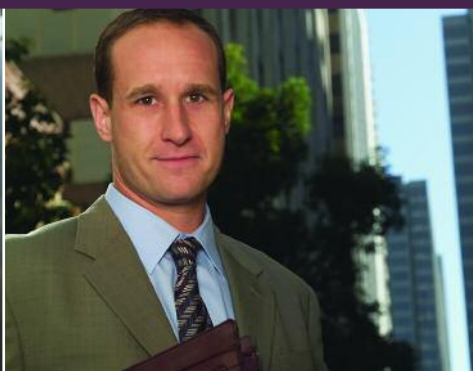


# INDIVIDUAL DISABILITY INSURANCE



## Boss Expense AT A GLANCE

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# Boss Expense

*Boss Expense* is designed to provide overhead expense protection for business owners. Protection in the event of total disability and a regular occupation definition are built-in for the entire length of the chosen benefit period.

This brochure provides a brief description of certain important features of the *Boss Expense* plan and the optional benefit riders which can be added to design disability insurance protection to meet your needs.

For purposes of this brochure, references to “you” and “your” are to be read as references to the insured.



# Built-in features

## Basic policy

Your basic policy protects your ability to pay expenses for the benefit period you select while you are totally disabled due to injury or sickness.

The benefit periods available on this plan are 6, 12, 18 or 24 months.

## Non-cancellable

Once issued, your policy cannot be cancelled or modified and the premium cannot be raised by Great-West before age 65. This period is known as the non-cancellable period.

## Benefit start date

The benefit start date is the day from which your disability benefits become payable.

The benefit start dates available for this plan are 31, 61 or 91 days.

## Waiting period

The waiting period is the number of days from the date you are disabled until the benefit start date.

## Satisfying the waiting period

If you are an occupation class 4A or 3A — you do not have to be continuously disabled to satisfy the waiting period. You may satisfy the waiting period with successive periods of total disability. Successive periods of total disability may be accumulated if you are disabled due to the reoccurrence of the same or a related disability. Each reoccurrence must be within 12 months of returning to continuous full-time work away from the home.

## Built-in features (cont.)

### Satisfying the waiting period (cont.)

If you add the Proportional Disability Rider, you may also satisfy the waiting period with successive periods of partial or proportionate disability.

If you are an occupation class 2A, A or B — you must be continuously totally disabled to satisfy the waiting period. If you add the Partial Disability Rider, you may also satisfy the waiting period with continuous days of partial disability.

### Total disability

Your policy provides protection for the benefit period you select while you are totally disabled.

**Total disability** means, due to injury or sickness, you cannot perform the substantial duties of your regular occupation and you are not working in any gainful occupation.

**Regular occupation** means the occupation(s) in which you are regularly engaged on the date of disability. If you regularly engage in a gainful occupation between successive periods of total disability, the gainful occupation will be deemed to be your regular occupation.

**Gainful occupation** means an occupation for which you are reasonably fitted by reason of your education, training or experience.

### Carry forward

Your business may experience fluctuations in monthly expenditures while you are disabled. This benefit allows you to “carry forward” expenses that are not reimbursed or benefit amounts not paid during a month for use in future months, during the same period of total disability. The carry forward benefit will not apply beyond your 65th birthday.

## **Built-in features (cont.)**

### **Extended benefit period**

If your benefit period expires while you are totally disabled and before you have received the maximum benefit, your benefit period will be extended while you remain totally disabled. The extended benefit period ends on the earlier of your 65th birthday and the date that the benefits paid equal the maximum benefit. The maximum benefit is equal to the number of months in the benefit period you select multiplied by the amount of monthly benefit you select.

### **Cash flow benefit**

You may also qualify for 2 months of a cash flow benefit when you return to work full-time in your regular occupation after you have satisfied your waiting period and have been totally disabled for 3 months.

The cash flow benefit is the monthly benefit last paid less any carry forward benefit, multiplied by:

- 50% for the first month; and
- 25% for the second month.

The cash flow benefit will be paid, unless:

- you are receiving any other benefits under this policy;
- you are over age 65; or
- you have already received this benefit for this period of disability or this period of recurrent disability.

### **Presumptive total disability**

You will be presumed to be totally disabled if you suffer the total and irrevocable loss of sight of both eyes, hearing of both ears, speech, the use of both hands or both feet or the use of a hand and a foot. Proof of expenses will not be required, you need not satisfy your waiting period and premium will be waived from the date of disability.

## Built-in features (cont.)

### Recurrent disability

Your benefits may resume immediately if you are disabled due to the reoccurrence of the same or a related disability. Each reoccurrence must be within 12 months (occupation classes 4A and 3A) or 6 months (occupation classes 2A, A and B) of returning to full-time work away from the home. The waiting period need not be satisfied again.

### Waiver of premium benefit

**If you are an occupation class 4A or 3A** — if you have been totally disabled for 90 days, Great-West will refund any premium paid for this period and waive any premium that comes due while your disability continues.

The 90-day period may also include days of partial or proportionate disability if you add the Proportional Disability Rider.

Premium is payable from the date you are no longer disabled.

**If you are an occupation class 2A, A or B** — if you have been totally disabled for 90 days, Great-West will refund any premium paid for this period and waive any premium that comes due while your disability continues.

The 90-day period may also include days of partial disability if you add the Partial Disability Rider.

Premium is payable from the date you are no longer disabled.

## **Built-in features (cont.)**

### **Transplant surgery benefit**

If your policy has been in force for 6 months and you become disabled as the result of transplant surgery of an organ or other part of your body to another person, Great-West will consider the disability to result from sickness.

### **Survivorship benefit**

If you die before age 65 while receiving your basic policy benefit, your estate will be paid a lump sum benefit equal to 3 times the monthly benefit last payable, less any carry forward benefit.

### **After age 65**

If your policy is in force at the end of the non-cancellable period, your policy is conditionally renewable each year after age 65 if you continue to work full-time for regular remuneration, have an ownership interest in the business and are responsible for office expenses.

Benefits will be paid only for total disability under the basic policy and the premium may change at each renewal.

After age 65, total disability means that due to injury or sickness you cannot work in any gainful occupation. If you become disabled after age 75, the benefit period ends on the earlier of the date on which the original benefit period ends and 12 months.

## Optional benefit riders

There are several optional benefits available which can be added to design disability expense protection to meet your needs.

### **Future Expense Protector Option**

Helps protect your ability to pay increasing expenses by giving you the option of increasing your monthly benefit regardless of changes in your health.

If you are not disabled on your policy anniversary, you may apply to increase your monthly benefit by up to 20% of the total optionable amount, or 33 1/3% of the total optionable amount if you did not increase your benefit on your last policy anniversary.

You may increase your monthly benefit once on the first policy anniversary during a period of disability by up to the lesser of 20% of the total optionable amount and \$600.

The maximum increase is based on your expenses, the total amount of disability expense coverage in force with all companies and Great-West's financial underwriting rules then in effect.

Applications for an increase may be made within 60 days before your policy anniversary. This option may only be used up to the policy anniversary before your 55th birthday.



# Optional benefit riders (cont.)

## Own Occupation Protection

(available for occupation classes 4A and 3A only)

Provides you with a monthly benefit while you are totally disabled in your regular occupation even if you are working in another occupation.

## Partial Disability

(available for occupation classes 2A, A and B)

Provides you with a benefit to help cover expenses while you are partially disabled. You will be considered partially disabled if you are not totally disabled and are working full or part-time in any gainful occupation, but due to injury or sickness:

- you cannot perform one or more of all the important daily duties of the gainful occupation; or
- you suffer the necessary and continuous loss of at least 1/2 of the time normally spent in the daily performance of the gainful occupation.

While you are partially disabled, you will receive the lesser of the monthly expense benefit and the actual monthly expenses multiplied by the applicable percentage below:

Number of months of partial disability	Percentage of monthly benefit
1 to 12	50%
13 to 24	25%

The Extended Benefit Period and Carry Forward will not apply to the partial disability benefit and the partial disability benefit will not be paid after the benefit period on the basic policy expires.

When you return to work full-time after you have satisfied your waiting period and been partially disabled for 3 months, you may also qualify for 2 months of the cash flow benefit.

# Optional benefit riders (cont.)

## Proportional Disability

**(available for occupation classes 4A and 3A only)**

Provides you with a benefit to help cover expenses while you are partially or proportionately disabled. You have the choice, at time of claim, between receiving the partial disability benefit (for loss of time or duties) and the proportionate disability benefit (for loss of earnings).

You will be considered partially disabled if you are not totally disabled and are working full or part-time in any gainful occupation, but due to injury or sickness:

- you cannot perform one or more of all the important daily duties of the gainful occupation; or
- you suffer the necessary and continuous loss of at least 1/2 of the time normally spent in the daily performance of the gainful occupation.

While you are partially disabled, you will receive the lesser of the monthly expense benefit and the actual monthly expenses multiplied by the applicable percentage below:

<b>Number of months of partial disability</b>	<b>Percentage of monthly benefit</b>
1 to 12	50%
13 to 24	25%

Benefits will not be paid after the benefit period on the basic policy expires.

You will be considered proportionately disabled if you are not totally disabled and are working full or part-time in any gainful occupation, but due to injury or sickness, the amount by which covered office expenses exceed 75% of gross income is greater than \$100.00. Gross income is the total income of your business for a particular month that you generate directly.

## Optional benefit riders (cont.)

### Proportional Disability (cont.)

While you are proportionately disabled, you will receive the lesser of:

- the monthly expense benefit for total disability; and
- the amount by which covered expenses exceed 75% of gross income.

You may switch from the partial disability benefit to the proportionate disability benefit. If you do so during the first 12 consecutive months of benefit payment, Great-West will pay the difference, if any, between the benefit amounts.

When you return to work full-time after you have satisfied your waiting period and have been totally or partially disabled for 3 months, you may also qualify for 2 months of the cash flow benefit.

### Return of Premium – Surrender 50%

Provides for the return of a portion of the premium paid for the policy if the owner elects to surrender the policy on one of the optional surrender dates.

The optional surrender dates are:

- the later of:
  - the policy anniversary following your 55th birthday; and
  - the 10th policy anniversary following the date the Return of Premium – Surrender 50% Rider was added to the policy, unless you are disabled on that date. In this event, the optional surrender date will become the date the monthly benefit for disability is no longer payable.
- the last day of the premium period in which your 65th birthday occurs; and
- after the non-cancellable period, any subsequent annual renewal date provided you are working full time for regular remuneration.

## Optional benefit riders (cont.)

### Return of Premium – Surrender 50% (cont.)

If the policy is not renewed after the non-cancellable period, the return of premium benefit will automatically become payable.

The return of premium benefit, if any, will be the premium paid under the policy for benefits payable in the event of disability, from the date the Return of Premium – Surrender 50% Rider was added to the policy to the surrender date, multiplied by 50%, less any monthly benefit for disability paid under the policy for the same period.

For the purposes of determining the return of premium benefit, premium is the sum of any policy fee, premium for this rider, premium for monthly benefit amount and optional benefit riders providing for benefits in the event of disability, and premium ratings. It will not include any interest, additional fees or premium waived by Great-West.

To be eligible for the return of premium benefit, you must be living on the surrender date.

The Return of Premium – Surrender 50% Rider will not be available for reinstatement if the rider or the policy is terminated for any reason (such as a request by the owner to cancel the rider or the policy lapsed due to non-payment of premium).

## Optional benefit riders (cont.)

### Health Care Rider

**(available for specified health care workers only)**

Helps protect your ability to pay expenses if you contract a covered infection (HIV, Hepatitis B or Hepatitis C) and legislation or regulations prohibit you from performing the substantial duties of your regular occupation.

**If you are an occupation class 4A or 3A and add the Proportional Disability Rider** — you may also qualify for the proportionate disability benefit when legislation or regulations prohibit you from performing one or more of the substantial duties of your regular occupation or require you to disclose the covered infection to your patients.

Currently, no premium is payable for this optional benefit. However, Great-West reserves the right to charge a premium in the future. If a premium is charged for this optional benefit, it can only be changed at the end of every five-year period.

## Important information

*Boss Expense* contains many valuable features and benefits, which are described in greater detail in the Summary of Policy Benefits to be delivered with your policy.

The Canada Revenue Agency (CRA) has not yet provided a formal ruling regarding the tax treatment of return of premium benefits contained in a disability insurance policy. Therefore, the tax implications of return of premium benefits are subject to interpretation. You should discuss any tax implications with your professional legal and/or tax advisor to address your particular circumstances.

**We recommend owners read their policy carefully upon delivery as it contains important definitions and exceptions.**



## About Great-West

At Great-West, we take pride in our history of serving the financial security needs of Canadians. For more than 100 years, we have helped our clients develop their financial security plans.

With 65 years' experience in the disability insurance market and more than 100 years' experience in the life insurance market, Great-West has established a solid reputation for providing quality products and services.

Great-West is a leading provider of living benefits for Canadians, based on insurance in force and new premium income.

For current information on Great-West's ratings and financial strength, see the Corporate Information section on [www.greatwestlife.com](http://www.greatwestlife.com).

For more information about how disability insurance may fit your needs ask your representative for an illustration.

experience  
knowledge  
strength