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A. SUMMARY OF BENEFITS

Policy No.: 24,500

Effective Date: 2007-09-01

1. SPECIAL PROVISIONS

For the purposes of this contract, the masculine form includes the feminine unless a different meaning is plainly to be taken from the context.

Participants are identified under the following accounts and classes:

Accounts

- 011 – Academic (Non-tenure)
- 012 – Academic (Tenure)
- 013 – Trades and Services
- 015 – Munasa & E's
- 016 – Munaca
- 017 – Others ⁽¹⁾

Classes

- 100 – Active Employees
- 110 – Executives

⁽¹⁾ Participants of Account 017 include employees of the Shriner's Hospital, employees of the MUHC Foundation and employees of the Aylmer & Sherbrooke Investment Co. These employee groups are affiliates to McGill University and are not employees of McGill University.

A. SUMMARY OF BENEFITS (cont'd)

Policy No.: 23,005

Effective Date: 2003-01-01

2. GENERAL PROVISIONS

2.1 ELIGIBILITY DATE:

Subject to all other provisions, each employee shall become eligible on one of the following dates:

- a) on the effective date of the contract, if he is then in the policyholder's service,
- or
- b) on the date on which he becomes a regular *full-time employee* or a regular *part-time employee* as defined in the current policyholder's policy.

2.2 MINIMUM PARTICIPATION

At all times, the number of participants shall not be less than 100% of eligible employees, for the Long-term Disability Income Insurance Benefit.

2.3 NORMAL RETIREMENT AGE

For the purpose of this contract, the normal retirement age shall be the last day of the month following or coinciding with the participant's 65th birthday.

A. SUMMARY OF BENEFITS (cont'd)

Policy No.: 24500

Effective Date: 2007-01-01

3. LONG-TERM DISABILITY INCOME INSURANCE

Classes

Sum Insured

100.

60% of the first \$3,000 of the member's monthly covered earnings as of the end of the elimination period, plus 45% of the excess, the result being rounded to the next dollar.

Monthly maximum:
\$5,325, subject to applicable reductions.

However, the overall maximum must not exceed 87% of the covered net earnings determined at the end of the elimination period of disability.

Elimination Period:

6 months (12 months for cases accepted by the *Commission de la santé et sécurité au travail du Québec*)

Payment of benefits, if applicable, begins after the termination of the maximum benefit period provided under the Short-term Disability Income Insurance, if applicable.

Maximum Benefit Period:

To the participant's 65th birthday

Benefits are non taxable.

Maximum annual indexation rate:

5%, notwithstanding the above-mentioned *Monthly maximum*.

This benefit terminates on the last day of the month in which the participant attains age 65 or upon retirement, if earlier.

B. GENERAL PROVISIONS

1. DEFINITIONS

- 1.1 Acceptance of Evidence of Insurability:** The date of acceptance of any evidence of insurability means the date of receipt of the last document confirming the insurer's acceptance of the risk.
- 1.2 Accidental Injury:** An injury resulting from an event that is without apparent cause, or is unexpected, which requires regular and continuous care provided by a physician, satisfactory to the insurer, and whose default would bring deterioration of the person's health.
- 1.3 Actively at Work:** The status of a participant who is at work for the usual number of working hours on any day in which he performs the usual and customary duties of his occupation, at the normal location he is required to perform such duties.
- A participant shall be deemed to be actively at work on a scheduled non-working day if he was actively at work on the scheduled working day immediately preceding said non-working day.
- 1.4 Covered Earnings:** The gross monthly salary, exclusive of any supplementary, sessional or overtime payments, provided that the basic salary for a participant on an approved leave of absence shall be computed in accordance with the policyholder's then current practice or policy.
- 1.5 Covered Net Earnings:** The participant's monthly covered earnings at the end of his Elimination Period, less the amount of income tax, employee benefit and pension contributions, Employment Insurance contributions and Québec Pension Plan contributions payable on such earnings.
- 1.6 Administrator:** An individual or firm as the policyholder may appoint for the purposes of administering the present plan.
- 1.7 Day:** A calendar day, except if otherwise mentioned in the present contract.
- 1.8 Disability:** A continuous state of incapacity due to illness or accidental injury which prevents a participant from performing the essential duties of his normal occupation and which continues throughout the elimination period and during the twenty-four (24) months of benefit payment from the Long-term Disability Income Insurance, or which prevents him from engaging in any occupation for which he is or becomes reasonably qualified by education, training or experience.

B. GENERAL PROVISIONS (cont'd)

It is understood that whenever medical care is necessary and, according to the insurer, is a matter for a specialist, the medical care must actually be given by a specialist of the appropriate field.

- 1.9 Elimination Period:** In the case of a period of disability for which the Worker's Compensation Board has accepted a claim: a total period of twelve (12) months accumulated over twenty-four (24) months.

For all other periods of disability related to the same or related causes: A total period of six (6) months, including at least two (2) consecutive months, all of which accumulated over twelve (12) months.

- 1.10 Employee:** A person employed by the policyholder on a:

- a) regular full-time basis, or
- b) regular part-time basis,

defined as follows:

- **Full time employee:** An employee who is working two-thirds of the time or more. In the case of a Non-academic Employee, *two-thirds of the time* shall mean two-thirds of the normal number of working hours established for employees of the same classification as the employees of the current policies of the policyholder; in the case of an Academic Employee, two-thirds shall be determined by the terms of employment as approved by the Board of Governors at the time of appointment.
- **Part-time employee:** An employee who is not a full-time employee and whose annualized rate of earnings is at least ten thousand dollars (\$10,000) and whose appointment with the policyholder is for at least nine (9) months.

- 1.11 Hospital:** A center for acute care treatment, following legal regulations, providing services of a physician, dispensing health treatments to sick or wounded people; offering diagnostics, operating room services and continual supervision of nurses.

- 1.12 Illness:** Any deterioration in health (including mental health) requiring regular, continuous and curative care actively provided by a physician and satisfactory to the insurer, and whose default would bring deterioration of the person's health.

- 1.13 Normal retirement age:** Age indicated in the Summary of Benefits.

- 1.14 Normal occupation:** A profession, trade, work or other means of earning a living in which the participant was primarily engaged immediately prior to the commencement of the disability.

- 1.15 Participant:** Any employee who meets eligibility requirements and is insured in accordance with the plan provisions.

B. GENERAL PROVISIONS (cont'd)

- 1.16 Physician:** A person who is legally licensed and authorized to practice medicine by the licensing authority of the jurisdiction in which he or she practices.
- 1.17 Pregnancy:** Pregnancy, child birth, miscarriage, abortion and conditions which result directly or indirectly from any of the foregoing.
- 1.18 Rehabilitative employment:** Any occupation or work for compensation or profit engaged in by a participant or disabled participant, and approved by the Insurer for the participant as a period of vocational training or work for the purposes of rehabilitation.
- 1.19 Specialist:** A physician licensed by the provincial licensing authority to practice medicine with specialization.

2. PARTICULARS

2.1 RENEWAL

This contract is automatically renewed at each renewal date, for a period of one year, unless termination notice is given in writing by the policyholder or the insurer, provided premiums due are paid and participation is not less than that specified in the Summary of Benefits.

2.2 CONTRACT AMENDMENT

If the policyholder wishes to amend the contract, he must submit a written notice to the insurer at his head office or at a designated regional office.

The contract may be amended only by means of a rider bearing the signature of authorized signing officers of the insurer.

The benefits herein provided are complementary to the benefits provided by government plans. Any modification brought to one of these plans after the effective date of the present contract will in no way modify the benefits herein provided, unless an agreement is signed by the authorized representatives of the insurer and the policyholder.

2.3 CONTRACT TERMINATION

- a) The policyholder may terminate the contract at any premium due date, provided written notice to that effect is received by the insurer prior to such date. However, if the date of termination does not fall on a premium due date, the policyholder must pay the insurer the pro rata premium from the last premium due date to the date of termination.

B. GENERAL PROVISIONS (cont'd)

The date of termination is the later of:

- i) the date of written notice received by the insurer at his head office or at a designated regional office;
 - ii) the requested date of termination.
- b) The insurer may terminate the contract:
- i) on the renewal date, by giving the policyholder at least ninety (90) days written notice;
 - ii) on the date specified in the written notice the insurer gives the policyholder if the latter has not complied with the provisions of the contract;
 - iii) if the number of participants or the percentage of participation falls below limits specified in the Summary of Benefits, by giving the policyholder ninety (90) days written notice.
- c) The contract automatically terminates on the last day of the grace period if the policyholder has failed to pay the required premium.

2.4 INFORMATION

The policyholder must provide the insurer with any information required by the latter solely for the purpose of premium calculation. The policyholder must allow the insurer to consult the payroll, as well as all pertinent books and records, when this is reasonably possible.

The policyholder should assist the insurer in obtaining authorization to consult all books and records of any person or organization containing information pertinent to this insurance whenever this is reasonably possible.

2.5 INCONTESTABILITY

Whenever evidence of insurability is required to approve insurance for a participant, or to approve the benefit, the statements made in such proof are, except in cases of error in age or fraud, accepted as true and incontestable after the said participant's benefit has been in force for two (2) years, and provided the participant is still living at that time.

If the insurance is cancelled and then reinstated, the two-year period starts as of the date the insurance has been reinstated.

2.6 RENUNCIATION

No action or promise of any market intermediary on behalf of the insurer or on the market intermediary's own behalf may be construed to be a renunciation on the part of the insurer of any provision of this contract, the market intermediary being at no time so empowered or mandated.

In a case where the insurer does not require compliance with a provision of this contract, such occurrence in no way creates a commitment to act likewise in the event of a

B. GENERAL PROVISIONS (cont'd)

subsequent breach of the same provision. Moreover, no approval by the insurer of any act, on the part of the policyholder or of a participant, for which such approval was required, shall exempt the policyholder or the participant from having to obtain the insurer's approval for any subsequent similar act.

2.7 AGE

The participant's age, determined according to the declared date of birth, serves as the basis for premium calculation.

Benefits, premiums and indemnities are determined according to the insured person's actual age at the time of claim. If the insurer discovers the age declared or used to be incorrect, the actual birth date, determined to the satisfaction of the insurer, will serve as the basis for premium calculation and an equitable adjustment will be made to premiums and benefits provided by this contract.

2.8 ASSIGNMENT AND COLLATERAL

The rights and interests provided under this contract can neither be assigned nor serve as collateral.

2.9 LAWFUL CURRENCY

All payments hereunder will be made in the lawful currency of Canada.

2.10 WHOLE AGREEMENT

The present contract constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes and replaces all prior contracts, undertakings and discussions of the parties hereof in regard thereto. The preamble of this contract forms part hereof.

2.11 LANGUAGE

The parties have requested that this contract be drawn up in English. Les parties ont convenu que cette entente soit rédigée en anglais.

B. GENERAL PROVISIONS (cont'd)

3. INSURANCE

3.1 ELIGIBILITY

An employee becomes eligible:

- a) as of the effective date of the contract, in the case of any employee then in the employer's service; or
- b) in all other cases, on the date specified in the Summary of Benefits.

3.2 APPLICATION FOR GROUP INSURANCE

Any employee who is eligible for the insurance must submit an application on forms supplied by the policyholder.

3.3 EFFECTIVE DATE OF INSURANCE

The employee's insurance takes effect on the eligibility date.

However, if the employee was not actively at work on the date the insurance would otherwise have become effective, the insurance takes effect on the date the employee returns to active work.

Any amount of insurance in excess of the non-evidence maximum shown in the Summary of Benefits, if applicable, takes effect on the date the insurer accepts the evidence of insurability.

3.4 TERMINATION OF INSURANCE

A participant's insurance automatically terminates on the earliest of the following dates:

- a) The date the benefit or contract is terminated;
- b) The date on which the participant retires, unless otherwise specified in the Summary of Benefits;
- c) The date the participant reaches the age limit specified in the Summary of Benefits, if applicable;
- d) The date of the participant's death;
- e) The later of the following dates:
 - i) the date indicated on a written notice received from the policyholder;
 - ii) the date this notice was received by the insurer;
- f) The date the participant ceases to qualify as an employee as defined in this contract, except in the following cases:

B. GENERAL PROVISIONS (cont'd)

- i) In the case of temporary termination of employment due to a strike or a lock-out, the insurance is kept fully in force for a period not exceeding three (3) months for all participants, provided premiums continue to be paid, and provided there be no individual selection.

The insurance may however be cancelled or modified within the first seven (7) days of the event, if the policyholder so requests in writing and if both parties agree. The cancellation or modification takes effect on the date the request is received by the insurer.

- ii) In the case of temporary termination of employment due to the lay-off of a participant, class or category of employees, the insurance is kept fully in force for a period not exceeding six (6) months for all participants, provided premiums continue to be paid.

The insurance may however be cancelled if the policyholder so requests in writing; in such a case, the cancellation takes effect on the date the request is received by the insurer.

- iii) If the participant ceases to be actively at work due to a leave taken in conformity with a provincial or federal law, the insurance is kept fully in force for the maximum period provided by this law, if premiums continue to be paid.

If disability occurs during such a leave, the elimination period of the disability income insurance will start at the date of the onset of disability; however, no benefits are payable before the date the participant was expected to return to work.

- iv) If the participant ceases to be actively at work due to a leave of absence (approved by the policyholder), the insurance is kept fully in force for a period not exceeding twenty-four (24) months, if premiums continue to be paid.

If disability occurs during such a leave, the elimination period of the disability income insurance will start at the date of the onset of disability; however, no benefits are payable before the date the participant was expected to return to work.

- v) If the participant ceases to be actively at work due to any cause other than those mentioned above, the policyholder may, within thirty-one (31) days following the termination of employment, request an extension of insurance, with the exception of income protection, for a period of not more than six (6) months beyond the actual date of employment termination.

The insurer, however, reserves the right to terminate any extension of insurance herein specified by giving the policyholder thirty-one (31) days notice to that effect.

3.5 CHANGE IN AMOUNT OF COVERAGE

The policyholder must immediately notify the insurer in writing, on forms provided for that purpose, of any event likely to change the insurance coverage of a participant. Such change takes effect on the actual date of the event. However, in the case of increased coverage, the change takes effect at the latest of the following dates:

B. GENERAL PROVISIONS (cont'd)

- a) The actual date of the event, if the insurer receives notice prior to that date, provided the participant is then actively at work;
- b) The date on which the insurer receives the written notice, if such receipt follows the date of the event, provided the participant is then actively at work;
- c) The date on which the insurer accepts the required evidence of insurability for any insurance amount in excess of the non-evidence maximum specified in the Summary of Benefits, if applicable, provided the participant is then actively at work.

However, if the participant was not actively at work on the date the change would have otherwise become effective, the change takes effect on the day the participant returns to active work.

4. PREMIUMS

4.1 DUE DATE

The initial premium is payable by the policyholder on the effective date of the contract and subsequent premiums are payable on the fifteenth (15th) day of each month for the preceding month.

4.2 PREMIUM CALCULATION

The total premium payable on any due date is equal to the sum of premiums required for each benefit and each participant. Such premium is determined according to the rates then in force.

The premium relating to any increase, reduction, cancellation or issuance of insurance after the effective date of the contract is calculated based on the effective date of the change.

No refund of premium will, however, be made by the insurer for any period which is three (3) months prior to the date written notice of change is received.

4.3 CHANGE IN PREMIUM RATES

Monthly rates are valid up to the first renewal date indicated on the first page of the contract and may be modified thereafter on the first day of any month of insurance, provided the insurer has notified the policyholder in writing one hundred and twenty (120) days prior to the effective date of change. Afterwards however, the insurer may not modify the rates again before a period of twelve (12) months, unless the benefits are being modified.

Moreover, the insurer may change premium rates at any time if, according to the insurer, a major change occurs in:

B. GENERAL PROVISIONS (cont'd)

- a) the number of participants;
- b) the nature of the risk covered;
- c) the amounts payable under any of the benefits of this contract following changes in provincial or federal laws and regulations.

The insurer must, however, notify the policyholder in writing prior to the effective date of such change.

4.4 PREMIUM PAYMENT

All premiums and all premium adjustments, if any, are payable by the policyholder to the insurer, at the latter's head office or at a designated regional office, on their respective due dates. The payment of a premium keeps the contract in force to the last day of the period for which the premium has been paid.

The policyholder is allowed a sixty (60) day grace period, excluding the premium due date, for the payment of each premium falling due after the first premium. During the grace period, the contract remains in force unless the policyholder previously notified the insurer in writing that it was to be cancelled at the last premium due date.

Upon expiry of the grace period, the contract is automatically cancelled if the policyholder has failed to pay the premium due. The policyholder must nonetheless pay any premium or part of premium then due and unpaid.

If the policyholder notifies the insurer in writing during the grace period that the contract is to be cancelled prior to the expiry date of such grace period, he must then pay a pro rata premium for the period running from the last premium due date to the contract termination date.

5. BENEFITS

5.1 CLAIMS NOTICE

Any claim must be submitted on forms provided for that purpose by the insurer within the thirty (30) days immediately preceding the last day of the elimination period, and satisfactory written proof must be provided to the insurer within ninety (90) days immediately following the date benefits became payable.

Any claim submitted after the ninety-day (90) period and while the contract is in force limits the insurer's responsibility to the ninety-day (90) period preceding the date that any written request was received.

The insurer reserves the right to require additional proof or information whenever it deems necessary and to have the insured person examined by a physician of its choice.

B. GENERAL PROVISIONS (cont'd)

In the event of termination of contract, any claim must be submitted within six (6) months (twelve [12] months for cases accepted by the *Commission de la santé et sécurité au travail*) following the beginning of disability.

5.2 MEDICAL EXAMINATION

The insurer has the right to require, as often as deemed necessary and at his own expense, a medical examination of any person for whom a claim is submitted and to obtain the report of any physician or any dentist having examined such person.

Failure on the part of an insured person to submit to such examination results in the loss of any right to benefits.

5.3 BENEFIT PAYMENT

The insurer will pay the benefits according to the terms and conditions of the contract within thirty (30) days following the receipt of the required satisfactory proof of claim. Payments are made according to the terms and conditions of the contract with retroactive adjustments.

6. REPLACEMENT OF INSURANCE CONTRACT OR BENEFIT

6.1 PARTICIPANT'S RIGHTS UPON CANCELLATION OF THE PRESENT CONTRACT OR OF ONE OF THE COVERAGES THEREIN

If there is cancellation of the contract, the insurer shall not be liable for a recurrence of a disabling affliction after the cancellation of the coverage, if:

- a) The participant is no longer disabled after more than fifteen (15) days following termination of the first disability; or
- b) The participant has been covered by another insurer under an insurance policy comprising comparable benefits.

In every case, a disabling affliction whose onset occurred prior to the cancellation of the policy shall not be covered by the insurer if it is declared to the insurer more than six (6) months after its onset.

6.2 RIGHTS OF THE INSURED PERSON ON THE EFFECTIVE DATE OF THE PRESENT CONTRACT OR OF ONE OF THE COVERAGES THEREIN

When a coverage under this contract is replaced within thirty-one (31) days by a comparable coverage for the same group in whole or in part, the persons insured under

B. GENERAL PROVISIONS (cont'd)

the former coverage are automatically covered by the coverage of this contract, as of whichever of the following dates occurs last:

- a) The termination date of their insurance under the former coverage;
- b) The effective date of the new coverage, if:
 - i) the termination of their insurance is due solely to the cancellation of the former coverage, and
 - ii) they belong to a class covered by the new coverage.

Any person insured under the former coverage may not be excluded from the new or be denied benefits solely because of a medical history limitation which was not applicable under the former or because the person was not actively at work on the effective date of the new coverage.

A participant who is again struck by a total disability recognized by the new coverage shall be exempted from any waiting period under the new coverage, if:

- a) such disability is a result of the same cause or causes related to those which were covered under the former coverage, and
- b) less than ninety (90) days have elapsed between the due date of the last benefit payment or of the last premium waived and the beginning of the new disability period.

C. LONG-TERM DISABILITY INCOME INSURANCE

1. INSURING AGREEMENT

Upon the participant becoming disabled due to illness or accidental injury, the insurer undertakes to pay the participant the monthly indemnity specified herein for each month or part of a month (one-thirtieth (1/30) of the monthly indemnity for each day) during which the disability lasts, subject to the terms and conditions hereinafter specified.

2. PARTICULARS

2.1 Beginning of Benefits: Payment of monthly indemnity begins following expiry of the elimination period specified in the Summary of Benefits.

2.2 Amount of Benefits: The amount of monthly indemnity payable under this benefit is determined according to a formula set forth in the Summary of Benefits and may not exceed the monthly maximum amount therein specified.

2.3 Reduction of Benefits

The monthly indemnity payable under this benefit will be reduced, after the application of the monthly maximum indicated in the Summary of Benefits, by any disability benefits which are payable or which would have been payable to the participant had an application duly been made under:

- a) the Québec or Canada Pension Plan;
- b) a workers' compensation act;
- c) a provincial automobile insurance law;
- d) a provincial crime victims compensation act.
- e) any remuneration from any employer;
- f) any indemnity for loss of time or amount of income provided for the disability of the participant under any other policyholder sponsored plan;
- g) any income from any other source received in compensation of the participant's disability.

The total amount may not exceed the MAXIMUM OF ALL SOURCES indicated in the Summary of Benefits.

Future cost of living adjustments made to amounts received from any of the above-mentioned sources will not bring about further reductions.

LONG-TERM DISABILITY INCOME INSURANCE (cont'd)

2.4 Termination of Benefits

The monthly indemnity ceases on the earliest of the following dates:

- a) The date the maximum benefit period specified in the Summary of Benefits has been reached;
- b) The date on which the participant ceases to be disabled;
- c) The last day of the month in which the participant attains age sixty-five (65) or upon retirement, if earlier;
- d) The date on which the participant retires or reaches the normal retirement age under the employer's pension plan, but never beyond the normal retirement age indicated in the Summary of Benefits of the present contract;
- e) The date on which the participant starts to receive pension benefits from the Québec or Canada Pension Plan;
- f) The date of the participant's death;
- g) The date on which the participant fails to submit to an examination by the physician designated by the insurer;
- h) The date on which the participant fails to provide any evidence of disability required by the insurer;
- i) The date on which the participant refuses to participate in a rehabilitation program or to engage in rehabilitation employment which the insurer and its consulting physicians deem reasonably appropriate;
- j) The date on which the participant engages in a remunerative occupation, unless it is rehabilitation employment;
- k) The date on which the participant is incarcerated after committing a criminal offence for which he was found guilty.

3. SUCCESSIVE PERIODS OF DISABILITY

If the participant who has returned to active work again becomes disabled while the coverage is in force, within six (6) consecutive months of the first disability and if such disability results from the same cause as the previous disability or from related causes, this is considered to be a continuation of the previous disability.

However, if the participant who has returned to active work again becomes disabled while the coverage is in force, due to an illness or accidental injury totally unrelated to the previous cause of disability, the disability is considered to be a new disability and a new elimination period will apply.

LONG-TERM DISABILITY INCOME INSURANCE (cont'd)

4. EXCLUSIONS AND LIMITATIONS

- a) The benefit specified herein does not cover any disability resulting from one of the following causes:
 - i) Injury or illness resulting from civil unrest, insurrection or war, whether war be declared or not, or participation in a riot;
 - ii) Attempted suicide or voluntary self-inflicted injury, while sane or insane;
 - iii) Flight or attempted flight on board an airplane or other aircraft if the participant is part of the crew or performs any function relating to the flight, or participates in the flight as a parachutist;
 - iv) Injury or illness resulting from committing, attempting to commit, or provoking an assault or criminal offence.
- b) Monthly indemnity is not payable for any illness or accidental injury:
 - i) During any leave taken in accordance with provincial or federal legislation or during any leave taken in agreement with the employer;
 - ii) During any extension of such a leave, if the participant was entitled to and requested such extension.

However, if the participant's benefit is kept in force during such a leave, the elimination period of the disability income benefit begins at the date of the onset of disability; however, no benefits are payable before the date the participant would have returned to work.

- c) If disability results from drug addiction or alcoholism, the monthly disability benefits will be payable provided that:
 - i) the participant is confined in a hospital or is satisfactorily participating in a rehabilitation program deemed appropriate by the insurer;
 - ii) the participant is also suffering from an organic disease which would cause disability if the drug or alcohol ceased.
- d) A participant who is out of Canada and the United States for a period of ninety (90) consecutive days or more will only be entitled to the indemnity under the present benefit if the required medical reports are issued by a physician duly licensed in Canada or in the United States.
- e) The insurance provided herewith does not cover any disability resulting from an illness or accidental injury which occurs during a strike, lock-out or temporary layoff, if the participant's benefit is not kept in force during the strike, lock-out or temporary layoff.

However, if the participant's benefit is kept in force, the elimination period of the disability income benefit begins on the date the participant would have returned to work.

C. LONG-TERM DISABILITY INCOME INSURANCE (cont'd)

5. WAIVER OF PREMIUMS

A participant whose premiums are waived under the article *Waiver of Premiums* of his life insurance benefit is also entitled to waiver of premiums for the present benefit, under the same conditions.

6. REHABILITATION PROGRAM

6.1 If a participant who is disabled engages in a rehabilitation program, the insurer will pay said participant a monthly income equal to the amount of monthly benefit which the participant was receiving prior to entering the rehabilitation program, reduced by fifty percent (50%) of any net compensation received by him as a result of the rehabilitation program.

6.2 If the participant enters a rehabilitation program during the elimination period of the present benefit, the monthly rehabilitative income is assumed to be that amount which would have been payable immediately following the date on which the participant's elimination period would have been completed.

6.3 Such rehabilitative income will cease on the earliest of the following dates:

- a) the date of termination of the rehabilitative employment; or
- b) the date the insurer withdraws approval of the particular program of rehabilitative employment; or
- c) the last day of the month in which the participant attains sixty-five (65) years of age.

6.4 If at any time during rehabilitative employment the participant's total monthly income exceeds one hundred percent (100%) of his net salary prior to the onset of disability, the insurer will reduce the monthly benefit accordingly.

7. INDEXATION

On January 1st of each year, the sum insured is indexed to the annual rate of variation according to the Consumer Price Index as published by Statistics Canada for the 12 month period ending the previous October 31st, up to the maximum indexation rate indicated in the Summary of Benefits. This indexation, however, cannot be negative.

This provision also applies to all disabilities in effect on January 1st, 2010.

8. OVERRIDING RULE

The terms and conditions of this benefit will prevail notwithstanding anything to the contrary in the GENERAL PROVISIONS.