



**TEAMSTERS CANADA RAIL CONFERENCE
HEALTH AND WELFARE TRUST**

LONG TERM DISABILITY GROUP PLAN

**LOCOMOTIVE ENGINEERS OF
CANADIAN PACIFIC RAILWAY**

*This Booklet Contains Important Information And Should
Be Kept In A Safe Place Known To You And Your Family*

**MARCH 2012
GREAT-WEST LIFE POLICY 151361**

This Plan has been arranged through
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and is underwritten by
GREAT-WEST LIFE ASSURANCE COMPANY

Long Term Disability Claims are paid by Great-West Life

IMPORTANT

This booklet has been prepared to help you better understand your Long Term Disability Plan. However, **It does not take the place of any contractual or other rights.** In the event of discrepancy between any information contained in this booklet and the Group Policy, the terms of the Group Policy will apply.

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INTRODUCTION

There are times in your career when sickness or injury prevents you from working and earning your regular income. Without adequate financial protection your family's financial security and way of life could be compromised. The Teamsters Canada Rail Conference, through its Trustees, has total ownership of their Long Term Disability Plan providing to their Members a cost efficient and effective income replacement Plan. Your Long Term Disability Plan is designed to protect you from loss of income resulting in long periods away from work because of (non-occupational) illness or accidental injury.

The Teamsters Canada Rail Conference (TCRC) Canadian Pacific Railway (CPR) Long Term Disability Health and Welfare Trust Fund for Locomotive Engineers is made up of Member's contributions to fund a Group Long Term Disability Plan. The Long Term Disability Plan is a group plan mandatory for all TCRC Members, working as Locomotive Engineers, to contribute and participate. Funding for the Long Term Disability Plan will be based on a percentage of gross wages for Locomotive Engineers in the Plan. Your Board of Trustees was created to administer and monitor the overall management of the Plan. The Board of Trustees attend quarterly meetings with Canadian Benefits to monitor the financial position of the Plan, review claim decisions and concerns, and ensure the fair and equal treatment of all Members making claim under the Long Term Disability Plan.

Your Board of Trustees appointed **Canadian Benefits Consulting Group Ltd.** to administer the daily operation of the Long Term Disability Health and Welfare Trust Fund. While Long Term Disability claims are paid by the underwriting Insurance Company, **Great-West Life**, Canadian Benefits assists with the smooth transition of your claim from the Short Term period to the Long Term period. Claims support begins prior to you reaching the end of the Short Term Disability period and continues throughout the "lifespan" of your Disability. Canadian Benefits staff are available to answer any questions regarding your Long Term Disability benefits.

The Board of Trustees of your Union sponsored and controlled Long Term Disability Plan are pleased to provide you with this booklet.

HIGHLIGHTS

The Long Term Disability Program provides benefits for Members who are disabled for longer periods beyond Short Term Weekly Indemnity Benefits. Plans which may provide benefits in the longer term are:

- the TCRC, (CPR) Long Term Disability Plan
- the Canada/Quebec Pension Plan
- the Canadian Pacific Railway Disability Pension Plan
- the provincial Workers' Compensation Plan

Total Disability Coverage is as follows:

- ◆ 15 weeks – Short Term Disability Plan
- ◆ 15 weeks – Employment Insurance Sickness Benefits
- ◆ 11 weeks – Short Term Disability Plan
- ◆ Long Term Disability Plan
- ◆ Canada/Quebec Pension Plan Disability Benefits (if you qualify)
- ◆ Canadian Pacific Railway (CPR) Disability Pension Plan Benefits (if you qualify)

Eligibility:

You must meet the criteria of **Total Disability** and the qualifying disability period starts when you first become totally disabled and ends after 26 or 41 weeks if entitled to EI benefits (based on the duration of your Short Term Disability benefits). No benefits will be paid until all Short Term Disability benefits have been exhausted provided your disability is continuous and you are under age 65.

Total Disability means:

- (a) That because of accidental injury or sickness there is no combination of duties that you can perform that regularly took at least 60% of your duties at work to complete.

Exception:

If you are not disabled on the basis of the duties you regularly performed for the employer before disability started, but you are unfit to return to work according to the Railway Safety Act, and you are participating in the Employer's **Disability Management Program**, you will be considered disabled and benefits can be approved/continued for a period of twelve months from the date of Long Term Disability Benefits eligibility under the Railway Safety Act provision of this Plan; and

- (b) After you have received Long Term Disability benefits for a period of **twenty four months** you are completely unable to engage in gainful employment for which you are medically able to perform, and for which you have at least the minimum qualifications, and provides you with an income of at least 70% of your indexed monthly earnings before you became disabled.

Because you pay the entire cost of Long Term Disability coverage, eligible benefits are **not** taxable and are paid monthly, in arrears.

Canada Pension Plan/Quebec Pension Plan (CPP/QPP):

You **must** apply for Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) Disability benefits. CPP/QPP is a direct offset, which means that 92.5% of any amounts awarded to you **reduce** your LTD benefits in that amount.

Application Forms for CPP/QPP disability benefits are retained at your Plan Administrator's office, Canadian Benefits Consulting Group, and mailed to Members.

Canadian Pacific Railway Disability Pension Plan:

If you have at least 10 years of pensionable service, you may qualify, for a disability pension for which you **must** apply. CPR Disability Pension is a direct offset, which means that 100% of any amounts awarded to you **reduce** your Long Term Disability benefits in that amount.

Application Forms for CPR Disability Pension benefits are retained at your Plan Administrator's office, Canadian Benefits Consulting Group and mailed to Members.

In order to receive benefits, you must have been an Insured Member at the time you became Totally Disabled, and you must be under the regular, active, supervised care of a Physician. At all times, it is the responsibility of the Member to fulfill the terms of his/her Long Term Disability claim.

WHO IS ELIGIBLE TO BECOME INSURED

You are eligible for insurance if you have completed sixty days of service from the date of hire and are under the age of 65.

If you are not Actively at Work on the date your insurance is to be effective, it will become effective when you physically return to active work.

CHANGES IN INSURANCE

If your coverage changes due to a change in earnings, or a result of a Plan change, your coverage will be adjusted on the first day, on or after the effective date of the change in status, on which you are Actively at Work.

TERMINATION OF INSURANCE

Your insurance terminates on the earliest of the following dates:

- termination of employment with the Employer;
- the date you cease to be a Member of any Eligible Class;
- the date premiums cease to be paid; and
- the date the Plan is terminated.

If your insurance terminates for any reason and you are Totally Disabled on the date of termination, benefits will continue during the period of Total Disability as if the coverage had not terminated.

CONTINUATION OF DISABILITY INSURANCE DURING ABSENCE FROM WORK

In the event of a lay-off or an approved leave of absence you will continue to be eligible for 31 days after the lay-off or leave starts, plus any further period the employer is required by law to extend insurance on a premium paying basis.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (AD&D)

You are eligible for insurance if you are making monthly premium contributions to the Long Term Disability Plan and are under the age of 65. Premiums to fund this benefit are paid directly from the Long Term Disability Plan / Trust Fund.

SUMMARY OF BENEFITS

1. Monthly Benefit Payment:

Your Monthly Benefit is defined as an amount equal to 50% of your monthly earnings as of the commencement of Total Disability (rounded to the next higher \$1.00 if not already a multiple thereof) with a maximum monthly benefit of \$6,000.

A monthly benefit will be paid to you upon submission to Great-West Life of proof of Total Disability while you are insured under the Long Term Disability Plan, and you are under the regular, active, supervised care of a Physician.

Payment will start when the Waiting Period has been completed and will continue while you are Totally Disabled up to the Maximum Benefit Period.

Payment will be made monthly in arrears, calculated from the end of the Waiting Period provided you submit medical evidence, satisfactory to Great-West Life, and as requested by them, of continuing Total Disability.

Premiums will be waived during the period for which benefits are being paid.

2. Waiting Period:

The Waiting Period (or Elimination Period) states that Benefits will be payable for each period of Total Disability after a minimum of 26 weeks and a maximum of 41 weeks, or if later, on the date all weekly indemnity benefits have been paid. No benefits will be paid until all weekly indemnity benefits have been exhausted.

3. Maximum Benefit Period:

This benefit is payable up to the earlier of: recovery; the end of the month in which you turn 65; retirement; or death, providing you meet the requirements of the insurance policy (i.e. you will be required to periodically provide proof of your Total Disability).

4. Recurrent Disability

If a disability recurs and it is due to the same or related causes, it will be considered as one continuous disability and will not be subject to the Waiting Period unless you have returned to active, full-time employment for a period of six consecutive months or longer.

5. Offsets

Please note – it is a requirement that you apply for CPP/QPP and CPR Disability Pension Plan benefits to which you may be entitled on account of your disability.

- (1) The amount of Monthly Benefit will be reduced by 92.5% of any disability benefits to which you are entitled at the time of disability, under the Canada/Quebec Pension Plan.

- (2) The amount of Monthly Benefit will be directly reduced by the full amount by which you are entitled, at the time of disability, under the CPR Disability Pension Plan or any other non-private plan.
- (3) The amount of Monthly Benefit will be directly reduced by the full amount of any retirement benefits to which you are entitled at the time of disability, under the Canada/Quebec Pension Plan.
- (4) Your Monthly Benefit may be further reduced by any amount by which such benefit, plus the total of the following other benefits (including Canada/Quebec Pension Plan and CPR Pension Plan) exceeds 85% of your take-home pay:
 - (a) Loss of income benefits available through legislation to which you or another member of your family is entitled on the basis of your disability, except for Employment Insurance benefits. Automobile insurance benefits are included under this provision where permitted by law;
 - (b) Benefits under any Workers' Compensation Act or similar law;
 - (c) Disability benefits under a plan of insurance available as a result of your membership in an association;
 - (d) Employment income, disability benefits, or retirement benefits related to any employment except an approved rehabilitation plan or program (termination pay and severance benefits are included as employment income under this provision).

Great-West Life reserves the right to estimate the amount of any benefits payable under (1), (2), (3) and 4(a),(b) until such time as evidence of either the exact amount of such benefits, or that you are not eligible for such benefits, is furnished.

If you receive a lump-sum settlement for any of the benefits described in above (1), (2) and (3), your Monthly Benefit will be reduced by the amount you would receive if payments were made on a monthly basis.

6. Vocational Rehabilitation Benefits

Vocational rehabilitation involves a work related activity or training strategy that is designed to help you return to gainful employment and a more productive lifestyle. A plan or program will be approved if it is appropriate for the expected duration of your disability and it facilitates your earliest possible return to work.

Long Term Disability benefits will not be payable if you refuse to participate or cooperate in a rehabilitation plan or program that has been recommended or approved by Great-West Life.

7. Survivor Benefit

If you die while Long Term Disability benefits are payable, Great-West Life will pay three (3) times your Monthly Benefit to your beneficiary.

8. Exclusions

No Long Term Disability benefits are payable for:

- Pre-existing conditions- If you received treatment for a condition within six (6) months prior to being covered under the plan, then there will be no coverage for your condition until you have been insured and actively at work for twelve (12) months. This provision shall be waived if you were actively at work on the effective date of the plan.
- Any period in which you do not participate or cooperate in a prescribed plan of medical treatment appropriate for your condition.

Depending on the severity of the condition, you may be required to be under the care of a specialist.

If substance abuse contributes to your disability, the treatment program must include participation in a recognized substance withdrawal program.

- The scheduled duration of a lay-off or leave of absence.
- Any period after you fail to participate or cooperate in an approved rehabilitation plan or program.
- Any 12-month period in which you do not live in Canada for at least six (6) months.
- Any period of confinement in a prison or similar institution.
- Disability arising from war, insurrection, or voluntary participation in a riot.
- Disability arising from attempted suicide or intentionally self-inflicted injury or disease, while sane or insane.
- Disability arising from injury or disease sustained while committing or attempting to commit a criminal offence.

9. Conversion Privilege

If you change jobs prior to attaining age 65, you may apply for an individual Long Term Disability Policy through Great-West Life without any medical tests. The Policy will be issued in accordance with the applicable guidelines in effect in your province of residence.

You must apply and pay the first month premium within 31 days after you start your new job, and you must start your new job no later than six (6) months after you leave your present one.

10. Notice of Claim

Written proof of claim must be given to Great-West Life no later than ten (10) days after the Waiting Period.

The Plan (Great-West Life, Canadian Benefits Consulting Group, Teamsters Canada Rail Conference (TCRC), Canadian Pacific Railway (CPR) Health and Welfare Trust for Locomotive Engineers, Board of Trustees) will not be liable for claims for which initial proof of claim is submitted more than six (6) months after the Waiting Period.

HOW TO MAKE A CLAIM

The following forms can be obtained from your Plan Administrator, Canadian Benefits Consulting Group:

- Long Term Disability Employee Claim Submission Guide (form M4307)
- Canadian Pacific Railway Disability Pension Plan Application
- Canada/Quebec Pension Plan Application

You will receive the Long Term Disability Employee Claim Submission Guide shortly after thirty-one (31) weeks from the commencement of your disability date. In the event that you do not receive this form, you should contact your Plan Administrator.

FILE REVIEW PROCEDURE

If you do not agree with the decision made by Great-West Life on your Long Term Disability claim, you have the right to appeal a denial and/or request a file review by the Board of Trustees, who represent your interests in these matters. You do not have the right to appear before the Board yourself. Your Long Term Disability Plan is strictly based on medical evidence and, as such, the medical in your file must support your claim.

The first step in requesting a file review is to contact Canadian Benefits Consulting Group or your Board of Trustees and provide your reasons for a Review. Notification of your intention to request a File Review is expected to be submitted within sixty (60) days of a claim declination or within two (2) years after the denial for an appeal.

To proceed with your File Review by the Board of Trustees, the Plan Administrator will send you an Authorization Form which you must sign, date, and have witnessed. This will allow the Plan Administrator/Insurance Company to openly discuss your claim file with the Board of Trustees.

The completed form should be returned to the Plan Administrator's office and is usually valid for 90 days from the date of signature.

Once this has been received, the Board of Trustees, acting on your behalf, at their quarterly meetings with the Plan Administrator will review your Long Term Disability claim file. You will be notified in writing of the outcome of this Review, following the Board's quarterly Meeting.

All File Reviews are conducted in strictest confidence by your Board of Trustees.

The Board of Trustees cannot make decisions on your Long Term Disability claims. Any Appeals must be put through the Underwriting Insurance Company and must be supported by medical documentation. If you have new medical information and believe your claim should be paid, please contact the Insurance Company. The Board of Trustees will review your file with the Insurance Company on your behalf if you wish, to ensure your claim has been handled fairly and equitably. **The Board must emphasize that it cannot overrule the final claim decision of the Insurance Company.**

ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

Eligibility:

You are eligible for insurance if you are making monthly premium contributions to the Long Term Disability Plan and are under the age of 65.

Maximum Benefit:

The principal sum of \$10,000 is payable in the event of an Accidental Death.

Summary of Benefits:

If death, dismemberment, loss of hearing, speech, or sight, or loss of use results from accidental injury to you within 365 days after the accident, payment will be made as follows:

For loss of:

Life (paid to beneficiary)	Principal Sum
Both Hands or Both Feet or Sight of Both Eyes	Principal Sum
One Hand and One Foot	Principal Sum
One Hand and Sight of One Eye	Principal Sum
One Foot and Sight of One Eye	Principal Sum
Speech and Hearing in Both Ears	Principal Sum
One Arm or One Leg	3/4 Principal Sum
One Hand or One Foot or Sight of One Eye	
Or Speech or Hearing in Both Ears	1/2 Principal Sum
Thumb and Index Finger or At Least Four Fingers of One Hand	1/4 Principal Sum
All Toes of One Foot	1/8 Principal Sum

For loss of use of:

Both Legs or Both Arms or Both Hands	Principal Sum
One Arm and One Leg or One Hand and One Leg	Principal Sum
One Leg or One Arm	3/4 Principal Sum
One Hand	1/2 Principal Sum

Surgical Reattachment:

Benefit of 1/2 the dismemberment benefit is payable if a dismembered part is surgically reattached, regardless of the use regained. The balance of the dismemberment is payable if the reattachment fails and the reattached part is removed within one year after the reattachment was performed.

Repatriation Benefit:

If benefits are payable under this benefit provision for loss of life which occurred at least 150 kilometers from the your place of residence, Great-West Life will pay for preparation of the body and its transportation to the place of burial or cremation. The maximum amount payable under this provision is \$2,500.

Exclusions:

Death, dismemberment, loss of hearing, speech, or sight, or loss of use caused by the following are not covered:

Suicide;

Intentionally self-inflicted injury;

War;

Insurrection;

Voluntary participation in a riot;

Infirmity or disease;

Service in the armed forces;

Air travel except as provided;

Viral or bacterial infections except pyogenic infections occurring through the injury for which the loss is being claimed;

Medical or surgical treatment except surgical reattachment.

Coverage is provided for passenger flight in aircraft no owned, leased or rented by the employer.

APPLICATION FOR REIMBURSEMENT OF LONG TERM DISABILITY (LTD) PREMIUM CONTRIBUTIONS FOR RETIREES

You may be eligible for reimbursement of LTD premium contributions for the last 41 weeks of premiums paid prior to your date of retirement. You must have been actively at work and not collecting LTD benefits prior to your retirement. As this reimbursement is not automatic you must apply through the LTD Third Party Administrator, Canadian Benefits Consulting Group. You must submit a written request with confirmation that you are on pension and verification of your actual retirement date with CPR.

Your Board of Trustees

**Benoit Brunet
Trustee**

**Dave Able
Trustee**

**Greg Edwards
Trustee**

NOTES