

Group Life Insurance Plan

1st *choice*

A benefits
program for
managers and
non-union
employees

1st Choice

Group Life Insurance Plan

The Group Life Insurance Plan provides Core Life and Accident Insurance, Enhanced Life Insurance, Retiree Insurance and Dependent Life Insurance.

Summary of Benefits

	Core Life & Accident Insurance	Enhanced Life Insurance	Dependent Life Insurance	Retiree Life Insurance
Coverage	1 or 2.5 times annual salary. Maximum \$400,000	1, 2, 3 or 4 times annual salary. Maximum \$600,000	Spouse or Benefit Partner: \$15,000 Each Child: \$7,500	\$4,000, \$5,000 or \$7,000

* The \$400,000 maximum is applicable to both Life and Accident insurance for a total maximum of \$800,000 on both coverages combined.

Core Life and Accident Insurance

Core Life Insurance provides a lump sum benefit to your beneficiary(ies) if you die from any cause whatsoever while insured.

You have a choice of Core Life coverage of either 1 times or 2.5 times your basic annual salary (rounded to the next higher \$1,000) up to a maximum of \$400,000. The cost is a flat rate for each \$1,000 of insurance. Refer to the *1st Choice Premium Rate Sheet*.

A minimum of 1 times salary for Core Life Insurance is mandatory. If you are age 65 to 69, you have this minimum coverage (core coverage of 2.5 times salary is not an option).

Your Accident Insurance coverage is in the same amount as your Core Life Insurance — either 1 times or 2.5 times your basic annual salary. This amount is your Principal Sum. The Principal Sum is payable to your beneficiary in the event of your accidental death in addition to the Core Life Insurance.

If an accident results in severance or loss of use of bodily limbs, loss of hearing, speech or sight, within 365 days after the accident, the following payment will be made to the insured person:

For loss of:

Both hands or both feet or

- sight of both eyes The principal sum
- One hand and one foot The principal sum
- One hand and sight of one eye The principal sum
- One foot and sight of one eye The principal sum
- Speech and hearing in both ears .. The principal sum
- One arm or one leg 3/4 principal sum
- One hand or one foot or
 - sight of one eye 2/3 principal sum
 - Speech or hearing in both ears 1/2 principal sum
- Thumb and index finger or at least
 - four fingers of one hand 1/3 principal sum
- All toes of one foot 1/8 principal sum

For loss of use of:

Both legs or both arms or

- both hands The principal sum
- One leg or one arm 3/4 principal sum
- One hand 1/2 principal sum

Limitations under Accident Insurance

Benefits are not payable for injuries or death due to:

- suicide or self-inflicted injuries;
- viral or bacterial infections (some exceptions);
- disease or illness;
- medical or surgical treatment;
- war, riot or participation in a crime;
- service in an armed forces; or
- travel as a crew member in an aircraft.

The premium for Accident Insurance is included in the premium rate for Core Life Insurance, as shown on the Premium Rate Sheet.

Enhanced Life Insurance

If you choose Core Life Insurance of 2.5 times your salary, you may apply to purchase additional insurance on your life of 1, 2, 3 or 4 times your annual salary (rounded to the next higher \$1,000) up to a maximum of \$600,000. The maximum insurable annual salary is \$150,000.

If you are between ages 65 and 70, you may apply for Enhanced coverage even though your Core coverage is only 1 times salary.

You will have to provide the insurance company with evidence of insurability if you want any level of Enhanced coverage if you do not currently have it, or if you want to increase the level of your Enhanced Life Insurance. If you are not sure if you have this coverage or of your level of coverage, your monthly paycheque will tell you if you have this life insurance — it will show an amount for “Enhanced Life Insurance.” Also refer to your annual Benefits Statement to determine your level of coverage or contact your Ministry Human Resources Office.

To apply for the level of Enhanced Life Insurance coverage you want, complete and submit an “Evidence of Insurability for Life Insurance” form. You will be informed if your application for the additional coverage has been approved or denied or additional information is required. When the additional coverage is approved, you will then commence to pay the additional premiums for that coverage. If the coverage is denied, it will not be provided. You may apply again at a later date, however, you would again be required to provide evidence of insurability.

The premium rates for this coverage are based on your age, gender and whether or not you are a smoker. Refer to the *1st choice Premium Rate Sheet* for the rate that applies to you. Your premium rate will automatically increase each time you enter a new 5 year age category.

Smoker Status (applies to Enhanced Life Insurance only)

If you are a non-smoker, you must make a written declaration and submit it in order for the premium rate of a non-smoker to apply. The premium rate of a non-smoker is less than the rate for a smoker of the same age and gender. If you are a smoker, it is not necessary to declare your smoker status; you will be deducted for the smoker rates.

If you are a smoker and subsequently stop smoking cigarettes for one year, and in the past two years have not been treated or had any indication of heart disease, stroke, cancer or any respiratory disease or disorders, you may declare yourself as a non-smoker and your premium will be reduced.

The insurer does not consider a person who only smokes cigars or a pipe, to be a smoker.

If you are declared as a non-smoker and subsequently commence smoking, notify your Ministry Human Resources Office in writing and your premiums will be changed to the smoker rates.

Limitations

Enhanced Life Insurance is not payable if you die by suicide within 24 months of commencing this insurance coverage.

Amount of Insurance Changes When Annual Salary Rate Changes

The amount of your Core Life and Accident Insurance and your Enhanced Life Insurance will change with a change in your annual salary rate. This will occur automatically. Your monthly premium will also change to reflect the revised amount of insurance.

Dependent Life Insurance

Dependent Life Insurance provides a lump sum benefit to you if your spouse or benefit partner or child die from accidental or natural causes. This coverage is optional.

Your spouse or benefit partner is covered for \$15,000 and each child is covered for \$7,500. Coverage on a child is effective as soon as the child is born. You are the beneficiary for any benefits paid.

Any eligible dependents you acquire after you have elected this coverage are automatically covered.

You may choose this coverage when first enrolling in 1st choice benefits, at a Choice Time or within 31 days of a life event. The cost is a flat amount regardless of how many children you have. You may cancel your coverage at any time.

The monthly premium rate is shown in the *1st choice Premium Rate Sheet*.

Retiree Life Insurance

The Group Life Insurance Plan provides Retiree Life Insurance of:

- \$4,000 if you have less than 10 years of continuous Government service and on termination of employment you retire immediately into the Management Employees Pension Plan (MEPP) or the Public Service Pension Plan (PSPP); or if you are employed beyond age 70 with less than 10 years of continuous service and are eligible for MEPP or PSPP.
- \$5,000 if you have between 10 and 20 years of continuous service and retire immediately into MEPP or PSPP; or if you have between 10 and 20 years of continuous government service and terminate; or if you are employed beyond age 70 with between 10 and 20 years of continuous service and are eligible for MEPP or PSPP.
- \$7,000 if you have 20 years or more of continuous government service and terminate; or if you are employed beyond age 70 with more than 20 years of continuous service.

You do not pay any additional premium for this coverage; it is paid from premiums under the Core Life Insurance.

If you qualify for this coverage, you will be provided a certificate of insurance issued by the insurance underwriter, The Great-West Life Assurance Company. The benefit will be paid to your designated beneficiary when a claim is filed directly with Great-West Life following your death.

Considerations in Choosing Life and Accident Insurance

- How many dependents do you have? If you have dependents you may want additional life insurance to replace your income in the family.
- How old are your dependents? If you have small children you might consider life insurance as an educational endowment.
- How self-sufficient is your family? If your spouse or benefit partner works and you have no small children, you might opt for a smaller amount of coverage.
- How much debt would be left to your survivors (e.g. mortgage)?
- What expenses would your survivors have in the event of your death — both immediate (e.g. funeral) and long term (e.g. day care, housekeeping)?
- Do you or your family engage in activities such as frequent travel by car which would increase your chance of accidental injury?
- Is it important to you to know that you would have enough money to modify your home or car if you had a debilitating accident?
- Do you wish to make any special bequests (e.g. to a friend or charity)?
- Do you have coverage through other insurance policies or your spouse's or benefit partner's benefit plans?
- Would there be any benefits payable from the Canada Pension Plan?
- Would your beneficiary be eligible for a benefit from your Pension Plan?

Beneficiary Considerations

- Designating adults as beneficiaries results in direct and speedy payment.
- Designating a minor without naming a trustee as part of your will may result in the money being paid to a public trustee to be held until the minor reaches the age of majority (age 18 in Alberta).
- Designating your estate means the funds would be subject to payment of debts and any probate fees. It may also delay payment to your next of kin.
- You may change your beneficiary at any time.

Disability — Waiver of Premium Benefit

If after two years from commencement of your disability, you remain disabled such that you are not able to perform any occupation or work whatsoever, your Core Group Life Insurance, Accident Insurance, and if applicable, Enhanced Life Insurance will remain in force without further premium payment throughout the period of the disability until recovery, death or age 65, whichever is the earliest. To qualify for this benefit, you must furnish medical evidence as requested, and be approved for the benefit by the insurer. If you have Dependent Life Insurance, you must continue to pay the full premium to keep that insurance in force.

Changing Your Benefit Coverage

Group Life Insurance	Anytime	Choice Time	Life Event Gain a Spouse or Benefit Partner or First Child	Life Event Lose a Spouse or Benefit Partner or Dependent Child's Loss of Coverage	Lose Coverage Under Spouse's or Benefit Partner's Plan or Change in Child's Eligibility
Core Life and Accident Insurance	Increase with evidence or decrease to mandatory level.	Increase with evidence or decrease to mandatory level.	Increase one level without evidence.	Increase one level without evidence.	Increase with evidence or decrease to mandatory level.
Enhanced Life Insurance	Increase with evidence, decrease or opt out.	Increase with evidence, decrease or opt out.	Increase one level without evidence, or increase more than one level with evidence.	Increase one level without evidence, or increase more than one level with evidence.	Increase with evidence, decrease or opt out.
Dependent Life Insurance	Opt Out	Opt In or Opt Out	Opt In or Opt Out	Opt In or Opt Out	Opt Out
When to Change		Between specified dates	Within 31 days of the event occurring.	Within 31 days of the event occurring.	Anytime

Conversion Privilege

When your insurance terminates because of termination of employment, including retirement, or reaching age 70, you may apply to The Great-West Life Assurance Company for an individual life insurance policy for an amount of insurance equivalent to or less than the combined total of the Core and Enhanced Life Insurance on your life. The spouse's or benefit partner's insurance under Dependent Life Insurance may also be converted. This insurance may be converted without evidence of insurability, if you make application within 31 days of termination of insurance under this plan. During the 31 day period, all your life insurance and the spouse's or benefit partner's insurance under Dependent Life Insurance, remain in force free of charge.

For Further Information

Contact your Ministry Human Resources Office.

This booklet is a summary of the principal features of the plan, but group policy numbers 33383GL, 33384GL and 43935GLSP issued to the government of the province of Alberta by The Great-West Life Assurance Company are the governing documents.

