



CHOICES AND OPPORTUNITIES

EMPLOYEE BENEFITS

REVISED JANUARY 2021



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CHOICES AND OPPORTUNITIES

This document details the benefits available under your Choices and Opportunities Flexible Benefit Program. Benefit details can be found in the official contract issued to Mitel®.

If there happens to be any difference between this document and the official contract, the official contract will be followed. Mitel reserves the right to modify the benefit plan at its discretion. The Company's decision on all matters relating to the operation, administration and interpretation of the benefit plan shall be final.

If you have any questions about any of the benefits described in this document, please contact your benefits administration TELUS Health helpdesk.flexit360@telus.com or call 1-866-899-5039. Sun Life Financial Customer Service Center can be reached at 1-800-361-6212 or via email through secure messages on the mobile app or the member site.

NOTE: All funds listed are Canadian Currency.



NEW HIRE INFORMATION

Your Company benefits program is designed to meet your specific needs for health and dental care, disability, as well as life and accident insurance coverage.

The Choices and Opportunities Flexible Benefit Program allows you to select your benefit coverage based on your family situation and your individual requirements.

With the Choices and Opportunities program, you are issued a certain number of “Flex Credits” and you select the level of coverage to suit your needs. As you select your benefits, the Choices and Opportunities Program will spend your Flex Credits based on a tax hierarchy, in the most tax effective way for you. The program also provides you with opportunities for purchasing additional coverage using your Flex Credits or payroll deductions.

There are three categories of benefits that combine to make up the Choice and Opportunities Program:

CORE BENEFITS

- Effective your first day of work

BENEFIT CHOICES

- Effective the first day of the month following your date of hire
- Employees are given 30 days to select their benefits.
- Optional insurance is effective the date of approval given by the insurance carrier.

PENSION PROGRAM

- Effective the first Monday of the pay period when your application is received
- Employees can join the program at any time, however, new employees are requested to complete paperwork within the first 30 days of hire

NOTE:

- If you do not make your choices within the 30-day period allotted, your coverage will automatically be set up with the default levels.
- Please read this document carefully. It has been designed to help you understand your benefits and the options that are available to you. It will help you to determine what your particular needs may be and which choices may be more suitable.
- Please save this booklet as you’ll need it to reference the details of your benefits coverage throughout the year.



IMPORTANT INFORMATION

ELIGIBILITY

All full-time and part-time employees in Canada who work at least 20 hours per week on a permanent basis are eligible to participate in the Choices and Opportunities Program. The program provides you with financial protection in the event of illness, accident or death.

Part-time employees who work a regular schedule on a permanent basis and have no end date to their employment, will be eligible for benefits on a pro rated basis. If you work three days a week, you are eligible for 60 percent of the Flex Credits, which you can use to purchase benefits. If you work four days a week, you are eligible for 80 percent of the Flex Credits, which you can use to purchase benefits.

TERMINATION

All benefits will cease on the date of the employee's termination.

Definition of "Dependant": Under the Choices and Opportunities Program, you may cover "eligible dependants" for health, dental, life insurance, and accidental death and dismemberment insurance.

A "DEPENDANT" INCLUDES:

- **YOUR SPOUSE:** A person to whom you are legally married or with whom you have been living for 12 or more months in a common-law relationship.
- **YOUR CHILDREN:** Includes children of the marriage, legally adopted children, legal wards, common-law children and stepchildren who are unmarried, not employed on a regular full-time basis and under age 22.

THE AGE RESTRICTION OF 22 DOES NOT APPLY TO THE FOLLOWING:

- An unmarried full-time student under age 25, (age 26 in the province of Quebec for prescription drug coverage only), attending an accredited educational institute, college or university on a full-time basis

A copy of the paid tuition receipt for the current school year must be on file with the Company's Human Resources Department to remain eligible for benefits.

- A mentally or physically handicapped unmarried child who is incapable of self-sustaining employment and is wholly dependant on you for support and maintenance

If these definitions do not apply to your situation, you may wish to contact your Human Resources Department.

DEFINITION OF "SALARY": For all eligible employees, annual salary refers to basic earnings (base pay excluding bonuses, incentives, overtime and shift premiums).

An exception to the above is specific to employees on a sales incentive plan. For purposes of Life, Long-Term Disability (max. 10K), and Accidental Death and Dismemberment premiums (Flex Credit allocation), the calculation is based on the previous two fiscal years commission plus base salary.

DEFINITION OF “PRE-TAX” AND “AFTER-TAX” DOLLARS: “Pre-tax” dollars refer to earnings before statutory deductions (EI, C / QPP, federal and provincial tax deductions). “After-tax” dollars refer to earnings after the above deductions.

DEFINITION OF “NON-SMOKER”: A non-smoker is an individual who has not smoked or used any tobacco products for one year (12 months) or more.



YOUR BENEFITS

The Choices booklet brings together in one easy reference tool, a description of all your benefits offered under the Choices and Opportunities Program and other key information, such as how your Flex Credits are calculated and how you enroll in the program. There are three categories of benefits that make up the Choices program:

1. CORE BENEFITS

Benefits that the Company provides at no cost to employees as well as benefits that are legally required. We call these “The Platform.”

2. BENEFIT CHOICES

Benefits for which you have choices. We call these “The Options.” You are given Flex Credits to buy benefits; you may not require all of the credits you have been allocated, or you may need to supplement your choices with payroll deductions: This will depend on which options you choose.

3. OTHER BENEFITS

Additional benefits and services in which you may voluntarily participate.

THE PLATFORM: CORE BENEFITS

Pension Program, Employee Assistance Program, Workers’ Compensation, Government Programs, Statutory and Company Holidays, Emergency Medical Insurance and Travel Assistance, Business Travel Accident Insurance, Employee Accidental Death and Dismemberment, Employee Life Insurance, Dependent Life Insurance, Sick Leave / Short-Term Disability, Long-Term Disability, Vacation, Maternity and Parental Leave, Other Authorized Leaves of Absence

THE OPTIONS: BENEFITS CHOICES

Health, Dental, Employee Life Insurance, Employee Accidental Death and Dismemberment Insurance, Optional Insurance (including Employee, Spousal and Children’s Life; Accidental Death and Dismemberment and Critical Illness Insurance), Long- Term Disability, Healthcare Reimbursement Account, Flex Group Registered Retirement Savings Plan, Pension Program

OTHER BENEFITS

Optional Group Registered Retirement Savings Plan, Educational Benefit, Professional Designation Memberships, Multi-Deposit Program, Mitel Fit, Canada Savings Bonds, and Pharmex Direct Inc.

Federal and provincial budgets may possibly affect the taxable status of employee health and insurance benefits and the Healthcare Reimbursement Account. Should that occur, the Company reserves the right to modify the design of the Choices and Opportunities Program as appropriate.



WHY CHOICES?

THE FACTS ABOUT COST

We have been working hard to slow the rate at which benefit costs are increasing. But many outside factors — cutbacks and taxation related to the federal and provincial government programs, healthcare inflation, increased usage and the move by other companies to offer flexible benefit programs to employees — impact our total benefit costs.

The Choices and Opportunities Program is not intended to reduce the amount that is spent on employee benefits. Rather, it creates a structure for slowing future cost increases.

Depending on your benefit needs and expenses, year over year, you may or may not pay more for coverage than you pay for benefits today.

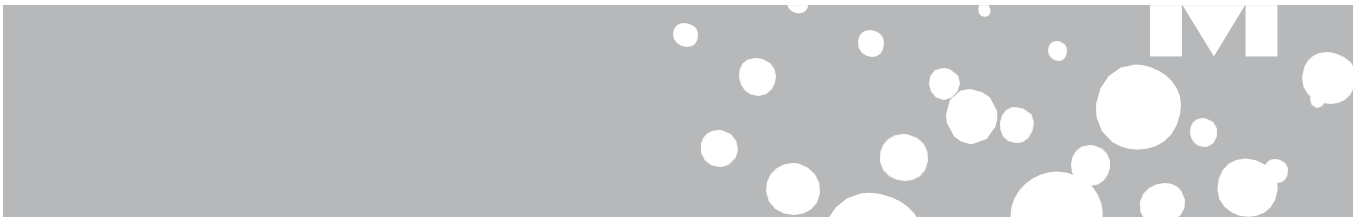
The rest of this document describes the Choices and Opportunities Program, with special emphasis on those benefits for which you have choices and must make decisions. Read the remaining sections in order, or skip around to learn about the benefits most important to you. Just be sure to review all of the benefits, and to share this information with your family, since you will be asked to make informed choices about your own coverage.

RE-ENROLLMENT

A Re-enrollment period will take place in the latter part of each calendar year. At that time you must review your choices and verify that the information is correct. This is your opportunity to make changes to your selection. The changes that you make will become effective January 1 of the new calendar year. Eligibility requirements state that an employee must be actively at work on a “full-time basis” in order to participate in re-enrollment for the next calendar year. Should you make a full return to work prior to December 31, you will have the opportunity to review and make changes at that time, for the next calendar year. If you do not wish to make changes, your current selection will remain the same for the next calendar year.

YOU CAN VIEW YOUR CURRENT SELECTIONS AT ANYTIME BY ACCESSING THE FLEXIT360 BENEFITS SYSTEM THROUGH THE MITEL INTRANET SITE

You will be directed to the benefits site using your Mitel credentials. It is only during re-enrollment period that you can change your selections. If you do not wish to make changes you still must log on to verify your current selections and beneficiary designations. Health and Dental can only move up or down one level at a time. The changes made during the re-enrollment period are in effect in the new calendar year.



FLEX CREDITS AND HOW THEY ARE CALCULATED

The Company provides you with Flex Credits to spend on your benefit choices.

You will see information showing the number of Flex Credits available to you in the top bar of the enrolment system, as well as the price tags for the various options as you step through the enrolment process. Each benefit option has its own price the higher the level of coverage, the higher the price. Each year, you are provided with Flex Credits to help you purchase these benefits. For new employees, your Flex Credits are prorated based on your date of hire. Each year, the amount of Flex Credits provided to employees is recalculated. Every eligible employee receives a personalized number of Flex Credits**, these credits are made up of two components: A fixed amount sufficient to buy Option B Health and Dental coverage plus an earnings and family status-related amount sufficient to buy Option B Employee Life, AD&D and Core LTD.

OPTIONS	MONTHLY PREMIUMS
OptionBHealth	\$ xx.xx
OptionBDental	\$ xx.xx
	\$ xxx.xx
PLUS	
Core LTD	\$ xxxx.xx
Option B 2x salary Life	\$ xxxx.xx
Option B 2 x salary AD&D	\$ xxxx.xx
Equals your personal flex credits	\$ xxxx.xx

If you want more coverage than your Flex Credits can buy, you can pay the difference with payroll deductions each pay period. If you have more Flex Credits than you need, you may deposit your excess Flex Credits into the Healthcare Reimbursement Account or the Flex Group Registered Retirement Saving Plans (see the section The Options: Benefits Choices for more detail).

**Part-time Flex Credits are determined in the same manner as full-time employees based on your annual salary however flex credits are then prorated based on your part-time status

ABOUT TAXES

Although taxation is a concern to everyone, your Benefit Choices should be made according to your personal benefit requirements.

Your available Flex Credits will be used to purchase your benefit choices automatically. If you have excess flex credits and you deposit them in the Healthcare Reimbursement Account (HCRA), they are not currently subject to income tax (except in Quebec, where all company contributions except Long-Term Disability (LTD) are subject to provincial sales tax). Using your available Flex Credits to pay for these benefits works to your advantage because you are using pre-tax dollars; therefore, you are not taxed on the benefits.

When your Benefit Choices exceed your available Flex Credits, you will be required to pay for this excess through payroll deductions. When payroll deductions are used to purchase Benefit Choices, you are paying for the coverage (with after-tax dollars); therefore, no taxable benefit results.

As a general rule, Flex Credits will be used to purchase Benefit Choices to the maximum extent possible. Payroll deductions, if required, will only be used to purchase Benefit Choices when you have no remaining Flex Credits.

In Ontario and Quebec, all premiums for benefits attract sales tax, which will be included in your taxable benefits and / or payroll deductions.

The chart below summarizes the tax treatment of your Benefit Choices.

Tax Treatment of Benefit Choices

BENEFIT CHOICES	Flex Credits Used		Payroll Deductions	
	PREMIUM IS A TAXABLE BENEFIT	BENEFIT PAYOUT IS TAXABLE	PREMIUM IS A TAXABLE BENEFIT	PREMIUM PAYOUT IS TAXABLE
Health	–	–	–	–
Dental	–	–	–	–
Employee Life Insurance	✓	–	–	–
Employee AD&D Insurance	✓	–	–	–
Employee Optional Life	✓	–	–	–
Spouse's Optional Life	✓	–	–	–
Employee Optional AD&D Insurance	✓	–	–	–
Spouse's Optional AD&D	✓	–	–	–
Children's Life and AD&D Insurance	✓	–	–	–
Employee Critical Illness	✓	–	–	–
Spouse's Critical Illness	✓	–	–	–
Children's Critical Illness	✓	–	–	–
Long-Term Disability*	–	✓	–	–
Healthcare Reimbursement Account	–	–	Not Applicable	Not Applicable
Flex Group Registered Retirement Saving Plans	✓	✓	Not Applicable	Not Applicable

NOTE: This chart reflects Canadian tax legislation as of June this calendar year which is subject to change. The Company must comply with all legislated tax changes.

*LTD benefit payout is only taxable when employee chooses Options 1 or 2. Option 3 is a non-taxable LTD payout and is 100% payroll paid



THE PLATFORM CORE BENEFITS

- Pension Program
- Employee Assistance Program
- Workers' Compensation
- Government Programs
- Statutory and Company Holidays
- Emergency Medical Insurance and Travel Assistance
- Employee Life Insurance
- Employee Accidental Death and Dismemberment Insurance
- Dependent Life Insurance (if applicable)
- Business Travel Accident Insurance
- Sick Leave / Short-Term Disability
- Long-Term Disability
- Vacation
- Maternity and Parental Leave
- Other Authorized Leaves of Absence

"Core Benefits" are the first component of your benefits plan. These are the benefits that are either required by law or chosen by the Company as a competitive employer, to provide to all employees at no employee cost. While you may use only some of these Core Benefits, the Company wants you to have access to all of them.



CORE BENEFITS

PENSION PROGRAM

The Pension Program is a distinct component of your retirement income and is paid in addition to the Canada and Quebec Pension Plan (C/QPP) and Old Age Security (OAS).

The program has two components:

- Defined Contribution Pension Plan (DCPP), to which the Company makes a one percent contribution, and
- Group Registered Retirement Savings Plan (GRRSP), to which the employee makes contributions.

The Company will contribute one percent of your base salary, to the DCPP, with no obligation for you to make contributions or match 50% of your GRRSP up to 10% to a maximum of 5% contribution.

You can enroll in the program using Sun Life's online enrolment tool. Please request an enrolment package from our Benefits Administrators. If you do not wish to receive this benefit you will be required to sign a waiver forfeiting the benefit. You may decide at a future date to join the program. The program is reviewed in detail on pages 35 and 36 of this booklet.

EMPLOYEE AND FAMILY ASSISTANCE PROGRAM

The Employee and Family Assistance Program (EFAP), provided by Shepell, is a resource for you and your family to receive prompt, professional counseling for personal issues such as stress, family issues, health issues, mental health issues, financial, marital issues, and substance abuse. Use of this multilingual service is up to you and completely confidential. Access is available 24 hours a day, seven days a week. More details regarding all aspects of this program are available by contacting our Benefits Administrators or by calling Shepell directly at 1-855-544-7722 or visit www.workhealthlife.com/sunlife.

WORKPLACE SAFETY AND INSURANCE BOARD – WORKERS' COMPENSATION

This benefit is enabled when injury or illness is due to a work-related accident. All cases must be reported to the employee's manager and the Human Resources Department at the time of the incident. Anytime loss time due to the injury or illness must be reported to a physician on the first full day of absence of work. The physician must complete a "Functional Abilities Form for a Timely Return to Work" and return it to the Human Resources Department. For more information on this benefit, please contact the Human Resources Department or your manager.

GOVERNMENT PROGRAMS

The Company contributes to certain government programs on your behalf:

- EI (Employment Insurance), which is temporary income payable if you're unemployed, or on maternity or parental leave
- Workplace Safety and Insurance Board, which is compensation that is payable if you are unable to work due to an on-the-job accident, injury or illness
- C / QPP pension benefits payable if you become disabled, retire or die
- Provincial hospital and health insurance for doctor visits, hospital costs, and other healthcare expenses

STATUTORY AND COMPANY HOLIDAYS

In Canada, the Company observes core public holidays as well as designated Company holidays. Most offices are closed on these days.

The following holidays are common to all provinces: New Year’s Day, Good Friday, Victoria/Dollard Day, Canada Day, Labor Day, Thanksgiving Day, Christmas Day, Boxing Day and two company designated holidays.

In addition, the following holidays will also be observed:

ONTARIO, NOVA SCOTIA	QUEBEC	MANITOBA, BRITISH COLUMBIA	ALBERTA
Family Day Civic Holiday	St-Jean Baptiste Day	Family Day Civic Holiday Remembrance Day	Family Day Civic Holiday Remembrance Day

EMERGENCY MEDICAL INSURANCE AND TRAVEL ASSISTANCE

Under this plan, you and your eligible family members have comprehensive out-of-province / country coverage for emergency hospital and medical expenses, which is comparable to deluxe travel insurance plans on the market. Included is Travel Assistance, a service that gives you access to world wide multilingual assistance, 24 hours a day, seven days a week. A toll-free hotline will connect you with a network of medical or specialized professionals for information or help in the event of a medical or personal emergency.

You will receive a Travel Assist Pamphlet listing phone numbers and details of the services or you can obtain this information on the member website. Please note your employee identification number and group number while traveling. In the case of a medical or personal emergency, you should call Travel Assist immediately. Our insurance carrier, Sun Life Financial, can assist in dealing directly with the out-of-province / country hospitals licensed by the appropriate government authority. If you have a claim, you must assign the provincial health benefit payment directly to them to allow them to settle the claim on your behalf.

In addition, Sun Life Financial will provide the following in a healthcare emergency if eligible: payment guarantees, emergency evacuation, return of dependant children or spouse, visit of a family member and return of the deceased.

DEFINITION OF EMERGENCY: any sudden, critical, unforeseen and unexpected occurrence, which requires immediate medical treatment. Elective services are not covered, nor are expenses associated with a pre-existing condition that requires ongoing medical attention, such as chemotherapy, dialysis, or treatment for pregnancy-related complications that occur outside of Canada during the third trimester of expected delivery date.

EMPLOYEE LIFE INSURANCE

Core life insurance in the amount of \$25,000 is provided to employees. Life insurance benefits are paid to your beneficiary if you die from any cause. This Core Benefit is the minimum level of coverage that the Company believes every employee needs. However, you should carefully review your Benefit Choices and consider selecting additional life insurance beyond the Core amount provided. You receive Flex Credits, (covered in more detail in the “Benefit Choices” section of this booklet), which you can use toward purchasing additional life insurance by either buying up to one or two times salary with non-medical evidence maximums of \$800,000. You may purchase Optional Life Insurance for you, your spouse and dependants. Please see the “Benefit Choices” section of this booklet.

EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

Employee Accidental Death and Dismemberment (AD&D) Insurance in the amount of \$25,000 is also provided. You also receive Flex Credits, which you can use toward purchasing additional AD&D insurance by either buying up to one or two times your salary or by choosing optional AD&D. This is covered in more detail in the “Benefit Choices” section of this booklet.

AD&D insurance benefits are paid to your beneficiary by Chubb Life Insurance Company of Canada (Chubb Life). If you die within 365 days following an accident, this plan covers you 24 hours a day, whether at work, home or on vacation. The benefits received will be in addition to benefits received from any other life insurance plan under which you are covered. If, within 365 days, as a result of an accident, you suffer a loss such as indicated in the following schedule, you are eligible to receive the benefits. Your exact benefits will depend on the extent of your loss and are illustrated on the following pages as a percentage of the death benefit paid.

You may also insure your spouse and dependants for AD&D. This is covered in more detail in the “Benefit Choices” section of this booklet.

LOSS	PERCENTAGE OF BENEFIT PAID
Life	100 percent
Both hands or both feet	100 percent
Sight in both eyes	100 percent
A hand and a foot	100 percent
Sight in one eye and either a hand or a foot	100 percent
Speech and hearing in both ears	100 percent
Quadriplegia (loss of movement of both upper and lower limbs)	200 percent
Paraplegia (loss of movement of both lower limbs)	200 percent
Hemiplegia (loss of movement of upper and lower limbs on one side of the body)	200 percent
An arm	75 percent
A leg	75 percent
Speech	66.7 percent
Hearing in both ears	66.7 percent
A hand	66.7 percent
A foot	66.7 percent
Sight in one eye	66.7 percent
Both thumb and index finger	33.3 percent
Four fingers on one hand	33.3 percent
Hearing in one ear	25 percent
All toes on one foot	12.5 percent

DEPENDENT LIFE INSURANCE

Dependent life insurance offers financial protection for your family in the event of their death. It is important for every employee to have a core amount of life insurance. For this reason, you will have \$5,000 for eligible spouse and \$2,500 for each eligible dependent of life insurance paid by the Company.

ENHANCED BUSINESS TRAVEL ACCIDENT INSURANCE

Under the Business Travel Accident insurance coverage, provided by ACE American Insurance Company, benefits are paid if you die or are injured as the result of an accident occurring while travelling on company business at the company's expense.

LOSS	PERCENTAGE OF BENEFIT PAID
Life	100 percent
Two or more Members	100 percent
Quadriplegia	100 percent
Loss of Use of Four Limbs	100 percent
Loss of Use of Three Limbs	75 percent
Loss of Use of Two Limbs	75 percent
One Member	50 percent
Hemiplegia	75 percent
Paraplegia	75 percent
Loss of Use of One Limb	50 percent
Thumb and Index Finger of the Same Hand	25 percent
Uniplegia	25 percent



ACE American Insurance Company
(A Stock Company)
Philadelphia, PA
(Herein called We, Us, Our)

SICK LEAVE / SHORT-TERM DISABILITY

At Mitel, we recognize that our success depends on you. Having employees who are healthy and able to fulfill their duties is important in realizing our organizational goals. However, from time to time we all may experience some form of illness or injury. For medical absences that require you to be away from work for three days or more, a medical certificate from your Physician is required. Occasionally, an illness or injury is severe enough to interfere with what we can and cannot do for several days or even weeks. Mitel recognizes that you may require additional support during a period of illness or injury and has addressed this need through our Short-Term Disability Program.

The Short-Term Disability Plan (sick leave) provides continuing income when you are ill or injured and unable to work. This benefit ensures that you and your family do not suffer financial hardship if you are absent from work due to illness or injury. Full-time employees who have worked for less than one full calendar year are insured for 100 percent of salary for two weeks and 75 percent of salary for up to 24 weeks following that period. Full-time employees who have worked for one full calendar year or more are eligible for 100 percent of salary for 26 weeks or 975 hours. If you are a part-time employee you are insured to the maximum of your prorated salary as follows:

Less than one year of service— part-time employees on four days a week will be eligible for 100 percent of their prorated salary for the first two weeks— 60 hours (80 percent of 75 hours) and employees working three days a week will be eligible for 100 percent of their part-time salary for the first two weeks— 45 hours (60 percent of 75 hours).

More than one year—part-time employees will be eligible for 100 percent of prorated salary for equivalent 26 weeks of short-term disability based on hours worked (i.e., 60 percent or 80 percent of 975 hours).

We have contracted Genex Services of Canada (Genex), a third party disability management company, to assist and advise on our Sick Leave / STD program. Genex provides a comprehensive approach to disability management that provides optimal support to our ill or injured employees to help them recover and stay connected to the workplace. This includes identification of health issues, coordination of treatment and supports to address all possible factors that may be preventing employees from successfully returning to work.

When an employee is absent from work due to illness or injury for greater than five calendar days, Genex is notified and initiates the steps required to determine whether the absence is medically supported and thereby eligible for appropriate financial and return to work support. Some key features of the Genex Disability Program includes:

- Professional support of experienced case managers with registered medical qualifications who are knowledgeable about available resources to assist employees dealing with mental, social and physical health issues
- Support and care for the employee's specific condition and situation
- An objective, consistent and completely confidential approach to disability management
- Respect for the employee's abilities and recognition of any limitation(s) that might exist in light of the illness or injury
- Involvement of the individual's family doctor or specialist in the disability management process to best support the employee
- Balance between the needs of the individual and the Manager in support of a positive working relationship

Sick Leave/ Short-Term Disability benefits are provided for 26 weeks, after which time you will be eligible to apply for Long-Term Disability (LTD) if you remain totally disabled. If your claim is denied, you can appeal or return to work; however your salary will not be extended beyond 26 weeks of leave.

A modified Work Program is in place to assist you with your rehabilitation. All questions and decisions regarding modified work must involve you, your manager, Genex and Human Resources. If you are ill prior to and continuing at the start of the calendar year, the full short term disability benefit will be reinstated after you have returned to regular continuous full-time work only. If you have completed your 26 weeks of sick leave and have returned to full-time work before the end of the year, you will not have your sick leave reinstated until the start of the calendar year. Regular continuous full-time and regular continuous part-time work indicates that you have returned to good health and will work your regular hours with no lost time due to sickness for a period of at least three months. Cases will be assessed individually if an employee goes back on sick leave once sick leave has been reinstated. If you become ill at work, you must notify your manager. Facilities are available to you for resting in the First Aid Room. If you leave work due to illness, the remaining portion of the day will be paid as sick leave.

LONG-TERM DISABILITY

Long-Term Disability (LTD) coverage continues a portion of your income if you are disabled beyond the six months for which you receive sick leave / short-term disability benefits.

You must apply to Sun Life Financial and provide the required medical evidence to support your disability. LTD is approved / denied by the insurance carrier. The benefit amount is based on your benefit selection. Options are reviewed in the "Benefit Choices" section of this booklet.

DEFINITION OF DISABILITY: Disabled and Disability means that due to injury, disease, illness, pregnancy or mental disorder, you are not able to perform the essential duties of your regular occupation with your Employer or with any other Employer, during the first 24 months of payment. There after, it means that you are not able to perform the duties of your own or any other occupation for which you are reasonably fitted by education, training or experience without consideration to the availability of such occupations and you are not able to earn the percentage of your Pre-Disability Monthly Earnings.

VACATION

You are provided with accrued vacation time and are encouraged to take annual vacations. Under the Vacation Plan, which is administered on an accrual system, your vacation is based on your years of service. Part-time employees will accrue vacation on a prorated basis. For more details, see Policies and Programs@Work under Policies located on the Canadian HR intranet site.

OCCUPATIONAL HEALTH SERVICES

This service, coordinated through Human Resources, is available at the Kanata facility. Information is also provided on the intranet site — locate the Health and Safety link under the subheading Departments.

MATERNITY / PARENTAL LEAVE PERIOD

Natural mothers who are granted maternity leave are eligible for EI maternity benefits for a period of 15 weeks (there is a 1 week waiting period for EI). Leave may begin up to twelve (12) weeks before the expected date of birth and can end as late as 17 weeks after the actual date of birth. Parental leave is granted to biological and adoptive parents who are eligible for EI parental benefits. There are two options available for receiving parental benefits;

Standard parental benefits can be paid to a maximum of 35 weeks and must be claimed within a 52 week period after the child is born or placed with adoptive parents. Two parents can share these 35 weeks of standard parental benefits.

Extended parental benefits can be paid for a maximum of 61 weeks and must be claimed within a 78-week period after the child was born or placed for the purpose of adoption. Two parents can share these 61 weeks of extended parental benefits.

For additional information see Policies and Programs@Work on the Intranet, Section Seven, Workplace Culture under Maternity and Parental Leave.

COMPASSIONATE CARE / FAMILY MEDICAL LEAVE

You may be eligible for Employment Insurance (EI) benefits under this program. Please refer to the Employment Insurance web- site for your province for further information.

OTHER AUTHORIZED LEAVES AND ABSENCES

It is expected that you will plan to attend to personal matters outside of regular office hours. However, if you have unavoidable circumstances that prevent you from doing so, your manager may authorize time off. Please contact Human Resources and the Policies and Programs@Work on the intranet for more information on the specifics of the Authorized Leave Policy.

THE OPTIONS BENEFIT CHOICES

- **Health Care**
- **Dental Care**
- **Employee Life Insurance**
- **Employee Accidental Death and Dismemberment Insurance**
- **Optional Insurance (Including Employee, Spousal and Child Life / AD&D, and Critical Illness Insurance)**
- **Long-Term Disability Insurance**
- **Healthcare Reimbursement Account**
- **Flex Group Registered Retired Savings Plan**
- **Pension Program**

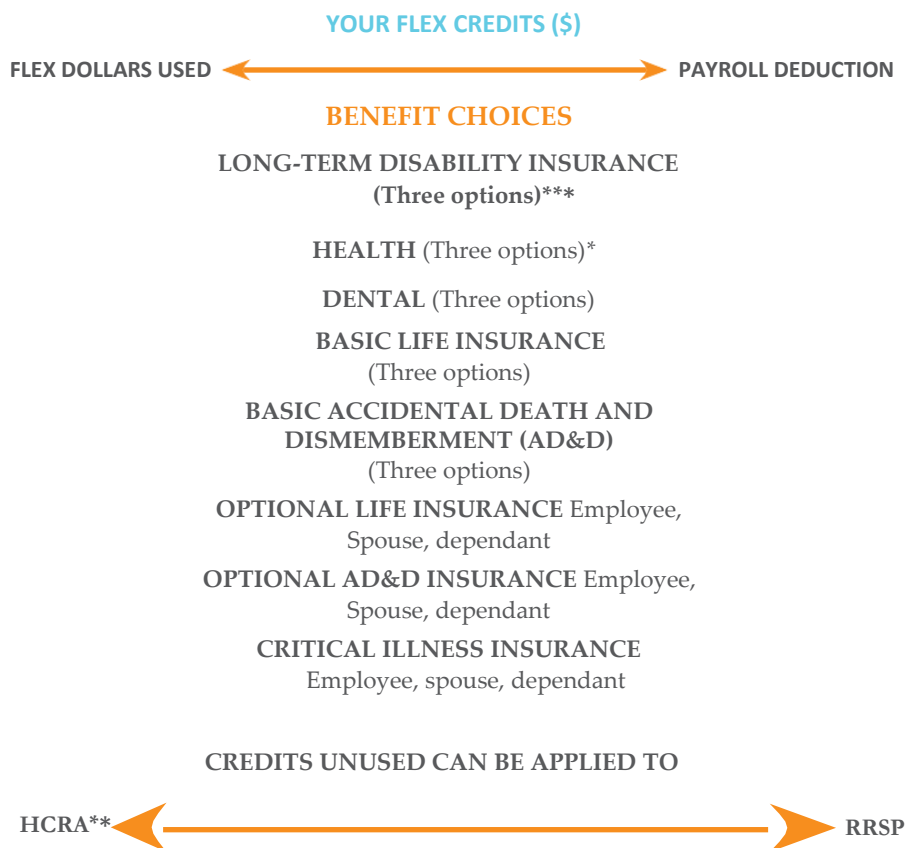
The second and perhaps most significant part of the Choices program is your Flexible Benefits or “Benefit Choices.” With Benefit Choices, you have a unique opportunity to design the benefits plan that is best suited to you. This section covers your Benefit Choices in depth, from how they work to actual benefit options.

CHOICE – HOW BENEFIT CHOICES WORK

You will have the opportunity to change the choices in your Flexible Benefits once a year during the annual enrollment period scheduled in the latter part of the calendar year.

Please note if you do not re-enroll for your Benefit Choices during the enrollment period, your coverage will automatically default to your current Benefit Choices.

You are given flex credits and they will be used to pay the premium based on the benefit coverage you select. If all of your flex credits are spent and you still owe premiums, the outstanding amount will be paid through payroll deductions. If you have excess credits at the end of your selections, you will be able to deposit them in HCRA or RRSP accounts.



*Due to Bill 33, the Quebec Universal Drug Plan (RAMQ), employees who reside in the province of Quebec are limited to two options, unless they have prescription drug coverage elsewhere.

**HCRA: Healthcare Reimbursement Account can be used to pay eligible healthcare expenses

***If LTD options 1 or 2 selected they are 100% flex credit paid for and a taxable benefit on payout. If LTD option 3 is selected it is 100% payroll deductions paid and is a non-taxable LTD on benefit payout.



CHOICES - HOW BENEFIT CHOICES WORK

Flex Credits are calculated based on salary and family status. Everyone receives enough credits to buy option B Health and Dental and two times salary in Life and AD&D Insurance, Dependent Life and core LTD. Additional insurance options are offered and the employee pays any additional costs by payroll deduction.

- You receive Flex Credits yearly. The enrolment system uses these to pay for the flexible benefits in the Choices program you select. If your choices exceed the Flex Credits you receive you must use your own after-tax dollars to pay for remaining benefits costs through payroll deductions.
- Each of your flexible benefits includes a number of options. Besides selecting an option, you must also enroll those dependents who are eligible for coverage and who you wish to cover under your plan.
- Each option has a “price tag.” This is the cost to you for that benefit.
- If Flex Credits remain after the system has added up your price tags, you can choose to deposit them in the Healthcare Reimbursement Account (HCRA) and / or the Flex Group Registered Retirement Savings Plan (RRSP).
- The number of Flex Credits you receive and the price tags for each option will be shown on the Telus Flexit360 enrollment site connected through HR resources page. Overall, you will receive enough Flex Credits to purchase Option B throughout the program.

CHANGING YOUR CHOICES

If your family status changes during the year, you may change your benefits to reflect your new circumstances. Family status changes are events such as:

- Change in Marital/ Common-law status
- Birth of a child, adoption of a child (including stepchildren), or change in custody of dependent children
- Death of a spouse or dependent child
- Change of spouse’s benefit coverage
- Your dependent child is no longer eligible for benefits (over age)
- Loss of other health coverage

The benefit change you make must be consistent with the change in family status. You may either increase or reduce coverage with a change in family status, provided the change you make is consistent with the change in family status. An increase in coverage must be paid through payroll deduction. If you reduce coverage, related flex credit application and payroll deduction will lower or cease; credit reallocation will apply.

NOTE: You are required to notify Human Resources and your Benefits Administration of your family status change and document the qualifying event within 31 days of the occurrence. Otherwise, no changes can be made until the next annual re-enrollment.

CHOICES – HEALTH

Provincial health insurance provides a basic level of coverage for most medical and hospital services. With the Choices and Opportunities Program, you are offered additional health coverage for expenses such as prescription drugs, semiprivate or private hospital room coverage, vision and hearing care, paramedical services and medical supplies. The health options are designed to provide you with a reasonable range of coverage at an affordable cost.

Health, hospitalization, vision care, hearing, paramedical and prescription drug coverage make up your available health coverage options.

Your health options are summarized in the chart below.

HEALTH PLATFORM AND OPTIONS AT AGLANCE:

CORE BENEFITS	BENEFIT CHOICES OPTION A	BENEFIT CHOICES OPTION B	BENEFIT CHOICES OPTION C**
Hospitalization and Associated Expenses Provincial Healthcare 100 percent ward rate	Hospitalization and Associated Expenses Semiprivate: 50 percent Private: 50 percent	Hospitalization and Associated Expenses Semiprivate: 80 percent Private: 80 percent	Hospitalization and Associated Expenses Semiprivate: 100 percent Private: 100 percent
	Prescription Drugs Managed Health care with Drug Card 50 percent	Prescription Drugs Managed Healthcare with Drug Card 80 percent. All other drugs requiring a prescription 50 percent	Prescription Drugs Managed Health care with Drug Card 100 percent. All other drugs requiring a prescription 75 percent
Paramedical Provincially funded	Paramedical 50 percent annual maximum \$250 per specialty per dependant	Paramedical 80 percent annual maximum \$400 per specialty per dependant	Paramedical 100 percent annual maximum \$500 per specialty per dependant
		Vision Care \$250 / 24 months 12 months for dependent children including one eye exam every 24 months	Vision Care \$400 / 24 months 12 months for dependent children including one eye exam every 24 months
Aids, Supplies and Services Assisted Devices Program	Aids, Supplies and Services 50 percent	Aids, Supplies and Services 80 percent	Aids, Supplies and Services 100 percent

The differences between the options are in the:

- **COINSURANCE:** The percentage of covered expenses the plan pays. You pay the amount not covered by the plan.
- **EXPENSES REIMBURSED:** Each option level has different coverage and reimburses expenses at different levels. For example, Vision Care and Hearing Aids are provided only with Options B and C and, with Option C, they are reimbursed at a higher amount. In general, price tags increase from Option A to B to C.

* In some provinces, eye examinations are not covered under provincial healthcare. Fees for Optical Examinations by licensed specialist may be claimed under vision care.

** In Quebec, due to Bill 33, your health option must be B or C to comply with legislation unless you have equivalent coverage available under another plan. If you require more information about the recent legislative change, please call RAMQ (Régie de L'Assurance Maladie du Québec).

† Must be 2 years

ABOUT THE BENEFITS

Medical expenses include the following (after your provincial health plan coverage): ambulance service; private duty nursing care (subject to annual maximums and reasonable and customary fees); laboratory tests; oxygen; X-rays and blood transfusions; rental of a wheelchair, hospital bed and other therapeutic treatments.

Paramedical includes podiatry/chiropractic, chiropractic, physiotherapy/athletic therapy, psychological/social worker counseling, massage therapy, acupuncture, naturopathy, osteopath, dietician and speech therapy. Reasonable and customary fees are paid to an annual dollar maximum for each classification of practitioner.

Please review the “Your Group Benefits” booklet provided by Sun Life Financial for a detailed description of the Choices and Opportunities Benefit plan.

WHAT IS MANAGED HEALTHCARE?

Managed Healthcare is a “formulary-based” prescription drug plan, which is designed to control costs, yet still provide quality care. A formulary is a defined list of cost-effective medications. This list is based on the drug benefit program in the province in which you live. This formulary is highly comprehensive, featuring over 2,000 drugs and includes at least 75 percent of the most commonly used medications. You and your dependants will be covered when your doctor prescribes drugs that are on the list. If a specific drug is not on the list, you have some alternatives. You may ask your doctor to prescribe a drug that is listed, or your pharmacist may be able to look for a general substitute for the drug prescribed.

In this way, a Managed Healthcare plan encourages you to shop for your medications. “Shopping” means talking to your doctor and pharmacist about the plan and asking them to prescribe and dispense drugs that are covered.

- Under Option A, you will be reimbursed for 50 percent of the cost of the drug providing it is on the provincial formulary.
- Under Option B, you will be reimbursed for 80 percent of the cost of the drug provided it is on the provincial formulary. Other drugs that require a prescription are reimbursed at 50 percent.
- Under Option C, drugs on the Managed Healthcare formulary are reimbursed at 100 percent. Other drugs that require a prescription are reimbursed at 75 percent.

KEY FACTS

All health claims must be received by the insurance company 90 days after the end of the benefit year during which the expense incurred. You will be able to choose any health option during your first enrollment. In future re-enrollments, you may increase or decrease coverage by only one option at a time. However, if you select Option C, you must remain in that option for a minimum of two plan years. This longer-term commitment helps keep the costs of your health options more manageable and protects the plan against anti-selection. Anti-selection is created when you elect certain insurance coverage because of a high likelihood of a claim.

If your family status changes during the year, you may choose to increase any health option. However, if you're enrolled in Option C you may only change the number of dependents you're covering since you've made your option decision for a minimum of two plan years.

In the event of your death, the Company will continue to provide health coverage to your eligible dependents for a period of two years from the date of death.

MAKING A HEALTH CLAIM

Most claims may be submitted online, mobile application or you can submit a paper claim. To use the online service, you will need to be registered for a mysunlife.ca account for Plan Members and signed up for direct deposit of claim payments with eDetails. For online claim submissions, your Explanation of Benefits will only be available online.

If you have chosen a Health Option other than Core, you will receive a pay direct drug card, which allows for claims to be processed electronically at the point of sale. This system simplifies the claim process, eliminates the need for claim forms and makes filling a prescription as convenient as possible. Employees are given a customized card. When the pharmacist inputs the number at a point-of-sale terminal, he or she is instantly told who the cardholder is, if the drug is covered under your plan, the amount to be reimbursed and the amount you must pay. The entire transaction takes place in less than a minute. The pharmacist may be paid as quickly as the next day by Sun Life Financial. Any prescription not processed through this electronic system should be submitted online or via paper and forwarded to Sun Life Financial.

For maintenance medications (for example, heart medication or asthma drugs), the Pharmex Direct Inc. mail-order pharmacy offers the convenience of home delivery plus significantly lower dispensing fees. Forms available can be accessed from the HRintranet site under Library.

CO-ORDINATION OF BENEFITS

The Co-ordination of Benefits provision in your policy applies when both you and your spouse are covered by a group insurance plan. Each spouse must submit all expenses to his or her own company group insurance plan first and then request any eligible balances of the claim to be reimbursed from their spouse's insurance carrier (a copy of the payment already received must be included).

Claims for dependent children must first be submitted to the insurance carrier of the spouse whose birth date falls first in the year and then to the other spouse's carrier.

The Co-ordination of Benefits provision is intended to co-ordinate payments from all group plans under which a claimant is covered. This allows for maximum eligible coverage provided that the order of claims submission is respected.

ELECTRONIC FUNDS TRANSFER

Electronic Funds Transfer (EFT) is the method of payment for group health benefits that are submitted. The payment will be transferred electronically to your bank account and you will receive a statement showing that the claim was paid.

Access to your group benefits information has never been easier with Sun Life Financial's Online Services for Plan Members. Register once and connect to a world of secure, user-friendly services*—available online, anytime.

- Access coverage overview information quickly and easily
- View the status of your latest claims and up to 24 months of claim history
- Submit medical/dental claims online
- See when you're covered for new glasses or contacts
- Complete and print claim forms with your plan information already filled in
- Check into our Health and Wellness section for topics that are important to you
- Look up common group insurance terms and frequently asked questions (FAQs)

Just follow the self-registration instructions – it's simple, secure and ready when you are.

Sign up now at www.mysunlife.ca

SUN LIFE FINANCIAL ONLINE SERVICES FOR PLAN MEMBERS

REGISTRATION IS SIMPLE AND SECURE.

Follow these steps to register and log in for the first time:

1. Visit mysunlife.ca and select REGISTER under the "SIGN IN" button.
2. Enter your date of birth, country of residence and postal code
3. Select "health / dental benefits"
4. You will be asked to enter your contract number, your member ID and some additional information
5. If Sun Life has your email address on file, they will email you your temporary registration code. Otherwise, they will send it by mail.
6. Enter your email and create your password.

Sign up once and return anytime. All you need to remember is the personalized password and user name you've selected.

*Your plan design will determine which online services are available.

CHOICES – DENTAL

The Choices program offers several dental options that emphasize routine, preventive and restorative care. Some options also cover orthodontic services. You select the dental coverage that best meets your needs. The options are designed to provide you with a reasonable range of coverage at an affordable cost. Please review the “Your Group Benefits” booklet provided by Sun Life Financial for a detailed description of the Company Benefit Plan.

The options differ in their coinsurance (that is, the percentage of expenses you and the plan share), the maximum payments you may receive, and whether orthodontia is covered. Orthodontia is available to both adults and children; however you must choose dental plan Option B or C for this coverage.

YOUR DENTAL OPTIONS ARE SUMMARIZED IN THE CHART BELOW:

BENEFIT PLATFORM CORE	BENEFIT CHOICES OPTION A	BENEFIT CHOICES OPTION B	BENEFIT CHOICES OPTION C*
Dental	Dental 1 Preventative and Minor 80 percent	Dental 1 Preventative and Minor 90 percent	Dental 1 Preventative and Minor 100 percent
No core coverage is provided under the Choices program. You may decide not to purchase Dental coverage or you may select Option A, B or C.	Dental 2 Perio and Endodontal 80 percent	Dental 2 Perio and Endodontal 90 percent Dental 3 Major 60 percent	Dental 2 Perio and Endodontal 100 percent Dental 3 Major 100 percent
	Annual Maximum Dental 1 and 2 \$1,000 per family member	Annual Maximum Dental 1,2 and3 \$2,000 per family member	Annual Maximum Dental 1,2 and 3 \$2,500 per family member
		Dental 4 Orthodontic 50 percent Lifetime Maximum \$2,000 per family member	Dental 4 Orthodontic 50 percent Lifetime Maximum \$3,500 per family member
	Provincial Fee Guide Previous Year	Provincial Fee Guide Previous Year	Provincial Fee Guide Current Year

*Must be 2 years

ABOUT THE BENEFITS

- Dental 1: Preventative and Minor Services include recall exams and consultations; cleaning and scaling of teeth; extractions and fillings; X-rays; space maintainers; relining and rebasing of existing dentures; other basic dental services
- Dental 2: Perio and Endodontal includes root canal and gum disease treatments
- Dental 3: Major includes provision of crowns, inlays and gold foil fillings; and bridgework or dentures
- Dental 4: Orthodontics includes orthodontic benefits for adults and children

KEY FACTS

Except in the case of emergency treatment, you should submit a pretreatment plan if dental expenses for all performed treatments are likely to exceed \$500. This will enable our insurance company to notify you before treatment starts as to the costs and what will be covered by the plan.

The dental fee guide is the basis for reimbursement of dental fees. Please note that Options A and B use previous year fee guides and Option C uses current year fee guide.

If you or an eligible family member is currently receiving orthodontia services, you must select Option B or C for coverage to continue beyond the current plan year. An exception to this rule would be due to a family status change during the year. Please note that benefits already paid toward the lifetime maximum will transfer to the option you select.

All dental claims must be received by the insurance company 90 days after the end of the benefit year during which the expense incurred.

If you are a new full-time employee, you may select any dental option. In future years, you may increase or decrease coverage by one option at a time. However, if you select Option C, you will remain in that option for two full plan years. This commitment helps keep the cost of your dental options more manageable.

Co-ordination of Benefits rules apply to dental coverage as well. In the event of your death, the Company will continue to provide dental coverage to your eligible dependants for a period of two years from the date of death.

Please review the “Your Group Benefits” booklet by Sun Life Financial for a detailed description of the benefit plan.

NOTE: You are required to notify Human Resources and your Benefits Administration of your family status change and document the qualifying event within 31 days of the occurrence. Otherwise, no changes can be made until the next annual re-enrollment.

MAKING A DENTAL CLAIM

You may have your dental claims processed electronically if your dentist is “online”. You can also submit claims online, mobile app or on paper. To use the online service you will need to be registered for a mysunlife.ca account for Plan Members and signed up for direct deposit of claim payments with eDetails. For online claim submissions, your Explanation of Benefits will only be available online.

With electronic processing, the dentist enters your policy and certificate numbers at a point-of-sale terminal, he or she is instantly told who the card holder is, if the dental service is covered under our plan, the amount to be reimbursed and the amount you must pay. The entire transaction takes place in less than a minute. In most cases you will receive direct deposit within three business days. Any dental claim not processed through this electronic system should be submitted on-line, mobile app or on paper and submitted to Sun Life Financial.

CO-ORDINATION OF BENEFITS

The Co-ordination of Benefits provision in your policy applies when both you and your spouse are covered by a group insurance plan. Each spouse must submit all expenses to his or her own company’s group insurance plan first and

then request the eligible balance of the claim from the spouse's insurance carrier including a copy of the payment already received. Claims for dependent children must be made first to the insurance carrier of the spouse whose birth date falls first in the year and then to the other spouse's carrier. The Co-ordination of Benefits provision is intended to coordinate payments from all group plans under which a claimant is covered. This provides for maximum eligible coverage provided that the order of claims submission is respected.

ELECTRONIC FUNDS TRANSFER

Electronic Funds Transfer (EFT) is the method of payment for group dental benefits that are submitted via on-line or on paper. The payment will be transferred electronically to your bank account and you will receive a statement showing that the claim was paid.

CHOICES – LIFE INSURANCE

Employee life insurance offers financial protection for your family in the event of your death. It is important for every employee to have a core amount of life insurance. For this reason, you will have \$25,000 in employee life insurance paid by the Company.

At the same time, you may want additional life insurance coverage for your beneficiary(ies). The basic life insurance options described below offer coverage based on your salary. Your premiums and multiples of salary will be based on your salary at the time of enrollment. Medical underwriting is required for amounts in excess of \$800,000. If you want coverage beyond 2 x your salary, optional coverage is also available, in multiples of \$10,000 up to a maximum of \$500,000. Medical underwriting is required for all amounts. See Optional Insurance for more information on coverage available to you, your spouse, and dependent children.

YOUR EMPLOYEE LIFE INSURANCE OPTIONS ARE SUMMARIZED IN THE CHART BELOW:

BENEFIT PLATFORM CORE	BENEFIT CHOICES OPTION A	BENEFIT CHOICES OPTION B
Basic Life \$25,000	Basic Life Salary x 1	Basic Life Salary x 2

ABOUT THE BENEFITS

You have the option to purchase up to 1 x your salary or 2 x your salary.

KEY FACTS

The Core life benefit is included, not in addition to the option you select. If you currently earn \$25,000 or less, you may not increase the level of basic coverage beyond \$25,000.

You are not required to provide “proof of insurability” on your first enrollment. However, if you do not select Option A or B and wish to add it at a later date you will be required to complete a medical questionnaire.

CHOICES – ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

Accidental Death and Dismemberment (AD&D) insurance provided by Chubb Life Insurance Company of Canada (Chubb Life), pays a benefit if you die or are seriously injured as the result of an accident. The Company provides a Core benefit of \$25,000 for employees. At the same time, you may want additional Employee AD&D coverage. The basic AD&D insurance options described below offer coverage based on your salary. Your premiums and multiples of salary will be based on your age as of January 1, and your salary at the time of enrollment. If you want coverage beyond 2 x your salary, optional coverage is also available, in multiples of \$10,000 up to a maximum of \$300,000. See Optional insurance for more information on coverage available to you, your spouse and dependent children.

Below are the options available for Employee AD&D coverage. Remember, AD&D benefits are payable in addition to any life insurance and business travel accident benefits if death, dismemberment or paralysis are a result of an accident only, and should not be viewed as a replacement for these benefits.

YOUR EMPLOYEE AD&D OPTIONS ARE SUMMARIZED IN THE CHART BELOW:

BENEFIT PLATFORM CORE	BENEFIT CHOICES OPTION A	BENEFIT CHOICES OPTION B
Employee Accidental Death and Dismemberment \$25,000 Core	Employee Accidental Death and Dismemberment Salary x 1	Employee Accidental Death and Dismemberment Salary x 2

ABOUT THE BENEFITS

Accidental Death and Dismemberment Insurance benefits are paid to your beneficiary if you die within 365 days following an accident due to your injuries. This plan covers you 24 hours a day, whether at work, home or on vacation. The benefits received will be in addition to benefits received from any other life insurance plan under which you are covered. If, within 365 days, as a result of an accident, you suffer the loss of your life, the Company provides a Core benefit of \$25,000. You, however, have the option to purchase up to 1 x your salary or 2 x your salary (based on salary as of September 1 of the enrolment year). Your exact benefit will depend on which option you choose and on the extent of your loss, and it is illustrated in the next section as a percentage of the death benefit paid.

Your core AD&D benefit is included, not in addition to, the option you select.

EMPLOYEE / SPOUSE AD&D

LOSS	PERCENTAGE OF BENEFIT PAID
Life	100 percent
Both hands or both feet	100 percent
Sight in both eyes	100 percent
A hand and a foot	100 percent
Sight in one eye and either a hand or a foot	100 percent
Speech and hearing in both ears	100 percent
Quadriplegia (loss of movement of both upper and lower limbs)	200 percent
Paraplegia (loss of movement of both lower limbs)	200 percent
Hemiplegia (loss of movement of upper and lower limbs on one side of the body)	200 percent
An arm	75 percent
A leg	75 percent
Speech	66.7 percent
Hearing in both ears	66.7 percent
A hand	66.7 percent
A foot	66.7 percent
Sight in one eye	66.7 percent
Both thumb and index finger	33.3 percent
Four fingers on one hand	33.3 percent
Hearing in one ear	25 percent
All toes on one foot	12.5 percent



CHOICES – OPTIONAL INSURANCES

LIFE, AD&D AND CRITICAL ILLNESS

Under our Optional Insurance plans, you may purchase additional amounts of Life Insurance and Accidental Death & Dismemberment Insurance for yourself, your spouse and children. You decide whether to take this coverage and how much is appropriate. If you choose the Child Life or Child AD&D Insurance or the Child Critical Illness Insurance, the total premium is the same regardless of the number of children insured. Life and AD&D options for you and your spouse are summarized in the chart below.

PLATFORM AND OPTIONS AT A GLANCE

LOSS	BENEFIT PLATFORM CORE	BENEFIT CHOICES
Employee Optional Life	No core coverage	Units of \$10,000 to a maximum of \$500,000
Employee Optional AD&D	No core coverage	Units of \$10,000 to a maximum of \$300,000
Employee Optional Critical Illness Insurance	No core coverage	Units of \$5,000 to a maximum of \$100,000
Spousal Optional Life	\$5,000	Units of \$10,000 to a maximum of \$500,000
Spousal Optional AD&D	No core coverage	Units of \$10,000 to a maximum of \$300,000
Spousal Optional Critical Illness Insurance	No core coverage	Units of \$5,000 to a maximum of \$100,000
Child AD&D	No core coverage	Benefit of \$10,000 will be paid if death is accidental
Child Optional Critical Illness Insurance	No core coverage	Units of \$5,000 to a maximum of \$30,000
Child Life	\$2,500 per child	Benefit of \$5,000 per child

ABOUT THE BENEFITS

For a description of the benefit for the Optional Employee and Spousal Accidental Death and Dismemberment Insurance, please see the chart on the previous page.

KEY FACTS

You may increase or decrease any employee life insurance option at re-enrollment. Any increase in coverage or new application will require completion of a Proof of Insurability form.

DEPENDENT CHILD AD&D

LOSS	PERCENTAGE OF BENEFIT PAID
Life	100 percent
Both hands or both feet	400 percent
Sight in both eyes	400 percent
A hand and a foot	400 percent
Sight in one eye and either a hand or a foot	400 percent
Speech and hearing in both ears	200 percent
Quadriplegia (loss of movement of both upper and lower limbs)	200 percent
Paraplegia (loss of movement of both lower limbs)	200 percent
Hemiplegia (loss of movement of upper and lower limbs on one side of the body)	200 percent
An arm	200 percent
A leg	200 percent
Speech	200 percent
Hearing in both ears	200 percent
A hand	100 percent
A foot	100 percent
Sight in one eye	100 percent
Both thumb and index finger	66.7 percent
Four fingers on one hand	66.7 percent
Hearing in one ear	25 percent
All toes on one foot	12.5 percent

EXCLUSIONS TO AD&D INSURANCE

An employee, spouse or child who is in full-time service with the military, navy or air force is excluded from optional Life and AD&D Insurance.

This policy does not cover any loss resulting from:

- Intentionally self-inflicted injury, suicide or attempted suicide, whether sane or insane
- Declared or undeclared war or any act thereof
- Accident occurring while the insured person is serving on full-time active duty in the armed forces of any country or international authority (any premium paid to be returned by the Company pro rata for any such period of full-time active duty)
- Travel or flight in any vehicle or device for aerial navigation; except to the extent such travel or flight is provided in Schedule VI (detailed in policy ABT 10 23 18)
- Injury sustained while riding on any aircraft except a civil or public aircraft, or military transport aircraft
- Injury sustained while riding on any aircraft as a pilot, crew member or student pilot; as a flight instructor or examiner and or during high-risk sports, which include but are not limited to flying small aircraft, gliders, hang-gliding, kite-skiing, parachuting and free-falling

OPTIONAL CRITICAL ILLNESS INSURANCE

Critical Illness Insurance allows for financial assistance for previously uninsured expenses such as: convalescence, lifestyle changes, home modification, supplementary income, home care, dependent care and additional medical expenses that may not be covered under your provincial plan or the Health Option that you have chosen.

Insurance is available for you and your spouse and is available in units of \$5,000 with coverage ranging from a minimum of \$10,000 to a maximum of \$100,000. There is also coverage for dependent children with a maximum benefit of \$30,000. Your premiums will be based on your age as of January 1st of the enrollment year.

ABOUT THE BENEFIT

Critical Illness Insurance provides a “single sum cash settlement,” should you be diagnosed with a “covered illness” or injury and survive after 30 days (365 days for paralysis). The “covered illnesses” are limited to the following:

- Alzheimer’s Disease
- Aorta Surgery
- Benign Brain Tumor
- Blindness
- Cancer
- Coma
- Coronary Artery Bypass Surgery
- Deafness
- Dismemberment
- Heart Attack
- Heart Valve Replacement
- Loss of Speech
- Major Organ Failure
- Major Organ Transplant
- Motor Neuron Disease
- Multiple Sclerosis
- Occupational HIV
- Paralysis
- Parkinson’s disease
- Severe Burns
- Stroke

ADDITIONAL BENEFITS:

- Ductal Carcinoma in situ (DCIS) Benefit
- Early Stage Prostate Cancer (T1a or T1b) Treatment
- Loss of Independence Benefit
- Second Event Benefit

KEY FACTS

This insurance is “Guaranteed Issue Coverage,” which means that no medical information is required prior to being insured. However, there are pre-existing condition restrictions that would apply prior to the benefit being paid to you. Please consult the Chubb Life Insurance Company of Canada (Chubb Life) Critical Illness Insurance Plan Description pamphlet for details. The provisions, limitations and exclusions are clearly and specifically defined within the plan description. You must be a full-time employee working a minimum of 20 hours per week.

Since the lump sum critical illness benefit is not compensation for loss of income, employer- paid premiums are not considered as taxable income to employees. Critical Illness benefits are also not taxable when the employee pays all of the premiums.

Written notice of claim must be given to the Insurance Provider 30 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible but no later than one year from the date of diagnosis.

The Chubb Life Insurance Company of Canada (Chubb Life) Critical Illness Insurance Plan Description pamphlet and application are available with our Benefits Administrators



CHOICES – LONG-TERM DISABILITY

Long-Term Disability (LTD) coverage continues a portion of your income if you are disabled beyond the short-term disability period.

Long-Term Disability is a Core benefit that is Company-paid and provides up to 60 percent of your pre disability earning. Under the employer-paid plan, any benefits received are taxable.

YOUR LTD OPTIONS ARE SUMMARIZED IN THE CHART BELOW.

BENEFIT PLATFORM CORE	BENEFIT CHOICES OPTION A	BENEFIT CHOICES OPTION B
Long-Term Disability Employer-paid up to 60 percent of pre-disability salary Benefit taxable Flex credits used	Long-Term Disability Employer-paid up to 75 percent of pre-disability salary Benefit taxable Flex credits used	Long-Term Disability Employee-paid up to 60 percent of pre-disability salary Benefit non-taxable Payroll deduction

The options differ in the taxability of the benefit and the percentage of salary replaced. For example, Option A allows for up to 75 percent replacement of predisability salary and any benefits received would be considered taxable income. Why? Option A is considered a company-paid benefit and requires the use of your Company- provided flex credits to pay for this option.

Option B is employee-paid with after-tax dollars and therefore, benefits received would not be considered taxable income. In return, for choosing Option B and using payroll deductions to purchase this benefit, the Company will give you the value of the Core LTD Plan in Flex Credits to use elsewhere in the plan.

If you become eligible for LTD payments, your benefit will be affected depending on which option you have chosen:

- If you choose Core or Option A LTD coverage, you will be taxed on any portion that you receive as a benefit.
- If you choose Option B LTD coverage, you would not be taxed on the benefits that you receive.

NOTE: The maximum monthly benefit is \$10,000.

ABOUT THE BENEFITS

- Long-Term Disability (LTD) is approved / denied by the carrier based on objective medical evidence received by a specialist.
- LTD benefits continue until you are no longer disabled as defined in the “Definition of Disability,” or reach age 65, whichever occurs first. In the event of your death, your LTD benefit is non-transferable and therefore ceases.
- The Cost of Living Allowance (COLA) adjustment is based on the Consumer Price Index (CPI) rate to a maximum of 3 percent per year. The maximum payment available under any of the LTD plans including C/QPP disability benefits is \$10,000 per month.
- Our plan is designed so that you will remain eligible for LTD benefits if you return to work on a part-time or limited basis, either through an approved rehabilitation program or on your own initiative, with a physician’s approval.
- Under the Return-to-Work Allowance, your benefit will not be reduced in the first 12 months of employment unless the total income you receive (LTD benefits, employment income, other income) exceeds 100 percent of what you were earning prior to becoming disabled.

ABOUT GROUP BENEFITS WHILE ON LTD

1. Premiums are waived for Life and Accidental Death and Dismemberment (AD&D) insurance until age 65, at which time your coverage would terminate. Spousal and Dependent Life and AD&D would discontinue once your coverage is terminated.
2. Premiums for selected health and dental coverage under the group policy are paid by Mitel until you no longer qualify for disability benefits or attain the age of 65.
3. Due to CRA regulations, you may not contribute to the GRRSP while you are receiving LTD benefits. Mitel will continue to contribute 1 percent to the DCPD while you are on LTD.
4. Any Flex RRSP contributions will be suspended until such time you return to work.
5. Any accrued vacation will be paid out once approved for LTD. If necessary, your benefit will be adjusted to meet the integration level as follows:

If the benefit is taxable income, your benefit cannot exceed 80 percent of your predisability monthly earnings

If the benefit is not taxable income, your benefit cannot exceed 85 percent of your predisability monthly earnings.



CHOICES – HEALTHCARE REIMBURSEMENT ACCOUNT

The Healthcare Reimbursement Account (HCRA) allows you to allocate any leftover flex credits you don't spend into the account and can be used to cover eligible healthcare expenses. Eligible expenses include health co-insurance, expenses above plan maximums or the dental fee guide, and other expenses not covered by private health and dental insurance, or provincial health insurance plans. However, these expenses must be for items that are medically necessary, and are considered eligible for a deduction under the Income Tax Act. For example, while prescribed contact lenses would be eligible, contact lens cleaning solution would not.

KEY FACTS

The advantage to using the HCRA to pay for healthcare expenses is that you use before-tax credits—rather than your own income after taxes.

NOTE: In Quebec, reimbursements from the HCRA are considered a taxable benefit for Quebec income tax purposes. The tax information in this section is applicable, however, to the federally taxed portion of HCRA reimbursements.

- Any credits you direct to the HCRA are allocated at the start of the plan year. (According to Canada Revenue Agency rules, payroll deductions from your salary may not be allocated to the HCRA.) You then submit claims for eligible healthcare expenses as you incur them during the year, and the HCRA will reimburse you for your expenses up to the number of Credits in your account.
- You will receive a statement after a claim has been made and reimbursed showing your HCRA balance. If you have Credits left at the end of the year, they can be carried forward for one more year. After that, as per Revenue Canada Interpretation Bulletins, Credits are forfeited. This means you will not be able to receive cash for any leftover credits, nor will you be able to redirect them to purchasing benefits, or to the Flex GRRSP.
- If you have a family status change during the year, you may only add or remove your dependants on the HCRA option. To obtain your HCRA balance, you can contact Sun Life Financial via online, mobile app or by telephone.

AN EXAMPLE

Suppose that you have \$100 remaining in credits after making your benefit choices. If you were to direct this \$100 to your HCRA, you could use it to cover the amount you must pay under co-insurance rules for health and / or dental plans. The advantage is that you are not taxed on reimbursements made from the HCRA. If you were to pay the same amount out of your own pocket, you would need to earn a pre-tax income of \$167 (assuming you're in the 40 percent tax bracket) to cover \$100 expenses.

To inquire if your claim is eligible, contact the Canada Revenue Agency: <http://www.cra-arc.gc.ca/menu-e.html> or Sun Life Financial's customer service line.

To submit your claim, complete the appropriate HCRA claim form and attach your claim information: i.e. receipts or explanation of benefits statement. Claims can be submitted via paper, online or mobile app.

According to CRA regulations, claims submitted to be paid from your HCRA account must be processed within the first 90 days of the new calendar year.

Example: Any claim incurred in 2018, to be applied against the "unused" balance must be received by Sun Life for processing no later than March 31, 2019 in order to be eligible for reimbursement.

CHOICES – FLEX GROUP RRSP (REGISTERED RETIREMENT SAVINGS PLAN)

The Flex Group Registered Retirement Savings Plan (GRRSP) allows you to apply leftover flex credits you do not spend on other benefits to a Group Registered Retirement Savings Plan. Please note that since the contribution is made using Flex Credits, it is a taxable benefit.

The program gives you the option to deposit any excess Flex Credits into an GRRSP, namely Sun Life Financial Services. The plan provides for an investment manager. Some of the unique features of this program may include the ability to make spousal GRRSP contributions, withdraw funds, or to transfer funds to your personal GRRSP.

AN EXAMPLE

Flex Credits are issued as an annual contribution to the GRRSP during enrolment. If you have \$260 in Flex Credits remaining, you may wish to allocate them to your GRRSP. The Company would direct a \$10 contribution on a biweekly basis to your GRRSP. (Upon leaving the Company, the GRRSP contributions would end, as would eligibility for all benefits.)

The employer contribution to your GRRSP is reported as part of your income; therefore, C / QPP and EI deductions will apply. However, because it is also a contribution to a GRRSP, you will receive an income tax reduction on your biweekly pay (subject to the Canada Revenue Agency GRRSP limits).

GRRSP	Employer contributions to GRRSP based on Flex Credits. Contributions will be allocated on a biweekly basis.	No matching contributions.
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Please note that our program is subject to all federal government regulations. Original plan documents have been filed with the federal and provincial governments and should be consulted for specific details.

Additional information, including more detailed investment fund descriptions, is provided in the Sun Life Financial enrolment package.

When selecting this benefit:

- You must have had income in Canada in the previous calendar year
- You must consider your pension adjustment amount as determined by the Canada Revenue Agency

NOTE: CRA regulations stipulate that you cannot make an GRRSP contribution if you are not receiving income. Therefore, if you are receiving non-taxable LTD benefits, the Flex GRRSP contributions will be suspended until such time as you return to work.

CHOICES – PENSION PROGRAM

The company Pension Program is composed of a Group Registered Retirement Savings Plan (GRRSP) and a Defined Contribution Pension Plan (DCPP). The custodian and record keeper for this program is Sun Life Financial. The investment manager(s)/firms are Sun Life Financial, Beutel Goodman, BlackRock and Shroder Investments, MFS, Invesco, TD Greystone, T. Rowe Price, Philip Hagar & North.

Under the Choices Core Benefit Program, you receive a Company-funded contribution of one percent of salary directed into the DCPP with no obligation to contribute to the GRRSP on your part.

You must complete the enrollment to receive the one percent.

To assist you in meeting your retirement goals, you can choose to have 2%, 4%, 6%, 8% or 10% of your salary* directed to a GRRSP subject to the Revenue Canada GRRSP limits. Employees are responsible for ensuring they have eligible GRRSP room as defined by Revenue Canada prior to joining the GRRSP. Mitel will match your GRRSP contributions at a rate of 50%, to the DCPP. The Core benefit contribution is included, not in addition, to the 50% company contribution.

THE CHART BELOW SUMMARIZES YOUR AVAILABLE OPTIONS UNDER THE MITEL PENSION PROGRAM:

MITEL PENSION PROGRAM	GROUP REGISTERED RETIREMENT SAVINGS PLAN (GRRSP)	DEFINED CONTRIBUTION PENSION PROGRAM (DCPP)
The Platform: Core Benefits	Employee Contributes 0%	Employer Contributes 1%
	Employee Contributes 2%	Employer Contributes 1%
	Employee Contributes 4%	Employer Contributes 2%
	Employee Contributes 6%	Employer Contributes 3%
	Employee Contributes 8%	Employer Contributes 4%
	Employee Contributes 10%	Employer Contributes 5%

NOTE: Employees are responsible for ensuring they have eligible GRRSP room as defined by the Canada Revenue Agency (CRA) prior to joining the GRRSP.

TIPS LINE: 1-800-267-6999 or <http://www.cra-arc.gc.ca/>

You may join the Pension Program at any time during the year. You may also change the level of your employee contributions and investment selections at any time throughout the year. However, you must have earned income in Canada in the prior year to contribute to the GRRSP; you will still be eligible for the company contribution of one percent to the DCPP.

Contact our benefits administrator for more information on the Pension Program.

Please note that original plan documents have been filed with the federal and provincial governments and should be consulted for specific details. Our program is subject to all federal and provincial regulations.

THE TABLE BELOW SUMMARIZES THE INVESTMENT OPTIONS AND ADMINISTRATION GUIDELINES:

GROUP REGISTERED RETIREMENT SAVINGS PLAN (GRRSP) (EMPLOYEE CONTRIBUTIONS)	DEFINED CONTRIBUTION PENSION PLAN (DCPP) (EMPLOYER CONTRIBUTIONS)
Employee contributions are invested at the direction of the employee.	Employer contributions are invested at the direction of the employee.
Employee contributions are 100 percent vested at the time of contribution.	Company contributions are vested 100 percent immediately.
Contributions may be transferred to outside RRSP programs. GRRSP funds are eligible for the Federal Homebuyers Program.	All contributions are locked-in (no withdrawals are permitted) while you are employed at the Company.
You may change your contribution level at any time.	The Company contributes one percent.
You may change the investment of your future payroll deductions at any time.	You can invest your DCPP funds in any of the investment options provided under the plan.
You may choose to reallocate your fund balances at any time.	You may choose to reallocate the direction of your fund at anytime.

*Salary is defined as your basic pay, and does not include shift, overtime or bonuses. Employees designated as participating in sales incentive programs will have sales bonuses and commissions included in the definition of salary for pension deductions.

INVESTMENT OPTIONS

A cross section of investment managers and investment funds is provided to allow you to diversify your investment allocations. Currently, there are 14 investment fund options and a self-directed RRSP option where you can purchase over 100 mutual funds, individual stocks, options, etc.

FUND MANAGER	INVESTMENT FUNDS
Target Date	MFS LifePlan Retirement 2020 Segregated Fund MFS LifePlan Retirement 2025 Segregated Fund MFS LifePlan Retirement 2030 Segregated Fund MFS LifePlan Retirement 2035 Segregated Fund MFS LifePlan Retirement 2040 Segregated Fund MFS LifePlan Retirement 2045 Segregated Fund MFS LifePlan Retirement 2050 Segregated Fund MFS LifePlan Retirement 2055 Segregated Fund MFS LifePlan Retiree Segregated Fund
Target Risk	Balanced Asset Alloc Portfolio Conservative Asset Alloc Portfolio Growth Asset Alloc Portfolio
Guaranteed/Money Market	SLF Money Market Segregated Fund Sun Life Guaranteed Daily Interest Account (GDIA)
Bond/Fixed Income	BLK Universe Bond Index Segregated Fund PH&N Bond Segregated Fund Sun Life Multi-Strategy Bond Segregated Fund
Specialty Bond/Fixed	Sun Life Financial Short Bond Seg Fund
Balanced	BG Balanced Segregated Fund PH&N Balanced Pension Segregated Fund Greystone Balanced Segregated Fund Invesco Income Growth Segregated Fund
Canadian Equity	BG Canadian Equity Segregated Fund CC&L Group Canadian Q Growth Seg Fund Greystone Canadian Equity Seg Fund TDAM Low Volatility Cdn Equity Seg Fund BLK S&P/TSX Composite Index Seg Fund PH&N Dividend Seg Fund
Specialty Canadian Equity	BG Small Cap Seg Fund
U.S. Equity	BG American Equity Seg Fund BLK US Eq Index Seg Fund Sun Life MFS U.S. Equity Segregated Fund T. Rowe Price U.S. Large-Cap Core Growth Equity Seg Fund
International Equity	BLK EAFE Equity Index Seg Fund PH&N Overseas Equity Seg Fund MFS International Equity Segregated Fund

Global Equity	BLK Global Equity Index Seg Fund Invesco Global Companies Seg Fund Invesco Global Small Cap Equity Segregated Fund T. Rowe Price Global Growth Equity Segregated Fund
Specialty	Sun Life Schroder Emerging Markets Segregated Funds

Once you are enrolled in the plan you will receive a welcome letter from Sun Life detailing your Access ID and PIN. Be sure to retain this information in a safe place for future use.

NOTE: For security reasons, you'll need your Access ID and PIN to access your account.

There are three easy ways to get information about your account direct from Sun Life:

SUNNET (WWW.SUNNET.SUNLIFE.COM)

- Fund balances
- Print statements
- Review unit values / rates
- Access historical information
- Link to investor learning center

SUN LIFE CALL CENTER 1-866-733-8613

- Available Monday to Friday (8:00 a.m. EST – 5:00 p.m. EST local time)
- Get personalized service to obtain information and process transactions
- Provides confidential information on your account balances, interest rates, unit values, and investment info through touch-tone phone access



OTHER BENEFITS

Educational Benefit
Professional Designation Memberships
Mitel Fit
Multi-Deposit Program
Optional Group RRSP
Canada Savings Bonds
Pharmex DirectInc.

EDUCATIONAL BENEFIT

You are encouraged to improve your educational qualifications in areas that enhance your job performance and overall contribution to the Company, as well as your career objectives.

If you intend to further your education or update your skills, you could qualify for a 100 percent tuition fee reimbursement. If you qualify, 100 percent reimbursement of course textbooks, software and parking passes would also be paid. You should discuss your education plans with your manager, and then submit a training record form on the intranet (HR@Mitel – employee development) or through your manager to the Human Resources department at least two weeks prior to the course commencement date.

In order to be eligible for reimbursement, you must be a full-time and / or permanent part-time employee and have successfully completed your probationary period, and the course must be one that is given by an accredited, approved education institution, or one that is at the college level and is taken as an undergraduate or graduate degree program. Only tuition reimbursement for courses that are successfully completed and other qualified reimbursements will be provided. In order to obtain your reimbursement, you must present your original receipts (for course and textbooks), along with proof that you have successfully completed the course, to your manager and the Human Resources department within 60 days of completing the course. There is a tuition refund limit of two courses per school semester.

PROFESSIONAL DESIGNATION MEMBERSHIPS

At the Company's discretion, payment for membership fees associated with professional associations for employees in good standing may be provided. The membership must be in a recognized professional association related to aspects of the Company's business or operations and must enhance the employee's ability to better perform his or her work requirements. Approval for membership payment is given at the mid-management level and above.

MITEL FIT (KANATA FACILITY)

Employees at the Kanata Facility have the opportunity of joining the on-site fitness centre — Mitel Fit. The centre is open 24 hours a day / seven days a week. Membership is limited to employees and their spouses only. Fees are payable through payroll deduction. Contact Mitel Fit or access the intranet for more information.

MULTI-DEPOSIT PROGRAM

This option allows you to have your pay cheque deposited to up to three separate bank accounts. Please designate one account for reimbursement of benefit claims.

OPTIONAL GROUP RRSP

This optional plan allows you to contribute to an RRSP either through payroll deduction (with tax reduced at source) or by lump sum payments. The plan offers spousal accounts as well as a variety of investment options. Contributions can be made to Sun Life.

NOTE: The Company does not contribute to your optional RRSP.

PHARMEX DIRECT INC.

Pharmex Direct Inc. is a direct delivery pharmacy licensed by the Ontario College of Pharmacists. This service offers quality care and services for prescription medications that are conveniently delivered to your workplace or home. A 90-day supply can be dispensed for one low dispensing fee making it both convenient and cost-effective. Obtain a Pharmex Direct enrollment form from our Benefits Administrators.

GLOSSARY OF BENEFITS TERMINOLOGY

ACCIDENTAL DEATH & DISMEMBERMENT

A form of insurance that provides a lump-sum payment in the event of accidental death or injury. The payment due to injury is a percentage of the death benefit, with the percentage based on the severity of the injury.

ADMINISTRATIVE SERVICES ONLY (ASO)

Plans that are not underwritten by an insurer. The employer sets aside a fund from which the administrator pays claims. No premiums are paid; the employer provides funds to pay the claims incurred under the plan.

ADVERSE SELECTION (ANTI-SELECTION)

Created when employee elects certain insurance coverage because of a high likelihood of a claim. A terminally ill employee selecting more life insurance is an extreme example of adverse selection.

ADVERSE SELECTION CONTROLS

Elements of a plan design that are intended to minimize the chance an employee will elect coverage because of the high likelihood of a claim.

EXAMPLES INCLUDE:

- Before employees increase their life insurance coverage, they must provide evidence of good health.
- Employees must remain in dental coverage option for two years before being allowed to change to another option.

BENEFICIARY

A person named by an employee who will receive benefits from an insurance plan or pension plan if the employee dies.

CANADA PENSION PLAN (CPP) – 1966

Provides a retirement benefit of 25 percent of adjusted average earnings to those who contribute to the Plan during their working lives. This Plan also provides disability pensions, survivor's pensions, orphan's benefits and death benefits.

CANADA HEALTH ACT – 1984

Replaced the Hospital Insurance and Diagnostic Services Act of 1957 and the Medical Care Act of 1966. The Act sets out the principles of the healthcare system, including universality, portability, outlawing extra billing and user fees and administration by provincial public authorities. Provinces control the healthcare system, but receive federal subsidies only if they comply with the conditions of the Act.

CHANGE IN FAMILY STATUS

Employees are generally permitted to change their flexible benefit choices between enrollment periods (i.e., mid-year), if they have a change in family status. Examples include marriage, divorce, birth or adoption of a child, loss of a spouse's coverage through death or loss of employment, or change in a child's full-time student status.

CHILDREN'S LIFE INSURANCE

A group life insurance policy covering an employee's children, generally those under 22 or 25 if full-time students. Typically, children's life insurance options are for a flat amount (unrelated to employee pay) and are priced independent of age, gender, or number of children.

CHOICE MAKING

Refers to a benefit program that allows employees to choose among a number of options.

CLAIMS

A request to the insurance carrier by the insured person for payment of benefits under a policy.

COINSURANCE

The sharing of medical and dental expenses between the plan and the employee. Co-insurance is typically the percentage paid by the plan. For example, 80 percent coinsurance means 80 percent is reimbursed by the plan, and 20 percent is paid by the employee.

COMPONENT CREDIT ALLOCATION

Flexible credits are given to employees for each type of benefit, and the sum of the components is the employee's total credit allocation.

CONSUMER PRICE INDEX

An index published monthly by Statistics Canada that measures the relative cost of a selected group of goods and services overtime.

CONVERSION

Refers to a provision in a group life insurance policy that allows an employee to change from group coverage to an individual policy upon termination of employment. Generally, conversion does not require evidence of insurability.

CO-ORDINATION OF BENEFITS

A provision in a group insurance policy describing which insurer pays a claim first when two policies cover the same claim. The total payment is no more than 100 percent of the claim.

CORE LEVEL OF BENEFITS

A basic level of benefits required by the employer. This benefit level is frequently employer-paid.

CORE PLUS CREDITS (CORE PLUS OPTIONS, CUT BACK APPROACH)

A pricing structure for a flexible benefit program. A basic or core level of coverage is provided to all employees, typically at no cost to them. The difference in costs between the prior plan and the core is distributed to employees as flexible credits. Additional options beyond the core may be purchased with flexible credits and payroll deductions.

COST OF LIVING ADJUSTMENT (COLA)

An increase in wages, pension benefits or disability benefits according to the rise in the cost of living. This adjustment is usually calculated using a percentage of annual increase in the Consumer Price Index, often with a maximum. In flexible benefit programs, this is frequently a provision in optional LTD plans.

CREDITS (FLEXIBLE CREDITS)

The annual allowance of employer money received by each employee to spend on benefits. One flexible credit is generally equal to one dollar.

DEFAULT COVERAGES

A set of coverages assigned to employees who do not return enrollment forms.

DEFINED CONTRIBUTION PENSION PLAN

A retirement plan that provides an individual account for each participant. Some define contribution plans for both employee and employer contributions, while others allow contributions by one or the other. The benefit amount depends on the amount contributed to the account.

DENTAL FEE GUIDE

Each year, the dental association publishes a list of reasonable and customary charges for dental services in the province. Dentists are free to charge more, less or the same as the fee guide.

DENTAL PLAN

A plan that provides benefits for dental care. Typically, these plans include coverage for preventative and basic work (examination, cleaning, fillings, X-rays), major restorative work (crowns, inlays, bridges) and may also include orthodontia.

DEPENDANT

Generally an employee's spouse and children, as defined in a contract.

DEPENDANT LIFE INSURANCE

A group life policy covering an employee's spouse and / or children. Typically, flat coverage amounts are provided for the spouse and children.

ELECTION CONFIRMATION STATEMENT

A personalized statement showing flexible benefit elections recorded on the enrollment system for a participant. Generally sent to employees after they have enrolled, but before the effective date of coverage.

ENROLLMENT

The annual process by which employees choose options under the flexible benefit program.

EVIDENCE OF INSURABILITY

Usually a health statement required by insurers before covering someone who previously opted out of coverage. May also be required when increasing the level of coverage in life insurance or LTD, for example.

EXPERIENCE-RATED INSURANCE

A way of financing insurance with a carrier that requires a full accounting at the end of each plan year. The employer receives any surplus, or pays any deficit between premiums charged and claims and expenses paid out.

FLEXIBLE BENEFIT PROGRAM

A benefit program that allows choice making and gives the employee control over how some of the company benefit premiums are to be spent.

FLEXIBLE EXPENSE ACCOUNT

A special fund set up by an employer from which an employee can draw to pay certain expenses. Typically, these accounts are used for health-related expenses (healthcare expense account) and other expenses. Payments from the healthcare expense account are non-taxable income to employees. Payment from a non-health account are generally taxable.

FORFEITURE (USE IT OR LOSE IT)

Describes the insurance risk element imposed on flexible expense accounts by Revenue Canada. Funds allocated for use during a plan year are lost if not spent by the end of the year. Recently, however, Revenue Canada has allowed the rolling over of unused balances to the next year.

GROUP PLANS

Employer-sponsored benefit plans providing coverage to a group of employees.

GUARANTEED INCOME SUPPLEMENT

A benefit payable under the federal Old Age Security Act to those whose income is below a threshold that is, a meanstest.

HEALTHCARE EXPENSE ACCOUNT

Employees deposit flexible credits in this account to be drawn out during the plan year for reimbursement of healthcare expenses. Expenses that can be covered by this account include those that could be covered by a private health services plan (as defined in the Income Tax Act), but not covered by other private or provincial health insurance plans.

HEARING CARE

A healthcare plan that provides reimbursement for hearing aids. Usually included as part of a supplemental medical plan.

HOSPITAL INSURANCE AND DIAGNOSTIC SERVICES ACT – 1957

Provided the framework for the Canadian healthcare system. Provinces complying with federal standards received subsidies of about half the cost of providing hospital benefits. Replaced by the Canada Health Act in 1984.

LEAVE OF ABSENCE

Time off from work that lasts for an extended period of time. Examples include: educational leave, sabbatical leave, and maternity / adoption leave. Typically, these types of leave require management approval.

LONG-TERM BENEFITS

Benefits having a low claim frequency and high per-claim amount. These include life insurance and long-term disability.

LONG-TERM DISABILITY (LTD)

A plan that provides income protection in the event of time lost due to sickness or accident of a long-term nature. Benefits typically begin after six months and continue to age 65, and provide from 50 percent to 70 percent of pay.

MAINTENANCE OF BENEFITS

A co-ordination of benefits approach in which deductibles and co-payment amounts are preserved when the plan is secondary. This is because the secondary plan defines its payment as the difference between what it would pay if it were the sole plan and what the other plan actually pays.

MEDICARE ACT – 1966

Extended the Hospital Insurance Act by allowing federal subsidies for medical benefits. Replaced by the Canada Health Act in 1984.

MEDICARE

A common term referring to provincial government health insurance plans. These plans generally cover hospital ward care, hospital services and physicians' fees.

OLD AGE SECURITY ACT (OAS) – 1952

Provides a monthly pension to qualified Canadian residents regardless of past earnings or current income. This pension is indexed to the Consumer Price Index. This benefit is taxed back wholly or partially for those with incomes over a certain level.

OPT OUT

Refers to an employee choosing not to be covered for a certain option – for example, dental.

OPTIONS

Refers to the choices available within each benefit area of a flexible benefit program.

OUT-OF-POCKET EXPENSE

Refers to payments by an employee for expenses not covered under a group insurance plan.

PAYROLL DEDUCTIONS

When an employer deducts after-tax dollars from an employee's pay cheque; can be used to pay for benefit coverage.

PENSION ADJUSTMENT (PA)

The value of pension benefits accruing to a plan member during a year under proposed Income Tax Act changes. The PA is subtracted from the member's comprehensive retirement contribution limit (18 percent of pay, subject to specified dollar limits) to determine the maximum RRSP contribution allowed for the following year.

PERSONAL BENEFITS STATEMENTS (PERSONAL BENEFIT REPORT)

A statement included in flexible benefit enrollment materials that lists an employee's options, price tags and credits. The statement is personalized, because the items are calculated based on factors such as the employee's age, pay, date of hire, family status and sex.

PREMIUM

The amount of money paid by an employer to an insurance company for an insurance policy or annuity.

PRICE TAG

The dollar value paid by employees for a certain level of benefit coverage; may be different from the premium.

PRICING

The process of determining the price tags paid by the employee for a benefit and the flexible credits the employer allocates to the employee.

PRIVATE HEALTH SERVICES PLAN

As defined by the Income Tax Act, a healthcare plan with the following elements:

1. It must be an undertaking of one person
2. To indemnify another person
3. For an agreed consideration
4. For a loss or liability in respect of an event
5. The happening of which is uncertain

Qualification entitles the employer to deduct the premiums as a business expense. Benefits under this type of plan are tax-free to the employee.

REALISTIC PRICES

Prices that can be reasonably be expected to support claims costs.

RE-ENROLLMENT

A basic principle of a flexible benefits program is to allow employees to make new benefits choices periodically.

Typically, the enrollment process is repeated each year. This is termed re-enrollment.

REGISTERED RETIREMENT SAVINGS PLAN (RRSP)

An arrangement between an individual and an authorized insurer, trust company, or corporation for the purpose of providing a retirement income for the individual. These are covered under Section 146 of the Income Tax Act. At the plan's maturity, an annuity is purchased or the plan assets are transferred to a registered retirement income fund (RRIF). Subject to certain maximums, the individual's contributions to an RRSP are deductible for income tax purposes and the investment income is tax deferred.

ROLL-OVER

Describes the insurance risk element imposed on the healthcare expense accounts by Revenue Canada. Funds must be used to reimburse expenses incurred during the year. Otherwise, the funds will be rolled over to the next year's account.

SELF-INSURANCE

A special fund set up by an employer to provide benefit coverage. The employer pays claims and administers the fund directly. In this arrangement, the employer assumes the risks and liabilities of an insurance carrier.

SHORT-TERM BENEFITS

Benefits that have a high claim frequency and low per-claim amounts. Some examples include supplemental medical, dental and vision.

SHORT-TERM DISABILITY

A benefit plan that provides payment to a disabled person for the period of disability before Long-Term disability benefits are payable. Typically covers the first six months of an employee absence and is paid by the employer.

SICKLEAVE

Time off from work due to illness.

SPOUSAL LIFE INSURANCE

A life insurance plan that covers an employee's spouse. The amount of coverage is typically a flat amount, but maybe related to the employee's pay. Price tags for spousal life may be a flat premium amount expressed as dollars per thousand dollars of coverage, or may be graded according to age, gender, or smoker status of the spouse and / or employee.

SUPPLEMENTAL MEDICAL PLAN

A medical plan that provides benefits not included in the various provincial health insurance plans. Typically, these plans provide coverage for semi-private or private hospital rooms, prescription drugs, certain medical equipment, and healthcare practitioners not covered under provincial plans.

TERM LIFE INSURANCE

Life insurance payable to a beneficiary when the insured person dies. No cash value is developed.

TIME-SHARING SERVICES

A system in which flexible benefit administrators have online access to software located on a vendor's computer.

UTILIZATION

The extent to which a group uses a service — for example, a medical or dental plan. Typically expressed as a number of claims per 100 or per 1,000 plan members.

VESTING

An employee's right to receive a pension benefit, whether or not the employee stays with the employer providing the benefit. Employee contributions to a pension plan are immediately vested, but employer-paid benefits may be vested after a number of years of service or plan participation.

VISION CARE

A healthcare plan that provides coverage for eyeglasses and / or contact lenses; may be included in supplemental medical plans or as a stand alone plan.

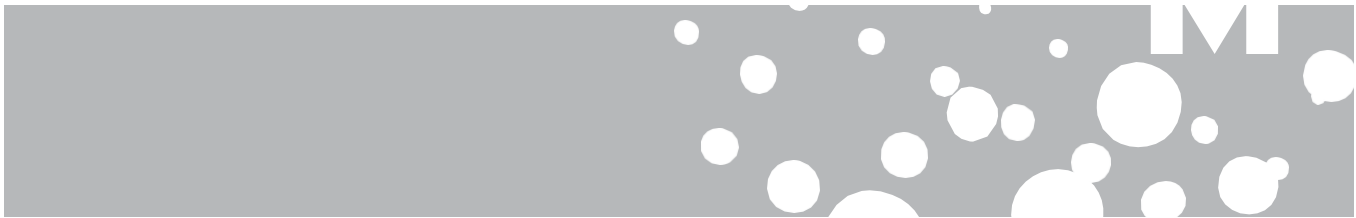
WAIVER OF COVERAGE

Occurs when a plan allows employees to elect no coverage in certain benefit areas.

WORKBOOK / ENROLMENT GUIDE

A booklet that explains the options, price tags, and credits available in a flexible benefits program. This communication material is developed to assist employees in enrolling in the flexible benefit program.

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CHOICES AND OPPORTUNITIES

OUTSTANDING TECHNICAL AND SERVICE SUPPORT IS PROVIDED BY THE MITEL BENEFITS ADMINISTRATION (TELUS HEALTH) AND SUN LIFE FINANCIAL'S CUSTOMER SERVICE.

TELUS HEALTH is your Mitel Benefits Administration. They can help you with any enrolment and general benefits questions; such as current coverage, benefit changes/life events, dependent eligibility, payroll deductions for benefits, beneficiary designation etc.

TELUS HEALTH

Toll Free Number:

1-866-899-5039

or email:

helpdesk.flexit360@telus.com

Sun Life Financial has specially trained personnel who handle all claims inquiries:

SUN LIFE FINANCIAL

Policy Number: 153441 (Health and Dental)

Claims Toll Free Number: 1-800-361-6212

Sign up online at: www.mysunlife.ca

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FOR MORE INFORMATION ON OUR WORLDWIDE OFFICE LOCATIONS, VISIT OUR WEBSITE AT MITEL.COM/OFFICES

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