

Long Term Disability Plan for Associates

Long Term Disability (LTD) coverage provides the necessary financial protection for your most valuable asset – your ability to earn an income. You may be aware of the risk of becoming disabled at any age. This risk increases with age, so it is important that you apply for coverage while you are healthy and actively at work.

The LTD plan was designed with the flexibility that allows you to choose the option that makes the most sense. If your circumstances change, you have the opportunity to change your option, provided it has been at least 12 months since your last change.

Take advantage of the 90 Day Open Enrolment Period, which begins on the date you are appointed to your role as a Principal or Vice-Principal. During this period you will not be asked any medical questions. Your coverage approval is guaranteed during this period.

Plan Payment

The LTD plan will pay a non-taxable benefit based on 55% of your pre-disability gross monthly earnings to a maximum benefit of \$9,000 per month. For example, an annual salary of \$100,000, will translate to an LTD benefit equal to \$4,583 per month ($\$100,000 \div 12 \times 55\%$). The monthly benefit will commence once your claim is approved and you have completed the elimination period.

Your disability may also entitle you to receive benefits from other sources such as Workers' Compensation or the Canada Pension Plan. Your LTD benefit will be reduced by any amount you receive from these other sources.

The LTD monthly benefit you are entitled to receive from all sources of income (All Source Maximum) is limited to 85% of your net pre-disability earnings (after Federal/Provincial taxes only).

Disability Definition

You will be considered disabled if, during the first 24 months of disability following the elimination period, you are limited from performing the material and substantial duties of your regular occupation, and you have a 20% or more loss in your indexed monthly earnings. After that, you will be considered disabled if you are unable to perform the duties of any gainful occupation for which you are or may reasonably become fitted by education, training or experience.

Coverage Cost

The monthly premium is based on your annual salary and the option you chose. Please refer to the Rate Schedule on how to calculate your monthly cost.

Make a Claim

In order to assist you in the claims process, Johnson's First Alert service is an integral part of the LTD Plan. Once you have been absent from work for 15 working days due to illness or injury, you are advised to contact the LTD Disability Department at Johnson Inc. at 1.877.709.5855 or at cpcoclaims@johnson.ca.

Elimination Period

This is the maximum period you will need to wait from the date of a disability to the date the payment of benefit commences under the LTD Plan. It is also sometimes referred to as the Qualifying Period. The elimination period for all four options is equal to 150 calendar days, which is roughly equivalent to 107 working days (within the same school year).

Options

The LTD plan options allow you to choose between two termination dates that best suits your current needs. You are also able to include a Cost Of Living Adjustment (COLA) benefit with your choice of termination dates. In summary the options are as follows:

LTD Option 1	Earlier of Age 65, or 70% u.p. level	No Cola
LTD Option 2	Earlier of Age 65, or 70% u.p. level	Flat 3% COLA
LTD Option 3	Earlier of Age 65, or 85 Factor	No Cola
LTD Option 4	Earlier of Age 65, or 85 Factor	Flat 3% COLA

Your decision will depend on what stage of your career you are in, your financial comfort zone, and any other resources that may be available to you to draw from in case you become disabled. In summary, the key provisions that differentiate the four separate options are as follows:

Key Provisions - Choices	Impact
<p>1. The Coverage/Benefit End Date: Depending on the option, the date you reach a 70% unreduced pension level (about 35 years of pensionable service) or the date you attain your 85 Factor (your age at retirement plus your years of service) will equal 85 regardless of your pension level accrued. The coverage/benefit will terminate on your birthday, if you reach age 65 before either pension dates above.</p>	<p>The date you might choose to retire:</p> <ul style="list-style-type: none"> ▪ Will you be eligible to retire with the 85 Factor? ▪ Will you continue working until you reach a 70% unreduced pension level? ▪ Will you reach age 65 before either of these two dates?
<p>2. The Cost Of Living Adjustment (COLA): The COLA provides a 3% annual increase to the LTD benefit after the first 24 months of paid benefit.</p>	<p>How valuable is COLA to you? How many years do you have to retirement? Consider that a disability can potentially last several years, or even a lifetime.</p>

* Any questions relating to your pension plan and eligible retirement date(s) should be directed to the Ontario Teachers' Pension Plan Board. Please note that you are responsible for communicating your intended retirement date to Johnson for the purpose of cancelling this coverage.

Additional Coverages	
The CPCO LTD Plan is more than just an income replacement plan. It includes the following coverages:	
Basic Critical Illness	One time tax free lump sum benefit of \$2,500 upon surviving a prescribed period following the diagnosis of Heart Attack, Stroke, Cancer (some exclusions), or Kidney Failure.
Resilience®	An unresolved problem or ongoing stress can sometimes affect your emotional and physical health, which can add stress in all parts of your life and the lives of your family. Resilience, a full Employee and Family Assistance Plan, can help even before the stress becomes overwhelming.
Survivor Benefit/ Accelerated Survivor Benefit	Three months gross disability payment (Dependent definition includes common-law/domestic partner). Survivor Benefit will be paid early if claimant is terminally ill.
Health Service Navigator®	Manulife will help Associates navigate the health care system with ease. Health Service Navigator® will provide access to preventative, diagnostic and informative health tools to help guide associates through the health care system.

Contact Information

Please contact the Program Administrator, Johnson Inc., if you have any questions on the CPCO Benefits Program.

1595 16th Avenue, Suite 100
 Richmond Hill, Ontario L4B 3S5
 Phone 905.764.4959 | Fax 1.866.623.8257
 Toll Free 1.800.461.4155
 E-mail: cpco@johnson.ca



This brochure provides an overview of the coverage available and is not a valid contract. If there are any discrepancies between this brochure and the Master Policy, the provisions of the Master Policy shall govern.