



Power to deal with a Minor or Incapacitated Beneficiary Policy

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CUPE Education Workers' Benefits Trust

La Fiducie d'avantages sociaux des travailleuses et des travailleurs de l'éducation du SCFP

Introduction

The CUPE Education Workers' Benefits Trust ("EWBT") is an employee life and health trust providing life, health and dental benefits to eligible CUPE members.

The purpose of this policy is to establish guiding principles with respect to the administration and payment of benefits under the CUPE EWBT Plan payable to or for the benefit of one or more minor children or incapacitated beneficiaries.

This policy applies to all CUPE EWBT members and their beneficiaries who have an entitlement from the CUPE EWBT Plan ("Plan"). The procedures set out in this Policy shall be followed unless the Trustees determine, on the recommendation of the Managing Director, that they should be altered or waived in any particular circumstance.

In accordance with s.11.10(z) of the Trust Agreement dated February 28, 2018, the Trustees of the CUPE EWBT have the power:

"to direct the payment of any Benefits under a Plan payable to an incapacitated Beneficiary to the legal guardian or court-appointed committee of such Beneficiary whose receipt will be a sufficient discharge to the Trustees. The Trustees are not bound to see the application of any Benefits so paid. The Trustees will establish a policy for the payment of Benefits to minors or incapacitated Beneficiaries and must specifically ensure that a trustee be appointed to receive the interest of any minor intended to receive any Benefits under a Plan."

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Trust Agreement.

Definitions

"Beneficiary" means a person other than the insured or the insured's personal representative, who is covered by and entitled to Benefits under the CUPE EWBT.

"Incapable" means mentally incapable, and "incapacitated" has a corresponding meaning.

"Minor" means a person under 18 years.

Procedures

The Trustees adopt the following procedures with respect to payment to Benefits to minors and incapacitated beneficiaries:

1. In the case of life insurance claims:

- (i) The Plan administrator, Ontario Teachers' Insurance Plan (the "Administrative Agent"), has custody of all documentation, including beneficiary designations, regarding life insurance Benefits for Plan members. The Administrative Agent will provide the CUPE EWBT's life insurer (the "Insurer") with all documentation in relation to beneficiary designations that are necessary to process a life insurance claim upon notification of a Plan member's death. Beneficiary designations and other documentation pertaining to life insurance are protected by the Administrative Agent and by the Insurer in accordance with their privacy policies and any applicable privacy legislation;
- (ii) The Insurer is responsible for determining and paying all life, optional life and supplemental life claims under policies 172510 and 172511 in accordance with the beneficiary designations provided to it by the Administrative Agent.
- (iii) The CUPE EWBT adopts the following practices for the payment of life insurance benefits to a minor beneficiary, subject to applicable law:
 - a. For all provinces and territories except Quebec, a trustee must be appointed to receive the interest of any minor beneficiary. The Plan member may complete the Insurer's 'Trustee Appointment' form to appoint a trustee. The Insurer shall pay life insurance benefits owing to a minor beneficiary to the appointed trustee for the minor beneficiary, and upon payment by the Insurer to the trustee for the minor beneficiary, the Insurer and the CUPE EWBT are discharged of liability in respect of the life insurance benefit owed to the minor beneficiary to the extent of the payment.
 - b. For the province of Quebec, a trustee is required for minor beneficiaries. However, Quebec resident Plan members may not use the Insurer's 'Trustee Appointment' form to appoint a trustee and should obtain independent legal advice in the event that they designate a minor as a beneficiary.
 - c. If there is no trustee with respect to a minor beneficiary, the Insurer shall pay the proceeds of any life insurance policy into Court in accordance with the Insurance Act, RSO 1990 c I18, or the applicable provincial legislation. Where a payment into Court is made, a supporting affidavit shall be filed which states that the CUPE EWBT Trust Agreement requires a trustee be appointed to receive the interest of any minor entitled to receive any Benefits under a Plan.

- (iv) The CUPE EWBT adopts the following practices for the payment of life insurance proceeds to incapacitated beneficiaries, subject to applicable law:
- a. For all provinces and territories except Quebec, a trustee or legal guardian for property is recommended for an incapacitated beneficiary. The Plan member may complete the Insurer's 'Trustee Appointment' form to appoint a trustee. In the case of guardianship, proof of legal guardianship (for example, a notarized copy of the appointment of the guardian) shall be provided to the Insurer. The Insurer shall pay any life insurance benefits owing to an incapacitated beneficiary to a trustee or legal guardian for property for the incapacitated beneficiary, and upon payment by the Insurer to the trustee or legal guardian for the incapacitated beneficiary, the Insurer and CUPE EWBT are discharged of liability in respect of the life insurance benefit owed to the incapacitated beneficiary to the extent of the payment.
 - b. Although a trustee is recommended for incapacitated beneficiaries in Quebec, Quebec resident members may not use the Insurer's 'Trustee Appointment' form to appoint a trustee and are urged to obtain independent legal advice in the event that they designate an incapacitated beneficiary.
 - c. If there is no trustee or guardian (including the Public Guardian and Trustee) with respect to an incapacitated beneficiary, the Insurer shall pay any life insurance benefit into Court in accordance with the Insurance Act, RSO 1990, c I8, or the applicable provincial legislation. Where a payment into Court is made, a supporting affidavit should be filed stating that the CUPE EWBT has a duty to ensure that a trustee be appointed to receive the interest of any incapacitated beneficiary entitled to receive any Benefits under the Plan.

2. In the case of health and dental benefits, the Trust adopts the following practices for payment to surviving spouses, minors and/or incapacitated beneficiaries for health and dental benefits under Policy 50210, subject to applicable law:

- a. Benefit entitlements of a surviving spouse shall be paid to the surviving spouse;
- b. Benefit entitlements of a child who has reached the age of majority shall be paid to the child;
- c. Benefit entitlements of a minor child shall be paid to the appointed trustee or the appointed guardian (including the Public Guardian and Trustee) if no trustee is appointed;
- d. Benefit entitlements of an incapacitated dependent or beneficiary shall be paid to the appointed trustee or the appointed Guardian (including the Public Guardian and Trustee) if no trustee is appointed.

3. The Trustees adopt the following with respect to communications with Members about minor or incapacitated beneficiaries

The CUPE EWBT will communicate to Plan members that it is required to make payments of any benefits owing to a minor beneficiary to a trustee appointed in respect of that minor beneficiary. Plan members will be advised of the advantages of appointing a trustee for these purposes.

4. The Trustees adopt the following with respect to communications related to an incapacitated beneficiary:

- a. the Trust will communicate with the Plan Member regarding an incapacitated beneficiary;
- b. the Trust will require a Power of Attorney to communicate with a third party regarding an incapacitated beneficiary;
- c. in the absence of a Power of Attorney, the Trust will be unable to assist a third party or communicate with the third party in regard to an incapacitated beneficiary until the appointment of a guardian (including the Public Guardian and Trustee) or trustee is made.