Highlights of the Current GIDIP Plan

The GIDIP Plan has been effective since June 1, 2002; it was previously underwritten by Great-West Life Assurance Company and is currently underwritten by Manulife Financial.

There are four (4) benefit period components that make up the GIDIP Plan:

Short – Term Disability (STD) Income Plan

STD I – (Phase I)

Benefit payment begins on the 15th consecutive day of Total Disability and benefits are payable for a maximum of 18 weeks (Benefits are non-taxable and paid at a rate of 55% of member's gross weekly earnings)

Employment Insurance (EI) Sick Benefits After 20 weeks of Total Disability (2 weeks waiting period and 18 weeks of GIDIP STD I Benefits) Members apply for EI Sick Benefits. EI provides sick benefits for a maximum of 15 weeks. (Benefits are taxable and paid at a rate of 55% of a Member's gross weekly earnings to a maximum of $447.00 (effective January 1, 2009) per week.

NOTE:

If sick benefits are declined under EI (insufficient qualifying hours) or; there is a lapse between the day GIDIP STD1 benefits ended and the EI effective date; or a Member returns to work under the Rehab Program during the EI period (gradual/modified hours), a Member may be entitled to receive GIDIP benefits at the maximum EI rate.

STD II – (Phase II)

After 35 weeks of continuous Total Disability (2 weeks waiting period, plus 18 weeks STD I plus 15 weeks EI sick benefits), Members are eligible to apply for the second phase of the STD Plan and benefits are payable for a maximum of 17 weeks. (Benefits are non-taxable and paid at a rate of 52% of a Member's gross weekly earnings.

Long-Term Disability (LTD) Income Plan

There is an elimination (or "waiting") period of 52 weeks and the maximum benefit period is to age 65.

LTD benefits are non-taxable and calculated at 52% of a Member's gross monthly earnings and benefits are paid in arrears on the 15th and 30th day of each month.

The LTD Plan also provides a Cost of Living Allowance (COLA) that is applied after a Member has received LTD benefits continuously for two years. The COLA is calculated at 50% of the Consumer Price Index to a maximum of 4% annually.

MISCELLANEOUS

Workers' Compensation Claims (WCB/WSIB/CSST)

When a Member is totally disabled due to a work-related injury or illness, GIDIP benefits are eligible. If the Member's injury/illness is work-related, Workers' Compensation is the first payer for benefits and GIDIP benefits are reduced by any Workers' Compensation benefits payable for the same disability period. A Workers' Compensation claim application must be filed first, prior to a GIDIP claim.

When a claim is work-related, GIDIP will not consider benefits unless a Workers' Compensation claim is filed. If the Workers' Compensation decision is delayed or the claim is declined, GIDIP will provide bridge-financing for the Workers' Compensation claims.

All Workers' Compensation claims which are considered for GIDIP benefits and declined by the Worker's Compensation must be appealed by the Member. When a Workers' Compensation claim is declined or terminated by Workers' Compensation, the Plan Administrator will forward the Member's name and Workers' Compensation claim status to Ian Bennie, National Health & Safety Coordinator, CAW Local 2002 Union office.

Members will be required to complete the following forms before GIDIP benefits are released:

- Accident Report (provides specific details of the accident)
- Accident Benefit Reimbursement (promissory note to repay the Insurance Company of the Member's Worker's Compensation claim is approved in the future for the same period of the Member received GIDIP benefits)

The Workers' Compensation disability period and the GIDIP disability period run side by side. Any amount of Workers' Compensation benefit the Member receives is deducted from any eligible GIDIP benefit. Any week for which the GIDIP benefit is zero is still counted towards the Maximum Benefit Disability Period.

Rehabilitation Program and/or Modified Return to Work Program

The modified Return to work program provision under the GIDIP Policy is a program provided to Members at the sole discretion of the Insurance Company, Manulife Financial. The Plan Administrator for the Short-Term Disability Plan (STD), will determine whether or not a Rehabilitation Program is appropriate and/or insurance approved in reference to Rehab benefit eligibility. Manulife Financial administers the Long- Term Disability (LTD) Plan and they will have sole discretion in determining eligibility for Rehab insurance benefits under the LTD Plan.

Eligibility for this Program will be based on the medical documentation received from the attending Physician and/or Specialist. It is not dependent on whether the Company Physician recommends that the Member returns to work under a Rehabilitation Program. **Rehab insurance benefits are not automatic.** If a Member is thinking of returning to work under a Rehabilitation Program the Member must keep the Disability Case Manager (DCM) informed to determine if the Member qualifies for Rehab Insurance benefit consideration.

The Modified Return to Work Program is available to Members when medical documentation file with the Insurance Company supports a return to work under this program and the member is unable to return to his/her pre-disability work schedule immediately after receiving Group Insurance Disability Benefits. The purpose of the Modified Return to Work Program is to assist Members back to full-time employment on a gradual basis when medically required and supported. The Insurance Company bases benefit eligibility for a Modified Return to Work on the medical documentation received from the attending Physician. In addition, the following documentation will be required as part of the assessment process:

- From the attending Physician; a **schedule for a modified return to work**, including a goal date for a full-time return to work; and if there is insufficient medical on file to support such a return to work, the Member must also submit medical documentation outlining the medical reasons for a gradual return to work.

- The employer will provide the Member with a **rehabilitation letter of agreement**. The Member must submit a copy of the Agreement to the Insurance Company.

- The employer also requires that a **Work Evaluation Form** be completed. The member must submit a copy of the completed Work Evaluation Form to the Insurance Company.

- The Member will be asked to submit medical updates on his/her condition from their attending Physician at regular intervals depending upon the length of the Modified return to work program approved for insurance benefit "top up".

Once a Member has been approved for a Modified return to work program by the Insurance Company, the employer will pay the Member's wages for the hours he/she worked. The Group Insurance Plan will pay for the hours the Member is not scheduled to work. The Member will receive a calculation sheet with his/her benefit payment showing how the insurance benefit is determined.

If a Member is unable to work his/her scheduled hours, because of illness, the Member must see his/her attending Physician (on the same absent day) and submit medical documentation confirming his/her inability to work on the day missed listing the medical reasons.

The duration for the Rehabilitation Program can vary from 2-6 weeks under the STD portion of the Plan. If the Rehabilitation program has not concluded with the normal duration, or the medical condition has regressed and the Member can no longer participate in the Rehab Program, the Member must submit the medical reasons and documentation from his/her attending Physician that would prevent him/her from returning to full time hours or how his/her medical condition has

affected his/her inability to return to his/her Rehab work schedule and the treatment implemented to assist in reaching a goal of the full-time return to work and a new final date for such a return.

It is important to be aware that no shift trades, no vacation and no overtime is allowed prior to the commencement of returning to work under the Rehab Program and/or while the Member is participating in insurance approved Rehab Program. When a Member returns to work under insurance approved Rehab Program he/she **will no longer** be eligible for insurance "top up" benefits if he/she takes vacation as vacation is considered a return to work regular duties as the Member would be reinstated to pay roll and paid regular wages.

Subrogation

If a Member is entitled to recover compensation for loss of income from a third party as a result of the incident which caused or contributed to the disability, for which benefits are paid or payable, the Insurer will be subrogated to all the rights of recovery of the Member for loss of income, to the extent of the sum of benefits paid or payable by the GIDIP.

Reductions (Offsets)

The amount of any benefit payable under the GIDIP will be reduced by any income or benefit payable under:

a) Any other plan or program provided to the Member by or through the employer;

b) Any plan or program of any government or of any agency of the government, including any plan or program established pursuant to a provincial automobile insurance act.

c) By 90% of any disability pension benefits to which the Member is entitled under the Canada Pension Plan or Quebec Pension Plan benefits.

Canada Pension Plan (CPP) Disability Benefits

Offsets that reduce a Member's LTD monthly benefit would have a positive impact on the overall financial results of the Plan; the Member's monthly LTD benefit would be reduced which will also reduce the reserves. It is mandatory under all LTD Disability Programs to apply for CPP Disability Benefits if the individual qualifies. The definition of disability under CPP is more stringent than LTD. Disability under CPP Disability Plan means a physical or mental impairment that is severe and prolonged, severe means unable to regularly carry out any gainful employment and prolonged means that the disability is likely to be "indefinite" or may result in death. In the LTD Phase of a claim, Manulife will determine if a Member might qualify for CPP based on the Member's medical condition and prognosis and if so, Manulife will request that the Member apply for CPP Disability benefits.

When individual does not apply for CPP Disability Benefits and no longer contributes to CPP, this would have an adverse effect on his/her CPP Retirement Benefits as the retirement pension is an earnings-related benefit, the pension amount depends on the level of earnings during a person's contributory period. It will benefit the Member when he/she retires and is eligible for CPP

Retirement Benefits as a person on CPP Disability will automatically convert to CPP at age 65 (without having to reapply) and the CPP Retirement Benefit will carve-out the period of CPP Disability Benefit to determine to contributory period for calculation of retirement benefits.