

Basic Life Insurance Plan and Paid Death Benefit

Basic Life Insurance Plan (BLIP) – Plan #45085
Canada Post Corporation Paid Death Benefit (CPC PDB) – Plan #23226 (age 65+)

Starting January 1, 2019, you are eligible for coverage under our Basic Life Insurance and/or CPC Paid Death Benefit (age 65+) plans. These are separate insurance plans. Coverage will be provided to all eligible Rural and Suburban Mail Carriers (RSMCs) and Permanent Relief Employees (PREs). This change requires you to fill out one or two important forms, based on your age. See below.

Eligibility criteria

To qualify for the Basic Life Insurance Plan, you must be a regular RSMC route holder or PRE and be scheduled to work at least 12 Route Management System (RMS) hours a week. You must be actively at work to be enrolled. If you are on leave other than vacation, your coverage will be effective on the date you return to work.

For the Canada Post Corporation Paid Death Benefit Plan (age 65+), you must first be covered under the Basic Life Insurance Plan and be 65 or older.

Coverage is automatically adjusted according to your weekly scheduled hours. Should your scheduled hours fluctuate below or above the 12-hour threshold once you are initially enrolled, you will be unenrolled or re-enrolled automatically and notified of the change in coverage.

Coverage

The Basic Life Insurance Plan provides a term life insurance benefit equal to twice your basic salary and rest period allowance. (Basic salary includes activity values under Appendix A.) For life insurance coverage purposes, the work week shall not exceed 40 RMS hours.

Calculations are rounded up to the next \$1,000. When you turn 65, the Basic Life Insurance benefit is reduced by \$10,000 and becomes a Paid Death Benefit. When you turn 66, the Basic Life Insurance benefit is reduced by 10 per cent each year, until it equals one third of your basic salary and rest period allowance salary, or \$10,000 (whichever is greater).

Enrolment

Participation in the plan is mandatory and enrolment is automatic if you meet the eligibility criteria. Coverage is effective as early as January 1, 2019, or such time as you meet the eligibility criteria.

If you are not actively at work, your coverage will be effective on the date you return to work. If you met the eligibility criteria the day before going on your most recent leave, you are eligible. The leave must have started after January 1, 2016.

If you are eligible to be enrolled but are still on leave, life insurance premium arrears will accumulate during your leave, starting January 1, 2019. They are payable upon your return to work.

Plan costs

For Canada Post's Basic Life Insurance Plan, employees pay \$0.16 per \$1,000 of coverage, and Canada Post pays \$0.04 per \$1,000. The company pays 100 per cent of the paid death benefit costs. (Premiums are reviewed annually and are subject to change.)

Premiums will be deducted from your bi-weekly pay on April 18, 2019 for the period starting March 24. Deductions between January 1, 2019 and March 23, 2019 will be recovered retroactively, based on your enrolment date (or your eligibility date, if hired on or after January 1, 2019). You will see this recovery captured on your June 13, 2019 pay statement.

Beneficiaries

It's important that you designate a beneficiary. If designating a beneficiary who is a minor or who otherwise lacks legal capacity, you may wish to appoint a trustee / administrator. Please refer to the Basic Life Insurance Plan Beneficiary Designation / Change of Beneficiary form for additional information.

The Basic Life Insurance Plan and CPC Paid Death Benefit Plan (age 65+) are different plans and can have different beneficiaries; therefore, if you are 65 or older, remember to complete, date and sign both enclosed forms and return to:

AccessHR

**2701 Riverside Drive, Suite C0160
Ottawa, ON K1A 0B1**

Quebec residents

Quebec residents who designate their spouse as a beneficiary cannot change or reverse that designation unless they check off the box titled "Revocable" on the form or provide the original beneficiary's signed consent. You may change a revocable beneficiary designation at any time without anyone's consent.

NOTE: Copies of forms won't be accepted. **Original hard copies with a signature are required.**

Confirmation of insurance can be found online by going to Employee Self Service (ESS) in MySAP, under Benefits. This information will be loaded once our system has been updated by summer.

For more information, and to find copies of previous correspondence, visit

canadapost.ca > I'm an Employee > RSMC Pay Equity Resolution.

If you have questions, please contact AccessHR at accessHR@canadapost.ca or at **1-877-807-9090**.

Encl.:

1. Basic Life Insurance Plan Beneficiary Designation / Change of Beneficiary
2. Canada Post Paid Death Benefit – Age 65 and up Beneficiary Designation / Change of Beneficiary (if applicable)
3. Instructions to complete the Basic Life Insurance Plan Beneficiary Designation / Change of Beneficiary form
4. Beneficiary Designation – Frequently Asked Questions
5. RSMC Pay Equity Resolution – Timeline