

GROUP INSURANCE QUOTATION

The cost of your AEL group insurance plan depends on the type of benefits selected, and the age, classification and family status of each employee. Contact Morneau Sobeco for a quotation ...

BY PHONE

Call Morneau toll free:
1-888-504-5444

Please complete the following form, and provide this information to the Morneau consultant on the phone.

BY FAX

Please complete the following form and fax a copy to:
(416) 445-7989

BY MAIL

Please complete the following form and mail a copy to:

Morneau Sobeco
895 Don Mills Road, Suite 700
One Morneau Sobeco Centre
Toronto, ON M3C 1W3

Company Name _____

Full Address _____

City & Province _____ Postal Code _____

Your Name _____ Title _____

Phone # _____ Fax # _____

e-mail: _____

Please provide information about yourself and all eligible full-time staff.

Name	Date of Birth (Month/Yr)	Smoker or Non-smoker (S or N)*	Single or Family (S or F)	Classification (A or B)**
1. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
2. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
3. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
4. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
5. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
6. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
7. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)
8. _____	_____	_____	_____	<input type="checkbox"/> A (Owner/manager) or <input type="checkbox"/> B (All others)

(If you have more than 8 employees, please continue on a separate sheet)

* A Non-smoker discount is available for employees who have not smoked/used tobacco products in the past 12 months.

** Indicate class "A" for "Owners/Managers" and class "B" for "All other employees". Employees in Class "A" qualify for increased life insurance (\$50,000 instead of \$25,000) and increased long term disability insurance (\$1,500/mth instead of \$1,000/mth). See inside pages of this brochure for more information.

Do you already have a group insurance plan? Yes No

If yes, a Morneau Sobeco consultant can provide you with a comparison of cost and benefit features for your review. Please send us: (1) a copy of your current employee booklet, and (2) a copy of your most recent billing statement.

Group insurance quotations are normally mailed within 48-hours of receipt of the above information. You will receive a full description of the program, and all material needed to join. We look forward to the opportunity to be of service.



GROUP BENEFITS PROGRAM

The success of any organization depends to a large extent on the quality of its staff.

Smaller employers find it difficult to compete for good staff because these individuals often prefer the security and benefits offered by large employers.

To compound the problem, insurance companies are either unwilling to provide a group benefits program to smaller employers, or only offer "small employer" programs that are too restrictive to be of real value. An important and significant advantage of your AEL membership card is the opportunity to obtain superior benefit coverage tailored to meet your unique and specific requirements.

... our benefit plan offers flexible options and low cost through combined volume purchasing ...

Our benefit plan offers flexible options and low cost through the combined volume purchasing power of the AEL. The group insurance program is underwritten by The Co-operators for Life, Accidental Death & Dismemberment, Long Term Disability and Weekly Indemnity and Green Shield Canada for Health and Dental, who have significant experience with plans of this type and a strong reputation for service.

To assist in the development of this program, we retained Morneau Sobeco, a leading employee benefits consulting firm. They are available by calling 1-888-504-5444, to answer any questions you may have and to help you enrol in the program. We hope you will be able to take advantage of the benefits program right away, or will add it to your budget for the upcoming year.

HOW IT WORKS

The AEL group benefits program is designed on a core-plus-options approach. Each owner, manager or staff who wishes to participate must have a current AEL membership ID number to qualify for inclusion in this plan.

The sample costs shown below are for a electrical contractor with family coverage. Costs vary depending on age and family status of employees with a discount for non-smokers. To find out the actual cost of a plan for your staff, please submit the "Group Insurance Quotation" form on the back page of this brochure.

The Core Plan includes basic life insurance and accidental death & dismemberment insurance, as well as drug, hospital, vision care and major medical benefits (sample cost of \$131/month).

Optional Dental Benefits provide coverage for routine dental work, crowns, bridges, dentures and other major restorative procedures (sample cost of \$108/month).

Optional Long Term Disability Insurance provides income protection if you or your staff are unable to work due to disability (sample cost of \$34/month).

Optional Short Term Disability Insurance provides income protection for temporary disabilities lasting up to six months (sample cost of \$32/month).

The inside of the brochure describes the benefits in more detail, and explains how you can join the program.

Core Plan

Life Insurance Plan

- \$50,000 owners/managers
- \$25,000 all other staff
- Can be increased to \$250,000
- Includes AD&D benefits

Comprehensive Health Benefits

- Semi-private Hospital
- Prescription Drugs
- Vision Care
- Out-of-Canada Emergency
- Ambulance Charges
- Major Medical Expenses

Optional Benefits

Dental Benefits

- Preventative services
- Root canal procedures
- Crowns, bridges & dentures

Long Term Disability Insurance

- \$1,500/month owners/managers
- \$1,000/month all other staff

Short Term Disability Insurance

- 66.7% earnings to EI maximum
- Qualifies for EI premium reduction

Note: Further to the 1998 federal budget, self-employed, unincorporated members can deduct the full cost of health and dental premiums from business income. Prior to this, only incorporated businesses were entitled to deduct these costs.

MORNEAU
SOBECO

1-888-504-5444

BENEFIT SUMMARY

Basic Life Insurance

- Flat benefit of \$50,000 for owners/managers, and \$25,000 for all other staff.
- Coverage reduces by 50% at age 65, and terminates at the earlier of retirement or age 70.
- Premiums are waived after 6 months of total disability.
- Additional insurance is available through payroll deduction in units of \$25,000 to a maximum of \$250,000.

Accidental Death & Dismemberment (AD&D) Insurance

- Pays an additional amount equal to basic life insurance benefit in the event of accidental death.
- Pays a portion of the death benefit for dismemberment or paralysis due to an accident.

Extended Health Benefits

- This covers expenses that are not fully insured by provincial medicare. Eligible expenses include:
 - 100% coverage for semi-private hospital accommodation.
 - 80% coverage for prescription drugs.
 - 100% coverage for emergency out-of-Canada medical costs, up to \$1,000,000 maximum.
 - 100% coverage for eye glasses or contact lenses, up to \$100 every 24 months.
 - 100% coverage for ambulance charges and other major medical expenses.
- Benefits are subject to a \$25 calendar year deductible (maximum \$50 per family).
- Benefits are limited to \$500 per person in the first calendar year of coverage.
- Each employee can choose **single** or **family** coverage, or can **waive** coverage entirely if there is comparable coverage under a spouse's plan.

Dental Benefits *(optional benefit)*

- Benefits are based on the current dental association fee guide. Eligible expenses include:
 - 100% coverage for routine check-ups and x-rays.
 - 100% coverage for cleaning, prophylaxis and other preventative services.
 - 100% coverage for fillings, basic restorations and minor dental surgery.
 - 50% coverage for root canal and periodontic procedures.
 - 50% coverage for major restorative services, including dentures, crowns and bridgework.
- Benefits are subject to a \$25 calendar year deductible (maximum \$50 per family).
- Benefits are limited to \$1,000 per person each year (\$500 in the first calendar year of coverage).
- Each employee can choose **single** or **family** coverage, or can **waive** coverage entirely if there is comparable coverage under a spouse's plan.

Long Term Disability Insurance *(optional benefit)*

- Basic benefit of \$1,500/month for owners/managers, and \$1,000/month for all other staff.
- Benefits start after 6 months of continuous disability and continue to age 65.
- Payments are offset by workers' compensation and disability benefits under CPP or QPP.

Short Term Disability Insurance *(optional benefit)*

- Pays 66.7% of weekly earnings, up to the maximum Employment Insurance (EI) sickness benefit.
- Benefits start on the 8th day of continuous disability and continue for 26 weeks.
- Schedule is updated each year to qualify for full EI premium reduction.

Higher long term disability maximums are available. Please contact Morneau Sobeco for more information.

Please note that this summary is intended to provide a brief description of the benefits available under the AEL group insurance program. This material does not create or confer any rights. The exact terms and conditions of your benefits are outlined in the applicable group benefits agreements or policies.

IMPLEMENTING A BENEFITS PROGRAM

The program is available to all members with a current AEL membership ID number. There is no minimum size. To establish a plan, you need to answer five questions:

- 1. Whether to include dental, long term disability and short term disability benefits in the plan?** Disability benefits are popular in firms with older staff. Many employers provide both short and long term disability benefits. Dental benefits are a popular option in firms with younger employees. If you choose to include these benefits in your program, they must be provided to all eligible staff.
- 2. Whether to pay the entire cost of the plan, or share part of the cost with employees?** Most employers pay the entire cost of benefits for their staff. If costs are shared, employees are often asked to pay half of the cost of their health and dental benefits, and the employer pays the rest of the cost.

- 3. Whether to include part-time employees?** You can cover any employee who works at least 20 hours per week. There is no legal requirement to cover part-time staff, but you must adopt a consistent policy about who is eligible for benefits. Many employers do not cover part-time employees until they have been on staff for at least one year.
- 4. Which employees should be classified as managers (Class A), and qualify for enhanced benefits?** Normally this decision is based on earnings and level of responsibility. It is not necessary to have the title "manager" to be included in Class A for benefits.
- 5. Whether to pay premiums quarterly in advance, or by monthly pre-authorized cheques?** Most smaller firms find it is easier to budget for a monthly cost.

ELIGIBILITY FOR BENEFITS

Employees are eligible for benefits if they are under age 65, work at least 20 hours per week and have been employed by your firm for at least three continuous months and have a current AEL membership ID number. Eligible dependents include spouses (legally married or common-law) and children up to age 21, or age 25 if a full-time student.

All eligible employees must apply for coverage by completing an "Employee Application for Group Insurance."

Certain restrictions apply in the first 12 months of coverage. Health and dental limitations are outlined in the benefit summary on the previous page. The plan does not cover long term disability claims which occur during the first 12 months, if these are due to a pre-existing condition. A "pre-existing condition" is defined as any medical condition for which the employee was treated or took medication in the six months before coverage took effect.

Follow these steps to apply for coverage under the AEL Program:

- Step 1** Complete the "Group Insurance Quotation" form located on the back page of this brochure.
- Step 2** You will receive a group insurance quotation from Morneau Sobeco, including a full description of the plan and all material required to join.
- Step 3** The employer completes a one page "Employer Application for Group Insurance".
- Step 4** The employee completes a one page "Employee Application for Group Insurance". **Please include your AEL membership ID number for verification.**
- Step 5** Send all completed application forms to Morneau Sobeco, 895 Don Mills Road, Suite 700, One Morneau Sobeco Centre, Toronto, Ontario M3C 1W3. Please keep a copy of all application forms for your files. No binder cheque is required.

All insurance is subject to underwriting by the insurer, and does not take effect until you are notified of approval. Within two weeks of approval, you will receive a letter confirming coverage, a claims kit and your first premium billing. You can start submitting claims immediately upon approval.