
UNIVERSITY OF TORONTO

LONG TERM DISABILITY

PLAN DOCUMENT

PLAN SPONSOR	THE GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO
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PLAN BENEFIT	LONG TERM DISABILITY
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DIVISION IDENTIFICATION

This plan document covers the following divisions of employees:

DESCRIPTION	DIVISION NUMBER
University of Toronto, including those organizations as may from time to time be added or deleted.	1
Victoria University	3
University of St. Michael's College	5
University of Trinity College	6
University of Toronto Press	11
Massey College	12

DEFINITIONS

The following are definitions of terms used in this plan document.

Actively employed: active engagement in the performance of work for the employer whereby the employee reports for work at the usual place of employment (or other location as directed by the employer) and is physically and mentally fit to perform the essential duties of the normal occupation (or other work that the employer may temporarily assign). Such an employee is also considered to be actively employed on weekends and statutory holidays.

Earnings: gross annual earnings (including administrative stipends) excluding bonus, commissions, and overtime.

Education, training or experience: the employee's formal education, training or experience and the equivalent education, training or experience obtained from past or present occupation, job or work experience; hobbies, social, recreational and other activities; and all the knowledge and skills the employee has obtained from total life experience.

Employee: a person who is employed by the employer as an annual or continuing appointed staff member (including sessional) and has not reached normal retirement age:

1. on a permanent, full-time basis or,
2. on a part-time appointment of 25% or more.

Employer: the Plan Sponsor or any of the associated organizations listed under DIVISION IDENTIFICATION.

Evidence of good health: any statement made on forms approved for such purpose by the Plan Administrator concerning medical evidence of a person's physical condition and/or other factual information which affects acceptability for coverage.

Hospital: an institution operated pursuant to law for the care and treatment of sick and injured persons, with organized facilities for diagnosis and major surgery, and 24 hour nursing service.

Normal occupation: the regular occupation, job or work (apart from any temporary assignment) an employee was performing at the time he/she became totally disabled by the condition which prevented him/her from working and led to a claim being made under this Plan.

Normal retirement date: the June 30th coincident with or next following an employee's 65 birthday.

Pre-disability earnings: the employee's annual earnings immediately prior to the date total disability commenced.

Proof: written evidence verifying the circumstances of an event or establishing a fact. The evidence must be acceptable to the Plan Administrator and received at the office designated by the Plan Administrator on forms approved for such purpose by the Plan Administrator. Under unusual circumstances the University has the right to override the decision made by the Plan Administrator.

Qualifying period: an initial period of total disability before benefits become payable, as specified in the BENEFIT PLAN SUMMARY. If an employee ceases to be totally disabled during this period and then becomes totally disabled again within 2 weeks due to the same cause, the qualifying period will be extended by the number of days during which total disability ceased.

DEFINITIONS

Rehabilitation income: income which the employee receives for work performed under a rehabilitation program, including self-employed activity.

Rehabilitation program: a plan of training or work related activity, recommended or approved by the Plan Administrator, which is designed to help a disabled employee to re-enter the work force.

Totally disabled employee: during the Qualifying Period and the succeeding 24 months, an employee is totally disabled when he/she is wholly and continuously disabled due to illness or bodily injury and, as a result, is not physically or mentally fit to perform any and every duty of his/her normal occupation.

Thereafter, an employee is totally disabled provided he/she is wholly and continuously disabled due to illness or bodily injury and, as a result, is not physically or mentally fit to perform the essential duties of:

- a) his/her normal occupation; and
- b) any other occupations, jobs or work
 - 1. for which he/she is, or becomes, qualified by his/her education or training or experience, considered collectively or separately; and
 - 2. for which the current monthly earnings are 75% or more of the current month's earnings for the employee's normal occupation.

The availability of such occupations, jobs or work will not be considered in assessing the employee's disability.

ELIGIBILITY AND COVERAGE COMMENCEMENT

ELIGIBILITY

An employee will be eligible for the coverage specified in the BENEFIT PLAN SUMMARY provided the employee meets the following requirements:

- a) is actively employed.
- b) has not reached the normal retirement date, less the qualifying period.

APPLICATION FOR COVERAGE

An employee has the right to elect or not elect coverage, except where required to participate under written contract.

An employee who makes a late application must submit evidence of good health along with the application. An application is considered late when an employee applies for coverage:

- a) after having been eligible for more than 60 days, unless the application is the result of a change in status due to marriage, death of a spouse, separation, divorce or the acquisition of a dependent, or
- b) more than 60 days after a change in status due to marriage, death of a spouse, separation, divorce or the acquisition of a dependent, or
- c) according to the records of the employer, such employee had previously refused to make application.

COMMENCEMENT OF COVERAGE

Coverage commences on their first day the employee satisfies the requirements specified under ELIGIBILITY.

A change in employee coverage will commence on the first day the employee is actively employed coincident with or immediately following the date the employee is eligible for such change.

For the purpose of applying the provisions of this clause only, an employee is considered to be actively employed while on vacation if not confined in hospital or disabled due to sickness or injury.

INCONTESTABILITY

Any coverage for which a person is required to submit evidence of good health will be voidable:

- a) at any time if the person has fraudulently failed to disclose or misrepresented a material fact, or
- b) within 2 years of the date such coverage came into effect if the person failed to disclose or misrepresented a material fact.

CLAIMS

CLAIM PROCEDURES

Claim Submission

If an employee becomes totally disabled, proof of claim for monthly benefits must be given to the Plan Administrator, as described in the Proof of Claim provision.

The Plan Administrator shall have the right to require a claimant to undergo a physical examination or mental evaluation, when and as often as may be reasonable.

Claim Payments

Upon acceptance of proof of claim, the benefit will be determined as specified in the BENEFIT PROVISIONS.

Claim payments, except for the benefit plan contributions, are made payable to the employee. The initial and final claim payments will be sent to the employer for delivery to the employee. All other claim payments will ordinarily be sent directly to the employee or deposited directly to the employee's bank account, at the employee's option. If the employee dies before all benefits have been paid, the remaining benefits to which the employee was entitled prior to death will be paid to the employee's estate.

Proof of Claim

Proof of claim includes the initial claim forms and all medical, psychiatric, psychological, educational, vocational and other information the Plan Administrator considers necessary to assess the claim.

The initial claim forms must be received by the Plan Administrator within 6 months after the date of completion of the qualifying period. Whenever the Plan Administrator requests further information, it must be received within 6 months. Benefits will not be paid if proof is not received within the required time.

The initial claim forms and all information requested by the Plan Administrator must be approved by the Plan Administrator before benefit determination is made.

The Plan Administrator may, at any time whether before or after the claim is approved, request from the employee medical, psychiatric, psychological, educational, vocational or other information the Plan Administrator considers necessary for the assessment or reassessment of the claim. Such information will be obtained from an examiner or person approved by the Plan Administrator. It must include, if requested, a complete description of any physical and/or mental limitations, a complete description of physical and/or mental disability, a specific diagnosis, a specific prognosis, a complete description of the employee's education, training and experience and a complete assessment of the employee's potential for employment and a listing of the occupations, jobs or work for which the employee is qualified by education or training or experience.

The Plan Administrator has the right to require the employee to submit to medical, psychiatric, psychological, educational and/or vocational examinations and evaluations by examiners selected by the Plan Administrator.

The Plan Administrator has the right to require that any appeal of a decision to decline or terminate benefits be made within 6 months of the decision.

CLAIMS

PROOF OF AGE

The Plan Administrator has the right to require a person to submit proof of age. If the age of the person has been misstated and affects:

- a) the date coverage commences or ceases, or
- b) any rights or benefits provided under this plan,

the correct age governs. Coverage will be adjusted accordingly.

INDIVIDUAL TERMINATIONS

TERMINATION OF COVERAGE

An employee's coverage will automatically terminate on the date on which the earliest of the following events occurs:

- a) The employee no longer satisfies the definition of employee.
- b) The employee is not actively employed (except as permitted under CONTINUATION OF COVERAGE).
- c) The employer terminates the employee's coverage.
- d) The employee enters the armed forces of any country on a full-time basis.
- e) This Plan terminates or coverage on the group, division or class to which the employee belongs terminates.
- f) The employee retires.
- g) The employee reaches the normal retirement date, less the qualifying period.
- h) The employee dies.
- i) The employee no longer contributes towards the cost of coverage.

Benefits will be extended beyond the normal date of termination for a totally disabled employee, subject to the Cessation of Benefit Payments clause under PAYMENT OF BENEFIT.

CONTINUATION OF COVERAGE

If an employee ceases to be actively employed, coverage will normally and automatically terminate as specified under TERMINATION OF INSURANCE. However, the employer, acting in accordance with rules precluding individual selection, may continue coverage under the circumstances specified below.

If an employee ceases to be actively employed due to:

- a) Sickness or injury, such employee may be covered until he/she recovers.
- b) A maternity leave, such employee may be covered for the duration of the leave. (Where governing legislation places the decision to continue coverage on any employee who contributes toward the cost of the coverage, coverage may be continued at the option of the employee.)
- c) A sabbatical leave of absence, such employee may be covered as long as the employer continues to receive contributions from the employee.

If the above provisions permit less than the minimum required by governing legislation, the terms of this plan will be extended to agree with the minimum requirements of such law.

In no event will coverage be extended after termination of this Plan.

BENEFIT PROVISIONS

PAYMENT OF BENEFIT

A totally disabled employee will receive the monthly benefit specified under BENEFIT DETERMINATION, provided all the following provisions are met:

- a) Total disability begins while the employee is covered under this plan.
- b) The employee has completed the qualifying period before reaching the normal retirement date.
- c) The Plan Administrator receives proof of claim as described in the Proof of Claim provision.

All payments are due on the last day of each month. Any benefits which are payable for a period of time which is less than a full month will be prorated according to the formula then used by the Plan Administrator.

A totally disabled employee's entitlement to benefit payments will continue beyond the normal date of termination, subject to the Cessation of Benefit Payments provision.

Commencement of Benefit Payments

The first payment covers the period beginning on the day of the month in which the qualifying period is completed and ending on the last day of such month. If the first day of the payment period is the last day of the month, the first payment covers the period beginning on such day and ending on the last day of the following month.

Cessation of Benefit Payments

The last payment covers the period beginning on the first day of the month in which one of the following events occurs up to but not including the date of such event:

- a) The employee is no longer totally disabled.
- b) The employee reaches his/her normal retirement date. However, if benefit payments commence during the 12 months immediately preceding the employee's normal retirement date, benefit payments will continue during the disability up to a maximum of 12 months.
- c) The employee does not comply, or ceases to comply with the Proof of Claim provision.
- d) The employee refuses or fails to undergo, when requested by the Plan Administrator, medical, psychiatric, psychological, educational and/or vocational examinations and evaluations by examiners selected by the Plan Administrator.
- e) The employee refuses or fails to undergo medical, psychiatric or psychological treatment or participate in a rehabilitation program or alcoholism, drug addiction or substance abuse treatment program, considered beneficial to the employee as recommended by the Plan Administrator.
- f) The employee is incarcerated in a prison or mental institution by authority of a criminal court.
- g) The employee dies. In such event, the last payment will include the date of death.
- h) The Plan terminates.

BENEFIT PROVISIONS

BENEFIT DETERMINATION

The amount of monthly benefit which an employee is entitled to receive is the amount specified in the BENEFIT PLAN SUMMARY, reduced by income as specified under Other Income, excluding those public pension plan disability benefits payable to the employee on behalf of his/her dependents.

Other Income

The amount of monthly benefit will be reduced by the following benefits or payments resulting from the employee's disability if, on or after the date the employee became totally disabled, he/she begins to receive such benefits or payments or, other than for item (h), would be entitled to receive them had a satisfactory application been made.

- a) Disability benefits payable under a public pension plan (the Canada Pension Plan or Québec Pension Plan).
- b) Earnings or payments from any employer.
- c) Disability benefits payable under any other group, association or franchise plan, except that if an employee has income from a source other than the employer, and such income is insured under a Group Policy or Policies other than this Plan, the Plan Administrator will only reduce the benefits payable under this Plan if the sum of (1) the benefit payable under this Plan, plus (2) the benefits payable under such other Group Policy or Policies exceed the benefit which would have been payable had the employee's total covered income (from both the employer and the other source), subject to a maximum of \$130,000, been insured under this Plan. The amount by which the actual benefit payable under this Plan will be reduced will be an amount equal to such excess.

In determining the benefit which would have been payable and the employee's total covered income been covered under this Plan, the formula set out in the BENEFIT PLAN SUMMARY will be used.

- d) Disability benefits payable under any other government plan.
- e) Benefits payable under any Workers' Compensation Act.
- f) Retirement benefits provided by the employer, but excluding retirement benefits provided by any previous employer.
- g) Any payment made in connection with any pursuit carried out while on leave of absence, including grants made to the employee.
- h) Any amount of retirement income paid under a public pension plan prior to the attainment of age 65 (the Canada Pension Plan or the Quebec Pension Plan).

Other Income (cont'd)

When determining the amount of such income, the following will apply:

- a) Any of these benefits, which are not payable on a monthly basis, will be converted to a monthly basis.

BENEFIT PROVISIONS

- b) Disability benefits payable under a public pensions plan will not be taken into account until actual determination of the award is made, provided an agreement to reimburse the Plan, signed by the claimant, is furnished at the time of claim. Otherwise, any government award which has not been determined by the time this benefit is payable will be estimated and deducted from the monthly benefit. Adjustment to correct such payments under this plan will be made after the award has been determined.
- c) For disability benefits payable under a public pension plan, the only changes which are taken into account are those resulting from:
 - 1. a change in the benefit formula of 10% or more, or
 - 2. an error in determining the benefit amount.
- d) Any change due to a cost of living increase will not be taken into account.
- e) Ontario Teachers' Pension Plan. The amount of monthly benefit payable will be reduced by the amount, if any, by which the sum of the benefit payable and the Ontario Teachers' Pension Plan exceeds 100% of the monthly pre-disability earnings.

REHABILITATION

A rehabilitation program which is considered beneficial to a totally disabled employee will be recommended or approved by the Plan Administrator based on the nature and expected duration of the employee's disability, education or training or experience, and the level of activity required to become actively employed again.

When recommended by the Plan Administrator, the rehabilitation program will be developed by the Plan Administrator's rehabilitation counsellors with the cooperation of the employee and the assistance of his/her physician, the employer and specialist on the subject of rehabilitation. A rehabilitation program which is not developed by the Plan Administrator must be approved by the Plan Administrator in order for the provisions of this clause to apply.

A rehabilitation program may include work for the employer as defined in the Plan, or any other employer that is acceptable to the Plan Administrator.

Monthly benefit payments will not cease for an employee who is able to work under a rehabilitation program and who receives rehabilitation income, but will continue as follows:

- a) The amount of monthly benefit, as specified under BENEFIT DETERMINATION, will be reduced by 50% of the employee's rehabilitation income. Furthermore, if total income from all sources exceeds 100% of the employee's pre-disability earnings, the benefit will be reduced by such excess amount.
- b) Benefits will cease when the employee's rehabilitation income equals 75% or more of the current monthly earnings for the employee's normal occupation.
- c) Benefits will be paid for a maximum period of 24 months, unless payments cease earlier in accordance with (b) above.

If the employee cannot continue in a rehabilitation program due to the disability, he/she will again be subject to the regular provisions for benefit payments.

BENEFIT PROVISIONS

TAXABILITY OF BENEFITS

The benefits payable under this plan are taxable since the employer pays all or part of the contributions for this benefit on behalf of the employees.

If the Contractholder changes the contribution basis, the Plan Administrator must be given written notice 30 days prior to the date the change is to take effect as such change may affect the taxability of benefits.

RECURRENT DISABILITY

An employee's total disability can be considered to be a recurrence of the previous total disability provided the following provisions are met:

- a) The employee has received benefit payments under this Plan.
- b) The employee becomes totally disabled again within 6 months of having returned to work on a full-time basis.
- c) The subsequent total disability is due to an injury or illness directly related to the causes of the immediately preceding total disability.

If the employee was involved in a rehabilitation program as specified under REHABILITATION, and:

- a) subsequently becomes totally disabled due to an injury or illness directly related to the causes of the immediately preceding total disability, or
- b) was unable to continue in such program because of the total disability for which he/she received benefits under this plan.

then, for the purposes of this provision, the employee's disability can be considered recurrent.

If the disability is considered to be recurrent, the monthly benefit is subject to all of the provisions of this benefit with the following exceptions:

- a) The employee is entitled to recommencement of benefit payments on the date the disability recurred.
- b) The monthly benefit will be based upon the same earnings level as at the original date of disability.

If the disability is not considered to be recurrent, all the provisions of this benefit will apply as they would for a new claim.

COST OF LIVING

A cost of living benefit will be paid to an employee while he/she receives a regular monthly benefit, beginning once the employee has received 12 months of benefit payments. This cost of living benefit is determined by multiplying the employee's monthly benefit amount by an adjustment.

BENEFIT PROVISIONS

The monthly benefit amount used in this calculation is the amount specified in the BENEFIT PLAN SUMMARY subject to the public pension plan reduction specified under BENEFIT DETERMINATION.

PENSION CONTRIBUTION

For employees who were contributing to the Ontario Teachers' Pension Plan at the time total disability commenced:

In order to continue a totally disabled employee's participation in a public pension plan and/or the employer's pension plan, the Plan Administrator will send the monthly pension contribution to the employer. This contribution is payable only while the employee is entitled to receive the monthly benefit, as specified under PAYMENT OF BENEFIT.

The amount of monthly pension contribution is specified in the BENEFIT PLAN SUMMARY.

This contribution will not be reduced by any rehabilitative compensation or income, nor will it be increased by cost of living adjustments.

EXCEPTIONS AND LIMITATIONS

No payment will be made when any of the following situations occur:

- a) The employee is not under continuing medical supervision and treatment considered satisfactory by the Plan Administrator.
- b) Disability is due to intentional self-inflicted injuries or illness while sane or self-inflicted injuries or illness while insane.
- c) Disability is due to bodily injury resulting directly or indirectly from insurrection, war, service in the armed forces of any country, or participation in a riot, except that if an employee becomes disabled while attempting to prevent a riot in the performance of his/her occupation, benefits will be payable.
- d) ~~The employee is on maternity/adoption leave of absence or could be placed on such leave by the employer according to any maternity leave provisions in the relevant government legislation.~~

An employee who becomes disabled due to any cause prior to such leave of absence is eligible for benefits. However, if the employee is eligible for the University of Toronto's Maternity and Adoption Leave plans, benefits are suspended for the duration of the maternity/adoption leave.

Any portion of the maternity/adoption leave of absence subsequent to the onset of total disability will be applied towards completing the qualifying period.

An employee who is unable because of disability to return to work as scheduled after a maternity/adoption leave of absence, whether such disability arose prior to or during the leave of absence, will become eligible for commencement or continuation of benefit payments on her intended date of return to work provided she is otherwise eligible for benefits.

BENEFIT PROVISIONS

If an employee fails to qualify for maternity/adoption leave of absence because of failure to meet the length of service requirements in the relevant government legislation, benefits will not be payable for disability due to any cause during any leave of absence agreed upon by the employer and employee or after the date of the employee's coverage ceased in accordance with the PAYMENT OF BENEFIT clause.

An Employee who must hold a government permit or license to perform his/her duties will not be considered totally disabled solely because such permit or license has been withdrawn or not renewed.

BENEFIT PLAN SUMMARY

THE GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO

CONTRIBUTION BASIS: - employer/employee, coverage is not compulsory

BENEFIT: LONG TERM DISABILITY

Amount: - 70% of annual pre-disability earnings divided by 12

- maximum benefit amount: \$63,000 per annum
- maximum earnings covered under the plan: \$90,000 per annum
- for employees who were contributing to the Ontario Teachers' Pension Plan at the time total disability commenced: a pension contribution benefit of 8.9% of pre-disability earnings. This benefit forms part of the benefit above, but is not subject to a maximum amount.

Benefit Outline:

Qualifying Period: - For Unionized Staff - 15 consecutive weeks, or expiration of sick leave from the University, whichever is later.

- For Faculty Staff and Administrative Staff - 15 weeks or expiration of sick and/or special sick leave from the University, whichever is later.

CPP/QPP Reductions: - benefits or payments made to the employee excluding benefits paid to the employee on behalf of his/her dependents and/or payments made directly to his/her dependents

Cost of Living Adjustment: - the annual economic increase granted by the Plan Sponsor, subject to a maximum of 7% on a cumulative basis

Maximum Benefit Period: - until the normal retirement date

Taxability of Benefits: - taxable

Employee contributions to the Plan are waived while the employee is in receipt of benefits paid by the Plan.