

Decision Guide

Flexible Group Insurance Plan – Salaried employees

CAEselect | FIND YOUR PERFECT FIT

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Group Insurance Plan CAE**select**

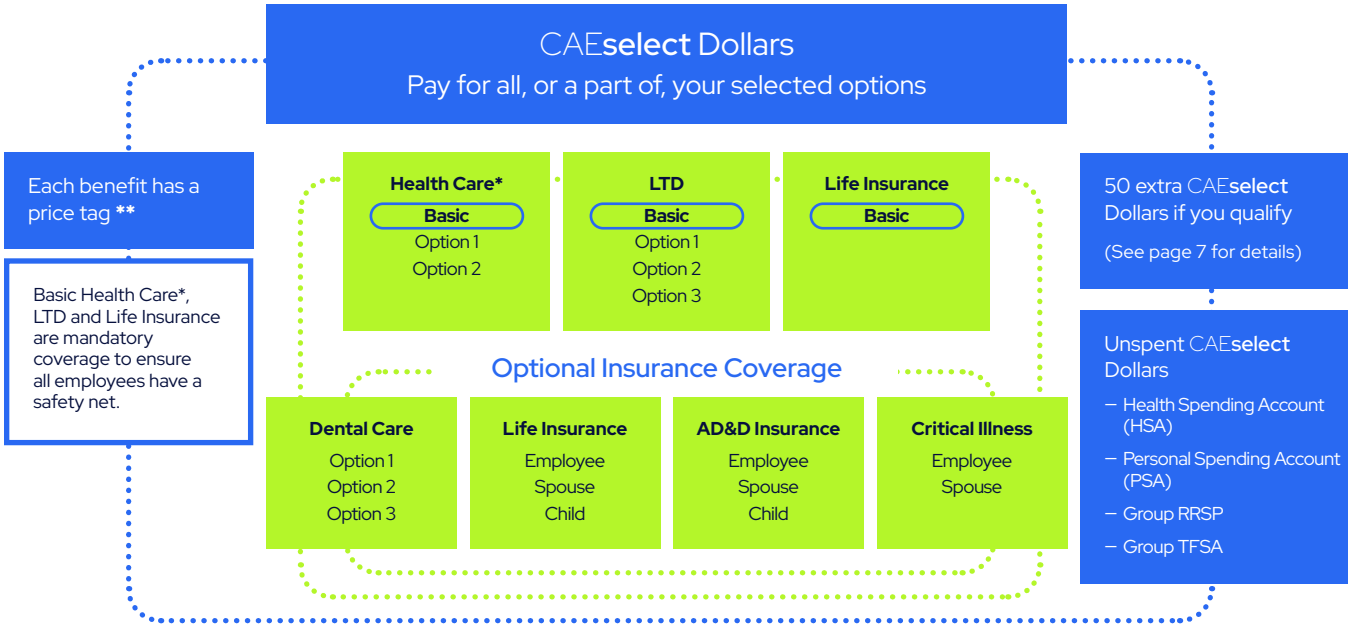
Find YOUR perfect fit!

CAE developed this guide to ensure you consider all relevant and important information about you and your family. It provides guidelines and key considerations to help you make informed decisions when choosing your group insurance coverage to meet your current needs.

How the plan works

Each year, you receive an allocation of CAE**select** Dollars, based on a fixed dollar allocation and a percentage of your base salary. CAE provides you with mandatory basic coverages highlighted in the chart below. CAE wants to ensure you have at least a basic level of insurance coverage should the unexpected happen.

- Each benefit has a price tag.
- Your allocation of CAE**select** Dollars pays for your mandatory coverage as well as all, or part of, your chosen options.
- If your selections cost more than your annual CAE**select** Dollar allocation, you pay the difference through payroll deductions. However, in choosing more expensive benefit options, you are also choosing more comprehensive coverage!



* You can opt out of Health Care coverage – to be eligible, you must provide proof of coverage elsewhere.
** Your annual allocation of CAEselect Dollars and the cost of each coverage option are detailed in the enrolment tool on the CAE MyBenefits Application.

Enroling and making changes

CAE**select** a click away!

From home or the office, visit the CAE MyBenefits application any time via **Microsoft Apps**. You will need to log in to the site; instructions are included in your welcome email or your notice of enrolment email.

In addition to the online enrolment tool you will use to enrol in the plan, the CAE MyBenefits application also includes:

- Information related to benefits, including communication materials and forms.
- Direct links to our various benefit providers, including 'single-sign-on' with Sun Life Financial our insurer – you only have to log in to the CAE MyBenefits application to get there!
- The ability to make changes online, at any time during the year:
  - When you experience a qualifying life event (e.g., marriage, divorce, birth of a child, loss of spouse's coverage).
  - To update your beneficiary and personal information. You can make changes to your selection at any time during the re-enrolment period, even if you have already saved your changes.

What happens if you do not enrol?

Whether you're enroling for the first time, or making changes during annual re-enrolment, you must make your benefit selections before the deadline.

When you are first eligible to enrol, if you do not complete your online enrolment by the deadline, the following will apply until the next annual re-enrolment period:

- You will be automatically enrolled in Basic Life Insurance, Basic Health Care and Basic Long-Term Disability (LTD) coverage.
- You will be automatically enrolled without dependents (Individual status) or as per your coverage status at the CAE**select** implementation date.
- Unspent CAE**select** Dollars will be automatically allocated to the Health Spending Account (HSA).

You will not have another opportunity to select and/or change your group insurance coverage during the year, unless you experience a qualifying life event.

Quebec employees

Please note that it is your responsibility to ensure that you and your eligible dependents are registered for coverage under the CAE**select** Group Insurance Plan, unless covered elsewhere.

Coverage status

Choose from three coverage status:

Individual	Family	Single Parent
No dependents	You, your spouse and your eligible dependent children	You and your eligible dependent children

Choose a different coverage category for Health Care than for Dental Care. For example, you can choose Single Parent Health Care and Individual Dental Care.

Making changes

- You can update your personal and beneficiary information at any time.
- You can change your coverage selections each year at annual re-enrolment time.
- When you experience a qualifying life event during the year, you can make changes to your coverage status and to your group insurance options.

Annual Enrolment

When you select your group insurance coverages as a new hire at CAE, you are choosing your coverages for the current year.

Each year, you will need to re-enrol in your coverages for the next year, during the CAE annual re-enrolment period. You can modify your coverage to have more or less coverage. The two-year participation rule applies to the most generous option in the medical and dental coverage.

If you do not re-enrol:

- You will not be able to choose where to allocate your unspent CAEselect Dollars – if you do not make a formal choice, they will automatically be deposited into your Health Spending Account (HSA), even if you allocated them to a different account at the last re-enrolment or at your initial enrolment.
- You will maintain the same status and coverage.
- You will not be able to make changes to your coverage until annual re-enrolment for the next year unless you have a qualifying life event.
- You will not have access to additional Wellness CAEselect Dollars.

Life events

A life event is a major event in a person's life that may impact personal circumstances enough to justify a group insurance change before the next annual re-enrolment. Life events can include:

- Birth, adoption or gain of legal guardianship of a child.
- Marriage, civil union or common law union of more than one year.
- Divorce or legal separation.
- Death of a dependent (spouse or child).
- Change in your province of employment.
- Change in spouse's employment or group insurance coverage*.
- Loss of dependent child status of the last dependent child.
- Change in your employment status (from part-time to full-time or full-time to part-time).

You have 31 days from the date of the life event to make changes to your group insurance coverage. You will make your changes online on CAE MyBenefits under the Group Insurance Plan tile / Administrator website (https://myapps.microsoft.com/).

* **Quebec employees:** please note that it is your responsibility to ensure that you and/or your dependent children are registered for Health Care coverage under the CAE**select** Group Insurance Plan, unless covered elsewhere.

CAE**select** Dollars

CAE gives all employees a base allocation of CAE**select** Dollars. You also receive an additional amount calculated as a percentage of your base salary. That's because the cost of some coverage is related to your base salary. You use CAE**select** Dollars to pay all, or part of, the cost of the benefit options you select.

- Your CAE**select** Dollar amount and benefit option costs are programmed in the online enrolment tool.
- Your CAE**select** Dollar balance and per-pay costs will update automatically with each selection you make.
- The system automatically allocates your CAE**select** Dollars to minimize your need to pay for coverage through payroll deductions – the most tax-effective method.
- You choose how to allocate your unspent CAE**select** Dollars (Health Spending Account, Personal Spending Account or CAE Group RRSP or Group TFSA).



CAE**select** Dollars!

Annual allowance

Base allocation + % of your base salary

Are you a non-smoker?

Receive 25 extra CAE**select** Dollars!

Regularly exercise?

25 extra CAE**select** Dollars are yours!

What's good for your health is also good for your wallet.

CAE wants to support a culture of wellness and a balanced approach to health and overall well-being. When you enrol and answer the online questions:

- You receive an extra allocation of 25 CAE**select** Dollars if you are a non-smoker; and
- You receive a further allocation of 25 CAE**select** Dollars if, for the past six months, you have engaged in 30 minutes of physical activity at least two times per week. You must remain committed to continuing to do this for the next 12 months.

Please note that while there are no forms or follow-up questionnaires for you to complete, we reserve the right to request evidence to substantiate the answers you provide while enroling.

Create your perfect fit

Choosing the options that are right for YOU

For additional information and plan details, refer to the summary provided on the CAE MyBenefits application (see the *Learning more* section at the end of this document for the full address). This chart provides details that may help with your decision-making.

Health Care and Dental Care – guidelines and key considerations when choosing coverage

As you begin to think about group insurance coverage, consider your needs before costs. Cost will always be an integral part of your considerations, but ensuring you have the right level of coverage to meet your needs is what's most important.

Two-year participation rule

For health and dental care, change your option according to your needs, without having to go through intermediate steps; however, the two-year participation rule applies to the most generous option:

Medical coverage: You must keep option 2 for at least two years before you can choose a lower option.

Dental coverage: You must keep option 3 for at least two years before you can choose a lower option.

For all other options, you have greater flexibility and can make changes more easily during re-enrolment or following a life event.

This two-year participation rule doesn't apply during life event.

The online enrolment tool automatically calculates the cost of your coverage choices and the CAE**select** Dollars allocated to pay for that coverage. Before confirming your enrolment, you can create different scenarios to compare the cost and taxation of various coverage combinations.

Consider the following while making your decisions	Results and notes
Coverage under another plan? – Does your spouse have health care and dental care coverage elsewhere?	
– What is the coverage level? 100%? 80%? Other?	
– How does the cost of coverage under your other plan compare with the cost of the option you might choose under CAE**select**?	
– When reviewing your spouse's coverage together with CAE**select**, which option will best fit your needs? Will choosing a lower Health Care and/or Dental Care option or opting out minimize duplication of coverage? This will allow you to free-up CAE**select** Dollars for other options you value.	
Previous years and forecasting for the future Review your personal Health Care and Dental Care claims history for the previous years, as well as those of your family. This will help you evaluate how your current level of coverage fits your needs. Visit **mysunlife.ca** or link directly to the Sun Life website through the CAE MyBenefits application and review your claims history online.	
– Are there Health Care and Dental Care expenses you anticipate having over the next year or two? If so, what are they? – Based on this, which Health Care option will best meet your anticipated needs? What about Dental Care?	
– Do you consider last year's out-of-pocket expenses high?	
– Where did you spend the most in health and dental claims?	
Your approach to health and wellbeing – Do you or other family members regularly visit paramedical practitioners (e.g., chiropractors, massage therapists)?	

Opting out of CAEselect Health Care coverage

If you are covered under your spouse's health plan, you can free up CAE**select** Dollars for other group insurance coverage by opting out of CAE**select** Health Care coverage. However, before you decide to do this, evaluate the "cost" of opting out:

– Do you have adequate coverage with the other plan under which you are insured?

– Will you allocate CAE**select** Dollars to your HSA to ensure you are covered for any unexpected expenses, not otherwise covered under your spouse's plan?

To be eligible to opt out of Health Care, you must provide written proof of your coverage under another plan.

If you opt out of coverage, you will not be able to choose coverage until the next annual re-enrolment. This applies unless you experience a qualifying life event during the year.

Coordination of Benefits

Coordination of benefits can occur when you, your spouse and/or child(ren) are covered for Health Care and Dental Care group insurance under more than one group insurance plan so that, in total, up to 100% of the eligible expense incurred can be reimbursed (refer to Glossary of terms for details).

Dental Care

Under CAE**select**, Dental Care coverage is completely optional.

Financial security and income protection – guidelines and key considerations when choosing coverage

Short-Term Disability

You don't need to make any choices for your Short-Term Disability (STD) benefits. Your coverage is 100% company-paid without using CAE**select** Dollars.

STD benefits are based on your years of service, and are paid as a percentage of your annual base salary, for up to 26 weeks. After that time, Long-Term Disability (LTD) benefits will begin, subject to eligibility.

Long-Term Disability

Long-Term Disability (LTD) benefits are available should you become disabled due to sickness or injury and remain unable to work for more than 26 consecutive weeks.

This benefit provides you with income to replace part of your base salary to a maximum benefit payable of $15,000 per month.

You have two payment options:

Paying for coverage	Taxation of benefits	Applies to...
CAEselect Dollars	Coverage at no cost to you now, but any benefit you receive is taxable.	– Basic – Option 1
Payroll deductions	deductions Impacts your take-home pay now, but any benefit you receive is non-taxable.	– Option 2 – Option 3

Tax fact

Any time company money is used to pay for the premium cost of LTD coverage – whether in whole or in part – the benefit paid becomes taxable.

If you choose Basic LTD or Option 1 LTD when you enrol, your CAE**select** Dollars will be automatically allocated to pay for this selected coverage.

Indexation of Long-Term Disability benefits

The LTD plan is designed to offer you maximum flexibility. In addition to the tax implications of the option you choose, you should consider whether you will need the added protection of indexation.

Indexation is an annual adjustment in wages to offset a decrease in purchasing power, as measured by the Consumer Price Index. The purpose is to offset the impact of inflation.

Two of the four available options include an indexation feature: Option 1 (taxable) and Option 3 (non-taxable).

Annual indexation of LTD benefits under CAE**select** is equal to the Consumer Price Index, up to a maximum of 3%.

It begins after two years of disability.

Considerations fact

When considering your LTD options, think about your current age, your income needs now and into the future, as well as your debt. Keep in mind that LTD benefits is payable until age 65. Therefore, be sure to consider how long you would benefit from coverage and if an option that includes the indexation feature is valuable for you.

Choosing your LTD option is truly an exercise in planning for the unexpected!

Use the **online enrolment tool** on CAE MyBenefits to create different coverage scenarios. Click on the Group Insurance Plan tile then Administrator website to access the tool.

This may help you assess the cost differences and tax implications of different coverage combinations.

Consider the following while making your decisions	Results and notes
Income – How much income will you and your family need if you must be away from work due to an unexpected long-term illness or disability?	
– Do you have debt or are you carrying a large uninsured mortgage?	
– Are you, or will you be, putting your children through university?	
– Are you close to retirement? If you are, you may want to consider the options without the indexation feature, since LTD benefits end at age 65. These options are less costly. – How will becoming unable to work impact your total household income and your ability to save additionally for retirement?	
Differences by option – Will 50% of monthly base salary be enough income for you?	
Taxability – What's more important to you – paying tax now or paying tax later? > If you use CAE**select** Dollars to pay for coverage, this is tax-free money allocated to you by CAE; however, any benefit you receive will be taxed. > If you pay the cost through payroll deductions, you are using after-tax dollars; however, any benefit you receive will not be taxed.	

Optional Life and Optional Accidental Death and Dismemberment (AD&D) coverage

The coverage you choose should be suited to your personal estate planning needs. The goal is to be adequately insured, but not over-insured.

Since AD&D Insurance does not cover death from natural causes, you should not regard this coverage as a substitute or replacement for life insurance.

Use actual dollar estimates as you answer and work through the questions below. This is the best way to understand your life and accident insurance needs.

Consider the following while making your decisions	Results and notes
Income and dependent needs – How much debt do you have and what is the amount needed to pay it off?	
– How many dependents do you have? How long will your dependents require financial support? If your children are older, you may not need as much coverage as you would if they were younger.	
– What additional income would your spouse need to replace your income?	
– Do you have other financial assistance available through: > Your spouse's plan? > Plans sponsored by a professional association? > Financial institutions (e.g., mortgage death benefits)?	
– Your spouse and dependent children may be eligible for continuing income under the Canada/Quebec Pension Plan. Do you want to count on this benefit being available?	
Coverage elsewhere – Do you have a private policy for yourself? For your spouse or your children?	
– Do you have additional income sources, such as income from a property?	
– Does your spouse have coverage elsewhere? If not, what level of coverage would be adequate toward ensuring you maintain your current standard of living?	

Is EOI required for Optional Life Insurance?

When you enrol in the Optional Life Insurance plan, you and/or your spouse will need to provide evidence of insurability (EOI) – proof of good health for any insurance amount not already approved by the insurer.

- You – Only for Optional Life Insurance coverage greater than 1 times base salary.
- Your spouse – For any amount of Optional Life Insurance.
- Your children – no EOI required.

The online enrolment system will prompt you to print and complete the Health Statement – Evidence of Insurability form, then return it directly to the insurer. If you increase your coverage at a later time – either at annual re-enrolment or as a result of a life event – you will need to complete another form at that time.

The insurer will advise you directly when your coverage is approved. Your approved coverage will be effective as at the approval date, and payroll deductions for the approved amount will begin.

Optional Critical Illness Insurance

Optional Critical Illness Insurance provides you and/or your spouse with a one-time lump-sum payment in the event you are diagnosed with a serious illness (such as cancer) or if you experience a heart attack or stroke.

The benefit you receive is non-taxable, and is paid in addition to benefits paid from any other program. You have the flexibility to use the benefits you receive as you choose.

Consider the following while making your decisions	Results and notes
Income needs – Will you have unexpected health care expenses, including expenses for available support services for you and your family?	
Financial obligations – Consider how much additional financial support you and your family will need if you or your spouse is diagnosed with an eligible critical illness and are unable to work.	
– Do you have an uninsured mortgage?	
– How many dependents do you have? What are their ages? How much support will they need (and for how long)?	

Is EOI required for Optional Critical Illness Insurance?

The first time you enrol in the CAE**select** Group Insurance Plan, you and/or your spouse will need to provide evidence of insurability (EOI) – proof of good health – for criticall illness coverage in excess of $50,000*.

The online enrolment system will prompt you to print and complete the Health Statement – Evidence of Insurability form, then return it directly to the insurer. If you increase your coverage at a later time – either at annual re-enrolment or as a result of a life event – you will need to complete another form at that time.

The insurer will advise you directly when your coverage is approved. Your approved coverage will be effective as at the approval date and payroll deductions for the approved amount will begin.

CAE**select** Dollars will not be used to pay for the cost of Optional Life and/or Critical Illness insurance that is subject to evidence of insurability. When the amount requiring proof is approved by Sun Life, the cost of the approved amount of coverage will be paid through payroll deductions. Upon annual re-enrolment, CAE**select** Dollars will be allocated (if available) to pay the cost of coverage for which you are approved.

* Please note that a pre-existing conditions clause applies. A pre-existing condition is a health problem that existed before you apply for coverage. Refer to your Sun Life benefits booklet for more detailed information.

Allocating unspent CAEselect dollars

If the cost of your coverage is less than your annual CAE**select** Dollar allocation, you can allocate unspent CAE**select** Dollars in a way that will best suit your needs. You can direct them to one of the following options or you can divide your unspent CAE**select** Dollars amongst all three:

- Health Spending Account (HSA)
- Personal Spending Account (PSA)
- CAE Group Registered Retirement Savings Plan (CAE Group RRSP)
- CAE Group Tax-Free Savings Account (CAE Group TFSA)

Health Spending Account (HSA)

Use your HSA to pay for eligible medical or dental expenses not reimbursed under your CAE**select** options or under your spouse's plan (if applicable).

The Sun Life document, HSA Eligible Expenses - in CAE MyBenefits in the Group Insurance Plan section (administrator website) under the Forms tab - provides a complete list of eligible expenses. For more information, you can visit the Sun Life website at **mysunlife.ca** or link directly to the Sun Life website through CAE MyBenefits via **Microsoft Apps**.

You must have CAE**select** Dollars in your HSA on the date the expense is incurred – not the date you submit the claim for payment – if you would like to be reimbursed.

Tax facts

- CAE**select** Dollars allocated to the HSA are not taxable.
- Quebec employees – the amount deposited into your HSA remains tax free until an eligible expense is paid from the HSA. The amount paid from the HSA is subject to provincial tax, as well as applicable fees and taxes. The amount paid from the account is federal tax exempt.

If you don't use the full HSA balance

If you do not use the full balance in your HSA in the year it is allocated, your account balance can be carried over into the following year.

You must use the balance that remained from year one before the end of year two. You will lose any balance from year one remaining at the end of year two.

This means that you have two plan years to spend each allocation made to your HSA.

Health Spending Account – carry-over example

In order for you to be reimbursed from your HSA, you must send your claim to Sun Life Financial no later than 90 days after the end of the benefit year during which the eligible expenses are incurred.

	Year 1	Year 2	Year 3
CAE**select** Dollars deposited into your HSA	$500	$500	$500
Amount carried over from the previous year	$0	**$200**	**$500**
Balance at the beginning of the year	$500	$700	$1,000
Amount used	$300	$175	$900
Balance	$200	$525	$100
Amount that can no longer be used (lost)	$0	$25[1]	$0
Balance at year end	**$200**	**$500**	$100

1 Since the amount carried over from the previous year must be used before the current year's amount, and only $175 of the $200 carried over from the previous year was used in year 2, you would lose $25.

Personal Spending Account (PSA)

The Personal Spending Account is designed to further support your health and well-being.

This account allows for the reimbursement of specific wellness-related expenses, such as nutrition programs, fitness equipment, day care for children and elder care.

The Sun Life document, HSA Eligible Expenses - in CAE MyBenefits in the Group Insurance Plan section (administrator website) under the Forms tab - provides a complete list of eligible expenses. For more information, you can visit the Sun Life Website at **mysunlife.ca** or link directly to the Sun Life website through CAE MyBenefits via **Microsoft MyApps**.

Benefits paid by the PSA are a taxable benefit at both the federal and provincial levels.

Similar to the HSA, CAE**select** Dollars allocated to the PSA can be carried over to the following benefit year. At the end of the second year, unused CAE**select** Dollars will be forfeited.

In order for you to be reimbursed from your PSA, you must send your claim to Sun Life Financial no later than 90 days after the end of the benefit year during which the eligible expenses are incurred.

Group Registered Retirement Savings Plan (CAE Group RRSP)

Financial health is a big contributor toward your overall health and well-being. Your ability to add to your retirement savings – by contributing CAE**select** Dollars to your CAE Group RRSP with Desjardins Insurance – is one more way CAE is working to help you reach your financial retirement goals.

Your allocation of CAE**select** Dollars to CAE Group RRSP account is considered a contribution*. You will receive a tax receipt at year end. Your contributions will grow tax-deferred until funds withdrawal.

You must have an open account to allocate CAE**select** Dollars to CAE the Group RRSP. If you do not, you must open an account.

The CAE Group TFSA enrolment procedure is provided on CAE MyBenefits under the Group RRSP and Group TFSA tile / Information and documents. For more information on how to enrol, contact the CAE benefits call centre.

* Employees are responsible for ensuring that contributions to the Group RRSP are within their personal allowable contribution limit as set out by the Canada Revenue Agency. Refer to the Notice of Assessment you received after filing your annual income taxes for more information.

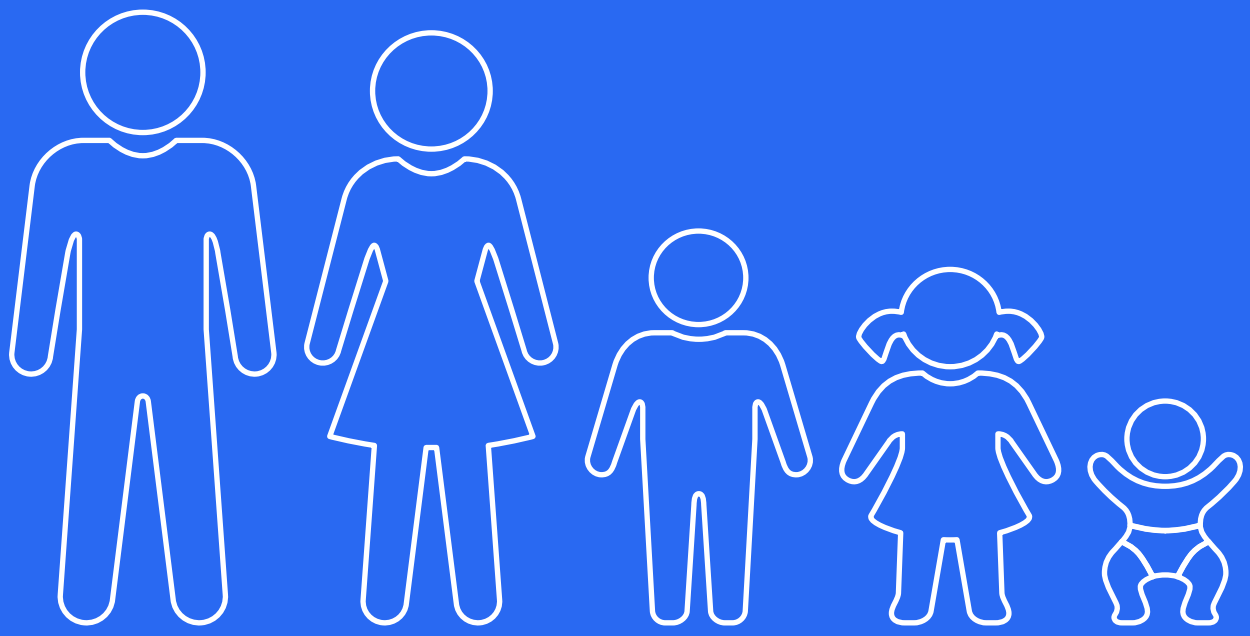
Group Tax-Free Savings Account (CAE Group TFSA)

Contributing CAE**select** dollars to your CAE Group TFSA with Desjardins Insurance is another way to support you in achieving your financial goals*.

The TFSA is a flexible and versatile registered savings plan. Investment earnings (including capital gains) aren't taxed, even when you make a withdrawal from your account. Group TFSAs are designed to help you save for such things as major purchases, emergencies or retirement.

You must have an open account to allocate CAE**select** Dollars to CAE the Group TFSA. If you do not, you must open an account. The CAE Group TFSA enrolment procedure is provided on CAE MyBenefits under the Group RRSP and Group TFSA tile / Information and documents. For more information on how to enrol, contact the CAE benefits call centre.

* Employees are responsible for ensuring that contributions to the Group TFSA are within their personal allowable contribution limit as set out by the Canada Revenue Agency. Refer to the Notice of Assessment you received after filing your annual income taxes for more information.



Examples of decision making process

The following examples are for illustration purposes only, and are designed to give you an idea of what the decision-making process may involve.

Sebastien

30 years old

No dependents

Coverage
Individual

Annual base salary
$55,000



Preparing for enrolment

- Sebastian has minimal health and dental needs.
- He has no medical issues, and doesn't anticipate significant health or dental expenses for the coming year.
- He does visit paramedical practitioners (chiropractor and massage therapist), as he is very active.

The decision-making process

- Sebastian chooses Basic Health Care coverage; he is not covered under another plan so is not eligible to opt out.
- He chooses Option 1 Dental Care. This allows him an annual check-up and will cover any unexpected expenses like basic fillings. He could have chosen no Dental Care coverage, but prefers the security basic coverage provides. Now he can allocate a larger portion of unspent CAE**select** Dollars to his Group RRSP and/or Group TFSA account instead of the HSA.
- He chooses Basic LTD, understanding that the benefit will be taxable. He likes that this is paid with CAE**select** Dollars, and feels this coverage level is adequate for his current life situation.
- At 1 times annual base salary, his Basic Life Insurance benefit provides $55,000 coverage. He concludes that he does not need additional optional coverage: he has very little debt and no dependents. The basic coverage will cover funeral costs and any debt. He'll review his choices at each annual re-enrolment, knowing that EOI will be required if he increases coverage at that time.
- Based on his selections, he has $1,952 unspent CAE**select** Dollars.
- Since he is very active, and saving for retirement is important to him (start early!), he allocates $800 to his Personal Spending Account to pay the additional cost of his gym membership. The remaining amount goes to his Group RRSP, to grow tax-deferred until it's needed.

Use of CAE**select** dollars

- Total cost of his selection: $2,138
- CAE contribution through CAE**select** Dollars: $4,090 (including $50 extra)
- Unspent CAE**select** Dollars allocated: $1,952
  ($800 to the Personal Spending Account — $1,152 to CAE Group RRSP)

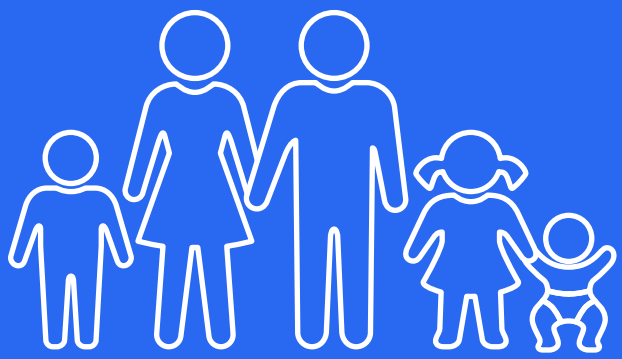
Charles

53 years old

Spouse with 3 dependent children

Coverage
Family

Annual base salary
$80,000



Preparing for enrolment

- Charles has high cholesterol and high blood pressure. His wife has type II diabetes and, while she monitors her diet carefully, she still takes medication to help manage her condition.
- His youngest daughter will need braces this coming year and Charles must plan accordingly.
- After consulting his dentist, they decide now is the time to undergo dental work he's been putting off.
- Both he and his son wear glasses; his son is due to have his prescription renewed next year.
- His family's overall insurance protection and financial security are of utmost importance.

The decision-making process

- Charles selects Option 2 Health Care, the highest level of coverage. Since both he and his wife have annual prescription drug expenses, as well as a need for vision care coverage, the highest option will provide him and his family with the coverage they need.
- He chooses Option 3 Dental Care. This will cover both the dental work for the family including orthodontics for his daughter.
- He chooses Option 3 LTD coverage, which includes a cost-of-living feature. He wants the added security this provides, and with three dependents, he wants the security of having the highest level of tax-free income replacement. He doesn't mind paying for this benefit through payroll deductions to ensure the benefit is tax free upon receipt.
- He and his wife have planned wisely throughout their careers. They each have personal life insurance policies, and have already paid down a large part of their mortgage. His Basic Life Insurance coverage is more than adequate to meet their financial needs should he unexpectedly die.
- For his needs and those of his family, spending his CAE**select** Dollars on Health Care and Dental Care coverage makes the most sense for him at this time.

Use of CAE**select** dollars

- Total cost of his selection: $7,241
- CAE contribution through CAE**select** Dollars: $4,262 (including $50 extra)
- Charles' contribution: $2,979 (equal to $115 per pay through payroll deductions)

While Charles will be paying some of the cost of his coverage through payroll deduction, the coverage he selected is very comprehensive, and exactly what he needs for his family at this time.

Laura

37 years old

Spouse, no dependents

Coverage
Individual

Annual base salary
$70,000



Preparing for enrolment

- Laura is in very good health.
- She will need glasses in the next year or two.
- Her spouse has excellent coverage under his company's group insurance plan; she is registered as a dependent under his plan.

The decision-making process

- Since Laura has coverage under her spouse's plan, she is eligible to opt out of Health Care coverage, and decides not to choose Dental Care nor Health Care.
- She allocates $1,000 CAE**select** Dollars to her HSA to cover the cost of new glasses and any other expenses that may not be covered under her spouse's plan.
- She selects Option 2 LTD: she likes the idea of the tax-free benefit, and believes that the level of coverage offered will be adequate for her needs given her current financial situation. She will re-evaluate next year. By choosing Option 2, her premiums for this coverage are paid by payroll deductions.
- She chooses a basic level of Critical Illness Insurance – $40,000, which is more than half of her annual base salary. She feels this is enough to cover any additional medical expenses as a result of falling ill.
- As far as Optional Life and AD&D – she's comfortable with the security provided under her Basic Life Insurance coverage.
- Her unspent CAE**select** Dollars are allocated as follows: $1,000 to HSA, $500 to the Personal Spending Account to cover the cost of yoga classes and the balance as a contribution to CAE Group RRSP.

Use of CAE**select** dollars

- Total cost of her selection: $470
- CAE contribution through CAE**select** Dollars: $4,193 (including $50 extra)
- Laura's contribution for LTD: $276 (11$ per pay)
- Unspent CAE**select**Dollars allocated: $3,999
($1,000 to the HSA — $500 to the PSA — $2,499 to CAE Group RRSP)

Learning more

Outils et ressources	
CAE MyBenefits Application	CAE MyBenefits in your Microsoft applications (https://myapps.microsoft.com/)
CAE Benefits Call Centre	Available to answer your questions about CAE**select**, enroling for the first time, re-enroling and making changes. Not enrolled in the Group RRSP or Group TFSA? The CAE benefits call centre can help with that as well. Call 1-888-878-9636 available from 8 a.m. to 8 p.m. ET, Monday through Friday.
Sun Life Financial	Access your claims history and/or submit claims online at mysunlife.ca or on the my Sun Life mobile app. You can check your HSA and PSA balances as well. – Link directly to the Sun Life website through CAE MyBenefits via Microsoft MyApps. – Call 1-800-361-6212

When you're ready to enrol for the first time, refer to your Welcome email you received. This will allow you to log in to the system and create the perfect fit for you!

Glossary of terms

Group Insurance

Accident Death and Dismemberment (AD&D) Insurance

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

Beneficiary

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

CAE Group RRSP

CAE Group RRSP is a Registered Retirement Savings Plan account with Desjardins Insurance.

CAE Group TFSA

Group Tax-Free Savings Account with Desjardins Insurance. Excess CAEselect dollars may be deposited in the CAE Group TSA.

Coordination of Benefits (COB)

The opportunity to submit an extended health care/dental care expense to two benefit plans and get up to 100% of the cost reimbursed. 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% of the claim. Coordination of benefits applies even if both the employee and their spouse work at the Company. Here's how this works:

- The employee's expenses should be submitted first to their plan. Once their plan has provided reimbursement, the employee can submit any remaining expenses to their spouse's plan.
- The spouse's expenses should be submitted first to his/her employer's plan. Any amounts not covered can then be submitted to the employees' plan.
- Children's expenses should be submitted first to the plan for the parent whose birth date occurs earlier in the year, then to the other parent's plan. For example, if the employee's birthday is in February, while their spouse's birthday is in September, they would submit their children's expenses to the employee plan. Any remaining expenses can be submitted to their spouse's plan.

Dental care

A plan that reimburses dental care expenses. Typically, these plans include coverage for preventive work (cleanings, examinations), basic work (fillings, X-rays), major restorative work (crowns, inlays, bridges) and may also include orthodontia.

Dependents

Generally an employee's spouse and children, as defined by the plan.

Family

Family category includes employee, spouse and dependent children.

Health Care

The Health care plan offers a range of options to supplement coverage provided by your provincial health plan.

Health Spending Account (HSA)

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 extended health care and dental care expenses covered under the Income Tax Act. Payments from the health care expense account are non-taxable income to employees in all provinces except Quebec, where they are taxed at provincial income tax rates. Under rules from Canada Customs and Revenue Agency, each year's contribution must be used within two years or it is forfeited.

Individual

Individual category means employee only.

Life Event

Employees are permitted to change their flexible coverage choices between enrolment periods if they have a qualifying life event. Examples include marriage, divorce, birth or adoption of a child, loss of a spouse's coverage through death or loss of employment, or loss of a child or change in a child's full-time student status or eligibility. There are a defined number of days that the employee has to make such a change to their coverage choices – 31 days from the date of the life event.

Life Insurance

A group life insurance policy covering an employee to be paid to a designated beneficiary upon the death of the employee. Benefit amounts are typically defined as multiples of pay (e.g., 1x pay, 2x pay, etc.) but may also be provided as flat dollar amounts.

Long-Term Disability

A plan that continues a portion of an employee's income if the employee is unable to work for an extended period due to illness or injury. Benefits typically begin after the Company's short-term disability plan ends and continue to age 65.

Opt-Out option

Opt-Out option allows you to decline any coverage for a particular benefit. The result will be No Coverage.

Personnal Spending Account (PSA)

Personal Spending Account is a special service that allows additional benefits to proactively manage your physical and mental health as well as your financial well-being. PSA can be funded only with excess CAE**Select** Dollars.

Single Parent

This level of coverage applies to employees who are single parents (no spouse) and their children. For employees with spouse coverage only, the employee must select Family.

Two-Year Participation Rule

For health and dental care, change your option according to your needs, without having to go through intermediate steps; however, the two-year participation rule applies to the most generous option:

Medical coverage: You must keep option 2 for at least two years before you can choose a lower option.

Dental coverage: You must keep option 3 for at least two years before you can choose a lower option.

For all other options, you have greater flexibility and can make changes more easily during re-enrolment or following a life event.

This two-year participation rule doesn't apply during life event.

CAEselect | FIND YOUR PERFECT FIT