



**resolute**

Forest Products



**Re***Flex*

Reference Guide

# FOREWORD

Resolute Forest Products is proud to introduce ReFlex, the flexible group insurance plan for active non-union employees.

ReFlex lets you select the coverage that best meets your needs and those of your family. These choices may be changed once a year, at renewal time, based on your evolving personal and family situation.

This guide describes how the program works. In the ReFlex Overview, you will find a summary of the benefit options available. You will also learn more about how ReFlex works and about membership information. More details are provided on each type of coverage in the program: life insurance, accidental death and dismemberment insurance, short-term disability, long-term disability, health care and dental care. At the end of the guide, you will find information on the health expense reimbursement account, changing benefit options, claims health care and dental care and taxable benefits.

We encourage you to consult this booklet and to refer to it as required.

The choices are up to you!

Should changes be made to government plans that affect the benefits provided under this program, it is understood that the program provisions will continue to apply as though no changes have been made until Resolute Forest Products and the insurance company agree on new terms and conditions.

This restriction applies to both the health care and dental care plans.

Resolute Forest Products reserves the right to make changes to the program or terminate it at anytime.

This employee booklet is for information only and is not a contract. If the booklet contains information that differs from the master policy, the terms of the master policy will prevail.

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# REFLEX OVERVIEW

## Summary of Benefits

### LIFE INSURANCE

<b>FOR YOU</b>	Up to 7 x your salary <sup>1</sup> , in units of 0.5 of your salary (Minimum <b>compulsory</b> coverage of 0.5 x your salary)
<b>FOR YOUR SPOUSE</b>	Up to \$250,000, in units of \$10,000
<b>FOR YOUR DEPENDENT CHILDREN</b>	Up to \$50,000, in units of \$5,000

### ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

<b>FOR YOU</b>	Up to 7 x your salary <sup>1</sup> , in units of 0.5 of your salary (Minimum <b>compulsory</b> coverage of 0.5 x your salary)
<b>FOR YOUR SPOUSE</b>	Up to \$250,000, in units of \$10,000
<b>FOR YOUR DEPENDENT CHILDREN</b>	Up to \$50,000, in units of \$5,000

### SHORT-TERM DISABILITY

	<b>LESS THAN 2 YEARS OF SERVICE</b>	<b>2 YEARS OF SERVICE OR MORE, BUT LESS THAN 10 YEARS OF SERVICE</b>	<b>10 YEARS OF SERVICE OR MORE</b>
<b>PAID SICK LEAVE</b> PAID BY RESOLUTE FOREST PRODUCTS	100% of your salary <sup>1</sup> for the first 2 weeks 70% of your salary <sup>1</sup> for the following 24 weeks	100% of your salary <sup>1</sup> for the first 12 weeks 70% of your salary <sup>1</sup> for the following 14 weeks	100% of your salary <sup>1</sup> during 26 weeks

### LONG-TERM DISABILITY

	<b>OPTION 1</b>	<b>OPTION 2</b>	<b>OPTION 3</b>
<b>BENEFIT</b>	55% of your salary <sup>1</sup>	60% of your salary <sup>1</sup>	70% of your salary <sup>1</sup>
<b>INDEXATION</b>	No indexation	Indexation according to the Consumer Price Index (CPI) after 5 years of long-term disability benefits, up to 3% per year	
<b>MAXIMUM TERM OF BENEFITS</b> Until the earliest of the following events:	<ul style="list-style-type: none"> <li>You are no longer totally disabled according to the plan's definition</li> <li>you return to work</li> <li>you are age 60 or more and have received 2 years of benefits</li> <li>you reach age 65</li> <li>you retire</li> <li>you die</li> </ul>		<ul style="list-style-type: none"> <li>You are no longer totally disabled according to the plan's definition</li> <li>you return to work</li> <li>you reach age 65</li> <li>you retire</li> <li>you die</li> </ul>

<sup>1</sup> **Salary** means your annual base salary. If your salary changes during the year, your coverage and payroll deductions will automatically be adjusted.

## HEALTH CARE

	OPTION 1	OPTION 2	OPTION 3
<b>ANNUAL DEDUCTIBLE</b>	\$900 per person \$1,800 per family	\$0	
<b>MAXIMUM OUT-OF-POCKET AMOUNT FOR ELIGIBLE EXPENSES IN A GIVEN YEAR<sup>1</sup></b>	\$900 per person \$1,800 per family	\$750 per family	\$500 per family
<b>REIMBURSEMENT OF ELIGIBLE EXPENSES<sup>2</sup></b>			
Hospitalization in the province of residence	100% semi-private room		
Generic drugs <sup>3</sup> requiring a prescription	100%		
Brand-name drugs <sup>3</sup> requiring a prescription	100%	75%	90%
Out-of-province emergency care maximum stay 6 weeks	100% up to a lifetime maximum of \$5,000,000		
<b>REIMBURSEMENT OF OTHER EXPENSES<sup>2</sup></b>	No	75% up to the maximums below	90% up to the maximums below
Vision care	No	\$150 / 24 months (12 months for children under 18 years old or for keratoconus)	\$250 / 24 months (12 months for children under 18 years old or for keratoconus)
Eye Exam	No	\$40 / year <sup>1</sup>	
Paramedical services <sup>4</sup> excluding physiotherapist and psychologist	No	\$300 / year <sup>1</sup> / specialist Combined maximum of \$600 / year <sup>1</sup>	\$600 / year <sup>1</sup> / specialist Combined maximum of \$1,200 / year <sup>1</sup>
Physiotherapist	No	\$300 / year <sup>1</sup>	\$600 / year <sup>1</sup>
Psychologist	No	\$300 / year <sup>1</sup>	\$600 / year <sup>1</sup>
Private duty nursing at home	No	\$10,000 / year <sup>1</sup>	
Ambulance service	No	Covered	
Hearing aids	No	\$500 / 36 months	\$600 / 36 months
Other expenses	No	For details, refer to the <i>Health Care</i> section	

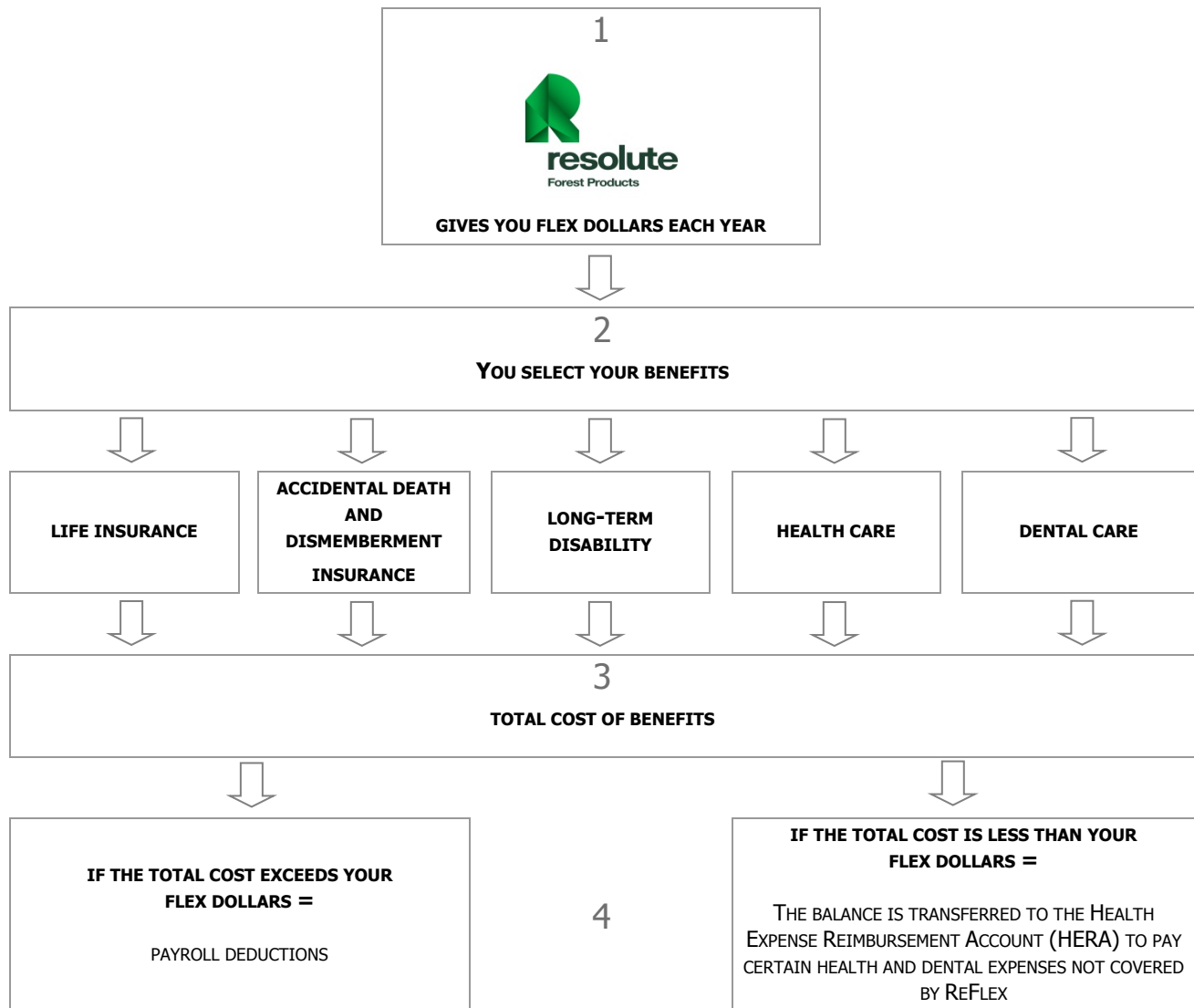
- 1 One year corresponds to one calendar year
- 2 Amounts per insured person
- 3 Deferred payment card is provided
- 4 Expenses for X-rays are included in maximums for some specialists

## DENTAL CARE

	OPTION 1	OPTION 2	OPTION 3
<b>ANNUAL<sup>1</sup> DEDUCTIBLE</b>	\$0		
<b>FEE GUIDE</b>	Previous year		Current year
<b>EXAMINATIONS</b>	1 every 9 months		1 every 6 months
<b>REIMBURSEMENT</b>			
Preventive	75%	90%	100%
Minor restorative services	75%	80%	90%
Endodontics and periodontics	50%	80%	90%
Major restorative services	50%	50%	60%
Orthodontics	Not covered	50%	60%
<b>MAXIMUM REIMBURSEMENT<sup>2</sup></b>			
All dental services (except orthodontics)	\$1,000 / year <sup>1</sup>	\$2,000 / year <sup>1</sup>	\$2,500 / year <sup>1</sup>
Orthodontics	Not covered	\$2,500 lifetime	\$3,000 lifetime
	1 One year corresponds to one calendar year 2 Amount per insured person		

# HOW REFLEX WORKS

ReFlex is a flexible group benefits program. In other words, it gives you the flexibility to choose benefit options that best meet your needs. Here is how the program works.



## 1 Your annual flex dollars allowance is calculated as follows:

$$\% \text{ of your annual salary} + \text{fixed amount} = \text{your flex dollars allowance}$$

The formula takes into account the fact that certain costs (life insurance, accidental death and dismemberment insurance and long-term disability) are based on your salary, while other costs (health and dental care) are not. Please note that short-term disability costs are fully paid by Resolute Forest Products.

This formula may be reviewed annually by Resolute Forest Products.

**Salary** refers to annual base salary. Should this salary change during the year, your coverage and payroll deductions will be adjusted automatically.

- 2 **You select your benefits** based on your needs. You use your flex dollars to pay for the cost of your benefits. Since Resolute Forest Products wants all employees to have minimum coverage in case of an unforeseen event, minimum coverage is compulsory for some benefits.

## Benefit Options

	FOR WHOM	MINIMUM COVERAGE REQUIRED	COVERAGE IS OPTIONAL	LEVEL
<b>LIFE INSURANCE</b>	You	8		Units of your salary
	Your spouse		8	Amount you select
	Your dependent children		8	Amount you select
<b>ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE</b>	You	8		Units of your salary
	Your spouse		8	Amount you select
	Your dependent children		8	Amount you select
<b>SHORT-TERM DISABILITY PAID SICK LEAVE</b>	You	Automatic coverage <sup>A</sup>		
<b>LONG-TERM DISABILITY</b>	You	8		3 options
<b>HEALTH CARE</b>	You	8 <sup>B</sup>		3 options
	Your family		8 <sup>C</sup>	
<b>DENTAL CARE</b>	You		8	3 options
	Your family		8	
<b>HEALTH EXPENSE REIMBURSEMENT ACCOUNT (HERA)</b>	Provides reimbursement for some expenses that are not covered or are only partially covered by your health and dental care plans. For more information, see page 40.			

- A. You are automatically enrolled in the short-term disability plan (paid sick leave). Your flex dollars are not used for this benefit.
- B. If you are insured under your spouse's employer's plan, you may opt out of this coverage. Proof of coverage is required.
- C. **In Quebec**, this coverage is compulsory for dependents if they are not insured under another private plan.

- 3 **Add up the costs** using the Web-based tool FlexIt360 available at the following Internet address: [www.websinc.ca/reflex](http://www.websinc.ca/reflex) or the *Enrolment form* available at the Human Resources Service Centre. This cost may be adjusted annually to reflect usage of the program and inflation.
- 4 **Your flex dollars are then used to pay for your coverage.** If the total cost of your coverage exceeds the amount of your flex dollars, you pay the difference through payroll deductions. On the other hand, if you have flex dollars left over, the difference is transferred to your Health Expense Reimbursement Account (HERA).



# REFLEX MEMBERSHIP

## Eligibility

You are eligible for ReFlex if you:

- are a permanent non-union employee,
- work full-time or part-time (at least 15 hours per week), and
- are covered by the provincial health insurance plan in your province.

If you are eligible, your dependents (your spouse and dependent children as defined below) are also eligible, as long as they are covered by the provincial health insurance plan in your province.

Temporary or contractual employees are not eligible for ReFlex.

## Membership

If you are eligible, membership in the group benefits program is compulsory as of your first day at work.

If you are absent from work because of illness or injury when your insurance or an increase in your amount of insurance takes effect, your coverage and your dependents' coverage will be effective on the day after a full day of active work. **For Quebec employees,** membership in the health care plan begins on your first day of work even if you are absent because of illness or injury.

Your dependents may join the program as soon as you do.

To join ReFlex, you must enrol online using the Web-based tool FlexIt360 available at [www.websinc.ca/reflex](http://www.websinc.ca/reflex). Once you have confirmed your choices in FlexIt360, send the appropriate documents to the Human Resources Service Centre within 10 working days of your eligibility date. If you fail to meet this deadline, the following coverage will automatically be assigned to you only:

- **Life insurance and accidental death and dismemberment:** 1 times your salary
- **Long-term disability:** Option 1
- **Health care:** Option 2
- **Dental care:** Option 1

You may make changes to these coverages during the annual renewal period or following a change in your personal or family situation as described in the section **Changing benefit options** on page 42.

## DEPENDENTS

**Your spouse** (same sex or opposite sex) is the person:

- to whom you are married and from whom you have not been separated for more than 90 days as a result of the termination of your relationship, or
- with whom you have been living for at least 12 months (or less if a child was born of this union), whom you publicly present as your spouse and from whom you have not been separated for more than 90 days as a result of the termination of your relationship.

Only one spouse is eligible for ReFlex.

**A dependent child** is a natural child who is born alive or a legally adopted child, a child who is in a foster home, a stepchild or a child for whom you have legal custody. A dependent child must be single, dependent on you for support, and:

- under age 21, or
- at least age 21 but under age 26<sup>1</sup> and a full-time student at an accredited institution, or
- totally and permanently disabled, provided the child was covered as your dependent when the disability began. No age restriction applies in this case.

<sup>1</sup> *Proof of student status must be submitted to the Human Resources Service Centre during the annual renewal period (November) to confirm eligibility.*

## Extension of Benefits After Your Death

Your dependents who have ReFlex health and dental care coverage at the time of your death may remain insured for a maximum of 3 months. No contribution will be required.

This extension of benefits will terminate when they no longer satisfy the definition of dependent. Your spouse's coverage will terminate upon remarriage.

## Termination of Benefits

Your coverage and that of your insured dependents will terminate when the earliest of the following events occurs:

- the age stated in the coverage description in this guide
- your retirement date
- the date your employment terminates
- the date you are no longer eligible
- when you stop paying the required contributions
- the date Resolute Forest Products winds up the program.

Also, coverage for your dependents will terminate on the date they are no longer eligible.

# LIFE INSURANCE

Life insurance provides financial support to your beneficiaries in the form of a death benefit. You can also insure your dependents.

<b>FOR YOU</b>	Minimum <b>compulsory</b> coverage of 0.5 x your salary Maximum coverage of 7 x your salary (in units of 0.5 x your salary)
<b>FOR YOUR SPOUSE</b> (UNDER AGE 70)	<b>Optional</b> coverage in units of \$10,000 Maximum coverage of \$250,000
<b>FOR YOUR DEPENDENT CHILDREN</b>	<b>Optional</b> coverage in units of \$5,000 Maximum coverage of \$50,000

**Salary** means your annual base salary. If your salary changes during the year, your benefits and your payroll deductions will automatically be adjusted.

## MAXIMUM COVERAGE FOR YOURSELF

The maximum life insurance benefit is \$2.30 million.

## BENEFIT COST

### For you:

- Up to 1 times your salary: costs are based on an average group rate.
- For units above 1 times your salary: the rates are based on your age, gender, and whether or not you smoked<sup>1</sup> as of December 31<sup>st</sup> of the year preceding the year of coverage.

**For your spouse**, the rates are based on the spouse's age, gender and smoker status<sup>1</sup> as of December 31<sup>st</sup> of the year preceding the year of coverage.

**For your children**, the cost is a fixed rate per unit of \$5,000.

<sup>1</sup> **A smoker** is a person who has smoked cigarettes, marijuana or any other narcotic or who used tobacco products within the past 12 months, even if it was only once during that period.

## PAYMENT OF BENEFIT IN THE EVENT OF YOUR DEATH

In the event of your death, the first \$10,000 in benefits paid out to your beneficiaries will be paid as a death benefit directly by Resolute Forest Products. Any amount over this sum will be paid out by the insurer.

## WHAT HAPPENS IF I AM STILL WORKING AT AGE 70

On January 1<sup>st</sup> of the year following your 70<sup>th</sup> birthday, your coverage is subject to a new maximum of 1 times your salary.

If your life insurance benefit exceeds this maximum, it will automatically be reduced to the appropriate level and you may not increase it thereafter.

If your insurance is less than or equal to this maximum, it will not change. Thereafter, you will be able to increase your insurance up to 1 times your salary and your new coverage will take effect after the insurance company has approved the health questionnaire.

Please note that once you reach age 70, your spouse and dependent children will no longer be eligible for life insurance coverage. Moreover, life insurance coverage for your spouse will end on December 31<sup>st</sup> of the year your spouse turns 70, regardless of your age.

## BENEFICIARY DESIGNATION

You must designate one or more beneficiaries. Simply enter their name in the Web-based tool FlexIt360. Please be sure to read the instructions. You are the beneficiary for any benefits payable under the insurance for your spouse or children.

## PROOF OF INSURABILITY AND HEALTH QUESTIONNAIRE

No health questionnaire is required for benefits of up to 1 times your salary for yourself and \$50,000 for your spouse, when you enrol in ReFlex the first time or when a major life event occurs. A health questionnaire must be completed for any subsequent increase in the amount of insurance.

After the insurance company reviews the information provided, you may be required to take a medical examination. The additional coverage you requested will take effect after the insurance company has approved the health questionnaire and will be subject to payroll deductions.

Please note that no proof of insurability is required for dependent children until June 30, 2013. However effective July 1, 2013, a proof of insurability will be required for dependent children for any amount of insurance that exceed \$25,000.

## SUICIDE EXCLUSION

Within one year of acceptance of additional coverage for which a health questionnaire was required, no benefits will be payable on the additional amount if suicide was the cause of death.

## CONVERSION OF YOUR LIFE INSURANCE

You and your spouse may convert up to 100%<sup>1</sup> of the amount of life insurance terminated (50%<sup>1</sup> for people age 70 or over) to an individual policy at your expense.

1 The amount you may convert will be reduced by the amount of any group life insurance for which you or your spouse may be eligible within 31 days of the termination of coverage. The maximum amount that you or your spouse may convert is \$200,000.

You may apply to convert your life insurance upon the earliest of the following events:

- your employment terminates
- your ReFlex membership terminates
- your life insurance is reduced or terminates because of your age or retirement.

If you and your spouse have been members of the Resolute Forest Products life insurance plan for the last five years and the plan is wound up, you and your spouse may convert the lower of the following amounts:

- At or before age 70: 100% of the terminated amount<sup>1</sup> or 3 times the year's maximum pensionable earnings under the Canada Pension Plan or Quebec Pension Plan.<sup>1</sup>
- After age 70: 50% of the terminated amount<sup>1</sup> or \$2,000.

You have **31 days** to apply for the conversion and pay the first premium to the insurance company. No medical examination or health questionnaire is required.

The premium will be based on the age and risk category of the insured at the time of the conversion. The life insurance policy issued by the insurer will be a permanent individual policy, or a one-year convertible term policy, or a term-to-age-70 plan. Such insurance may not include any disability or other benefits.

If you or your spouse dies within **31 days** of the termination date or reduction of life insurance, the amount that could have been converted will be paid to the beneficiaries, even if neither you nor your spouse has submitted a conversion request.

<sup>1</sup> The amount you may convert will be reduced by the amount of any group life insurance for which you or your spouse may be eligible within 31 days of the termination of coverage. The maximum amount that you or your spouse may convert is \$200,000.

## Considerations

When choosing your level of life insurance, you may want to consider the following:

- Does your family have significant financial obligations such as a mortgage? Is this mortgage insured?
- If so, could your family repay your debts without your salary or that of your spouse?
- What other sources of income could your family rely on if one spouse died?
  - The other spouse's salary?
  - Personal savings such as an RRSP or investments?
  - Other insurance plans outside Resolute Forest Products?
  - Pension of the surviving spouse from a pension plan?
- Do you have children?
  - How old are they?
  - How much longer will they be dependent on you?
  - Are they planning to attend university? Have you set aside money for this purpose?
- Does your family have special needs?
  - Do your parents depend on you for financial support?
  - Will your children need day care or special care if one of the spouses dies?

# ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

Accidental death and dismemberment insurance provides financial support in case of an accident causing death, loss of limbs or paralysis. This coverage is in effect 24 hours a day, 7 days a week, on and off the job. You may also insure your dependents. Accidental death benefits are paid in addition to life insurance benefits.

<b>FOR YOU</b>	Minimum <b>compulsory</b> coverage of 0.5 x your salary Maximum coverage of 7 x your salary (in units of 0.5 x your salary)
<b>FOR YOUR SPOUSE</b>	<b>Optional</b> coverage in units of \$10,000 Maximum coverage of \$250,000
<b>FOR YOUR DEPENDENT CHILDREN</b>	<b>Optional</b> coverage in units of \$5,000 Maximum coverage of \$50,000

**Salary** means your annual base salary. If your salary changes during the year, your benefits and your payroll deductions will automatically be adjusted.

## MAXIMUM COVERAGE FOR YOURSELF

The maximum accidental death and dismemberment benefit for you is \$2.25 million.

## WHAT HAPPENS IF I AM STILL WORKING AT AGE 70

On January 1<sup>st</sup> of the year following your 70<sup>th</sup> birthday, your coverage and your dependents' coverage will terminate. Similarly, your spouse's coverage will terminate on January 1<sup>st</sup> of the year following your spouse's 70<sup>th</sup> birthday.

## BENEFICIARY DESIGNATION

You must designate one or more beneficiaries. Simply write their names in the Web-based tool FlexIt360. Please be sure to read the instructions. Note also that you are the beneficiary for any benefits payable under the insurance for your spouse or children.

## INSURED LOSSES

The amount payable should an accident occur will be a percentage of the total amount of insurance, based on the type of injury, as indicated in the following table. The benefit will be paid if an injury causes one of the losses listed in the table within 365 days of the accident. A maximum of 100% of the insurance amount will be paid for multiple losses resulting from the same accident, except for paralysis, for which the benefit is 200%.

Table of Accidental Losses

<b>INSURED LOSSES</b>	
<b>200%</b>	Total paralysis of the upper and lower limbs (quadriplegia), lower limbs (paraplegia) or the upper and lower limbs on one side of the body (hemiplegia)
<b>100%</b>	• Death
	• Loss of use of one hand or one foot
	• Loss of use of one arm or one leg
	• Loss of speech, hearing in both ears, or total loss of sight in one eye
<b>66 2/3%</b>	• Loss of hearing in one ear
	• Loss or loss of use of the thumb and index finger of one hand or at least four fingers of one hand
<b>33 1/3%</b>	• Loss of all toes on one foot

### Loss means:

- For a hand or foot, the complete severance at or above the wrist or ankle joint, but below the elbow or knee joint.
- For an arm or leg, the complete severance at or above the elbow or knee joint.
- For a thumb, the complete severance of one phalange.
- For a finger, the complete severance of two phalanges.
- For a toe, the complete severance of one phalange of the big toe and all phalanges for other toes.
- For an eye, the total, irreparable loss of sight.
- For speech, the total, irreparable loss of the ability to make intelligible sounds.
- For hearing, the total, irreparable loss of hearing.
- For quadriplegia, paraplegia and hemiplegia, total, irreparable paralysis of the affected limbs.
- For loss of use, the total, irreparable loss of use. The loss must continue for 12 consecutive months, at the end of which it is declared permanent.

Subject to certain restrictions and conditions, expenses incurred as a result of an accident may also be reimbursed as described on the following pages.

## OTHER ELIGIBLE EXPENSES

### **Air travel insurance**

This insurance covers injuries sustained:

- during travel as a passenger (not as a pilot, crew member or other) on board an aircraft with a valid airworthiness certificate, on the condition that the pilot has an appropriate license
- during travel as a passenger (not as a pilot, crew member or other) on board an aircraft used by the Canadian Armed Forces or any other military of a competent government authority of a recognized country
- while embarking or disembarking from an aircraft or if the aircraft strikes the insured.

### **Simultaneous deaths**

If you and your spouse die in simultaneous accidents or as a result of two separate accidents occurring within a 24-hour period and benefits are payable under this plan, the amount of insurance for your spouse will be increased to the amount of your own coverage. The maximum benefit payable for you and your spouse is \$1,000,000.

### **Exposure to the elements and disappearance**

If, following an accident covered hereunder, you cannot avoid being exposed to the elements, any loss resulting from such exposure will be covered. If your body is not found within the year following the date of the disappearance, sinking, or destruction of the vehicle in which you were traveling at the time of the accident, you will be presumed to have lost your life during the accident.

### **Safety belt benefit**

If the insured is injured while driving a passenger vehicle or riding in it as a passenger and was properly wearing a safety belt, an additional benefit equal to 10% of the benefit specified in the **Table of Accidental Losses** will be provided, up to a maximum of \$25,000 if the injuries are covered under the plan. The accident report or police officer's statement must state that the insured was wearing a safety belt. The driver of the vehicle must have a valid driver's license and must not be under the influence of alcohol or drugs at the time of the accident, unless the drugs were taken as prescribed by a physician.

### **Education benefit**

If you die in an accident and benefits are payable under this coverage, each of your dependent children who is registered at a postsecondary educational institution at the time of the accident or who will be registered within 365 days of your date of death is entitled to a benefit of the lesser of 5% of the insured amount or \$5,000.

The benefit will be paid annually for up to four years, as long as the child is a full-time student at a postsecondary institution, single, depends on you for support, and is under age 26.

Your spouse may also be eligible for financial support to further his or her professional or technical skills. He or she may therefore acquire the necessary skills to practice a profession for which he or she would not have been qualified before, in view of better meeting his or her needs following your death and provided that a death benefit is payable under the plan. The maximum reimbursement provided is \$15,000 and covers the cost of a recognized professional training course, excluding accommodation, living, travel and clothing expenses. These expenses must be incurred within 36 months of your death.



## **Indexation**

If as a result of an injury you receive benefits payable under the **Table of Accidental Losses** or the permanent total disability provision, ReFlex will pay you an additional benefit equal to 1% of the benefit payable for each consecutive year during which you were covered, up to a maximum of 5%.

## **Child Care**

Should you or your spouse die as the result of an accident and the insurance amount is payable, the plan provides for the payment of a benefit for each dependent child under age 13 who is registered at an accredited day-care centre or is registered within 365 days of the death.

The amount per child is equal to 5% of the insurance amount or \$5,000, whichever is less. The benefit will be paid annually from the date a statement of registration in an accredited day-care centre is received, up to four consecutive years, as long as the child continues to be registered at an accredited day-care centre and is under age 13.

## **Repatriation**

A repatriation benefit is payable (up to \$15,000, including preparation of the body for transport) to repatriate the body of the deceased to the place of residence following accidental death from injuries suffered more than 50 kilometres from the place of residence. This amount is payable if a death benefit is payable under this insurance.

## **Rehabilitation**

If the insured's injuries prevent him or her from working in his or her current occupation and forces the insured to work in another field, the plan provides a rehabilitation benefit of up to \$15,000. Such expenses must be incurred within three years of the accident and do not cover accommodation, living, travel or clothing expenses.

## **Hospitalization Indemnity**

If the insured is hospitalized and under the care of a physician following a loss covered hereunder, you will receive a daily benefit equal to 1/30% of the insured amount. This benefit is payable from the first day of hospitalization up to \$2,500 per month. It will be paid to you as of the first day of hospitalization for up to 365 days per accident.

Hospitalization for treatment following any other accident for a loss not defined in the **Table of Accidental Losses** will also entitle you to the above benefit. The benefit will be paid from the first day if the hospitalization lasts at least 4 consecutive days.

## Identification of the remains

If the police require that a member of the immediate family identify the insured's body following an accident for which benefits are payable hereunder, ReFlex will reimburse the following reasonable and necessary expenses if the remains are located 150 km or more from the family member's residence (spouse, parents, grandparents, children, brothers or sisters, grandchildren or parents-in-law – excluding any person under the age of 18):

- accommodation and meal expenses incurred during travel and the stay in the city where the body is located
- return trip expenses between the residence and the city where the body is located, based on the shortest distance.

**Excluded** are usual living, travel and clothing expenses except for the expenses noted above. Travel in a private vehicle is limited to \$0.35 per kilometre and the total benefit is limited to \$10,000.

## Permanent total disability

If you are totally disabled, you will receive a lump sum payment of the insurance amount, minus any other amount payable as the result of the same accident according to the **Table of Accidental Losses**. However, the disability must satisfy the following conditions:

- it must be the result of an accidental injury received before your 70<sup>th</sup> birthday
- it must begin within 365 days of the accident
- it must prevent you from holding any paid employment for which you are reasonably qualified or may become qualified by education, training or experience
- it must continue for 12 consecutive months, at the end of which it is declared permanent.

## Increase in benefits for children

The percentages in the **Table of Accidental Losses** will be doubled for a dependent child. For this benefit to be payable, your child must not die within 90 days of the accident. If the child dies within 90 days as a result of the accident, the benefit payable will be the benefit for life only, which is 100% of the insured amount.

## Modification of your workplace

If you receive benefits provided under the **Table of Accidental Losses** as a result of an injury and your workplace must be modified or fitted with special equipment so that you can resume your work on a full-time basis, reasonable and required expenses incurred will be covered by ReFlex up to \$5,000 per accident. The insurer reserves the right to examine you and assess the relevance of the modifications requested.

## Alterations to a home or vehicle

If you or a dependent receive a benefit hereunder for an injury that requires the use of a wheelchair (loss of use of two feet or legs, paraplegia, quadriplegia or hemiplegia), ReFlex will reimburse reasonable, non-recurring costs of altering the principal residence to make it wheelchair-accessible inside and outside. Alterations must be done by experienced people recommended by competent authorities.

Non-recurring expenses for altering a motor vehicle are also covered so that the person may ride in or drive the vehicle. Work must be done by experienced people who are authorized by the vehicle registration office of the province in question.

Work done on your behalf or for a dependent may be reimbursed within three years of the accident, up to \$15,000, upon presentation of the invoices.

## Transportation for a family member

Upon a physician's recommendation, ReFlex will cover the accommodation and return trip by the most direct route of one member of the immediate family (spouse, parents, grandparents, children, brothers or sisters, grandchildren or parents-in-law – excluding any person under the age of 18) to an insured who is hospitalized following an accident covered hereunder or hospitalized for 4 days or more following any other accident provided hospitalization begins within 24 hours of the accident. The accident must have occurred more than 150 kilometres from the place of permanent residence. The maximum reimbursement is \$15,000, subject to a maximum of \$0.35 per kilometre.

**Excluded** are meals or any other usual living, travel or clothing expenses other than the expenses stipulated above.

## CONVERSION OF YOUR ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

When your group accidental death and dismemberment coverage terminates, it may be converted to an individual policy at your expense. You may request conversion of your coverage upon the earliest of the following events:

- your employment terminates
- your ReFlex membership terminates
- your life insurance is reduced or terminated because of age (at age 70) or retirement.

You will have **31 days** after termination or reduction of your insurance to apply for conversion and pay the first premium to the insurance company. You must be under age 70 to convert your insurance.

Only the benefits listed in the **Table of Accidental Losses** are available for conversion. The amount to convert must not exceed the amount in effect at the time the insurance ceased, subject to a maximum of \$100,000. The premium will be based on the current rate set by the insurance company on the conversion date.

The individual accident policy will be renewable annually and the annual premium is payable in advance.

## EXCLUSIONS AND RESTRICTIONS

Please note that no benefit will be paid if the accident is a direct or indirect result of the following:

- declared or undeclared war or any other act of war
- attempted suicide or self-inflicted injury (whether the insured is sane or insane)
- full-time service in the armed forces of any country
- participation in a riot, an insurrection, a public commotion or unrest
- medical care or surgery, except if required as a result of an accident.

### **Considerations**

When choosing your level of accidental death and dismemberment insurance, you may want to consider the following:

- Accidental death and dismemberment insurance is especially useful in the event of accidental injury resulting in dismemberment, blindness, deafness or paralysis.
- What other sources of income could your family rely on in the event of the accidental death of one of the spouses?
- What about if you become accidentally disabled as a result of an accident? Would you have any income in addition to what the short-term and long-term disability plans could pay?
- To what extent would the loss of a limb prevent you from doing your job normally? What about your spouse?
- Finally, would you be able to handle the resulting expenses if your spouse or a dependent child were to accidentally die or suffer from a dismemberment, blindness, deafness or paralysis?

# SHORT-TERM DISABILITY

If you are unable to work as a result of an illness or injury, the Resolute Forest Products short-term disability plan will pay you an income-replacement benefit. The percentage benefit payable is based on your number of years of services, as shown below. This coverage provides benefits for a period of 26 weeks if you are unable to work.

Coverage table	<b>LESS THAN 2 YEARS OF SERVICE</b>	<b>2 YEARS OF SERVICE OR MORE, BUT LESS THAN 10 YEARS OF SERVICE</b>	<b>10 YEARS OF SERVICE OR MORE</b>
<b>SALARY CONTINUATION</b>	100% of your salary for the first 2 weeks  70% of your salary for the next 24 weeks	100% of your salary for the first 12 weeks  70% of your salary for the next 14 weeks	100% of your salary for 26 weeks
<b>TAX STATUS</b>	Short-term disability benefits are taxable		

You are automatically enrolled in this benefit, the cost of which is paid by Resolute Forest Products. No flex dollars will be spent on this benefit.

The benefits payable under this plan cannot be less than 55% of your insurable earnings, including overtime pay, shift premium, and other bonuses as defined by employment insurance.

## INTEGRATION WITH INCOME FROM OTHER SOURCES

Benefits will be reduced by the amounts you receive (or would receive if you applied for them) from the following sources:

- any employment income, except for rehabilitation earnings
- any disability benefit payable by the Quebec Pension Plan/ Canada Pension Plan(QPP/CPP)
- any other benefit payable under other government plans, including the government auto insurance plan of Ontario and Quebec and any occupational health and safety legislation or other similar program

Your benefit will not be reduced as a result of:

- any cost-of-living increase granted by the QPP/CPP after the date you were deemed to be totally disabled
- benefits paid by the QPP/CPP to your dependents after the date of your disability or retirement
- any benefit paid by individual disability insurance, except for automobile accident insurance benefits.

## RECURRENCE

### **If two total disability periods:**

- are attributable to the same causes or to similar factors and are separated by a period of full-time return to work of less than 3 months, or
- are attributable to unrelated causes and are separated by a period of full-time return to work of less than 2 weeks,

the plan will consider these two periods of total disability as one disability. The second disability will be considered as a continuation of the first disability.

# LONG-TERM DISABILITY

This coverage provides an income if you are still unable to work after the period covered under the short-term disability benefit, that is 26 weeks. This coverage is compulsory and you may choose the option that best suits your needs.

Table of Benefits	OPTION 1	OPTION 2	OPTION 3
<b>BENEFIT (TAXABLE)</b>	55% of your salary	60% of your salary	70% of your salary
<b>MONTHLY MAXIMUM</b>	\$19,000 without proof and \$23,500 with proof of insurability		
<b>INDEXATION</b>	No indexation	Indexation up to 3% per year based on the Consumer Price Index (CPI) Starts after 5 years of long-term disability benefit payments	
<b>MAXIMUM BENEFIT DURATION</b> Until the earliest of the following events:	<ul style="list-style-type: none"> <li>• you are not totally disabled according to the plan definition</li> <li>• you return to work</li> <li>• you are 60 and you have received 2 years of benefits</li> <li>• you reach age 65</li> <li>• you retire</li> <li>• you die</li> </ul>		<ul style="list-style-type: none"> <li>• you are not totally disabled according to the plan definition</li> <li>• you return to work</li> <li>• you reach age 65</li> <li>• you retire</li> <li>• you die</li> </ul>

The **waiting period** for entitlement to long-term disability benefits is 26 weeks. This is the period when you receive short-term disability benefits.

**Salary** means your annual base salary at the time of the disability. If your salary changes during the year, your benefits and your payroll deductions will automatically be adjusted.

## DEFINITION OF DISABILITY

To be considered totally disabled and receive long-term disability benefits, you must:

- for the **first 26 weeks** (short-term disability) and the **subsequent 30 months** be unable to perform your usual employment duties (type of work and not just your own job)
- thereafter be unable to perform any work for which you are reasonably qualified by education, qualifications and experience.

In addition, you must have been examined and treated by a physician within **31 days** of the onset of disability, be under a physician's care and reside in Canada, unless special permission is granted by the insurer. Note that job availability will not be considered in the analysis of your disability.

## PROOF OF INSURABILITY AND HEALTH QUESTIONNAIRE

When you initially enrol in ReFlex, no health questionnaire is required, regardless of the option you select up to the monthly maximum amount of \$19,000. If your monthly maximum amount exceeds \$19,000, a health questionnaire will be required.

Afterwards, a health questionnaire will be required if you want to obtain a higher level of coverage or if your monthly maximum amount exceeds \$19,000.

After reviewing the information provided, the insurer may ask you to submit to a medical examination. The additional coverage will take effect once the insurer has approved the health questionnaire and will be subject to payroll deductions.

## INTEGRATION WITH INCOME FROM OTHER SOURCES

Benefits will be reduced by the amounts you receive (or would receive if you applied for them) from the following sources:

- any employment income, except for rehabilitation income
- any disability benefit paid by the Canada or Quebec Pension Plan (CPP/QPP)
- any benefit payable under other government plans, including government auto insurance, occupational health and safety legislation, or other similar programs
- any disability benefit paid by another group insurance or pension plan.

Your disability benefit will also be reduced so that the sum of all your income does not exceed 85% of your gross salary before you became disabled. To determine your total income, the insurer takes into account the above income and any benefit payable to your dependents under government plans because of your disability or retirement.

Your benefit will not be reduced because of:

- any cost-of-living increase granted by the CPP/QPP after the date you were deemed to be totally disabled
- benefits paid by the CPP/QPP to your dependents after the date of your disability or retirement
- disability or pension benefit that you received before becoming totally disabled
- any benefit paid by individual disability insurance, except for automobile accident insurance benefits.

## RECURRENCE

If two total disability periods are attributable to the same causes or to similar factors and are separated by a period of full-time return to work of less than 6 months, the plan will consider these two periods of total disability as one disability. The waiting period therefore only applies once and the second disability period will be considered as a continuation of the first disability.



## REHABILITATION

If your health allows you to work full or part-time at an occupation for which you are reasonably qualified by training, education and experience, you will continue to be considered totally disabled and your benefits will only be reduced by the greater of the following two amounts:

- 60% of the gross income from your rehabilitative employment
- the amount that will prevent the sum of your gross income from rehabilitative employment and your disability benefit from exceeding your gross income prior to disability.

If you refuse rehabilitative employment, your benefits will cease.

The maximum duration of the rehabilitation program is 24 months.

## PARTIAL DISABILITY

If you are totally disabled, but able to engage in an occupation that is approved by the insurer and involves:

- for the first 36 months of disability:
  - either certain functions of your usual job on a part-time basis
  - or all of the functions of another full-time or part-time job
- thereafter all the functions of any full-time or part-time job,

you will continue to be entitled to long-term disability benefits. However, the disability benefits will be reduced by the greater of the following two amounts:

- gross employment income
- excess of the sum of your gross employment income and your disability benefit over your gross income prior to disability.

## THIRD-PARTY LIABILITY

If you sue a third party and receive compensation for loss of income, you must sign a reimbursement agreement with the insurer. The insurance company is then entitled to be reimbursed the amounts, with interest, that you may receive from a third party for loss of income which, combined with the benefits paid or payable under this plan, would exceed the actual loss.

Once the insurer is advised of a payment by a third party pursuant to a judgment or settlement, this plan will cease to pay disability benefits to you until the insurer has received the reimbursement amount stipulated in the agreement.

If the settlement or judgment for loss of future income is paid as a lump sum, the disability benefit under this plan will be suspended until the total benefits otherwise payable equal the lump sum.

## OVERPAYMENT

If a disabled employee receives benefit payments over and above what should have been paid, the insurer may require the employee to reimburse the overpayment or reduce future payments to the employee by an amount equal to the overpayment.

## TERMINATION

If you chose options 1 or 2, your long-term disability coverage will end on the earliest of the following:

- you are age 60 and over and have received benefits for at least 2 years
- you reach age 65
- you retire
- your employment with Resolute Forest Products terminates
- you are no longer eligible.

If you chose option 3, your long-term disability coverage will end on the earliest of the following:

- you reach age 65
- you retire
- your employment with Resolute Forest Products terminates
- you are no longer eligible.

## WHAT HAPPENS IF I AM STILL WORKING AT AGE 65

The formula for calculating flex dollars will be modified to take into account that you are no longer eligible for long-term disability coverage as of the age of 64 years and 6 months since if you were to become disabled at that age you would only receive Short-term disability benefit for a maximum of 26 weeks.

## EXCLUSIONS AND RESTRICTIONS

If you become disabled during maternity leave, paternity leave, parental leave, adoption leave or authorized unpaid leave, the waiting period will only begin on the date of your scheduled return to work and long-term disability benefits will begin at the end of the waiting period if you are still disabled.

Payment of benefits may be suspended if:

- you are no longer totally disabled as defined in the plan
- you do not provide the required medical proof of disability
- you do not submit to the required medical examinations or do not receive appropriate care for your condition.

No benefits will be paid for disability resulting directly or indirectly from the following events:

- declared or undeclared war or act of war
- insurrection or rebellion
- participation in a riot or civil unrest
- self-inflicted injury or illness
- perpetration or attempted perpetration of a criminal act (driving a vehicle while under the influence of alcohol will not be considered a criminal act)
- chronic alcoholism, use of narcotics, barbiturates or hallucinogens, unless you are participating in a recognized therapy program that is appropriate for your condition.

### **Considerations**

In selecting your long-term disability, you may want to consider the following:

- Do you have significant financial obligations, such as a mortgage? Is it insured should you become disabled? For how long?
- What other sources of income can your family count on to compensate for not receiving a part of your salary?
  - The salary of your spouse?
  - Personal savings?

# HEALTH CARE

The Resolute Forest Products health care plan is designed to help you and your family pay certain expenses that are not covered by the provincial health plan. You must choose the same option for yourself and your family members. If you cover your family, you must cover yourself also.

This health care coverage is compulsory for you unless you are covered by another plan, such as the plan of your spouse's employer. You must provide proof that you are covered by your spouse's plan. **If you live in Quebec**, the law stipulates that you must have health insurance for your family members unless they already have drug insurance under another plan.

Please refer to the **Changing Benefits Options** section on page 42 for information on the rules that apply to making coverage changes.

## Table of Benefits

	OPTION 1	OPTION 2	OPTION 3
<b>ANNUAL DEDUCTIBLE<sup>1</sup></b>	\$900 per person \$1,800 per family	\$0	
<b>MAXIMUM OUT-OF-POCKET AMOUNT FOR ELIGIBLE EXPENSES<sup>2</sup> IN A GIVEN YEAR</b>	\$900 per person \$1,800 per family	\$750 per family	\$500 per family
<b>REIMBURSEMENT OF ELIGIBLE EXPENSES<sup>2</sup></b>			
Hospitalization in the province of residence	100% semi-private room		
<ul style="list-style-type: none"> <li>∨ Convalescent / rehabilitation hospital</li> </ul>	100%, semi-private room for up to 60 days per year		
<ul style="list-style-type: none"> <li>∨ Accommodation</li> </ul>	100%, semi-private room for up to \$15 per day and \$150 per visit		
Detoxification clinic	No	100%, 2 lifetime treatments First treatment \$100 / day for a maximum of 30 days Second treatment \$50 / day for a maximum of 30 days	
Generic drugs <sup>3</sup>	100%		
Brand-name drugs <sup>3</sup>	100%	75%	90%
Out-of-province emergency care	100% up to lifetime maximum of \$5,000,000, maximum stay of 6 weeks		
<p>1 One year corresponds to a calendar year</p> <p>2 <b>Eligible expenses</b> are the usual, customary costs in the area where they were incurred. If a health professional bills 20% more than the amounts usually billed by colleagues in the area, the 20% excess will not be eligible and will not be reimbursed under the plan.</p> <p>3 With deferred payment card / Requiring a prescription</p>			

	OPTION 1	OPTION 2	OPTION 3
<b>REIMBURSEMENT OF OTHER EXPENSES<sup>1</sup></b>	No	75% up to the maximums below	90% up to the maximums below
Vision care	No	\$150 / 24 months (12 months for children under 18 years old or for keratoconus)	\$250 / 24 months (12 months for children under 18 years old or for keratoconus)
Eye exam	No	\$40 / year <sup>2</sup>	
Paramedical services <sup>3</sup> excluding physiotherapist and psychologist	No	\$300 / year <sup>2</sup> / specialist Combined maximum of \$600 / year <sup>2</sup>	\$600 / year <sup>2</sup> / specialist Combined maximum of \$1,200 / year <sup>2</sup>
Physiotherapist	No	\$300 / year <sup>2</sup>	\$600 / year <sup>2</sup>
Psychologist	No	\$300 / year <sup>2</sup>	\$600 / year <sup>2</sup>
Private nursing at home	No	\$10,000 / year <sup>2</sup>	
Ambulance service	No	Covered	
Hearing aids	No	\$500 / 36 months	\$600 / 36 months

- |  |
|--|
| <p>1 Amounts per insured<br/> 2 One year corresponds to a calendar year<br/> 3 Expenses for X-rays are included in maximums for some specialists</p> |
|--|

### DEFERRED PAYMENT DRUG CARD

When you enrol in the plan, you will receive a deferred payment drug card for the processing of your drug claims.

This card is easy to use. Simply present it to your pharmacist so that he or she can enter your electronic file number into his or her system and transmit your claim to the insurer. You pay the pharmacist for the total cost of your drugs and you will automatically receive your reimbursement without any need to fill out a form.

## APPLICATION OF THE OPTION 1 DEDUCTIBLE

The deductible for option 1 is \$900 per person subject to a maximum of \$1,800 per family. If you select coverage:

- for yourself only, the annual deductible is \$900
- for yourself and your dependent children, the combined maximum annual deductible is \$1,800
- for yourself and your spouse, the annual deductible is \$900 for each adult, up to \$1,800
- for yourself, your spouse and your dependent children, the annual deductible is \$900 per person, for a maximum of \$1,800 per family.

### Considerations

When choosing your level of health care coverage, you may want to consider the following:

- To figure out the total cost of any option, take the cost of the option itself and add your out-of-pocket expenses (including the deductible). This will give you a better basis for comparison.
- Have you taken into account the Health Expense Reimbursement Account (HERA), described on page 40?
- Do you already have other sources of coverage, such as the health care plan of your spouse's employer? If so,
  - did you know that you can claim reimbursement of expenses from both plans (up to 100% of eligible expenses)?
  - have you considered opting out of the Resolute Forest Products health care plan? This would free up flex dollars for other benefits or for deposit into your HERA.
- Are your health expenses normally low, moderate or significant?
- What have your bills been like in recent years? Statements from the insurance company can help you here.
- What kind of expenses do you and your covered dependants expect to incur in the near future?
- Are you willing to pay a higher price for coverage that pays a higher percentage of covered expenses?

## MAXIMUM OUT-OF-POCKET AMOUNT FOR ELIGIBLE EXPENSES

This is the portion of your eligible health care expenses that you will have to pay during the year, depending on the option selected and based on:

- the deductible, if applicable
- the percentage of eligible expenses that is not reimbursed
- the maximum for certain expenses (paramedical services, for example).

Eligible expenses in excess of this amount are reimbursed at 100%.

<b>EXAMPLE</b>  YOU SELECT OPTION 2 AND SUBMIT \$5,500 IN EXPENSES DURING THE SAME YEAR. ACCORDING TO THE HEALTH CARE TABLE, YOUR PERCENTAGE REIMBURSEMENT IS 75%	<b>75% Reimbursement</b>		
	Expenses incurred:	\$5,500	
	Eligible expenses:	\$5,200	
	Amount reimbursed: (\$5,200 x 75%)	<del>(\$3,900)</del>	
	Eligible expenses not reimbursed:	\$1,300	
	Maximum out-of-pocket amount for eligible expenses:	<del>(\$750)</del>	
	Additional reimbursement:	\$550	
	Total reimbursement: (\$3,900 + \$550)	<b>\$4,450</b>	
			Since your maximum out-of-pocket amount for eligible expenses is limited to \$750, you will be reimbursed \$4,450 instead of \$3,900.
			For the rest of the current year, other eligible expenses will be reimbursed at 100%.

## Description of Benefits

To obtain the maximum amounts reimbursable for each of the following benefits, please refer to the **Table of Benefits** on pages 27 and 28.

### HOSPITALIZATION

In the event of hospitalization, the plan covers the cost of a semi-private room in a public hospital that is over and above the cost covered by the provincial plan.

#### In the province of residence

A hospital is an institution that dispenses health care and provides the services of physicians and nurses 24 hours a day. As a hospital, the institution is entitled to reimbursement for ward accommodations under the provincial health insurance plan.

#### Convalescent and rehabilitation hospitals

These terms refer to an approved institution that:

- is entitled to reimbursement for ward accommodations under the provincial health insurance plan
- has a transfer agreement with hospitals
- provides nursing care for bedridden patients throughout convalescence following an accident or illness.

You or your dependents must have been admitted to the convalescent or rehabilitation hospital within **14 days** of leaving the hospital as a bedridden patient. For the purposes of the maximum reimbursement, 2 periods of hospitalization separated by more than 90 days are considered to be 2 separate disabilities.

## Accommodation (in the province of residence)

If you or your dependents live in a remote region and you must travel to receive specific treatments, such as chemotherapy, the person receiving the treatments may be accommodated in a specific wing of a hospital affiliated hotel or pavilion.

## DRUGS

Patented and **brand-name** drugs are drugs that are marketed by the pharmaceutical company that developed them. A **generic** drug is a copy of the brand-name drug. It is generally less expensive, but has the same effects and is considered equivalent to the brand-name drug by Health Canada.

### Eligible drugs<sup>1</sup>

This benefit covers the cost of drugs which are exclusively available from a pharmacy, which have a drug identification number (DIN) and must be prescribed by a medical practitioner who is legally authorized to prescribe them.

These drugs namely include serums, allergen extracts, vaccinations, oral contraceptives, Vitamin K for the treatment of hemophilia, injectable drugs administered by a doctor and preparations and compounds (magistral) if at least the most expensive ingredient is eligible under this benefit.

Some drugs, however, are only covered in the cases, according to the conditions and the therapeutic instructions determined by the insurer or by law.

The eligible amount for each drug purchase is limited to the cost of the drugs that can reasonably be taken during a 34-day period or, in the case of maintenance drugs, during a period of 100 days as prescribed a doctor.

For salaried employees in Quebec – Any plan condition which does not comply with the requirements of the *Régime d'assurance-médicaments du Québec* will automatically be changed to comply with such requirements.

### Other eligible expenses<sup>1</sup>

- Smoking cessation products, subject to a maximum reimbursement of \$630 per year
- Sclerosant therapy for varicose veins, subject to a maximum of \$30 per visit. The charge for administration by the physician is also covered, subject to a maximum of \$35 per visit
- Drugs for treatment of obesity, with a doctor's recommendation, subject to a lifetime maximum of \$2,000
- Certain non-prescription drugs which are required to sustain life.

<sup>1</sup> **Exclusions** include contraceptives other than oral contraceptives, drugs for treatment of infertility, drugs for treatment of erectile dysfunction, costs for the administration of serums, vaccinations and injections, drugs available without a prescription except for the drugs listed above. Also excluded are drugs, organic products and similar preparations for administration in a hospital or to an inpatient or an outpatient, and which is not for use by a patient at home.



## EMERGENCY CARE OUTSIDE THE PROVINCE OF RESIDENCE

The plan reimburses hospitalization expenses and reasonable, customary expenses for physician, ambulance and blood transfusion services in excess of those covered by your provincial health insurance plan.

## ELIGIBLE EXPENSES FOR OPTIONS 2 AND 3 ONLY

### **Podiatric devices**

Orthopedic shoes (including depth shoes, maximum of one pair per year, prescribed and custom-made) or corrective devices (arch support, molds or orthotic devices up to \$475 per year) must be prescribed by a podiatrist who is a member of his professional association or by a physician.

Sports items are **excluded**.

### **Hearing aids**

Expenses to purchase, replace, repair and install one or more hearing aids supplied by a certified audiologist are eligible.

Batteries are **excluded**.

### **Detoxification clinic**

The plan covers treatment on an inpatient basis, in an approved institution, up to \$100 per day for a maximum of 30 days for the first treatment, and up to \$50 per day for a maximum of 30 days for the second treatment. The plan only covers two lifetime treatments.

### **Eye examinations**

Eye examinations by an ophthalmologist or optometrist are eligible, subject to a maximum reimbursement of \$40 per year per insured person.

### **Vision care**

The plan reimburses the cost of regular lenses and frames or contact lenses and the cost of laser surgery prescribed by an ophthalmologist or optometrist. Sunglasses and safety glasses are considered to be eligible expenses if they were prescribed by an ophthalmologist or optometrist.

## **Paramedical specialists**

The following paramedical specialists are eligible:

- acupuncturist
- audiologist
- chiropractor (including X-rays)
- occupational therapist
- homeopath
- massage therapist
- naturopath
- speech therapist
- orthotherapist
- osteopath (including X-rays)
- physiotherapist
- podiatrist/chiropractist (including X-rays)
- psychologist

## **Private nursing at home**

Nursing must be recommended by a physician and dispensed by a nurse (R.N.) or a nursing assistant who is not a family member and does not normally reside with you. Care must require the specialized services of a nurse (R.N or a nursing assistant).

## **Ambulance service**

Expenses exceeding the amounts reimbursed under your provincial health insurance plan for land or air transportation by ambulance, upon the recommendation by a physician. Eligible expenses are for transportation:

- from the place where the accident or illness occurred to the closest hospital where treatment is available
- from the first hospital where treatment is provided to a new hospital where specialized services may be dispensed
- from the hospital to a convalescent or rehabilitation hospital.

## **Miscellaneous expenses**

The following miscellaneous expenses are covered by ReFlex provided that they are medically required and prescribed a physician:

- diagnostic laboratory expenses and X-rays
- anesthetics, blood and blood derivatives
- emergency dental care for natural teeth resulting from a non-occupational accident
- breast prostheses (initial or replacement every 2 or 3 years) and surgical brassieres (up to 3 per year) following a mastectomy
- hair replacement unit following sickness (lifetime maximum of \$250)
- plastic surgery resulting from a non-occupational accident
- purchase or rental of medical equipment such as a wheelchair or hospital bed
- glucometer
- respiratory equipment, including oxygen and an iron lung

- kidney dialysis equipment
- blood pressure monitor
- products required for a colostomy, ileostomy or incontinence
- medicated bandages or surgical bandages for burns
- hypodermic syringes
- artificial limbs or eyes and orthopedic appliances (rigid or semirigid) for legs, back, neck or arms, required as the result of an injury or illness
- canes, walker, crutches, splints, casts, tubes, catheters and trusses
- diabetic products (syringes, needles, insulin and home testing products: lancets, Clinitest and dextrose sticks)
- intrauterine devices (1 every 3 years)
- support stockings (elastic or medical elastic compression stockings up to 4 pairs per year) required for a circulatory problem or swelling in the legs
- contact lenses or glasses following a cataract operation (lifetime maximum of one pair)
- synvisc administered by a doctor

Before incurring major expenses to purchase medical equipment, you should submit a description of the equipment you need to purchase to the insurer with a letter from your treating physician stating the nature of your disability and the estimated duration of use of the medical equipment.

**Not eligible:** items for personal comfort, convenience, physical fitness or safety, such as heat lamps or heating pads, communication devices, air conditioners or purifiers, saunas or whirlpool baths.

## Exclusions and Restrictions

The following expenses will not be reimbursed:

- expenses or fees that are not listed as eligible expenses
- expenses incurred for periodical medical examinations or examinations for insurance or for travel to a health spa
- drugs prescribed for purposes other than those approved by Health Canada, including experimental treatments or those administered as part of a clinical study or in a hospital
- expenses for treatment of infertility
- dental expenses, except those related to an accident
- equipment, services and care:
  - for which reimbursement is prohibited by law
  - that may be obtained under a government program or legislation
  - provided free of charge without this plan
  - not prescribed or approved by a physician
  - unnecessary or excessive
  - required for an examination, inoculation or treatment requested by a group or employer.

You may not receive benefits if the health care dispensed is for a disability related directly or indirectly to one of the following events:

- declared or undeclared war
- insurrection or rebellion
- participation in a riot or civil unrest
- self-inflicted injury
- perpetration or attempted perpetration of assault or a criminal act.

## Travel Assistance

You and your dependents are covered should a medical emergency arise while travelling outside your province of residence, up to a maximum stay of six weeks. The Travel Assistance brochure is available on your ReFlex web portal in the Communication section under Forms.

If you require medical assistance during a trip, contact WA as soon as possible (before receiving treatment); WA will ensure that you obtain appropriate care without incurring unnecessary costs. WA's multilingual call Service is open 24 hours a day, 365 days of the year.

You can contact WA at one of the telephone numbers on your employee benefits card. You absolutely must carry this card with you at all times because it is the only way for the agent to verify that you are insured and to guarantee payment to the medical institution where care is provided.

There are four main parts to the travel assistance plan:

- 1 medical assistance service
- 2 emergency medical care
- 3 transportation services
- 4 personal assistance and legal services

For more information about this plan, please read the explanatory brochure available in the Web-based tool FlexIt360.

Your dependents who are full-time students or trainees in a foreign country will be covered for 6 months rather than the usual maximum of 6 weeks.

# DENTAL CARE

The ReFlex dental care plan is intended to help you and your family pay certain dental expenses.

This coverage is optional. If you insure your family, you must also insure yourself under the same option. Your level of dental care coverage may be different from the one you have chosen for health care.

Please refer to the **Changing Benefits Options** section on page 42 for information on the rules that apply to making coverage changes.

## Table of Benefits

	OPTION 1	OPTION 2	OPTION 3
<b>ANNUAL DEDUCTIBLE</b>	\$0		
<b>FEE GUIDE<sup>1</sup></b>	Previous year	Current year	
<b>INITIAL FULL EXAMINATION</b>	Every 36 months		
<b>REGULAR EXAMINATIONS</b>	1 every 9 months	1 every 6 months	
<b>REIMBURSEMENT OF ELIGIBLE EXPENSES<sup>2</sup></b>			
Preventive services	75%	90%	100%
Minor restorative services	75%	80%	90%
Endodontics and periodontics	50%	80%	90%
Major restorative services	50%	50%	60%
Orthodontics	Not covered	50%	60%
<b>MAXIMUM REIMBURSEMENT</b>			
All services (except orthodontics)	\$1,000 / calendar year	\$2,000 / calendar year	\$2,500 / calendar year
Orthodontics	Not covered	\$2,500 / lifetime	\$3,000 / lifetime

- 1 The amounts reimbursed for dental care are based on the **dental fee guide** published by the dental association in the employee's province of residence. This guide describes the various oral and dental treatments and suggests fees for each treatment. Your dentist may charge higher or lower fees than those in the guide. The reimbursement under the plan will be based on the lower of the fees charged by the dentist and the fees suggested in the guide for the year stipulated in the option selected
- 2 Amounts per insured.

## Considerations

When choosing your level of dental care coverage, you may want to consider the following:

- To figure out the total cost of each option, add the cost of the option itself to any eligible expenses payable by you. This will give you a better basis for comparison.
- Are most of your dental care expenses for routine exams and cleaning? Have you taken into account the Health Expense Reimbursement Account (HERA), described on page 40
- Do you already have other sources of benefits, such as the dental care plan of your spouse's employer? If so,
  - did you know that you can claim reimbursement of expenses from both plans (up to a maximum of 100% of eligible expenses)?
  - have you considered opting out of the Resolute Forest Products dental care plan? This would free up flex dollars for other benefits or for deposit in your HERA.
- Are your dental expenses normally low, moderate or significant? What have your bills been like in the last two years?
- What kind of expenses do you and your insured dependents expect to incur in the near future? Will anyone need special treatments?
- Are you willing to pay a higher price for coverage that pays a higher percentage of covered expenses?

## Description of Benefits

Dental services or appliances must be provided by a certified dentist, except for scaling and cleaning of teeth which may be done by a certified dental hygienist.

### PREVENTIVE SERVICES

- Initial full dental examination (every 36 months)
- Regular examinations (monitoring, cleaning, scaling)<sup>1</sup>
- Application of sodium fluoride<sup>1</sup>
- Interproximal x-rays<sup>1</sup>
- Complete and panoramic x-rays (every 36 months)
- Root planing and equilibration<sup>1</sup>
- Pit and fissure sealant (only once per tooth for children under age 18)
- Oral hygiene instructions<sup>1</sup>

<sup>1</sup> For options 1 and 2: 1 every 9 months.  
For option 3: 1 every 6 months.

## MINOR RESTORATIVE SERVICES

- Extractions
- Surgery including wisdom teeth
- Antibiotic injections
- Anesthetic and its administration
- Space maintainers for missing teeth
- Habit-breaking devices, including molds
- Veneers for restoration but not for cosmetic reasons
- Amalgam, acrylic resin or composite fillings
- Installation of stainless steel crowns
- Laboratory tests and analyses
- Emergency examinations and x-rays
- Treatment consultation and planning
- Excision and incision

## ENDODONTICS AND PERIODONTICS

- Surgical and nonsurgical endodontics, including root canal treatments
- Care of gums and oral tissues
- Periodontal scaling, subject to a maximum of 10 units of time per year (a unit of time is 15 minutes)

## MAJOR RESTORATIVE SERVICES (DENTURES, BRIDGES AND CROWNS)

- Removable dentures, partial or full, temporary or permanent
- Adjustment of dentures, 3 months after installation
- Crowns, inlays and onlays
- Initial installation of a bridge
- Replacement of partial or full dentures or a bridge<sup>1</sup>, 5 years after installation (subject to certain restrictions)

1 You must submit a document to the insurer from the treating dentist explaining the reasons for the replacement (irreparable, interferes with the temporomandibular joint, etc.).

- Relining, rebasing or repair of dentures<sup>2</sup>
- Repair, resurfacing or recementing of crowns, inlays, onlays and bridges
- Gingivoplasty and stomaplasty
- Osteoplasty
- Frenectomy
- Extraction of erupted teeth
- Removal of cysts and tumors

2 Full dentures may be installed, adjusted, repaired, rebased or relined by a licensed dentist, dental therapist, dental technician or dental mechanic.

Please note that the cost of an implant is not covered, but will instead be reimbursed based on the cost of an equivalent and less expensive alternate treatment.

## ORTHODONTICS

- Diagnostic examinations, including molds
- Treatment and appliances
- Correction of malocclusion

## Treatment Plan

You and your dependents must provide the insurer with a treatment plan for any series of treatments exceeding \$500. Series of treatments means those dispensed by one or more dentists to treat a pathological condition diagnosed during an oral examination.

## Exclusions and Restrictions

Please note that the following expenses, services and treatments are not eligible expenses:

- any dental care expenses reimbursed by another plan of an employer or a government
- hospitalization expenses resulting from a dental injury or disease: such emergency care is covered under the health care plan
- cosmetic treatments
- fees charged to fill out forms and for travel, telephone or other consultations
- missed appointments
- experimental treatments
- treatment that would be free of charge without this plan
- nutritional counselling
- oral protectors for sports
- dentures, including crowns and bridges, and their adjustment if they were ordered before this plan took effect or if they were installed or delivered after termination of the plan or more than 31 days after termination of your coverage
- full mouth reconstruction, vertical dimension correction, diagnosis or correction of temporomandibular joint dysfunction
- replacement of lost or stolen dentures
- self-inflicted mutilation, whether the insured is sane or insane
- Processes using gold instead of another material deemed suitable by current dentistry standards. In such cases, the reimbursement will be limited to the amount specified in the *Dental fee schedule* for the other suitable material.



# HEALTH EXPENSE REIMBURSEMENT ACCOUNT (HERA)

The purpose of the Health Expense Reimbursement Account (HERA) is to supplement your health and dental care coverage and maximize flexibility.

- 1 At the beginning of each year, any flex dollars that remain after you select your benefit options are transferred into the HERA. Only flex dollars are deposited in this account; the Canadian *Income Tax Act* does not allow other deposits. If you enrol in the plan during the year, the amount deposited in the HERA will be the prorated amount of flex dollars for the number of days remaining until the end of the year.
- 2 You can then use this amount to pay for a wide range of health and dental expenses recognized by the Canadian *Income Tax Act*.

Here is a partial list of eligible expenses:

- The health care deductible, depending on the option you selected
- The portion of eligible expenses not reimbursed under some health care or dental care options (for example, the coinsurance for the option selected, vision care in excess of the 24-month maximum, etc.)
- Smoking cessation products
- Diet counselling
- Television closed-caption decoders for the deaf
- Seeing-eye dogs
- Full-time services of attendants
- Pumps for people with asthma
- Travel for medical reasons
- Wheelchairs
- Home alterations required for someone who has become a paraplegic.

For more information on eligible expenses, please contact the insurance company.

- 3 You may use the HERA to reimburse expenses incurred for yourself, your spouse or your dependent children.
- 4 Under Canadian income tax regulations, unused flex dollars can be carried forward to the following year. However, carried-over amounts will no longer be available at the end of the second year, as shown in the following example.

<b>EXAMPLE</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
DEPOSIT, START OF THE YEAR	\$500	\$400	\$450
TRANSFER FROM PREVIOUS YEAR	-	\$300	\$400
<b>Balance, start of the year</b>	\$500	\$700	\$850
<b>AMOUNT SPENT</b>	\$200	\$250	\$600
UNSPENT BALANCE	\$300	\$450	\$250
UNSPENT DOLLARS FROM THE PREVIOUS YEAR	-	\$50 <sup>1</sup>	-
<b>Year-end balance</b>	\$300	\$400	\$250

<sup>1</sup> Amounts carried forward from the previous year (\$300) are used first to pay expenses for a given year to make the best use of flex dollars.

In the example, the 2009 use of \$250 is less than the amount carried forward from 2008 (\$300). The unused \$50 is no longer available.

Note that you have 12 months from the date expenses are incurred to claim reimbursement from the Health Expense Reimbursement Account.

Expenses incurred in a given year can be reimbursed only from amounts deposited at the beginning of the year or carried forward from the previous year. You must always submit the expenses incurred during a given year before beginning to submit those for the following year.

If you leave Resolute Forest Products, you will have **90 days** to claim reimbursement from the HERA for health and dental expenses incurred before your employment terminated.

- 5 Flex dollars deposited in your HERA are not taxable. However, **in Quebec**, the amount that you use, like the taxes and the insurer's administration fee, is taxable under provincial tax legislation.
- 6 To claim a reimbursement from the HERA, you must use the health care and dental care claim forms even if you have not selected coverage under those plans. Simply indicate in the appropriate section that you have a HERA. Eligible expenses will then be reimbursed in the following order:
  - expenses are paid by your health care or dental care plan first, according to the option you selected
  - the claim is coordinated with coverage under the spouse's plan (see the **Claims** section on page 46)
  - the balance of the claim is reimbursed with the flex dollars available in your account until the flex dollars are used up.

# CHANGING BENEFIT OPTIONS

When you enrol in the plan, you select your insurance benefits. You may change your options during the annual renewal period or when a major life event occurs, but certain rules must be followed.

## Annual Renewal Period

During the annual renewal period, you may change your amount of insurance or your level of coverage for yourself and your dependents according to the following rules:

### LIFE INSURANCE

You may increase or reduce the amount of insurance for yourself or your dependents. If you increase your insurance amounts, a health questionnaire is required. For more information, see the **Proof of Insurability and Health Questionnaire** section on page 11.

### ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

You may increase or reduce the amount of insurance for yourself or your dependents. No health questionnaire will be required.

### LONG-TERM DISABILITY

You may increase or reduce your level of coverage. If you increase your level of coverage, a health questionnaire will be required. If your monthly maximum amount exceeds \$19,000, a health questionnaire will also be required. For more information, see the **Proof of Insurability and Health Questionnaire** section on page 23.

### HEALTH CARE

You may switch to a higher option but must keep the same level of coverage for a minimum of **3 years** before changing to a lower option. Therefore, you may reduce your options on the January 1<sup>st</sup> following 3 full years of membership in the same option.

If your spouse or child is covered by ReFlex, he or she may only terminate his or her membership on the January 1<sup>st</sup> following 3 full years of membership, unless they are no longer considered dependents under the plan.

If you are on a temporary leave of absence during the annual renewal period, different rules apply. Please see the **Continuation of Benefits** section on page 44.

## DENTAL CARE

You may switch to a higher option from year to year but you must keep the same level of coverage for a minimum of **3 years** before changing to a lower option. Therefore, you may reduce your options on the January 1<sup>st</sup> following 3 full years of membership in the same option.

If your spouse or child is a ReFlex member, he or she may only terminate his or her membership on the January 1<sup>st</sup> following 3 full years of membership, unless they are no longer considered dependents under the plan.

If you previously waived dental care coverage and would now want to have this coverage, you must choose option 1 for the first year. The following year, you may choose to retain option 1 or switch to a higher option.

If you are on a temporary leave of absence during the annual renewal period, different rules apply. Please see the **Continuation of Benefits** section on page 44.

## Major Life Events

If a major life event occurs, you have **60 days** to change your benefits. Major life events are the following:

- marriage or a new common-law spouse
- divorce or separation
- eligibility or loss of eligibility to coverage under the plan provided by your spouse's employer
- birth or adoption of your first child
- death of your spouse or a dependent child
- your last child no longer meets the definition of dependent child.

When a major life event occurs, you may change the insurance amounts or levels of coverage for yourself and your dependents according to the following rules.

## LIFE INSURANCE

You may increase or reduce the amount of insurance for yourself or your dependents. If you increase your insurance, a health questionnaire will be required, except in the following situations:

- For benefits of up to 1 times your salary, no health questionnaire is required for you. For a higher amount, a health questionnaire is required.
- Up to \$50,000 no health questionnaire is required for your spouse. For a higher amount, a health questionnaire is required.
- dependent child: no health questionnaire is required until June 30, 2013. Effective July 1, 2013, no health questionnaire is required up to \$25,000. For a higher amount, a health questionnaire is required.

For more information, please see the **Proof of Insurability and Health Questionnaire** section on page 11.

## ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

You may increase or reduce the level of coverage for yourself or your dependents. No health questionnaire is required.

## LONG-TERM DISABILITY

You may increase or reduce your level of coverage. If you increase your coverage, a health questionnaire is required. If your monthly maximum amount exceeds \$19,000, a health questionnaire will also be required. For more information, please see the **Proof of Insurability and Health Questionnaire** section on page 23.

## HEALTH CARE AND DENTAL CARE

You may switch to a higher option. However, you will have to keep the same level of coverage for a minimum of **3 years** before choosing a lower-level option. Therefore, you may reduce your options on the January 1<sup>st</sup> following 3 full years of membership in the same option.

You may also add or cancel coverage for your spouse or dependent children.

## IMPACT ON YOUR PAYROLL DEDUCTIONS

If the total cost of your benefits increases as a result of your changes, your payroll deductions will be adjusted to take this additional cost into account.

If the total cost of your benefits reduces as a result of your changes, the impact on your payroll deductions or Health Expense Reimbursement Account depends on your situation at the time of the major life event.

- If you had a Health Expense Reimbursement Account, there will be no change.
- If you had payroll deductions, they will be reduced according to the reduction in the total cost of your benefits. If the total cost of your new benefits is less than your flex dollars, you will no longer have payroll deductions and will not be entitled to a Health Expense Reimbursement Account.

## Continuation of Benefits

### TEMPORARY LEAVES OF ABSENCE

Benefits for you and your dependents may continue as long as the required payroll deductions are paid during your absence. Eligible temporary leaves of absence are:

- maternity, paternity, parental or adoption leave
- authorized unpaid leave (your manager's approval is required)
- temporary layoff.

If you are absent during the annual renewal period, you may change your options according to the rules described in the **Annual Renewal Period** section on page 42.

If a major life event occurs during your leave of absence (birth or adoption of your first dependent child, for example), you may change your coverage within **60 days** of the event. For more information, see the **Major Life Events** section on page 43.

## DISABILITY

### Short-term disability

During this period, the benefit options you selected for yourself and your dependents are maintained in force at the level applicable at the time of your disability and applicable payroll deductions continue.

If the annual renewal period occurs during your short-term disability, you cannot change your life insurance, accidental death and dismemberment or long-term disability benefit. These benefits will remain the same as when your disability began. You may change your health care and dental care options, following the rules described in the **Annual Renewal Period** section on page 42.

Moreover, if a major life event occurs during a short-term disability, you may change your options for health care and dental care as set out in the **Major Life Events** section on page 43.

### Long-term disability

While you are receiving long-term disability benefits, your benefit costs are entirely paid by Resolute Forest Products and the coverage available to you is as follows:

- **Life insurance:** your insurance and that of your dependents remains the same as when your disability began.
- **Accidental death and dismemberment insurance:** your insurance and that of your dependents remains the same as when your disability began.
- **Long-term disability:** your benefit remains the same as when your disability began.
- **Health care:** you and your insured dependents covered for health care services at the time you become disabled, are entitled to the coverage in option 2.
- **Dental care:** you and your insured dependents covered for dental care services at the time you become disabled, are entitled to the coverage in option 1.
- **Health Expense Reimbursement Account:** you may use the available amounts (subject to the restriction noted on page 40), but no flex dollars will be added to this account while you are receiving long-term disability benefits.

You alone will be covered for the options mentioned above if you were not covered for health care and/or dental care when you became disabled.

You may not make any changes during the annual renewal period as long as you are on long-term disability. You are no longer eligible for flex dollars because the cost of your benefits is entirely paid by Resolute Forest Products.

Should a major life event occur during a long-term disability, you may review your list of dependents.

When you return to work, you may change your benefits according to the rules described in the **Annual Renewal Period** section on page 42.

# CLAIMS

## health care and dental care

You must submit your claims for reimbursement to the insurance company within **12 months** of the date the expenses are incurred. If you leave your job or retire, you have **90 days** to submit your claims.

To submit a claim, you must use the insurer's claim form: it is available in the Web-based tool FlexIt360. The policy and certificate numbers are on your employee benefits card.

When you purchase prescription drugs, there is no need to fill out forms. You only need to present your deferred payment card to the pharmacist and pay for your purchase. Your claim will be transmitted to the insurer automatically.

Should part or all of your expenses, including prescription drugs, not be covered under the plan, you may request a reimbursement from your HERA by filling out the claim form and ticking the appropriate box on the form.

It is important to attach the original invoices to the claim form, as well as the physician's prescription, if applicable.

### COORDINATION OF BENEFITS

If you or your dependents are members of another health care or dental care plan, the benefits will be adjusted so that the combined reimbursement does not exceed 100% of the expenses incurred.

#### **If all the plans provide for coordination of benefits**

- **Your own expenses** should first be submitted to the Resolute Forest Products plan.
- **Your spouse's expenses** should first be submitted to the plan of your spouse's employer.
- **Expenses for your dependent children** should be submitted first to the plan of the parent whose birthday<sup>1</sup> occurs first in the year (regardless of age).

1 For example, if you were born on August 11 and your spouse was born on March 20, claims should be submitted first to your spouse's plan.

#### **If your spouse's plan does not provide for coordination of benefits**

Your own expenses, your spouse's expenses and expenses for your dependent children should be claimed first from your spouse's plan.

# TAXABLE BENEFITS

Because the flex dollars allocated by Resolute Forest Products pay some or all of your benefit costs, they may be considered a taxable benefit. The taxable amount of employee benefits will appear on the T4 slip and Relevé 1 issued to you every year.

Tax rules vary depending on the province and the plan.

## Income Tax on the Cost and Taxes

	IN QUEBEC	OTHER PROVINCES
<b>HEALTH EXPENSE REIMBURSEMENT ACCOUNT</b>	Provincial income tax only on the portion you used, as well as taxes and related administration fees	Not taxable
<b>LIFE INSURANCE</b>	Federal and provincial income tax <sup>1</sup>	
<b>ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE</b>	Provincial income tax only	Not taxable
<b>LONG-TERM DISABILITY</b>	Premiums are not taxable, but any benefits you receive will be taxable income	
<b>HEALTH CARE AND DENTAL CARE PLANS</b>	Provincial income tax only	Not taxable

<sup>1</sup> Since the first \$10,000 in life insurance is a death benefit payable by Resolute Forest Products, the cost of this portion of the benefit will not be considered a taxable benefit.

To optimize tax efficiency under ReFlex, flex dollars will first be allocated to the cost of the long-term disability followed by dental care, health care, accidental death and dismemberment and life insurance.

## Tax Credit for Medical Expenses

Medical and dental expenses that are not covered by health and dental care plans and the costs you pay for these plans for yourself and your dependents are considered to be medical expenses under federal and provincial tax legislation, subject to applicable restrictions.

Keep all your receipts for these expenses so that you can include them in the calculation of your medical expenses credit. The taxable benefit for flex dollars paid by Resolute Forest Products for your health and dental care plans is also considered a medical expense in Quebec.

To find out the costs you pay for these plans, refer to your *Confirmation Statement* available in the Web-based tool FlexIt360.