

WESLEYAN RETIREMENT PLAN
OVERVIEW OF RBC GROUP LIFE & LONG-TERM DISABILITY INSURANCE

Insurance Benefit: **Employee Basic Term Life
Long Term Disability (LTD)**

Eligibility: An employee must

- Be a resident of Canada
- Hold current and valid provincial or territorial health care plan coverage in the province or territory where he/she resides
- Be a permanent full-time employee (working 30+ hours/week)
- Complete the waiting periods specified below

Waiting Period: Employee Basic Term Life

- The employee in active employment is eligible to receive this benefit on the first of the month following the first receipt of employer paid monthly assessment.

Long Term Disability (LTD)

- The employee in active employment is eligible to receive this benefit after 12 assessments have been paid within the previous 15 months.

EMPLOYEE BASIC TERM LIFE INSURANCE

Amount of Insurance: 400% of the employee's annual earnings based on the employer paid assessments, with a decrease of 10% for each year older than age 30 until it reaches 100% at age 60 and older, rounded to the next higher \$1,000, if not already a multiple of \$1,000.

The maximum amount is \$550,000 (\$300,000 without providing evidence of insurability)

When the employee turns 70 the amount of insurance will be reduced to 65% of the amount in force immediately prior to age 70. When the employee turns 75 the amount of insurance will be reduced to 50% of the amount in force immediately prior to age 70

Terminal Illness Benefit: The lesser of 50% of the employee's Amount of Insurance; or \$100,000 Payable only once during the employee's lifetime, the Company will pay this benefit to an employee who is less than 64 years of age, becomes disabled and has a life expectancy of 12 months or less due to a terminal illness (by written request and with written physician certification)
After this benefit has been paid to an employee, the amount of insurance on the life of the employee will be reduced by this amount.

Waiver of Premium Elimination Period: The employee must be continuously disabled for at least 180 days to be eligible for waiver of premiums.

LONG TERM DISABILITY (LTD)

Maximum Monthly Benefit: \$6,000

Minimum Monthly Benefit: \$100

Monthly Payment Calculation:

1. Multiply the employee's pre-tax monthly earnings by 60% and then round to the next higher \$1.00
2. The maximum monthly amount is \$6,000
3. The lesser amount of item 1 and 2 is the employee's gross monthly benefit
4. Subtract 100% of direct benefit offsets (payments from other sources) from the answer from item 1.
5. Multiply the employee's pre-tax monthly earnings by 85%
6. Subtract 100% of direct and indirect benefit offsets from the answer from item 5.

The monthly payment is the least of items 3,4 or 6 above; but not less than the minimum monthly benefit.

The employee's monthly payment may be reduced by disability earnings.

Elimination Period: Following the Waiting Period, the period of continuous disability must be 180 calendar days for the employee to be eligible for this benefit.

Maximum Period of Payment: The age at disability must be less than age 65; payment may be made to age 65, but not less than 1 year.
(No premium payments are required for the employee's insurance while receiving LTD payments)

Employer Selected Benefits:

Conversion benefit	Yes
Cost of Living Adjustment	2% annually, after 5 full years (60 months) of benefit payments have been received

Termination of Coverage: the earlier of the date the employee retires or age 65