

NAV CANADA BENEFITS ONLINE

Represented Retiree
(on or after Jan 1, 2010)



NAV CANADA Benefits Online

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Benefits Online provides the information you need to get the most from the benefit program offered to our Represented retirees. If you are not an eligible Represented retiree, who retired on or after January 1, 2010, this information does not apply to you.

The information contained in this document is as accurate as possible; however, final interpretation is governed by the terms of official insurance contracts. In case of conflict between the content in this document and the relevant contract, the contract will prevail.

Plan	Contract	Provider
Basic Life Insurance Plan	#101198	Sun Life Assurance Company of Canada

To contact us:**NAV CANADA – HR Employee Centre**HREC-CERH@navcanada.ca

1-888-774-4732



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Eligibility

Represented retirees, who retired on or after January 1, 2010 are eligible to enrol in the NAV CANADA Basic Life Insurance Plan, with some exceptions (see below for exceptions):

	While receiving pension	
	Compulsory	Optional
Basic Life Insurance Plan		✓

If you are receiving a NAV CANADA pension benefit and you retired from NAV CANADA on or after January 1, 2010 with at least two years of pension eligibility service you are eligible for:

- Basic Life Insurance, as long as you apply within 30 days of leaving NAV CANADA.

FREQUENTLY ASKED QUESTIONS

How do I know for sure that I have coverage?

Contact the [HR Employee Centre \(HREC\)](#) for information.

Can I cancel coverage?

To cancel coverage, you must send a written request to the [HR Employee Centre \(HREC\)](#).



Retiring

You cannot continue your coverage under the Health Care, Dental Care, Long-term Disability Insurance or Business Travel Accidental Death and Dismemberment Insurance Plans once you retire from NAV CANADA.

Basic Life Insurance Plan

If you retire with at least two years of service and take an immediate pension:

You can maintain your coverage if you opt in writing within 31 days of your last day of employment.

You will be covered for the same amount as when you retired, if you were under age 61. Your coverage reduces by 10% (of your full coverage in effect on your 61st birthday) on the 1st of the month following your 61st birthday, and every year after that, until it reaches \$5,000. Coverage reduces to \$5,000 on the 1st of the month following your 70th birthday.

You can apply for the reduced coverage of \$5,000 anytime; however, you will not be able to increase it later. To take the reduced coverage, complete the Basic Life Insurance Paid-Up Amount Application. You can also cancel anytime and buy an individual policy.

Any required cost is deducted from your pension. If your premiums are higher than your pension amount, you must send post-dated cheques for the required premium in advance to the HR Employee Centre.

If you leave NAV CANADA and defer your pension:

You can maintain your coverage if you opt in writing with 31 days of your last day of employment. You must send a written request to the HR Employee Centre with a cheque for the first 12-month payment. You will be covered for the same amount as when you left NAV CANADA if you were under age 61.

Your coverage reduces by 10% (of your full coverage in effect on your 61st birthday) on the 1st of the month following your 61st birthday, and every year after that, until it reaches reduces to \$0 at age 70 (the minimum coverage of \$5,000 does not apply).



Cost / Premiums

BASIC LIFE INSURANCE

All premium rates are subject to change based on the experience of the plans.

If you leave NAV CANADA and take an immediate pension:

If you are a represented employee and retire with an immediate pension on or after January 1, 2010, with at least two years of service with NAV CANADA:

Each Month	
Retirees pay...	NAV CANADA pays...
\$0.141 per \$1,000 of coverage	\$0

Premiums are subject to provincial tax: for Ontario, Quebec, and Manitoba.

Life insurance premiums and provincial tax paid by NAV CANADA constitute a taxable benefit under the Income Tax Act. This amount is added to your T4A and Relevé 2, for retirees.

Applicable income tax is deducted from your pension.

If you leave NAV CANADA and defer your pension:

You may want to maintain your Basic Life Insurance coverage even though you are not taking your pension immediately after you leave NAV CANADA. If you defer your pension and wish to maintain your coverage, you must send a written request to the [HR Employee Centre \(HREC\)](#) within 30 days of your employment end date. You must also send a cheque for 12 months' premiums at the appropriate rate from the following table. The rate is based on your age on the thirtieth day following your termination date.

NAV CANADA Benefits Online
 Represented Retiree (on or after Jan 1, 2010)

Annual rate per \$2,000 of coverage					
Age	Rate	Age	Rate	Age	Rate
21	\$8.56	37	\$14.59	53	\$27.34
22	\$8.83	38	\$15.13	54	\$28.53
23	\$9.11	39	\$15.69	55	\$29.80
24	\$9.40	40	\$16.29	56	\$31.14
25	\$9.70	41	\$16.91	57	\$32.58
26	\$10.01	42	\$17.56	58	\$34.12
27	\$10.34	43	\$18.25	59	\$35.80
28	\$10.69	44	\$18.97	60	\$37.65
29	\$11.05	45	\$19.72	61*	\$39.77
30	\$11.42	46	\$20.52	62*	\$42.02
31	\$11.81	47	\$21.35	63*	\$44.40
32	\$12.22	48	\$22.23	64*	\$46.92
33	\$12.65	49	\$23.14	65*	\$49.58
34	\$13.10	50	\$24.11	66*	\$52.38
35	\$13.58	51	\$25.13	67*	\$55.34
36	\$14.07	52	\$26.20	68*	\$58.45
				69*	\$61.73

*Premium rates take reducing coverage into account.

Once your deferred pension becomes payable, your premiums will be deducted from your pension payment based on the following rates, unless the premiums exceed the amount of your pension. The rates continue to be based on your age on the thirtieth day following your termination date.

Annual rate per \$2,000 of coverage					
Age	Rate	Age	Rate	Age	Rate
21	\$0.73	37	\$1.24	53	\$2.32
22	\$0.75	38	\$1.29	54	\$2.42
23	\$0.77	39	\$1.34	55	\$2.53
24	\$0.79	40	\$1.39	56	\$2.65
25	\$0.82	41	\$1.44	57	\$2.77
26	\$0.85	42	\$1.49	58	\$2.90
27	\$0.88	43	\$1.55	59	\$3.04
28	\$0.91	44	\$1.61	60	\$3.20
29	\$0.94	45	\$1.67	61*	\$3.38
30	\$0.97	46	\$1.74	62*	\$3.57
31	\$1.00	47	\$1.81	63*	\$3.77
32	\$1.03	48	\$1.89	64*	\$3.98
33	\$1.07	49	\$1.97	65*	\$4.21
34	\$1.11	50	\$2.05	66*	\$4.45
35	\$1.15	51	\$2.14	67*	\$4.70
36	\$1.19	52	\$2.23	68*	\$4.97
				69*	\$5.25

*Premium rates take reducing coverage into account.

FREQUENTLY ASKED QUESTIONS

How do I pay my part of the cost?

Premiums will be deducted from your Pension payments.

What happens if the cost changes?

Your cost is adjusted as of the effective date of the change. The [HR Employee Centre \(HREC\)](#) will advise you of any changes to the rates, in advance.



Life Insurance

BASIC LIFE INSURANCE

If eligible, you may choose to maintain Group Life Insurance in retirement. In the event of your death (from any cause), your beneficiary would receive benefits equal to the amount in effect on your last day of work. The maximum payment would be \$1,000,000.

If you retire with at least two years of service and take an immediate pension, coverage begins reducing the 1st of the month following your 61st birthday, by 10% of your full coverage in effect at retirement. Coverage reduces every year on the 1st of the month following your birthday until the minimum of \$5,000 is reached, where it will remain until it is paid out.

If you leave NAV CANADA and defer your pension coverage begins reducing the 1st of the month following your 61st birthday, by 10% of your full coverage in effect at retirement. Coverage reduces every year on the 1st of the month following your birthday until it reaches \$0 at the age of 70 (the minimum coverage of \$5,000 does not apply).

Example	
Insurable Earnings at Retirement	\$93,550
Coverage at age 60	$\$93,550 \times 2 = \$187,100$, round to nearest \$250 = \$187,250
Birth date	March 15
Coverage effective on 1 st of month following 61 st birthday	$\$93,550 \times 2 \times 90\% = \$168,390$, rounded to nearest \$250 = \$168,500
Coverage effective on 1 st of month following 62 nd birthday	$\$93,550 \times 2 \times 80\% = \$149,680$, rounded to nearest \$250 = \$149,750
Coverage effective on 1 st of month following 63 rd birthday	$\$93,550 \times 2 \times 70\% = \$130,970$, rounded to nearest \$250 = \$131,000

Benefits are not taxable when paid to the beneficiary you name (any interest paid between the date of death and the date of payment is taxable). However, if your estate receives life insurance benefits, they may be subject to probate fees, since they may be considered assets.

Basic Life Insurance Living Benefits Loan Program

If you become terminally ill with a life expectancy of 12 months or less, you may apply for a commercial loan under the Sun Life Benefits Loan Program. Under this program, you may receive an advance of up to 50% of your Basic Life coverage, to a maximum of \$100,000, provided that:

- you suffer an injury or illness expected to result in death within 12 months, from which there is no reasonable prospect of recovery, based on your physician's medical information,
- you have not named an irrevocable beneficiary,
- you submit a written request to Sun Life,
- NAV CANADA authorizes the payment, and
- you and your beneficiary sign an agreement before the benefit is paid.

If you are within 5 years of a scheduled reduction of Basic Life coverage, the advance you may receive cannot exceed 50% of the lowest reduced amount of the Basic Life coverage, to a maximum of \$100,000. If you are within 5 years of the termination of your Basic Life coverage, you may not apply for a commercial loan under the Sun Life Living Benefits Loan Program. This program is subject to other restrictions, as advised by Sun Life.

The amount paid (plus accumulated interest) will reduce the Basic Life Insurance benefit your beneficiary receives when you die.

BENEFICIARY

Designating a Beneficiary

If you wish to designate one or more beneficiary, you can do so on the Basic Life – Beneficiary Designation Form by stating the beneficiary's full name and relationship to you.

You can also designate a beneficiary by will or on a subsequent beneficiary designation form.

Forms must be completed, dated and signed. You must initial any changes or alterations to the designation, no matter how small; correction fluid cannot be accepted. The signed witness on the form cannot be any of the designated beneficiaries.

Forms must be sent to the HR Employee Centre located at 77 Metcalfe (9th floor), Ottawa, Ontario, K1P 5L6.

You may designate as your beneficiary:

- any person;
- any registered charitable or benevolent organization or institution (name and registration number of the institution are required);
- any religious or educational organization (name is required);
- your estate; or
- a trust (in Quebec, the trust must be formally established).

Revocable and Irrevocable Beneficiaries

A *revocable* beneficiary means that you are free to change the beneficiary designation at any time.

A beneficiary designation is assumed to be revocable, unless specifically designated as irrevocable. With exception in Quebec, the designation of a legal spouse (married or civil union) as beneficiary is irrevocable, unless specifically designated as revocable (this exception does not apply to a common law spouse).

An *irrevocable* beneficiary means you cannot change the designation without meeting specific requirements (see Changing a Beneficiary Designation below).

Changing a Beneficiary Designation

If the beneficiary designation is revocable:

A new Basic Life – Beneficiary Designation Form must be completed, dated and signed by you and a witness.

If the beneficiary designation is irrevocable:

A new Basic Life – Beneficiary Designation Form must be completed, dated and signed by you and a witness. To change an irrevocable beneficiary or to change the current beneficiary designation from irrevocable to revocable, you must also submit one of the following documents, depending on the situation:

- 'Consent by Beneficiary Form', signed by the irrevocable beneficiary, revoking their rights; or
- Divorce Certificate (in Quebec, a divorce granted after December 1st, 1982 automatically cancels the designation of the spouse as beneficiary, even if irrevocable); or
- Proof of death of the irrevocable beneficiary.

More about beneficiary designations

Designating one beneficiary:

To designate one beneficiary, you must indicate the beneficiary's name and their relationship to you on the Basic Life – Beneficiary Designation Form.

Appointing a contingent beneficiary:

A contingent beneficiary is the person designated to receive the proceeds if the primary beneficiary predeceases you. To appoint a contingent beneficiary, you must complete the Appointing Contingent Beneficiary section of the Basic Life – Beneficiary Designation Form.

Designating more than one beneficiary:

To designate more than one beneficiary, the member must indicate the name, relationship and percentage on the form for each. The total of the designated percentages must equal 100%. If percentages are not indicated, an even split will be made between beneficiaries. If a beneficiary predeceases the member, the deceased beneficiary's portion of the death benefit will be paid to

the member's estate or to the contingent beneficiary(ies), if designated. Remaining percentages will be paid as listed on the beneficiary forms.

	Example 1	Example 2
Beneficiary 1	25%	98%
Beneficiary 2	25%	1%
Beneficiary 3	25%	1%
Beneficiary 4	25%	
	Contingent Beneficiary or Estate	Contingent Beneficiary or Estate
Note	<p>If any of the beneficiaries predecease the member, their allocation will be split among the remaining beneficiaries.</p> <p>Beneficiary 1 predeceases member, Beneficiaries 2,3 and 4 get 1/3 each.</p>	<p>If Beneficiary 1 predeceases member, their 98% will be divided equally among the remaining beneficiaries.</p> <p>Beneficiary 1 predeceases member, Beneficiaries 2 and 3 get 50% each.</p>

Quebec Residents:

In the case of an even split between beneficiaries, the percentage allocated to the deceased beneficiary will be divided equally among the surviving beneficiary(ies). In the case of an uneven split, the deceased beneficiary's portion of the death benefit will be paid to the member's estate or to the contingent beneficiary(ies) if designated. Remaining percentages will be paid as listed on the beneficiary forms.

	Example 1	Example 2
Beneficiary 1	25%	98%
Beneficiary 2	25%	1%
Beneficiary 3	25%	1%
Beneficiary 4	25%	Contingent Beneficiary 1 or Estate
Note	<p>If any of the beneficiaries predecease the member, their 25%</p>	<p>If any of the beneficiaries predecease the member, their allocation will be paid to the</p>

	<p>will be split evenly between the remaining beneficiaries:</p> <p>Beneficiary 1 predeceases member, Beneficiaries 2,3 and 4 get 1/3 each.</p>	<p>contingent beneficiary (if designated) or the Estate:</p> <p>Beneficiary 1 predeceases member, Beneficiaries 2 and 3 get 1% as indicated, and the 98% goes to the Contingent Beneficiary (ies) or Estate (as per completed form on file).</p>
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Designating a minor child as beneficiary in Quebec:

In Quebec, any amount payable to a minor beneficiary during his/her minority will be paid to the parent(s) or legal guardian on his/her behalf. If you wish to make provisions for an administrator or trustee to administer a minor child's money, you can do so in a will and designate the trustee as beneficiary. It is recommended that you consult with legal counsel to determine the estate planning steps you should take.

Designating a minor child as a beneficiary in all other provinces:

In all provinces, other than Quebec, if the member designates a minor child as beneficiary, a trustee should be designated. If no trustee is named, proceeds may be paid into court.

Designating an estate:

If you are designating your estate as beneficiary, the following should be considered:

- Insurance proceeds payable to the estate are subject to claims from creditors, whereas proceeds payable to a named beneficiary may, in some cases, be protected from creditors.
- In some instances, a will must be probated, and the costs will vary from province to province. These costs are not incurred if proceeds are payable to a named beneficiary. Probate is not required for a notarial will in the province of Quebec.

When no beneficiary has been designated:

Proceeds will be paid to the member's estate. A properly constituted and current will should be submitted with any claim to avoid delays in processing with the executors or liquidators of the estate.

MAKING A CLAIM

In the event of your death, a member of your family must notify the [HR Employee Centre \(HREC\)](#) at 1-888-774-4732, select option 2 for benefits assistance. They will send out the necessary forms and information to the designated beneficiary.

FREQUENTLY ASKED QUESTIONS

Are the benefits tax-free?

Yes. However, if you do not name a beneficiary or name your estate as beneficiary, probate fees may apply.

How are the benefits paid?

A lump sum in Canadian dollars.

EXCLUSIONS

No restrictions apply to payment of Basic Life Insurance benefit.



Forms

Please contact the HR Employee Centre at HREC-CERH@navcanada.ca or 1-888-774-4732 to obtain the *Basic Life Insurance Plan Naming or Substitution of Beneficiary* form.



Glossary

Deferred Pension

A pension based on service and earnings on the date you leave NAV CANADA that becomes payable at a later date. When you leave before being entitled to an immediate pension, your NAV CANADA pension can be deferred.

Retiree

Under Basic Life Insurance

A NAV CANADA employee who had at least two years of service with NAV CANADA on his or her retirement date and is receiving NAV CANADA pension benefits.



Important Legal Notice

Benefits Online outlines and highlights general provisions and coverage under NAV CANADA Benefit Plans.

This information is as accurate and reliable as possible. There is no guarantee, however, that it is complete or current at all times.

- Final interpretation is governed by the terms of official contracts. In case of conflict between the content of this booklet and the relevant contract, the contract will prevail.
- Eligibility criteria and/or plans, programs, practices, and processes may be changed or terminated anytime without notice to participants.

This booklet does not constitute a contract of employment between you and NAV CANADA, or an obligation by NAV CANADA to maintain any particular benefit program, practice, or policy. NAV CANADA is not responsible for decisions you make based on this information.

NAV CANADA collects, uses and discloses personal information and personal health information (Information) about you and your dependents to arrange for the benefits described in Benefits Online. Service, insurance, and benefit providers, consultants, plan administrators, and auditors may change from time to time and receive your personal information, as required.

Protecting your privacy is important to NAV CANADA. NAV CANADA and its service and insurance providers who have job-related need to do so, collect, use, disclose, and share personal information. This Information may be used for the purpose of:

- assessing eligibility,
- providing benefits coverage to you and your dependents,
- managing and administering the plans described,
- determining which service and insurance providers to retain, and
- determining and maintaining appropriate financial terms.

Privacy policies for our insurance providers can be found at the following websites:

- Sun Life: www.mysunlife.ca
- AIG: <https://www.aig.ca/privacy-principles>

Access to your Information is limited to people who need to see it to achieve these purposes, or any other person whom you authorize in writing. NAV CANADA agrees to protect and maintain the confidentiality of your information through appropriate security measures and safeguards. NAV CANADA ensures all such parties enter into confidentiality agreements to protect and appropriately safeguard your information.

You are entitled to review your information and, if appropriate, have it corrected. To do so, submit a written request to HREC-CERH@navcanada.ca.

For questions on premium deductions, eligibility and coverage dates, application procedures, or claims procedures, contact the HR Employee Centre (HREC).

You have the right, upon request, to obtain a copy of the policies, your application and any written statements or other records you have provided to Sun Life as evidence of insurability, subject to certain limitations.

Every action or proceeding against an insurer for the recovery of insurance money payable under the benefits contract is absolutely barred unless commenced within the time set out in the Insurance Act or other applicable legislation (e.g. Limitations Act, 2002 in Ontario, Quebec Civil Code).

You have the right to appeal a denial of all or part of the insurance or benefits described in the Basic Life, Management Insurance Plan, Long-Term Disability and Critical Illness contracts as long as you do so within one year of the initial denial of the insurance or a benefit. An appeal must be in writing and must include your reasons for believing the denial to be incorrect.

If benefits are paid that were not payable under the Basic Life, Management Insurance Plan, Long-Term Disability or Critical Illness policy, you are responsible for repayment within 30 days of Sun Life sending you a notice of the overpayment, or within a longer period if agreed to in writing by Sun Life. If you fail to fulfil this responsibility, no further benefits are payable under the policy until the overpayment is recovered. This does not limit Sun Life's right to use other legal means to recover the overpayment.