), pets and pet supplies, plumbing supplies, supermarkets, radio and television, tools, wine and beer making	
PYROTECHNIST	U	• Owners, managers, office, sales or supervisory duties only	2A
QUARRY - refer to Mining			
RABBI			
• Not Shochet	3A		
• Shochet	B		
RADIO - refer to Motion Picture, Recording, Radio, Television & Theater Industry			
RAILROADS			
• Freight solicitors, station masters or agents	3A		
• Brake operator, conductors, engineer, switch person, tower person, yardmaster or yardclerk, dispatcher	A		
• Office worker	3A		
• Ticket agent, announcer	3A		
• Trades person and skilled workers	A		
• Others - including track/signal building and maintenance	B		

<ul style="list-style-type: none"> All other employees, except those delivering; includes repairmen 	A	SIGN and BILLBOARD ERECTOR & BUILDER	
<ul style="list-style-type: none"> Delivering - refer to Drivers 		<ul style="list-style-type: none"> Builder, erector, maintenance person or repairer 	B
<ul style="list-style-type: none"> Group III <ul style="list-style-type: none"> Convenience, food, grocery, general stores <ul style="list-style-type: none"> Owners, managers, all employees - not in own residence Lottery Sales Operating from own residence 	A A U	<ul style="list-style-type: none"> Glass bender, layout person, silk screeners Painters <ul style="list-style-type: none"> In shop Out of shop 	2A A B
ROAD CONSTRUCTION - refer to Construction Industry		SILVERSMITH	2A
ROOFER	B	SINGER	U
ROOMING HOUSE PROPRIETOR	U	SOCIAL SERVICES	
SALES		<ul style="list-style-type: none"> Degree in social work <ul style="list-style-type: none"> Administrative duties only Working outside the office, no manual duties Others <ul style="list-style-type: none"> Working outside the office, no manual duties Working outside the office, with manual duties 	3A 2A A UC
<ul style="list-style-type: none"> Insurance (agents & brokers) – refer to Financial Services Real estate <ul style="list-style-type: none"> Agent, broker, realtor (residential and commercial) Commercial leasing manager, no sales Retail - refer to Retail Sales Others <ul style="list-style-type: none"> Sales only, not carrying samples, demonstrating or delivering, minimum income of \$60,000 Sales only, carrying samples, demonstrating or delivery or income less than \$60,000 Door-to-door, house party, cosmetics 	A 3A 3A 2A UC	SPEECH PATHOLOGIST/THERAPIST - refer to Hospital, Clinic or Personal Care Home	
SAND BLASTER		SPORTS - refer to Athletics, Sports & Amusements	
<ul style="list-style-type: none"> Glass and metal only Others 	B U	SPRINKLER SYSTEM INSTALLER	
SANITARIUM - refer to Hospital, Clinic or Personal Care Home		<ul style="list-style-type: none"> Inside Outside 	A B
SAW MILL EMPLOYEE - refer to Lumber Industry		STEAMFITTER	A
SCRAP METAL DEALER - refer to Junk Dealer		STEEPLEJACK	UC
SCULPTOR	U	STEVEDORE - refer to Dock Worker	
SEAMSTRESS - refer to Dressmaker		STOCKCLERK	A
SECURITY GUARD/WATCH PERSON - refer to Law Enforcement		STOCKYARD, SLAUGHTER & PACKING HOUSE	
SERVICE STATION - refer to Automobile Industry		<ul style="list-style-type: none"> Office duties only Supervisory duties only Butcher - refer to Butcher Workers around live animals Inspector or Grader - refer to Inspector Others 	3A 2A B UC
SEWING MACHINE OPERATOR	B	STREET CLEANING	
SEWING MACHINE REPAIR PERSON	A	<ul style="list-style-type: none"> Foreman Drivers - refer to Heavy Equipment Operator Others 	A B
SHEET METAL WORKER		STRUCTURAL IRON & STEEL	
<ul style="list-style-type: none"> Shop work only Others 	A B	<ul style="list-style-type: none"> Inspectors – refer to Inspector Other 	UC
SHERIFF - refer to Law Enforcement		STUCCO WORKER	B
SHOE MAKER or REPAIRER	A	SURVEYOR	
SIDING INSTALLERS	A*	<ul style="list-style-type: none"> Office duties only Field duties <ul style="list-style-type: none"> Construction Logging Mining <ul style="list-style-type: none"> Above ground Others Others 	3A 2A A 2A A 2A
		TANNING SALON - refer to Athletics, Sports & Amusements	
		TAILOR	
		<ul style="list-style-type: none"> Factory employee Others, not at residence 	B A

TATTOO ARTIST	UC	TREE FARMER - refer to Gardening, Landscaping & Nursery	
TAXICAB & LIMOUSINE COMPANIES		TREE WORKER	
• Driver - refer to Driver		• Sprayers, surgeons, fumigators and trimmers	B
• Owner		TRUCKING - refer to Driver	
• Driving - refer to Driver		TUG BOAT - refer to Marine Industry	
• No driving, supervisory duties only, minimum 7 full time employees	2A*	TYPESETTER - refer to Printing & Publishing	
TAXIDERMIST (not at residence)	2A	ULTRASOUND TECHNICIAN - refer to Hospital, Clinic or Personal Care Home	
TEACHING		UNDERTAKER - refer to Funeral Services, Funeral Homes, Cemetery and Crematory	
• University professors (including CEGEP)	4A	UNION	
• Principals, superintendents, department heads, other administrative officials	3A	• Official, executive, office duties only	3A
• University guidance counsellor	3A	• Business agent, organizer	A
• Other teachers		UPHOLSTERER - refer to Furniture	
• Working full time away from residence and not freelancing	A	VENDING MACHINE	
• Teaching at home	IC	• Owners, managers - not collecting, filling, servicing, etc., minimum five employees	2A
TELEVISION - refer to Motion Picture, Recording, Radio, Television & Theater Industry		• Collectors, installers, fillers, repairers, serviceperson	B
TELEMARKETER	A	VETERINARIAN	
TELEPHONE		• Small animals	4A
• Outside lines construction, maintenance and operation		• Large animals	3A*
• Foreman (conduits and tunnel and not climbing poles)	A	VETERINARIAN ASSISTANT	A
• All others	B	VETERINARIAN TECHNICIAN	2A
• Inside workers		VIDEO ARCADE - refer to Athletics, Sports & Amusements	
• Operators dispatchers and others with office duties only	3A	WAITER/WAITRESS - refer to Restaurant	
• Installers, repairman, testers		WALLPAPER HANGER	A
• Inside work only	2A		
• Outside work only	A		
TENT MAKER, AWNING MAKER	A		
TEXTILE MILL - refer to Manufacturing			
THEATRE - refer to Motion Picture, Recording, Radio, Television & Theater Industry			
THERAPIST - refer to Hospital, Clinic & Personal Care Home			
TILE LAYER or SETTER	B		
TINSMITH - refer to Sheet Metal Worker			
TOLL COLLECTOR, BRIDGE, GATE or HIGHWAY	2A		
TOOL & DIE MAKER - refer to Manufacturing			
TOPOGRAPHER			
• Office duties only	3A		
• Others	2A		
TRANSLATOR			
• Certified members of Provincial Association with minimum income of \$50,000 for past 2 years	4A		
• All others	3A		
TRAPPER	U		
TRAVEL AGENT			
• Not conducting tours	3A		
• Conducting tours	2A		

		• Other employees	B
		WELDER or CUTTER (not structural steel)	A
		WELFARE WORKER - refer to Social Services	
		WINDOW CLEANERS - refer to Building Maintenance & Service	
WARDEN		WINDOW DRESSERS & TRIMMERS	A
• Fish or game - refer to Forest Ranger, Forester & Warden		WINDOW INSTALLERS	A
• Working in a penitentiary or correctional institute - refer to Law Enforcement		WINERY -refer to Liquor Industry	
WAREHOUSES		WRITER or AUTHOR	U
• Foremen, managers, superintendent (not handling goods)	2A	X-RAY MACHINE	
• Checker	A	• Technician - Refer to Hospital, Clinic or Personal Care Home	
• Shipper/Receiver, and other employees	B	• Repairing, servicing	A
WATCHMAN - refer to Law Enforcement		ZOO	
WATER DRILLER	B	• Zoo director	3A
WATER METER - refer to Meter Reader/Installer		• Zoologist	
WATCH REPAIR - refer to Clock/Watch Manufacturing & Repair		• Less than 20% field duties	3A
WATER WORKS		• 20% or more field duties	2A
• Superintendent - no manual duties	3A	• Superintendent (not regularly handling animals and no manual duties)	2A
• Foremen, tester	2A	• Attendants, feeders, others	UC
• Filter person, pump operator, meter repairer, outside superintendent and foremen	A		
• Pump repairer, cleaner or setter	B		

*These occupations will not be eligible for occupation class upgrade.

**These occupations are restricted to a 60-month benefit period. The first day accident and regular occupation period extender riders are not available.

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