PUBLISHED JANUARY 2026

PAFSO GROUP INSURANCE PROGRAM

Prepared for its members by the
Professional Association of Foreign Service Officers

CLICK TO CONTINUE

THE PROFESSIONAL ASSOCIATION
OF FOREIGN SERVICE OFFICERS
L'ASSOCIATION PROFESSIONNELLE
DES AGENTS DU SERVICE EXTÉRIEUR

TABLE OF CONTENTS

INTRODUCTION **3**
Role of PAFSO 3
How the PAFSO Group Insurance Program meets your needs 4
How the PAFSO Group Insurance Program works 5

PROGRAM OVERVIEW **6**
Eligibility 6
How to enrol or change coverage 7
When coverage begins 7
When coverage reduces or ends 8
Designating or changing a beneficiary 9
Conversion 10
Payment options 12
Cancelling your coverage 12

BENEFITS AT-A-GLANCE **13**

GROUP INSURANCE COVERAGE – THE DETAILS **17**
Basic Term Life Insurance 18
Dependent Life Insurance 19
Optional Term Life Insurance 19
Accidental Death & Dismemberment Insurance (AD&D) 20
Additional PAFSO benefits 25
How do I determine how much insurance I need? 27

WHAT HAPPENS WHEN... ..... **28**
Change in employment status 28
Leave of absence 29
Disability 29
Reaching age 65 30
Retirement 30
Smoker status change 31
Death 31

GROUP HOME AND AUTO INSURANCE **32**

GLOSSARY **33**

FORMS **35**

CONTACTS **36**

INTRODUCTION
Role of PAFSO
How the PAFSO Group Insurance Program meets your needs
How the PAFSO Group Insurance Program works

INTRODUCTION

The Professional Association of Foreign Service Officers (PAFSO) has designed a voluntary Group Insurance Program that provides quality protection, tailored to your individual needs as a **Foreign Service Officer**. Your insurance benefits under the PAFSO Group Insurance Program are underwritten by The Canada Life Assurance Company (Canada Life) (policy numbers 33272, 43356, and 178924) and administered through the PAFSO office.

Members are responsible for paying the premiums for any coverage for which they enrol. Basic Term Life Insurance and Dependent Life Insurance are provided on a net cost basis; the cost of the plans is the cost of the group's own claims experience, plus administrative expenses. This means that when the claims experience is lower than expected and results in a surplus, participating members benefit from the surplus. The Executive Committee of PAFSO determines how any surplus will be used, and may choose to use it for such things as stabilizing premium rates, granting a premium rebate or offering additional benefits.

Please note that the rates are reviewed annually and are subject to change. See the Rate sheet for the current rates.

This booklet provides you with the details of the PAFSO Group Insurance Program. The Glossary provides a brief explanation of the important terms (shown in **bold**) used throughout this booklet.

All enquiries concerning the Group Insurance Program should be addressed to PAFSO. See the Contact PAFSO section for the details.

Role of PAFSO

PAFSO is the Group Insurance Program administrator and provides you with information on the Program and the costs. However, only you can decide if you should participate in the Program and what coverage level is right for you. You may wish to consult a financial advisor for advice on the level and type of coverage you need.

INTRODUCTION

Role of PAFSO

How the PAFSO Group Insurance Program meets your needs

How the PAFSO Group Insurance Program works

How the PAFSO Group Insurance Program meets your needs

As a **Foreign Service Officer**, you have different insurance needs:

- if you are posted abroad, you may need additional insurance protection; and
- you may want protection in case you experience an accident or loss in a war zone – an enhancement that is not typically available through regular insurance plans.

The PAFSO Group Insurance Program is tailored to your needs as a **Foreign Service Officer**. PAFSO understands that having the right protection is important and works hard to negotiate the right benefits at a competitive price to meet your particular needs. And, when you have the right insurance protection in place, you gain peace of mind.

INTRODUCTION

Role of PAFSO

How the PAFSO Group Insurance Program meets your needs

How the PAFSO Group Insurance Program works

How the PAFSO Group Insurance Program works

Under the PAFSO Group Insurance Program, when you maintain a minimum level of Basic Term Life Insurance coverage, you have access to additional coverage to meet your life and accident insurance needs. For even more protection for yourself, you can also choose Optional Term Insurance coverage.

Under the PAFSO Group Insurance Program, you may also cover your **spouse** and **children**, as long as you remain enrolled in the Basic Term Life Insurance plan.

As a bonus, when you sign up for coverage, you are automatically covered under the Critical Illness Insurance*.

Here's what the Program offers:

PLANS	FOR YOU	FOR YOUR SPOUSE	FOR YOUR CHILDREN
Basic Term Life Insurance	✓		
Dependent Life Insurance		✓	✓
Optional Term Life Insurance	✓	✓	
Accidental Death & Dismemberment Insurance (AD&D)	✓	✓	✓
Critical Illness Insurance*	✓		

* The Critical Illness Insurance plan is currently being paid from the plan surplus and guaranteed on a yearly basis. This arrangement is reviewed annually and is subject to change depending on the plan results. If required, this may be removed or offered at a cost.

PROGRAM OVERVIEW
Eligibility
How to enrol or change coverage
When coverage begins
When coverage reduces or ends
Designating or changing a beneficiary
Conversion
Payment options
Cancelling your coverage

PROGRAM OVERVIEW

Eligibility

Who is eligible

All **Foreign Service Officers** who pay dues to PAFSO (PAFSO dues are tax deductible, with tax receipts being issued every February).

You must have Basic Term Life Insurance of at least $50,000 in order to have coverage under any of the other benefits in the Program.

Your **spouse** and **children** are eligible for coverage provided they meet the definition of **dependent**.

If you apply for life insurance coverage for your **spouse**, your **spouse** as declared on the application form is the only **spouse** that is eligible for coverage. If your marital situation later changes, you must notify PAFSO and reapply for coverage for your new **spouse**, if applicable. Benefits in the event of the death of your new **spouse** will not be payable unless you have applied for coverage for that **spouse**. Contact PAFSO for more information.

When you can join

You can apply to join the Program at any time before you retire or leave the Foreign Service group.

If you apply within 90 days of joining PAFSO as a new recruit in the Foreign Service group, you are eligible for Basic Term Life Insurance of up to $150,000 and Dependent Term Life Insurance of up to $100,000 for your **spouse** and $5,000 for each **child**, without having to provide **evidence of insurability**.

PROGRAM OVERVIEW

Eligibility

How to enrol or change coverage

When coverage begins

When coverage reduces or ends

Designating or changing a beneficiary

Conversion

Payment options

Cancelling your coverage

How to enrol or change coverage

Forms for enrolment, **evidence of insurability** and making a change to your group coverage are available online through the forms tab in this booklet and from the PAFSO office. You must return your completed and signed original enrolment or coverage change forms by mail to PAFSO.

When coverage begins

	FOR COVERAGE THAT...	
	...DOES NOT REQUIRE EVIDENCE OF INSURABILITY	...REQUIRES EVIDENCE OF INSURABILITY
PAFSO members	Coverage takes effect upon receipt of your application. Payment for coverage begins on the first pay following PAFSO's receipt of your application and are made via monthly pre-authorized debit.	Coverage takes effect upon Canada Life's approval of your application. Payment for coverage begins on the first pay following Canada Life's approval and are made via monthly pre-authorized debit. The payment amount will be retroactive to the date of approval.

Notification of approval will be forwarded to you by the PAFSO office. If your application with **evidence of insurability** is declined, Canada Life will contact you directly.

PROGRAM OVERVIEW

Eligibility

How to enrol or change coverage

When coverage begins

When coverage reduces or ends

Designating or changing a beneficiary

Conversion

Payment options

Cancelling your coverage

When coverage reduces or ends

	COVERAGE REDUCES OR ENDS FOR		
INSURANCE PLAN	YOU	YOUR SPOUSE	YOUR CHILDREN
Basic Term Life	reduces at age 65 and ends on your 70th birthday		
Dependent Life		ends when your coverage ends	ends when your coverage ends
Optional Term Life	ends on your 65th birthday	ends when your coverage ends, or when your spouse reaches age 65 – provided you continue coverage (whichever occurs first)	
AD&D	reduces at age 65 and ends on your 70th birthday	reduces when you reach age 65 and ends when your coverage ends	reduces when you reach age 65 and ends when your coverage ends
Critical Illness	ends on your 65th birthday		

Coverage will also end if any of the following occur:

- for dependent coverage, when they cease to meet the definition of eligible **spouse** or **child**
- when the policy terminates;
- if PAFSO dues and/or insurance premiums are not paid*; or
- when your membership in PAFSO terminates*.

* PAFSO requires written notice of cancellation of coverage

PROGRAM OVERVIEW

Eligibility

How to enrol or change coverage

When coverage begins

When coverage reduces or ends

Designating or changing a beneficiary

Conversion

Payment options

Cancelling your coverage

While the PAFSO Group Insurance Program remains in force and you or your **spouse** are under age 65 if your life insurance coverage or that of your **spouse** terminates or is reduced, you may convert the amount of insurance in effect for you and your **spouse** up to $200,000 (up to $400,000 for Quebec residents, including children) each to an individual policy, without **evidence of insurability**. For more information, see the Conversion section.

Designating or changing a beneficiary

When you first enrol in the Program, you will be required to designate your beneficiary on the application form for Basic Term, AD&D and Optional Term coverage. You may designate anyone you wish as your beneficiary – an individual or a group. You may later change your designation at any time, subject to any applicable legislation, by completing the appropriate form available online through the Forms tab in this booklet or by contacting the PAFSO office. (**PAFSO requires an original signed document**.) Designating a beneficiary – and keeping the designation up to date – ensures that your insurance payment goes to your intended beneficiary without delay.

If you do not designate a beneficiary (or your beneficiary has died before you), benefits in the event of your death will be paid to your estate.

If your designated beneficiary is a minor or is otherwise incapable of giving a valid release, the benefit will be paid to his or her legal guardian, or tutor, subject to any applicable legislation. You may wish to ensure that you appoint a trustee to handle your **children**'s affairs in the event of your death.

You are the beneficiary of any insurance payments for your **spouse** or **children** and any payments from the AD&D plan for a covered loss (other than loss of life).

PROGRAM OVERVIEW

Eligibility

How to enrol or change coverage

When coverage begins

When coverage reduces or ends

Designating or changing a beneficiary

Conversion

Payment options

Cancelling your coverage

Conversion

Under certain circumstances, you may convert all or part of your or your **spouse**'s coverage up to $200,000 (up to $400,000 for Quebec residents) each or your eligible child's coverage into an individual policy at the rates regularly charged by the insurer, without providing **evidence of insurability**.

Conversion is only available under the following circumstances:

	CONVERSION OF COVERAGE FOR		
Circumstance	You	Your spouse	Your children
When your coverage reduces at retirement on or before your 65th birthday	✓	✓	✓
When your basic coverage reduces at age 65	✓	Not available	Not available

To be eligible you must apply and pay the first premium no later than 31 days after the coverage reduces or terminates.

Conversion is not available:

- when coverage is cancelled, or
- when coverage terminates because of age.

Conversion amounts

For you – You may convert your Basic Term Life Insurance and Optional Term Life Insurance to a combined maximum of $200,000 ($400,000 for Quebec residents) or the amount of coverage in effect less the amount of any group term life insurance for which you become eligible within the 31 day conversion period, whichever is less.

For your spouse – You may convert your **spouse**'s Dependent Life and Optional Term Life Insurance to a combined maximum of $200,000 ($400,000 for Quebec residents) or the amount of coverage in effect less the amount of any group term life insurance for which your spouse becomes eligible within the 31 day conversion period, whichever is less.

PROGRAM OVERVIEW

Eligibility

How to enrol or change coverage

When coverage begins

When coverage reduces or ends

Designating or changing a beneficiary

Conversion

Payment options

Cancelling your coverage

If you are converting because of a reduction in coverage (i.e. at age 65 or retiring before age 65), you may only convert a maximum of $200,000 ($400,000 for Quebec residents) less the amount of coverage still in effect under the PAFSO plan and less the amount of any group term life insurance for which you become eligible within the 31 day conversion period.

See the example below for an illustration of how conversion can work.

Example

You have $400,000 of Basic Term Life Insurance and $100,000 of Optional Term Life Insurance.

You live outside Quebec and retire at age 60, which means your coverage reduces to $50,000 under Basic Term Life and $50,000 under Optional Term Life, for a combined total of $100,000.

	CURRENT COVERAGE	REDUCED COVERAGE AT RETIREMENT – AGE 60	ELIGIBLE FOR CONVERSION TO AN INDIVIDUAL POLICY
Basic Term Life	$400,000	$50,000	Up to $100,000,
Optional Term Life	$100,000	$50,000	OR Up to $50,000
Total	$500,000	$100,000	$100,000
	Combined total	**Up to $200,000**	

You are eligible to convert up to $100,000 of your coverage to an individual policy (i.e. the $200,000 maximum less your reduced coverage amount) less the amount of any group term life insurance for which you become eligible within the 31 day conversion period.

PROGRAM OVERVIEW

Eligibility

How to enrol or change coverage

When coverage begins

When coverage reduces or ends

Designating or changing a beneficiary

Conversion

Payment options

Cancelling your coverage

If the covered person dies during those 31 days, the coverage that could have been converted is paid to the designated beneficiary, even if you didn't apply for conversion.

The conversion privilege could be advantageous for you or your **spouse** if either of you has health problems that would make it difficult to obtain individual insurance at reasonable rates. If you or your **spouse** do not suffer from health problems, you may benefit from shopping around for the best individual policy and rates.

Important note: The individual policy you can purchase at conversion may not include coverage in a war zone and may have other restrictions. Contact PAFSO if you are interested in converting.

Payment options

Active PAFSO members

If you are a **Bargaining Unit member** who is an active member of PAFSO, your PAFSO dues are paid through the employer and your premium payments are taken via monthly pre-authorized debit. Contact PAFSO for a form.

Associate members or Affiliate members

If you are an **Associate member or Affiliate member**, your premium payments are taken via monthly pre-authorized debit. Your PAFSO dues are paid via pre-authorized debit on an annual basis. Contact PAFSO for a form.

Important note: missed insurance premium payments for 2 months will result in the automatic cancellation of your coverage.

Cancelling your coverage

If you wish to cancel your coverage, you must notify the PAFSO office by providing a written and signed request to cancel the coverage. Omitting payment of your PAFSO dues or insurance premiums is not an acceptable notice of cancellation of coverage. Please note that cancellation requests can be sent via email, and that coverage cannot be cancelled retroactivel.

Coverage and premiums will cease on the first of the month following PAFSO's receipt of your cancellation letter. Please allow up to 10 days for processing.

No conversion option is available related to cancellation of coverage.

BENEFITS AT-A-GLANCE

To join the PAFSO Group Insurance Program, you must apply for – and maintain – Basic Term Life Insurance of at least $50,000.

BASIC TERM LIFE INSURANCE (FOR YOU ONLY) – POLICY 178924	
Coverage	**Option A:** $50,000 **Option B:** $75,000 **Option C:** $100,000 **Option D:** $125,000 **Option E:** $150,000 **Option F:** $175,000 to $400,000 (in units of $25,000)
Reduction	When you reach age 65 or retire before age 65, coverage reduces to $50,000
Evidence of insurability	**Without evidence of insurability:** • Options A-E if you apply within 90 days of joining PAFSO **With evidence of insurability:** • Option F within 90 days of joining PAFSO and all applications and amounts after 90 days
Premiums	Premiums are based on coverage amount, age and **smoker/non-smoker** status. See Rate sheet.

DEPENDENT LIFE INSURANCE (FOR YOUR ELIGIBLE DEPENDENTS) – POLICY 178924			
Coverage	You must have a minimum of $50,000 of Basic Term Life Insurance coverage		
		Spouse	Each eligible **child**
	Option A	$10,000	$5,000
	Option B	$20,000	$5,000
	Option C	$50,000	$5,000
	Option D	$75,000	$5,000
	Option E	$100,000	$5,000
	Option F	–	$5,000
Reduction	When you reach age 65 or retire before age 65, your **spouse**'s coverage reduces to the amount of coverage in effect, or $50,000, whichever is less		
Evidence of insurability	**Without evidence of insurability:** • Option A-E if you apply within 90 days of joining PAFSO • Option A-F not required for amounts of $5,000 for eligible children **With evidence of insurability:** • All applications and amounts of spousal coverage if applying after 90 days		
Premiums	Premiums are a flat rate based on coverage amount. See Rate sheet.		

OPTIONAL TERM LIFE INSURANCE (FOR YOU AND YOUR SPOUSE) – POLICY 43356	
Coverage	• For you – must be covered for the maximum $400,000 in Basic Term Life Insurance before purchasing Optional Term Life Insurance • For your **spouse** – you must have a minimum of $50,000 of Basic Term Life Insurance coverage for you before purchasing Optional Term Life Insurance for your **spouse** • In units of $10,000 up to $400,000
Reduction	When you retire before age 65, your and your **spouse**'s coverage reduces to the amount of coverage in effect, or $50,000, whichever is less
Evidence of insurability	Required for all amounts
Premiums	Premiums are based on coverage amount, gender, age and **smoker/non-smoker** status. See Rate sheet.

ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE (AD&D) (FOR YOU AND FOR YOUR FAMILY) – POLICY 33272	
Coverage	You must have a minimum of $50,000 of Basic Term Life Insurance coverage **Single coverage (for you only)** • In units of $10,000 up to $200,000 for accidental death • Percentage payable for covered losses **Family coverage (for you, your spouse and children)** • Coverage for you (as outlined in Single coverage) and coverage for your **spouse** and **children** as a percentage of your benefit: – **spouse**, no children: 60% – **spouse**, **children**: 50% for your **spouse**, 10% for each **child** – **children**, no spouse: 15%
Reduction	When you reach age 65 or retire before age 65, your and your family's coverage reduces to the amount of coverage in effect, or $50,000, whichever is less
Evidence of insurability	Not required
Premiums	Premiums are based on coverage amount and family status. See Rate sheet.

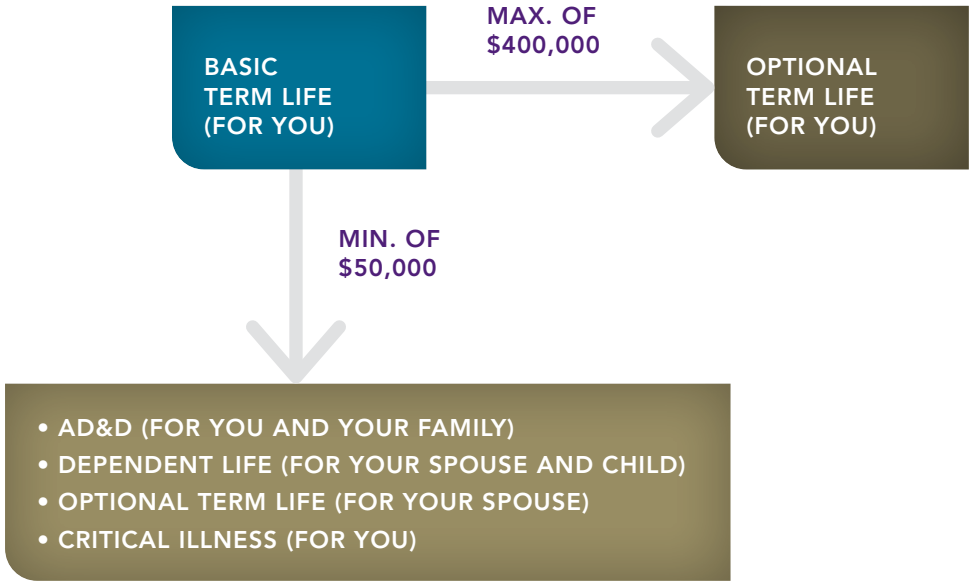
ADDITIONAL PAFSO BENEFITS	
If you maintain a minimum of $50,000 in Basic Term Life Insurance, you automatically benefit from the following coverage at no additional cost to you until you reach age 65. These plans are currently being paid from the Plan surplus. This arrangement is reviewed annually and is subject to change depending on the plan results.	
Critical Illness Insurance (for you only)	A one-time lump-sum benefit of $15,000 if you suffer from a covered condition, provided you have not been diagnosed with this condition before coverage started

GROUP INSURANCE COVERAGE – THE DETAILS
Basic Term Life Insurance
Dependent Life Insurance
Optional Term Life Insurance
Accidental Death & Dismemberment Insurance (AD&D)
Additional PAFSO benefits
How do I determine how much insurance I need?

GROUP INSURANCE COVERAGE – THE DETAILS

Your life and accident insurance needs may be different from those of your colleagues and may change over time based on your financial responsibilities or family situation.

To meet your different needs, PAFSO offers Basic Term Life Insurance for you plus additional coverage for you and your **dependents**, provided you maintain the minimum amount of coverage under Basic Term Life. Once you've purchased the maximum level of Basic Term Life coverage you may then apply for Optional Term Life coverage for yourself. See the chart below for a description of the coverage available to you and your **dependents**.



GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

Basic Term Life Insurance

The Basic Term Life Insurance Plan provides important financial protection in the event of your death. The Benefits at-a-glance section shows the benefit amounts you may purchase and other important information.

If you die while insured, this benefit provides financial assistance to your beneficiary. If your beneficiary dies before you or if there is no designated beneficiary, this benefit is payable as a lump-sum benefit to your estate, as permitted by law.

See the Reaching age 65 and Retirement sections for important information about what happens to your coverage when these events occur.

REMINDER

You must maintain a minimum of $50,000 of Basic Term Life Insurance in order to take advantage of the following benefits available under the Program:

- AD&D (for you and family)
- Dependent Life (**spouse** and **child**)
- Optional Term Life (for your **spouse**)
- Critical Illness Insurance (you)

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

Dependent Life Insurance

The death of your **spouse** may mean a drop in family income, or additional expenses for the care of your **children**. You may also face financial difficulty in the event of a **child**'s death.

The Dependent Life Insurance Plan pays a lump-sum benefit to you in the unfortunate event of the death of your **spouse** or **child**. See the Benefits at-a-glance section for the benefit amounts available and other important information.

To purchase this insurance, you must have Basic Term Life Insurance coverage of at least $50,000.

Optional Term Life Insurance

For you – If you have the maximum amount of insurance under Basic Term Life and require additional coverage, you may purchase Optional Term Life Insurance coverage. The Benefits at-a-glance section shows the benefit amounts you may purchase and other important information.

For your spouse – If you are enrolled in Basic Term Life Insurance, you may purchase Optional Term Life for your spouse. The Benefits at-a-glance section shows the benefit amounts you may purchase and other important information.

Important limitation: No benefit will be payable from the Optional Term Life plan if death is a result of a suicide that occurs within two years of the coverage coming into effect or an increase in coverage. In such a situation, Canada Life will refund the premiums paid for the policy.

REMINDER

If you apply for life insurance coverage for your **spouse**, your **spouse** as declared on the application form is the only **spouse** that is eligible for coverage.

If your marital situation later changes, you must notify PAFSO and reapply for coverage for your new **spouse**, if applicable. You should also update your beneficiary.

Benefits in the event of the death of your new **spouse** will not be payable unless you have applied for coverage for that **spouse**.

Contact PAFSO for more information.

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

Accidental Death & Dismemberment Insurance (AD&D)

This plan offers 24-hour protection against most accidents occurring anywhere in the world, including a war zone – whether you are on or off the job. The Benefits at-a-glance section shows the benefits for which you and your family are eligible, benefit amounts and other important information.

In the event of a covered loss (other than loss of life), the benefit will be paid to you. In the event of your death, the benefit amount is payable to your designated beneficiary, or to your estate if your beneficiary has died before you or you haven't designated a beneficiary. You are the beneficiary for any claims related to a loss on your **spouse** or **child**'s behalf.

To purchase this insurance, you must have Basic Term Life Insurance coverage of at least $50,000.

What's covered

To be eligible, a covered loss – and any related expenses – must be the direct result of an accident and occur within 1 year of the accident and in the case of loss of use, it is continuous for 1 year. You will receive the percentage of the benefit amount, based on the amount stated in the Benefits at-a-glance section.

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

Schedule of losses

LOSS OF:	% OF AD&D INSURANCE PAYABLE
Life	100%
Both hands	100%
Both feet	100%
Sight of both eyes	100%
One hand and one foot	100%
One hand and sight of one eye	100%
One foot and sight of one eye	100%
Speech and hearing in both ears	100%
One arm	75%
One leg	75%
One hand, or one foot, or sight of one eye	50%
Speech or hearing in both ears	50%
Thumb and index finger, or at least four fingers of one hand	25%
Hearing in one ear	16 2/3%
All toes on one foot	12 1/2%

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

Schedule of losses

LOSS OF THE USE OF:	% OF AD&D INSURANCE PAYABLE
Both arms and both legs (quadriplegia)	200%
Both legs (paraplegia)	200%
One arm and one leg on the same side of the body (hemiplegia)	200%
One arm and one leg on different sides of the body	100%
Both arms	100%
Both hands	100%
One hand and one leg	100%
One arm	75%
One leg	75%
One hand	50%

If a limb is surgically reattached after being dismembered as a result of an accident, payment will be equal to 50% of the dismemberment benefit. The balance of the dismemberment benefit is payable if the reattachment fails and the reattached part is removed within one year.

In the event of multiple losses, where different percentages apply, payment may not exceed 100%. In addition, a maximum of $2,000,000 will be paid for all covered losses sustained by all insured persons under the PAFSO Group Insurance Program resulting from any one aircraft accident.

GROUP INSURANCE COVERAGE – THE DETAILS

Basic Term Life Insurance

Dependent Life Insurance

Optional Term Life Insurance

Accidental Death & Dismemberment Insurance (AD&D)

Additional PAFSO benefits

How do I determine how much insurance I need?

Your AD&D Insurance does not cover losses resulting from any of the following causes:

- suicide or intentionally self-inflicted injuries regardless of the person's state of mind and whether or not they are able to understand the nature and consequences of their actions;
- active participation in a war, whether declared or undeclared, in an insurrection or riot;
- commission of a crime by the insured person;
- any form of disease or illness, or physical or mental infirmity;
- air travel while acting as a crew member in any capacity, and air travel when the aircraft is not properly licensed or the pilot is not properly certified to operate the aircraft;
- service in the armed forces of any country, including part-time or temporary service.

Additional benefits under the plan

Repatriation benefit

If you die within 365 days as a result of an accident that occurred at least 150 kilometres from the person's place of residence, the plan will pay the actual cost of preparing the body for burial or cremation and transportation of the remains to the place of burial, to a maximum of $5,000.

Education benefit

For dependent children:

If you die as a result of an accident, your **children** may be eligible to receive an education benefit for each year of eligible schooling of 5% of your AD&D coverage amount or $5,000, whichever is less.

To be eligible for this benefit, your eligible **child** must have been enrolled as a full-time student (15 hours a week or more) in an accredited post-secondary institution or as a full-time student at a secondary school at the time of the accident that caused your death and subsequently enrol as a full-time student in an accredited post-secondary institution within 365 days of the date of the accident.

This benefit will be paid each year for up to four consecutive years, as long as your **child** furnishes proof of full-time enrolment in a post-secondary institution to the insurer.

At the time of death, if you have no **children** eligible for the education benefit, the insurer will pay an additional $2,500 to your designated beneficiary.

No benefits will be paid for tuition expenses incurred before the accident; or for room or board or other ordinary travelling or clothing expenses.

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

For you and your covered spouse:

If a benefit is payable for you or your **spouse** for a loss that requires the person to change occupations, the plan will pay the tuition fees at an accredited post-secondary institution for training in a new occupation, to a maximum of $10,000. To be eligible for this benefit, the person must enrol within 365 days after the accident.

No benefits will be paid for tuition expenses incurred before the accident; for expenses incurred more than 2 years after the accident causing loss of life; or for room or board or other ordinary travelling or clothing expenses.

Occupational training benefit for spouses

If you die as a result of an accident, your **spouse** may be eligible to receive an education benefit for enrolment in an accredited occupational training program. The purpose of the training program must be to provide the **spouse** with at least the minimum qualifications required for employment in an occupation for which your **spouse** would not otherwise qualify. The maximum amount payable for this benefit is 10% of your AD&D coverage amount or $10,000, whichever is less.

No benefits will be paid for expenses incurred more than 3 years after the accident causing loss of life; or for room or board or other ordinary travelling or clothing expenses.

Family transportation benefit

If a covered person is hospitalized more than 150 kilometres from the person's home as a result of an accident for which AD&D benefits are payable, the plan will pay for transportation and lodging expenses for one family member to join the person, to a maximum of $2,000.

Benefits for lodging are limited to moderate quality accommodations for the area of hospitalization. Telephone expenses and taxi and car rental charges are included. Meal expenses are not covered.

Transportation expenses are limited to round trip economy class. If a private vehicle is used, expenses are limited to $0.44 per kilometre travelled.

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

Wheelchair benefit

If an AD&D benefit is payable for a loss that requires the use of a wheelchair for the person to be ambulatory, the plan will pay the expenses related to altering the person's home to make it wheelchair accessible and modifying the person's vehicle to make it accessible and drivable by the person, to a maximum of $10,000. Modifications must be completed within 365 days of the accident.

No benefits will be paid for expenses incurred more than 365 days after the accident or for subsequent alterations to the person's home or vehicle after an initial claim for benefit has been made under this provision.

Hospital confinement benefit

If an AD&D benefit is payable for a loss that requires a covered member to be hospitalized in a qualified institution for at least four days, the plan will pay a daily hospital benefit of $100, to a maximum of 365 days per accident.

Additional PAFSO benefits

When you enrol for Basic Term Life Insurance and are under age 65, you automatically benefit from Critical Illness Insurance at no additional cost. This enhancement is currently being paid through the surplus funds in the plan. This arrangement is reviewed annually and is subject to change depending on the plan results.

Critical Illness Insurance

Critical Illness Insurance provides financial assistance if you are diagnosed with one of the covered illnesses. You may use your payment from the plan in any manner you wish; for example, to pay for expenses such as private nursing, medical care, childcare costs and any other unexpected expenses that you may incur as a result of your illness. You must live 30 days after the diagnosis and payment is dependent upon meeting clear medical provisions of the contract.

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

The Benefits at-a-glance section shows the amount of Critical Illness Insurance you are eligible for and other important information. In addition to the benefit payment, Canada Life will also make a $500 donation in your name to a registered charitable organization of your choice.

Only one Critical Illness Insurance benefit is payable in a covered person's lifetime. Once a benefit has been paid to you, your coverage ends and no further Critical Illness Insurance is available.

Consult the Critical Illness Insurance brochure on the PAFSO website for the list of covered conditions and important exclusions.

GROUP INSURANCE COVERAGE – THE DETAILS

- Basic Term Life Insurance
- Dependent Life Insurance
- Optional Term Life Insurance
- Accidental Death & Dismemberment Insurance (AD&D)
- Additional PAFSO benefits
- How do I determine how much insurance I need?

How do I determine how much insurance I need?

Only you can decide how much and what kind of insurance coverage you should have. You may wish to consult a financial advisor for advice on the level and type of coverage you need. Here are some questions you might ask yourself before making a decision.

For you

- How much income do you and your family live on and what percentage of this family income do you contribute?
- Do you have coverage when you are in a war zone? (PAFSO's Group Insurance Program provides both life and accident coverage in war risk zones. Unlike most AD&D Insurance programs, PAFSO's program covers you when you experience a loss in a war zone, provided you are not actively participating in a war, insurrection or riot).
- What regular expenses/debts do you have?
- Does anyone besides your immediate family depend on you for financial support?
- Would someone else be able to care for your dependents financially if you died? If not, how much money would be needed to ensure their continued support?
- Would it be difficult to purchase personal life insurance because of a medical condition? (PAFSO's Basic Life Insurance is available without **evidence of insurability**, provided you apply within 90 days of joining PAFSO as a new Foreign Service Officer.

For your spouse

- If your **spouse** works, do you and your family rely on your **spouse**'s income?
- Does your **spouse** have life insurance at work?
- Would it be difficult for your **spouse** to purchase personal life insurance because of a medical condition? (PAFSO's Dependent Life Insurance is available without **evidence of insurability**, provided you apply within 90 days of joining PAFSO as a new Foreign Service Officer.
- Would you be able to pay for funeral expenses if your **spouse** were to die?
- If your **spouse** does not work, do they currently take care of your children, if any? If so, would you have to pay for childcare should your **spouse** die?

WHAT HAPPENS WHEN...
Change in employment status
Leave of absence
Disability
Reaching age 65
Retirement
Smoker status change
Death

WHAT HAPPENS WHEN...

It is your responsibility to contact PAFSO to make arrangements to ensure your coverage and PAFSO membership continues in the event of a change in employment status, leave of absence or retirement. You must contact PAFSO in advance to arrange for your PAFSO dues and insurance premiums to be paid in a single annual payment or on a month-to-month basis under the Pre-Authorized Debit Plan through your bank.

Change in employment status

Leaving the PAFSO Bargaining Unit, your department or the Federal Public Service

You may maintain all of your coverage as an Associate or Affiliate member, as long as you continue to pay your PAFSO dues and insurance premiums.

When you transition to an **Associate member or Affiliate member**, your coverage in effect at the time of your transition will continue without interruption.

Any new applications for coverage will require evidence of insurability and will only take effect upon Canada Life's approval of your application.

PAFSO dues and insurance premiums must be made through the Pre-Authorized Debit Plan. Your employer will cancel payroll deductions for member dues and insurance premiums.

Your coverage may be maintained until you reach age 65 or you begin receiving a *Public Service Superannuation Act* (PSSA) pension. (Refer to the Reaching age 65 and Retirement sections for information on what happens when these events occur.)

WHAT HAPPENS WHEN...

Change in employment status
Leave of absence
Disability
Reaching age 65
Retirement
Smoker status change
Death

Leave of absence

You may maintain all of your coverage while you are on leave of absence without pay as long as you continue to pay your PAFSO insurance premiums and dues through the Pre-authorized Debit Plan.

Your coverage may be maintained until you reach age 65 or you begin receiving a PSSA pension. (Refer to the Reaching age 65 and Retirement sections for information on what happens when these events occur.)

Disability

If you become totally disabled before you retire and remain totally disabled, your coverage may be maintained, as long as you continue to pay premiums, until you recover, reach age 65 or begin to receive a PSSA pension, whichever occurs first. You will continue to be responsible for paying your PAFSO dues during any period of disability.

WHAT HAPPENS WHEN...

- Change in employment status
- Leave of absence
- Disability
- Reaching age 65
- Retirement
- Smoker status change
- Death

Reaching age 65

When you reach age 65, your Basic Term Life Insurance, Dependent Life Insurance and AD&D Insurance each automatically reduce to the lesser of $50,000 or the coverage in effect when you reach age 65, provided you continue to remit the appropriate PAFSO dues and insurance premiums.

If you wish to continue your coverage, you must contact PAFSO in advance to arrange for payment of your PAFSO dues and insurance premiums. It is your responsibility to contact PAFSO to make these arrangements to ensure your coverage continues.

Optional Term Life Insurance (for you and your **spouse**) terminates at age 65. If your spouse is under age 65 when your optional coverage ends, spousal coverage can continue until they reach age 65, provided you retain Basic coverage under the PAFSO plan. Your spouse's coverage ends when your PAFSO coverage ends. Critical Illness Insurance terminates at age 65. All other coverage terminates at age 70.

When your coverage reduces at age 65, you may be eligible to convert all or part of the amount of insurance in effect for you to an individual policy within 31 days, without **evidence of insurability**. For more information, see the Conversion section.

Retirement

If you retire and receive an immediate pension under the PSSA, you may keep your coverage in effect at the time of retirement to a maximum of $50,000 for each benefit, as long as you are under age 65 and continue to pay PAFSO dues and insurance premiums. Contact PAFSO to advise of your retirement date.

When you retire, any Optional Term Life Insurance for your **spouse** will automatically reduce to $50,000.

Optional Term Life Insurance (for you and your **spouse**) and Critical Illness Insurance coverage terminate at age 65. All other coverage terminates at age 70.

If your life insurance coverage or that of your **spouse** terminates or is reduced at retirement, you may convert all or part of the amount of insurance in effect for you or your spouse to an individual policy within 31 days, without **evidence of insurability**. For more information, see the Conversion section.

WHAT HAPPENS WHEN...

- Change in employment status
- Leave of absence
- Disability
- Reaching age 65
- Retirement
- Smoker status change
- Death

Smoker status change

If you are paying **smoker** rates and subsequently become a **non-smoker**, you may reapply for the lower rates after 12 months of being a **non-smoker**. To declare your change in smoking status, you must indicate the change on an Application for Non-smoker Rate form and submit it to PAFSO for your reduction in premiums to take effect.

If you are paying **non-smoker** rates and you become a **smoker**, you must inform PAFSO of the change by declaring your **smoker** status on an Application for *Non-smoker Rate* form. **Benefits under the plan will not be paid if you have not submitted the smoking status change**.

The change in premium as a result of a change in smoking status will take effect the first of the month following PAFSO's receipt of your form. Please allow up to 10 days for processing.

Death

If you die, your beneficiary should contact PAFSO. PAFSO will help your beneficiary through the process of completing the necessary forms and submitting the claim for the benefit to be paid.

If one of your **dependents** dies, or if you or your **dependents** suffer a covered loss under AD&D Insurance or you fall ill under Critical Illness Insurance, you should contact PAFSO to obtain the required forms to make a claim.

ANNUAL STATEMENT

PAFSO will send you an annual statement of your coverage and beneficiary designation to the address on file. It is important that you review your statement carefully to ensure your beneficiary designation is correct and your insurance coverage meets your needs.

If you wish to receive correspondence from the PAFSO office via email, please contact PAFSO and provide a current email address.

GROUP HOME AND AUTO INSURANCE

GROUP HOME AND AUTO INSURANCE

PAFSO has negotiated special member rates for Group Home and Auto Insurance. These programs are geared to meet the unique needs of PAFSO members, especially when posted abroad.

The program includes:

- Comprehensive coverage for residential homes, even when you are posted abroad
- Generous policy limits and benefits for home and auto
- Rental income protection
- Premium discounts
  - Alarm system credits
  - Claims free credits
  - Non-smoker credits
  - Reduction on your auto insurance premiums

All enquiries and requests for quotes related to the Group Home and Auto Insurance Program should be addressed to Group Services Insurance Brokers Ltd. See the Contacts section for the details.

GLOSSARY

Associate member or Affiliate member

As defined in the PAFSO Constitution.

PAFSO member – (Regular Bargaining Unit member)

As defined in the PAFSO Constitution.

Children

Your children, or your legally adopted children, step-children or foster children, and your spouse's children (if your spouse has custody and your spouse and the children are living with you), who are not married or in a formal union recognized by law and are financially dependent on you qualify, provided they are:

- under age 21,
- over age 21 but under age 25 and a full-time student attending an accredited school, college or university on a full-time basis, or
- disabled and incapable of financial self-support regardless of age, provided their disability began before the above age limits and while they were covered under the program.

The Program does not cover children who are working more than 30 hours a week, unless they are full-time students.

Dependents

See definition of spouse and children.

Evidence of insurability

Evidence of insurability is the confirmation that you or your spouse is in general good health. The requirement for evidence of insurability in certain circumstances helps maintain reasonable costs for your insurance protection.

Generally, it takes the form of a medical and lifestyle questionnaire, but the insurance company may require you to undergo a medical, paramedical examination, or other tests.

Foreign Service Officer

As defined in the PAFSO Constitution.

Smoker

A person who has smoked or used cigarettes, e-cigarettes, cigarillos, pipe, cigars, nicotine patch and/or gum, chewing tobacco, hookah, or tobacco or nicotine products in any other form during the preceding 12 months preceding the date on which the application for insurance is made.

Spouse

Your spouse is either:

- the person to whom you are legally married; or
- the person with whom you are living in a common-law relationship. Spousal coverage can only be registered for one spouse at any given time.

The insured spouse is the person you have named on your application (on file with PAFSO) and who meets the above definition. If your marital situation later changes, you must notify PAFSO and reapply for coverage for your new spouse, if applicable. Benefits in the event of the death of your new spouse will not be paid unless you have applied for coverage for your new spouse. Contact PAFSO for more information.

FORMS

The following forms are available online by clicking the links below. All applications and forms **must** be returned by mail directly to the PAFSO office, and not be sent directly to Canada Life.

Application for PAFSO Group Insurance Program

– Basic Term Life Insurance

– Optional Term Life Insurance

Evidence of Insurability form

Application for Non-Smoker Rate form

Group Coverage Change form

BENEFICIARY DESIGNATIONS

Use the Beneficiary Designation section of the *Application for PAFSO Group Insurance Program* form to designate or update your beneficiaries.

CONTACTS

PAFSO Group Insurance Program
412-47 Clarence Street, Ottawa, ON K1N 9K1
Phone: 1-613-241-1391 Fax: 1-613-241-5911
E-mail: finance@pafso-apase.com
Website: www.pafso-apase.com

Contact PAFSO when you:

- require information about the PAFSO Group Insurance Program and the coverage options available to you;
- require forms to enrol, or need to change your coverage or update your beneficiary;
- have questions about rates and payment options;
- need to make a claim related to a death, critical illness or covered loss;
- are excluded or promoted to ensure uninterrupted coverage;
- require information about conversion; or
- terminate coverage due to retirement or for any other reason.
- update your address or contact information or provide your email address for future correspondence.

Group Services Insurance Brokers Ltd.

Martha Kestane
Phone: 1-800-268-3336 or 1-416-441-7000
Fax: 1-416-441-7010
Email: mkestane@gsibrokers.ca

Contact Group Services Insurance Brokers Ltd. for more information about PAFSO's Group Home and Auto Insurance Program and current rates.

This document summarizes the provisions of your Group Insurance Program as precisely as possible. However, final interpretation of your benefits is governed by the terms of the group insurance policies. The Plan is underwritten by The Canada Life Assurance Company.

Access to Documents

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

Legal Actions

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act (for actions or proceedings governed by the laws of Alberta and British Columbia), The Insurance Act (for actions or proceedings governed by the laws of Manitoba), the Limitations Act, 2002 (for actions or proceedings governed by the laws of Ontario), or other applicable legislation. For those actions or proceedings governed by the laws of Quebec, the prescriptive period is set out in the Quebec Civil Code.

Appeals

You have the right to appeal a denial of all or part of the insurance or benefits described in the contract as long as you do so within one year of the initial denial of the insurance or a benefit. An appeal must be in writing and must include your reasons for believing the denial to be incorrect.