

LIFE AND DISABILITY INSURANCE PROGRAM

**OPTIONAL GROUP LIFE INSURANCE PLAN
DEPENDENT GROUP LIFE INSURANCE PLAN**



FORD MOTOR COMPANY OF CANADA, LIMITED

**DECEMBER 2016
HOURLY EMPLOYEES
WHO ARE INCLUDED IN A BARGAINING UNIT**

This booklet is a summary of Ford of Canada's Life and Disability Insurance Program and the Optional and Dependent Group Life Insurance plans, which are designed to provide protection for hourly employees included in a bargaining unit.

It is to your advantage to know what benefits are available to you and your eligible dependents. Therefore, it is suggested you read this booklet carefully. This booklet describes these programs, however, the terms and conditions are set forth in the Collective Agreement(s) between the Company and the Union. The Collective Agreement(s) will govern where there is discrepancy between the language stated in this booklet and that in such Agreement(s).

The Group Life and Disability Insurance Program is provided under Group Policies/Contracts issued to Ford Motor Company of Canada, Limited by the Great-West Life Assurance Company Limited. The Optional Group Life and Dependent Group Life insurance plans are reinsured by Manulife Financial.

The Certificate-Booklet becomes applicable to you on the date specified in the applicable Collective Agreement, if you are then at work, otherwise, on the first day worked thereafter.

This booklet describes the principal components of the programs, however, it is impossible to cover every situation that may arise. If you need further information, ask your Personnel Services Representative or your Union Benefit Representative, who will be glad to be of assistance to you.

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LIFE AND DISABILITY INSURANCE PROGRAM - HOURLY EMPLOYEES ONLY

SCHEDULE OF BENEFITS

Life, Accidental Death & Dismemberment, and Disability Coverage Employees Under Age 65 and At Work On or After November 7, 2016 SCHEDULE OF BENEFITS – HOURLY EMPLOYEES

Base Hourly Rate ¹	Life Insurance	Accidental Death & Dismemberment Benefit ²	Weekly Accident & Sickness Benefits ³	Monthly Extended Disability Benefit	
				Schedule I ⁴	Schedule II ⁴
Up to but less than 20.25	46,000	23,000	500	1,740	1,915
20.25 but less than 20.60	46,500	23,250	510	1,770	1,945
20.60 but less than 20.95	47,500	23,750	520	1,800	1,980
20.95 but less than 21.30	48,500	24,250	525	1,830	2,015
21.30 but less than 21.65	49,000	24,500	535	1,860	2,045
21.65 but less than 22.00	50,000	25,000	545	1,890	2,080
22.00 but less than 22.35	50,500	25,250	550	1,920	2,115
22.35 but less than 22.70	51,500	25,750	560	1,950	2,145
22.70 but less than 23.05	52,500	26,250	570	1,985	2,180
23.05 but less than 23.40	53,000	26,500	575	2,015	2,215
23.40 but less than 23.75	54,000	27,000	585	2,045	2,245
23.75 but less than 24.10	54,500	27,250	595	2,075	2,280
24.10 but less than 24.45	55,500	27,750	605	2,105	2,315
24.45 but less than 24.80	56,500	28,250	610	2,135	2,350
24.80 but less than 25.15	57,000	28,500	620	2,165	2,380
25.15 but less than 25.50	58,000	29,000	630	2,195	2,415
25.50 but less than 25.85	58,500	29,250	635	2,225	2,450
25.85 but less than 26.20	59,500	29,750	645	2,255	2,480
26.20 but less than 26.55	60,500	30,250	655	2,285	2,515
26.55 but less than 26.90	61,000	30,500	660	2,315	2,550
26.90 but less than 27.25	62,000	31,000	670	2,345	2,580
27.25 but less than 27.60	62,500	31,250	680	2,375	2,615
27.60 but less than 27.95	63,500	31,750	685	2,405	2,650
27.95 but less than 28.30	64,500	32,250	695	2,440	2,680
28.30 but less than 28.65	65,000	32,500	705	2,470	2,715
28.65 but less than 29.00	66,000	33,000	710	2,500	2,750
29.00 but less than 29.35	67,000	33,500	720	2,530	2,780
29.35 but less than 29.70	67,500	33,750	730	2,560	2,815
29.70 but less than 30.05	68,500	34,250	735	2,590	2,850
30.05 but less than 30.40	69,000	34,500	745	2,620	2,880
30.40 but less than 30.75	70,000	35,000	755	2,650	2,915
30.75 but less than 31.10	71,000	35,500	760	2,680	2,950
31.10 but less than 31.45	71,500	35,750	770	2,710	2,980
31.45 but less than 31.80	72,500	36,250	780	2,740	3,015
31.80 but less than 32.15	73,000	36,500	785	2,770	3,050
32.15 but less than 32.50	74,000	37,000	795	2,800	3,080
32.50 but less than 32.85	75,000	37,500	805	2,830	3,115
32.85 but less than 33.20	75,500	37,750	815	2,860	3,150
33.20 but less than 33.55	76,500	38,250	820	2,895	3,180
33.55 but less than 33.90	77,000	38,500	830	2,925	3,215
33.90 but less than 34.25	78,000	39,000	840	2,955	3,250
34.25 but less than 34.60	79,000	39,500	845	2,985	3,280
34.60 but less than 34.95	79,500	39,750	855	3,015	3,315
34.95 but less than 35.30	80,500	40,250	865	3,045	3,350
35.30 but less than 35.65	81,000	40,500	870	3,075	3,380
35.65 but less than 36.00	82,000	41,000	880	3,105	3,415
36.00 but less than 36.35	83,000	41,500	890	3,135	3,450
36.35 but less than 36.70	83,500	41,750	900	3,165	3,480
36.70 but less than 37.05	84,500	42,250	905	3,195	3,515
37.05 but less than 37.40	85,000	42,500	915	3,225	3,550
37.40 but less than 37.75	86,000	43,000	920	3,255	3,580
37.75 but less than 38.10	87,000	43,500	930	3,285	3,615
38.10 but less than 38.45	87,500	43,750	940	3,320	3,650
38.45 but less than 38.80	88,500	44,250	950	3,350	3,680
38.80 but less than 39.15	89,000	44,500	955	3,380	3,715
39.15 but less than 39.50	90,000	45,000	965	3,410	3,750
39.50 and over	**91,000	**45,500	**970	**3,440	**3,780

**Life, Accidental Death & Dismemberment, and Disability Coverage
Employees Under Age 65 and At Work On or After November 7, 2016
SCHEDULE OF BENEFITS – SKILLED TRADE HOURLY EMPLOYEES**

Base Hourly Rate ¹	Life Insurance	Accidental Death & Dismemberment Benefit ²	Weekly Accident & Sickness Benefits ³	Monthly Extended Disability Benefit	
				Schedule I ⁴	Schedule II ⁴
Up to but less than 37.05	84,500	42,250	905	3,195	3,515
37.05 but less than 37.40	85,000	42,500	915	3,225	3,550
37.40 but less than 37.75	86,000	43,000	920	3,255	3,580
37.75 but less than 38.10	87,000	43,500	930	3,285	3,615
38.10 but less than 38.45	87,500	43,750	940	3,315	3,650
38.45 but less than 38.80	88,500	44,250	945	3,350	3,680
38.80 but less than 39.15	89,000	44,500	955	3,380	3,715
39.15 but less than 39.50	90,000	45,000	965	3,410	3,750
39.50 but less than 39.85	91,000	45,500	970	3,440	3,780
39.85 but less than 40.20	91,500	45,750	980	3,470	3,815
40.20 but less than 40.55	92,500	46,250	990	3,500	3,850
40.55 but less than 40.90	93,000	46,500	995	3,530	3,880
40.90 but less than 41.25	94,000	47,000	1,005	3,560	3,915
41.25 but less than 41.60	95,000	47,500	1,015	3,590	3,950
41.60 but less than 41.95	95,500	47,750	1,025	3,620	3,985
41.95 but less than 42.30	96,500	48,250	1,030	3,650	4,015
42.30 but less than 42.65	97,000	48,500	1,040	3,680	4,050
42.65 but less than 43.00	98,000	49,000	1,050	3,710	4,085
43.00 but less than 43.35	99,000	49,500	1,055	3,740	4,115
43.35 but less than 43.70	99,500	49,750	1,065	3,770	4,150
43.70 but less than 44.05	100,500	50,250	1,075	3,800	4,180
44.05 but less than 44.40	101,000	50,500	1,080	3,830	4,215
44.40 and over	102,000	51,000	1,090	3,865	4,250

**Maximum rate for production (unskilled) workers.

- 1 Base Hourly Rate to be used in determining benefit amounts for life, accidental death & dismemberment, weekly accident & sickness benefits, and extended disability benefits shall, for disabilities commencing, or for deaths occurring, after the employee has so worked, be:
 - (i) the employee's Base Hourly Rate for employees who last worked before September 21, 2009
 - (ii) the employee's Base Hourly Rate, plus the sum of (A) the cost-of-living allowance in effect on September 21, 2009, minus (B) \$.05, for employees who last worked on or after September 21, 2001 but before September 20, 2010;
 - (iii) the employee's Base Hourly Rate, plus the sum of (A) the cost-of-living allowance in effect on September 20, 2010 minus (B) \$.05, for employees who last worked on or after September 20, 2010.
- 2 Twice the scheduled amount may be payable for an occupational-related death.
- 3 Subject to reduction for other benefits described in the "Accident and Insurance" section on pages 10 through 13 and "Extended Disability Benefits" section on pages 13 through 15. Accident and Sickness Benefits subject to adjustment for short service employees as described in the "Short Service Employees" section on page 11.
- 4 Schedule II applies to eligible employees who, on their last day worked preceding a continuous period of disability, either have ten or more years of creditable service under the Retirement Pension Plan, or ten or more years of participation under Group Life and Disability Insurance. Schedule I applies to all other employees eligible for Extended Disability Benefits.

***Please note effective October 2009; Base hourly rate to be used in determining amounts for Life Insurance no longer includes COLA

YOUR COST

As a regular employee the Company pays for your Group Insurance Coverage for any month for which you receive pay from the Company for any time during the month and for certain months when you are away from work. Under certain conditions you may continue the insurance beyond these periods by paying a contribution toward the premium. See section "When You Stop Working for Any Reason Before Age 65", pages 16 through 20.

WHO IS ELIGIBLE FOR THE PROGRAM

The Life and Disability Insurance Program is available to you if you are a regular full-time Ford hourly-rated employee represented by the Unifor under the Collective Agreement effective November 7, 2016.

WHEN YOUR INSURANCE STARTS

Your coverage becomes effective as set forth below:

Category	Normal Effective Date *
Life and Accidental Death & Dismemberment Insurance: <ul style="list-style-type: none"> • Hire or Rehire • Reinstatement 	1st day of the month following date employed Date of reinstatement, if insured at last termination of employment.
Accident & Sickness and Extended Disability Benefit Insurance: <ul style="list-style-type: none"> • Hire or Rehire • Reinstatement 	1st day of the 4th month following date employed, and at work on that date; otherwise insurance takes effect on day of return to work. Date of reinstatement, if insured at last termination of employment.

* *If accident or sickness keeps you from work on the Normal Effective Date, the insurance does not take effect until the day you return to work.*

WHEN YOUR SCHEDULED AMOUNTS OF INSURANCE CHANGE

An employee who dies as a result of bodily injuries caused solely by employment with the Company, and as a result of an accident in which the cause and result are unexpected and definite as to time and place, will be considered insured for Life, Accidental Death and Dismemberment, and Survivor Income Benefits as of the date employment commenced, providing an accidental death benefit as described on page 9 would otherwise have been payable.

If a change in your regular hourly wage rate puts you into a new insurance bracket, there is an automatic change in the scheduled amounts of your benefits as follows:

If You Are in a New Insurance Bracket on	The Change Takes Effect On*
January 1 April 1 July 1 October 1	February 1 May 1 August 1 November 1

* *If accident or sickness keeps you from work on any date that a change would be effective, the change does not take effect until the day you return to work.*

HOW TO CLAIM BENEFITS

Claims should be reported to the Human Resources Representative at your location.

Written notice of accident or sickness and satisfactory proof of disability must be submitted to the insuring company within 60 days of the accident or commencement of disability from sickness, except that such 60 day period will not apply in the case of an employee who initially applies for Work Place Safety and Insurance benefits which are subsequently denied, provided the employee submits written notice of accident or sickness and proof satisfactory to the insurance company within 60 days of such denial. Proof of claim for the weekly indemnity benefit must be signed by the physician personally attending the employee. Benefits cannot be paid until satisfactory written proof has been submitted to the insuring company.

BENEFIT PAYMENTS

Life and Accidental Death and Dismemberment claims are paid promptly in one sum upon submission of satisfactory proof of death, accident or loss. If you so elect, the whole amount of death claims under such insurance coverages can be paid under a settlement option, so much per month or so much per year, with interest at a rate determined annually by the Insurance Company. If you do not elect a settlement option, your beneficiary may do so after your death.

Survivor Income Benefits are paid upon due proof of your death while insured and continuing proof of eligibility as a survivor. Subject to receipt of due proof, Accident and Sickness Benefits are paid to you weekly and Extended Disability Benefits are paid to you monthly, following the expiration of the maximum number of weeks for which you are entitled to receive Accident and Sickness Benefits.

Except for Survivor Income Benefits, your benefit payments are based upon your regular wage rate (exclusive of shift differentials, overtime, cost-of-living allowance or other extras) on the last day you worked preceding your death or disability, or if higher, on the scheduled amounts applicable to you as described on pages 2 and 3.

If you are assigned a lower rated job because of an occupational disability with a resulting loss in pay, your benefit payments are based on your base hourly rate at the time of the injury, during periods while you are at work and for which you receive weekly Work Place Safety and Insurance Benefits for such loss in pay.

SUBROGATION

In the event of any payment for services made by the insurance carrier under your Life and Disability Insurance Plan, such carrier shall acquire all the employee's or dependent's rights of recovery as a result of settlement or judgment brought against any person or organization, except against insurer's policies issued in the name of the employee or dependent.

RECOVERY OF BENEFIT OVERPAYMENTS

If it is determined that any benefits paid to you should not have been paid, or should have been paid in a lesser amount, you will receive written notice to repay the amount of the overpayment to the Insurer.

BENEFIT PAYMENTS (Continued)

If you fail to repay such amount of overpayment promptly, the Insurer may arrange to recover the amount of the overpayment by making an appropriate deduction or deductions from any future benefit payment or payments payable to you, or the Company at the Insurer's request, may make an appropriate deduction or deductions from future compensation payable to you by the Company.

LIFE INSURANCE

BENEFIT (through to retirement date)

If you die from any cause while insured, the amount for which you are insured is paid to the person you have named as beneficiary.

BENEFICIARY DESIGNATION (not applicable to Survivor Income Benefits)

Subject to the provisions of any applicable laws, you have the right to name the beneficiary of your choice, and to change your beneficiary at any time. The beneficiary is that designation last made as indicated on the records of the Company. Life Insurance and benefits for death under Accidental Death and Dismemberment Insurance are payable to your named beneficiary. If no valid beneficiary designation is in effect at your death, the insurance will be paid to your surviving spouse. *Spouse* means the person to whom you are legally married, or if there is no legally married spouse, the person, who is and has been for an immediately preceding continuous period of at least one year cohabiting and residing with you in a conjugal relationship and who has been publicly represented by you as your spouse. If your spouse is not living, the insurance will be paid to your surviving children equally; if none survive, to your surviving mother or father, or to both equally, if both survive; if there are no such survivors, to the executor or administrator of your estate.

ASSIGNMENT

Life Insurance is not assignable.

BENEFIT 10 OR MORE YEARS OF CREDITABLE SERVICE

If you have 10 or more years of creditable service under the Retirement Pension Plan* at retirement, your Life Insurance is continued for you until your death. However, the amount of insurance is gradually reduced (at the rate of 2% of the amount in force at retirement) each month after retirement until an ultimate amount of Life Insurance called *Continuing Group Life Insurance* (CGL) is reached.

CONTINUING GROUP LIFE INSURANCE BENEFIT FORMULA

The Continuing Group Life Insurance (CGL) amount is determined by multiplying by 1½% times your years of creditable service under the Retirement Pension Plan at retirement. This amount is then multiplied by the amount of Life Insurance in force at retirement.

LIFE INSURANCE (Continued)

The minimum amount of CGL is 15% of Life Insurance in force at retirement (with 10 years of creditable service) or \$5,000, whichever is greater.

SURVIVOR INCOME BENEFITS

PART I

Transition Benefits:

- \$875 to a surviving spouse with no dependent children (Class A, B, C)
- \$950 to a surviving spouse with a dependent child (Class A) or to a child who has no parent (Class B)

If you die while insured for Survivor Income Benefits, leaving one or more Survivors, as defined below, the Insurance Company will begin payment of not more than 24 monthly Transition Survivor Income Benefits provided at least one Survivor is living on the first day of the month following your death and then qualifies as your Survivor.

The first such benefit is payable on the first day of the month following the employee's death. Thereafter, a Monthly Survivor Income Benefit is payable on the first day of each of the next 23 months, but if, on the first day of any month after the employee's death, no person then living qualifies as his/her Survivor, no such Benefit is payable for that month or any subsequent month.

In any case in which your Class A eligible Survivor does not receive Survivor Income Benefits because of a waiver as described on page 9, any payments of Transition Survivor Income Benefits to your Class B or Class C eligible Survivor shall be determined as if the deceased Class A eligible Survivor had not waived such benefits. In no event, however, would any such benefit be paid to a Class B or Class C eligible Survivor for any month for which Transition Survivor Income Benefits would have been payable to the Class A eligible Survivor except for the waiver or for any month subsequent to 24 calendar months after the date of your death.

PART II

Bridge Survivor Income Benefits to a Class A Survivor

(who is 45 years of age or more on the date of death, or whose age when combined with the employee's years of creditable service under the Retirement Plan totals 55 or more, and following 24 Transition Income Benefit payments) –

The monthly amount payable to the survivor effective Oct 1, 2010 is \$875 or \$950 to a Survivor with a dependent child.

SURVIVOR INCOME BENEFITS (Continued)

Such benefits shall be payable as follows:

- (i) The Bridge Survivor Income Benefit will become payable commencing with the first month following the month for which the 24th monthly payment of the Transition Survivor Income Benefit is paid.
- (ii) The Bridge Survivor Income Benefit will cease to be paid immediately upon the occurrence of:
 - (a) the death of the Class A eligible Survivor, or
 - (b) her or his remarriage or acquiring a spouse, or
 - (c) attainment by Class A eligible Survivor of such age at which Old Age Security Benefits become payable under any federal legislation, as now in effect or hereafter enacted or amended, or
 - (d) the commencement of waiver period in accordance with the waiver provisions below.

Definitions for Survivor Income Benefits

Survivors are classified and defined as follows:

1. A *Class A Survivor* means the employee's spouse. Wherever *wife, husband or spouse* is used in Part I or Part II of this Section (Survivor Income Benefits) it shall mean the person to whom the employee is legally married, or it shall mean the person who is, and who has been for an immediately preceding continuous period of at least one year, cohabiting and residing with the employee in a conjugal relationship and publicly represented by the employee as his/her spouse. When more than one "spouse" exist, the employee shall designate the eligible spouse and provide proof of relation.
2. A *Class B Survivor* means the employee's child who, at the employee's death and at the time a Survivor Income Benefit first becomes payable to such child, is both unmarried and either (i) under 21 years of age or (ii) at least age 21 but under age 25 or (iii) totally and permanently disabled at any age over 21; provided, however, that a child under clause (ii) or (iii) must have been legally residing with and dependent upon the employee at the time of his death. A child ceases to be a Class B Survivor upon marrying, or if not totally and permanently disabled, upon reaching his or her 25th birthday. To qualify as the employee's child, the child must be one of the following:
 - (i) the employee's own child born prior to the first month following the employee's death;
 - (ii) the employee's legally adopted child or child with respect to whom he had initiated legal adoption proceedings which were terminated by his death;
 - (iii) the employee's step-child who resided with him at the time of his death;
3. A *Class C Survivor* means the employee's parent, for whom he had, during the calendar year immediately preceding his death, provided at least 50% of such parent's support, if such parent was:
 - (i) the employee's father or mother by blood relationship, or
 - (ii) the employee's adopting parent.

ASSIGNMENT AND ATTACHMENT

You may not assign your Survivor Income Benefits and your Survivors may not assign any Monthly Survivor Income Benefit that becomes payable. To the extent permitted by applicable law, Monthly Survivor Income Benefits are not subject to attachment or other encumbrance or subject to the debts or liability of any Survivor.

SURVIVOR INCOME BENEFITS (Continued)

WAIVER OF TRANSITION AND BRIDGE SURVIVOR INCOME BENEFITS

Your spouse may elect to waive the right to receive a Survivor Income Benefit under the insured plan in order to receive a survivor benefit under the Company's pension plan. This may be done by completing a waiver form furnished by the Insurance Company. It would be effective the first of the second month such waiver is received by the Insurance Company, or at the beginning of the period covered by the waiver, whichever is later. Your spouse may revoke such a waiver by completing the appropriate form furnished by the Insurance Company.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

BENEFIT

If you have an accidental bodily injury and die as a result of, and within one year of such accident, or incur any of the other losses described below as a result of, and within two years of such accident, you or your designated beneficiary will receive the following benefits, provided you are insured at the time of such injury and at the time of such loss:

Loss	Accidental Death and Dismemberment Benefit
Accidental death or accidental loss of more than one of the following: hand, foot, or sight of an eye. Accidental loss of use of more than one of the following: hand or foot.	Equal to one-half Life Insurance in force
Accidental loss of one of the following: hand, foot, or sight of an eye. Accidental loss of use of one of the following: hand or foot.	Equal to one-quarter Life Insurance in force

Loss of a hand or a foot means loss by severance at or above the wrist or ankle joint, and loss of sight of an eye means total and irrecoverable loss of sight.

Loss of Use means total and irrecoverable loss of the ability to perform every action the hand or foot was able to perform before the accident occurred, beyond correction by surgical or other means, including paralysis. No benefits will be paid for loss of use if benefits for loss by dismemberment of the same hand or foot are paid or payable as a result of the same accident. Loss of Use will be considered a loss only if it is continuous for one (1) year.

The total amount payable on account of more than one of the losses listed above in any one accident shall not exceed the amount equal to one-half the Life Insurance in force.

If loss of life results from accidental bodily injuries caused solely by employment with the Company, and results solely from an accident in which the cause and result are unexpected and definite as to time and place, the total amount payable as an Accidental Death and Dismemberment Benefit shall be the amount of Life Insurance then in force.

The benefit for accidental death is payable at your death to your beneficiary.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)

EXAMINATION

In the case of Dismemberment or Loss of Use claims, the Insurance Company has the right to have you examined as often as it may reasonably require, at its expense, while the claim is pending. It also has the right to make an autopsy, where not forbidden by law, in connection with Accidental Death claims.

EXCLUSIONS

No payment shall be made for any loss caused wholly or partly, directly or indirectly, by:

- Disease or bodily or mental infirmity, or medical or surgical treatment thereof;
- Any infection, except infection caused by an external visible wound accidentally sustained;
- Self destruction or intentionally self-inflicted injury, while sane or insane;
- War, or any act of war, whether declared or undeclared;
- The employee's act of aggression, participation in a felonious enterprise or illegal use of drugs.

ASSIGNMENT

Accidental Death and Dismemberment Insurance is not assignable.

ACCIDENT AND SICKNESS INSURANCE

ELIGIBILITY REQUIREMENTS

To be eligible for benefits you must:

- become wholly and continuously disabled by accidental bodily injury or sickness, while insured for Accident and Sickness Insurance;
- be unable to perform all duties of your occupation;
- be under a doctor's care and *
- furnish the Insurance Company with written notice and satisfactory proof of disability within 60 days of the accident or commencement of Disability from sickness.

* *If you are under treatment for alcohol or drug abuse in a residential or outpatient substance abuse treatment facility which is approved for benefits under the Hospital-Surgical-Medical-Drug Program, you will be considered as being under a doctor's care if you furnish certification of disability which is provided by the facility's physician director or a physician consultant selected by the facility, based on information furnished by and upon the recommendation of the therapist who is supervising your treatment. Such physician director or physician consultant must be a licensed doctor of medicine.*

Treatment and disability certification from a licensed Nurse Practitioner will be accepted to satisfy the under the doctors care requirement shown above for Accident and Sickness claims, pursuant to the following provisions:

1. *The licensed Nurse Practitioner must be practicing within the scope and qualifications of his/her license; and*
2. *If the disability absence exceeds the lesser of the recommended disability duration guidelines employed by the Insurance Company or four (4) weeks, ongoing certification must be provided by a licensed physician; and*
3. *A licensed Nurse Practitioner cannot provide disability certification to substantiate any Extended Disability Benefits claims.*

ACCIDENT AND SICKNESS INSURANCE (Continued)

COMMENCEMENT OF BENEFITS

If you are eligible for Benefits as the result of:

- (a) An Accident - Benefits begin the first regular work day of disability;
- (b) A Sickness - Benefits begin the first regular work day following the seventh day of disability, or the first regular work day
 - (i) that you are hospital-confined at least 18 hours, or the hospital charged you for board and room; or
 - (ii) the day that you have an outpatient surgical procedure for which a payment of \$25 or more is scheduled or payable under the Hospital-Surgical-Medical program, or
 - (iii) in the case of a female employee who seeks sanctuary at a Women's Shelter the first regular work day she otherwise qualifies for Accident and Sickness Benefits.

A day of disability includes any day that you worked less than four hours.

DURATION OF BENEFITS

You are eligible for benefits for as many weeks as any one accident or illness keeps you disabled with a limit of fifty-two (52) weeks prior to January 1, 2017, fifty-one (51) weeks on or after January 1, 2017, for one continuous period of disability. (For pregnancy, see (k) below.) Benefits stop when you are able to return to work.

In addition to the time limits above, Accident and Sickness Benefits are further limited for one continuous period of disability due to accident or illness to the lesser of fifty-two (52) weeks, prior to January 1, 2017, fifty-one (51) weeks on or after January 1, 2017, or a period equal to the time at commencement of disability, since your most recent hire or rehire, except that if, at the date of expiration of the period Accident and Sickness Benefits are payable, you are, for the same disability, confined in a hospital or are receiving lost time benefits because of employment with the Company under Work Place Safety and Insurance Benefits laws or other laws providing benefits for occupational injury or diseases but excluding specific allowances for loss or 100 percent loss of use of a body member, benefits continue to be payable while you continue to be so confined or to receive such lost time benefits, but in no event after fifty-two (52) weeks, prior to January 1, 2017, fifty-one (51) weeks on or after January 1, 2017 of such benefits (for disability resulting from pregnancy, see (k) below) have become payable for that continuous period of disability.

One continuous period of disability includes successive periods of disability due to the same or related causes, unless before the later period of disability begins, you have returned to work with the Company:

- (i) three or more consecutive working days, if the earlier period of disability ended before the Weekly Benefits became payable, or
- (ii) seven or more consecutive working days, if Weekly Benefits were payable for any part of the previous period of disability.

You shall have been deemed to have returned to work only if you work four or more hours on each working day.

If you become disabled again by a new illness or accident, you can make a new claim for benefits. You can also make a new claim for benefits if an old accident or illness disabled you again, providing you have been back to work as described above.

SHORT SERVICE EMPLOYEES

The weekly Benefit amount for any period that you would otherwise be eligible for benefits during any period of disability occurring prior to the day one year of seniority is attained shall be 75% of the benefit amount set forth in the Schedule of Benefits on page 2.

ACCIDENT AND SICKNESS INSURANCE (Continued)

EXAMINATION

The Insurance Company has the right to have you examined, at its expense, while the Accident and Sickness claim is pending or being paid. Failure to report for such examination may result in the denial of Accident and Sickness Benefits.

EMPLOYMENT INSURANCE COMPENSATION

You are not entitled to Accident and Sickness Benefits while you are eligible for employment insurance benefits under any employment compensation law.

WORK PLACE SAFETY AND INSURANCE BENEFITS

Your Accident and Sickness Benefits are reduced by the amount of any lost time Work Place Safety and Insurance benefits to which you are entitled. However, there will be no reduction in Accident and Sickness Benefits for Work Place Safety and Insurance Benefits payments for loss of member or 100% loss of use of member, or permanent partial disability payments for a work-related disability unrelated to the disability for which Accident and Sickness Benefits are payable.

Accident and Sickness Benefits are not payable for an occupational disability if you have rejected or otherwise waived your rights to coverage under the Work Place Safety and Insurance Benefits Law applicable to you.

ACCIDENT AND SICKNESS BENEFITS FOR LESS THAN A WEEK

Accident and Sickness Benefits for less than a full week are determined on the basis of one-fifth of the Weekly Benefit for each regular work day of disability.

PAY FROM THE COMPANY

Accident and Sickness Benefits are not paid for any day for which you are entitled to holiday pay from the Company, or receive pay from the Company for at least eight hours. If you received pay for any day for less than eight hours, any Accident and Sickness Benefits for which you may otherwise be eligible for that day shall not exceed the difference between eight hours and the number of hours paid, multiplied by your base hourly rate.

WAIVER OF BENEFITS

If you have one or more years of service you may waive irrevocably any right to receive Accident and Sickness Benefits with respect to any period of disability by completing a waiver form furnished by the Insurance Company for that purpose. No Accident and Sickness Benefits shall be payable to you for any period of disability covered by such waiver.

REINSTATED ACCIDENT AND SICKNESS BENEFITS
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BENEFIT

The Weekly Benefit is equal in amount to the Accident and Sickness Benefit as shown in the Schedule of Benefits on page 2.

REINSTATED ACCIDENT AND SICKNESS BENEFITS (Continued)

ELIGIBILITY REQUIREMENTS

To be eligible for benefits, you must:

- become wholly and continuously disabled while on a qualifying layoff as defined in the Ford- Unifor Supplemental Unemployment Benefit Plan (SUB Plan) while insured for Life Insurance, and
- have been eligible for a Regular Benefit under the SUB Plan or ineligible solely because of allocation of vacation pay as earnings, or have been employed by another employer, immediately prior to your becoming disabled, and
- apply for the benefit and furnish the Insurance Company with satisfactory proof of disability, and

With respect to each week for which a benefit is claimed you also must

- be unable to perform all duties of your occupation,
- be under a doctor's care (See * under Accident and Sickness Eligibility Requirements on page 10) and
- have to your credit at least a Credit Unit under the SUB Plan.

PAYMENT OF BENEFITS

Benefits start on the first day following the last day for which a Regular Benefit under the SUB Plan was payable to you if you were receiving Regular Benefits immediately prior to your becoming disabled; otherwise, on the first day of qualifying disability. No benefit is payable beyond the time that you no longer satisfy the disability requirements except that, if you remain on qualifying layoffs under the SUB Plan benefits shall be payable for remaining days in the same week for which you do not receive a Regular SUB Benefit.

SUSPENSION OR REDUCTION OF BENEFITS

No benefit is payable for any week in which:

- you receive a Regular Accident and Sickness or Extended Disability Benefit, or
- the Credit Unit Cancellation Base is below the applicable dollar amount at which a SUB Benefit is payable in accordance with your seniority as provided under the SUB Plan.

The benefit for any week is reduced by the amount of any disability benefit you receive for the same week under a plan financed in whole or in part by another employer, and by the amount of any employment compensation received.

OTHER ACCIDENT AND SICKNESS PROVISIONS

Except as specifically modified herein, reinstated Accident and Sickness Benefits as provided above shall be governed by the applicable Accident and Sickness Insurance provisions on pages 10 through 13.

EXTENDED DISABILITY BENEFITS

ELIGIBILITY FOR BENEFITS

If you are insured for Accident and Sickness Benefits and at the date of expiration of your maximum entitlement to receive Accident and Sickness Benefits and during a continuous period of disability are totally disabled, you may receive monthly Extended Disability Benefits for the period described in the section entitled "Commencement and Duration of Benefits", appearing on page 15.

EXTENDED DISABILITY BENEFITS (Continued)

You are *totally disabled* if you are not engaged in any regular occupation or employment for remuneration or profit and are prevented by bodily injury or disease from engaging in any regular occupation or employment with the Company at the plant or plants where you have seniority.

AMOUNT OF BENEFIT

The monthly Extended Disability Benefit is the applicable amount shown in the Schedule of Benefits, page 2, less an amount equal to the monthly equivalent of the total of the following benefits for which you are eligible:

- A. Lost time benefits under Work Place Safety and Insurance Benefits laws or other laws providing benefits for occupational injury or disease, including lump sum settlements, but excluding specific allowances for loss, or 100 percent loss of use, of a body member, or permanent partial disability payments for a work-related disability unrelated to the disability for which Extended Disability Benefits are payable.
- B. Disability or old age benefits to which you are entitled under any existing or future provincial or federal legislation providing similar benefits, except old age benefits reduced because of your age at which you receive them, or payable on a "needs" basis, and
- C. Benefits under any provincial or federal law providing benefits for working time lost because of disability.
- D. All benefits under any retirement plan for the Company's employees;

In determining the amount by which Extended Disability Benefits are reduced:

- A. The monthly equivalent of benefits paid on a weekly basis are computed by multiplying the weekly benefit rate by 4.33, and
- B. Lump sum settlements under Work Place Safety and Insurance Benefits laws result in reductions of Extended Disability Benefits equal to the monthly equivalent of the amount of the Work Place Safety and Insurance Benefits to which you would have been entitled under applicable law had there been no lump-sum payment, but not to exceed in total the amount of the settlement.
- C. The amount of the benefit under A, B, C and D in the first paragraph above is not increased for the purpose of reducing your Extended Disability Benefits, except that the amount of such increases is not disregarded if it represents an adjustment in the original determination of the amount of such benefit.

Extended Disability Benefit computations presume you are eligible for Canada Pension or Quebec Pension disability benefits and disability retirement benefits under the Retirement Pension Plan.

However, such presumption of Retirement Pension Plan disability retirement benefits is not made with respect to any Extended Disability Benefit payments due for the 12 month period immediately following the date of expiration of the maximum number of weeks for which you are entitled to receive Accident and Sickness Benefits. Amounts deducted from Extended Disability Benefits on this basis are paid upon presentation of satisfactory evidence that these benefits were applied for and denied, provided, however, that a reduction in Extended Disability Benefits is made in an amount equal to statutory disability benefits (benefit of disabled contributor only) that would have been payable except for your refusal to accept vocational rehabilitation services.

The Insurance Company may require you to certify or furnish verification of the amounts of your income from sources indicated above before and during receipt of Extended Disability Benefits.

Benefits payable for less than a full calendar month are prorated on the basis of the ratio of calendar days of eligibility to total calendar days in the month. Beginning October 1, 2002, the net monthly Extended Disability Benefit for employees receiving EDB will be indexed annually at a rate of 90% of the average annual change in the Consumer Price Index as of the preceding July up to a maximum change in the CPI of 5%.

EXTENDED DISABILITY BENEFITS (Continued)

COMMENCEMENT AND DURATION OF BENEFITS

Extended Disability Benefit payments commence the day following the last day of disability included within the period for the maximum number of weeks Accident and Sickness Benefits (including weeks in which your Accident and Sickness Benefits may have been partially or wholly offset because of receipt of Work Place Safety and Insurance Benefits).

The maximum period during which Extended Disability Benefits may be payable shall be as follows:

- *Employees with less than ten years of seniority at the commencement of disability*, Extended Disability Benefits may be payable for the number of your full months of seniority less the maximum number of weeks for which you were entitled to receive Accident and Sickness Benefits.
- *Employees at work on or after November 18, 1984 who have ten or more years of seniority at the commencement of disability*, Extended Disability Benefits may be payable to the end of the month in which the employee attains age 65 commencing with the expiration of the maximum number of weekly Accident and Sickness Benefits.

In no event will Extended Disability Benefits be payable beyond the date of your death, the end of the second month in which you attain age 65, or the time that you no longer satisfy the disability requirement.

If your return to work with the Company is not effective to qualify you for a new period of Accident and Sickness Benefits (i.e. an ineffective return to work), or if you engage in some gainful occupation or employment other than one for which you are reasonably qualified by education, training or experience, you will continue to be considered disabled for Extended Disability Benefit purposes but your benefit will be suspended for such a period.

If you commenced receipt of Extended Disability Benefits and monthly benefits are discontinued because you no longer satisfy the disability requirement, and within two weeks of the effective date of such discontinuance and before you return to work with Ford, you again become disabled so as to satisfy the disability requirement, monthly Extended Disability Benefits will be resumed.

For purposes of applying the maximum period for monthly Extended Disability Benefits, a month in which such benefits are partially or wholly offset by benefit payments from sources listed in the "Amount of Benefit" section, page 14, or suspended during any ineffective return to work or not paid while you engage in some gainful occupation or employment for which you are not reasonably qualified by education, training or experience or not paid between periods of disability under the circumstances described in the two paragraphs above, is counted as a full month. Fractions of the first and last month are counted as fractions of a month.

The cumulative total number of months during any previous periods of eligibility for Extended Disability Benefits, regardless of whether for the same or related disabling conditions, reduces the maximum number of monthly benefit payments for which you are otherwise eligible when Extended Disability Benefits again commence.

REHABILITATION

Work which is determined to be primarily for training under a recognized program of vocational rehabilitation will not disqualify you for Extended Disability Benefits if you would otherwise be eligible.

PROOF OF DISABILITY

The Insurance Company may require, as a condition of eligibility, that you be examined by a physician designated by it and at its expense for the purpose of determining your initial or continuing disability.

EXTENDED DISABILITY BENEFITS (Continued)

WAIVER OF BENEFITS

You may waive irrevocably any right you may have to receive Extended Disability Benefits with respect to any period of disability by completing a waiver form furnished by the Insurance Company for that purpose. No Extended Disability Benefits shall be payable for any period of disability covered by such waiver.

WHEN YOU STOP WORKING FOR ANY REASON BEFORE AGE 65

Contributions*, if any, which you may make for continuing any of the insurance coverages under any of the situations described below may not be continued beyond the month in which you become age 65. At the end of such month all insurance other than Life Insurance terminates and your Life Insurance becomes subject to the provisions outlined on pages 6 and 7.

* See "Payment of Premiums", page 19, for circumstances under which you must contribute in order to continue insurance.

No insurance will be continued while you are working elsewhere except if you qualify under paragraph d, e, f, g, h, i, k or l on page 18, or if you are on Leave of Absence for public or political office or union business, or for any month for which Ford of Canada continues coverage without contribution by you.

a. Quit or Discharge

If your employment is terminated (except as provided under (h) and (i) on page 18) your coverage will terminate as follows:

1. If your employment is terminated by quitting or being discharged, coverage terminates as of the date you quit or are discharged, except that if you are discharged and have a grievance pending to protest your loss of seniority, coverage terminates as of the end of the month in which employment terminates.
Should you withdraw a grievance and undergo treatment for substance abuse, you may continue group life insurance, optional and dependent group life insurance by paying the premiums to the Company.
2. If your employment is terminated for failing to report or overstaying leave, coverage terminates as of the end of the month in which seniority is broken.
3. If your employment is terminated for reasons not otherwise provided for under this provision "When You Stop Working for Any Reason Before Age 65", coverage terminates as of the end of the month in which employment terminates.
4. If you are suspended or on strike, all your insurance coverage will be continued at Company expense for one month following the month in which the suspension or strike commenced.

Your Life Insurance and Survivor Income Benefits coverages remain in effect for 31 days following your last day worked. See "Conversion of Life Insurance" on page 21 for further information concerning your Life Insurance and Survivor Income Benefits.

WHEN YOU STOP WORKING FOR ANY REASON BEFORE AGE 65 (Continued)

b. Layoff

If you are laid off, all your insurance coverages will be continued for one month after the month in which you were laid off. In addition, Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefit coverage will be provided without cost to you during a layoff meeting the conditions of Section 1:02 of the Supplemental Unemployment Benefit Plan on the basis of the greater of: (i) one full calendar month of layoff (for which you receive no pay), not to exceed twenty-four months, for each full four weeks of Regular Benefits to which your Credit Units entitle you, pursuant to Article III of the Supplemental Unemployment Benefit Plan on the basis of your seniority and the Credit Unit Cancellation Base as of the last day worked prior to layoff*; or (ii) the number of months of coverage, up to a maximum of twenty-four, for which you would be eligible on the basis of your years of seniority as of the last day worked prior to layoff, in accordance with the following table:

Year(s) of Seniority on Last Day Worked Prior to Layoff	Maximum Number of Months for Which Coverage will be Provided Without Cost to You
Less than 1	0
1 but less than 2	2
2 but less than 3	4
3 but less than 4	6
4 but less than 5	8
5 but less than 6	10
6 but less than 7	12
7 but less than 8*	13*
8 but less than 9*	14*
9 but less than 10*	15*
10 and over	24

* Applicable to an employee at work on or after November 17, 2002

Such months of coverage under either of the above formulae will be for months following the last month for which coverages were provided under the first paragraph of this subsection "b. Layoff". If you remain on layoff beyond the period for which coverages are provided hereunder, you may continue Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefits coverage for up to an additional twelve months of layoff after the last month for which Ford pays by paying the applicable contributions referred to in "Contribution Schedule" on page 20.

* *If after the last day worked prior to layoff you are initially credited during such layoff with credit units under the SUB Plan, the Credit Unit Cancellation Base as of the date you are entitled to be credited with Credit Units will be used rather than as of the last day worked.*

c. Leave of Absence (Other than Sickness or Accident)

If you go on an approved non-medical leave of absence (except while serving in the capacity of National Union Representative) all of your insurance coverages will be continued for the first full month of the leave. Throughout the rest of such a leave of absence, you can continue all of your insurance coverages in force by paying the applicable contribution toward the cost in accordance with the applicable "Contribution Schedule" on page 20.

WHEN YOU STOP WORKING FOR ANY REASON BEFORE AGE 65 (Continued)

d. Leave of Absence Due to Accident or Sickness

If you cease active work because of a disability, the Company will continue all of your Insurance coverages while you are absent due to a disability for a period equal to your seniority when your absence commenced, or for any month you continue to receive Extended Disability Benefits (Accident and Sickness Insurance, or Extended Disability Insurance terminates when maximum duration of benefits is reached.) If you remain continuously and totally disabled beyond the period for which the Company pays the entire cost, you may continue your Life and Accidental Death and Dismemberment Insurance in force by paying a contribution towards the cost in accordance with the "Contribution Schedule" on page 20.

If you are placed on leave of absence due to accident or sickness as a result of a recall from layoff, the Company will provide Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefits coverage for any month while you remain totally and continuously disabled and on a medical leave of absence on the same basis as if you ceased active work because of disability.

e. Early and Special Early Retirement

If you retire early under the Retirement Pension Plan, the Company will continue your Life Insurance and Accidental Death and Dismemberment Insurance in force to age 65.

f. Disability Retirement

If you retire under the Disability Retirement Pension Plan, the Company will continue your Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefits coverage until age 65.

g. Uninsured Retirees

If you are an uninsured employee retiring before age 65 without returning to work from layoff or leave of absence, you will become insured on the first day of the month following the month in which you retire for the same amount you had in force while last working. Such coverage shall then be continued as provided in (e) or (f) above.

h. Termination (Excluding Retirement)

If your employment terminates for any reason (except retirement) within five years of your normal retirement date (or earlier, if you are still insured within five years of your normal retirement date) and you have at least five years of creditable service under the Retirement Plan as of the date which precedes by five years your normal retirement date, you may continue Life and Accidental Death and Dismemberment Insurance and Survivor Income Benefits coverage until your normal retirement date. Your monthly cost will be \$.50 per \$1,000 of Life Insurance you had in force while working. (See "Payment of Premiums" below, for circumstances under which you must contribute in order to continue insurance.)

i. While You Have a Grievance Pending

While you have a grievance pending to protest your loss of seniority from discharge, failure to report, overstaying leave or to protest a disciplinary suspension, you may continue your Life Insurance, Survivor Income Benefits coverage, and Accidental Death and Dismemberment insurance. If you are reinstated or if your suspension is reduced, the Company will reimburse you for premium payments that the Company would have paid had you remained at work. (See "Payment of Premiums" below, for circumstances under which you must contribute in order to continue insurance).

WHEN YOU STOP WORKING FOR ANY REASON BEFORE AGE 65 (Continued)

j. Substance Abuse

If your grievance has been withdrawn and you are undergoing treatment for substance abuse, you may continue your Life Insurance by paying the applicable contributions referred to in "Payment of Premiums" below.

k. Leave of Absence - Maternity

During an authorized Maternity Leave of Absence (to 17 weeks maximum) the Company will continue all of your insurance coverage in force for the duration of the approved leave.

l. Leave of Absence - Parental

During an authorized Parental Leave of Absence (to 35 weeks maximum) the Company will continue all your insurance coverage (except Disability Insurance) in force for the duration of the approved leave (subject to Provincial legislation).

PAYMENT OF PREMIUMS

(Not applicable in any case beyond the end of the month in which you become age 65.)

In all of the circumstances described in this section (except a. Quit or Discharge) the Company pays all or part of the premium. You must contribute your portion of the premium in order to keep your insurance in force when required to do so. The month for which you pay monthly contributions and the amount you should pay is shown as follows:

WHEN YOU STOP WORKING FOR ANY REASON BEFORE AGE 65 (Continued)

PAYMENT OF PREMIUMS

		Company Pays	Employee Then Contributes in Accordance with the Appropriate Contribution Schedule Below
1	Quit or Discharge	-	-
2	Layoff	First month and the further period provided in (b) above	II
3	Leave of Absence, except Medical & Union Leave	First month	I
4	Union Leave of Absence (Local Union)	First month	III
5	Union Leave of Absence (National)	Through month in which leave is issued	IV
6	Maternity/Parental	Duration of the approved leave	-
7	Medical Leave of Absence	Length of absence due to disability but not to exceed a period equal to seniority, or if greater, any further period of absence for which Extended Disability Benefits are paid	II
8	Early & Special Early Retirement	Entire period	-
9	Disability Retirement	Entire period	-
10	Termination Within 5 Years of Normal Retirement Date	-	II
11	While a Grievance Pending	-	II
12	Substance Abuse	-	II

Schedule I - A&S and Extended Disability coverage plus Life, AD&D Survivor Income Benefits and T.&P.D. @ 40¢ per month per \$10 Weekly A&S benefit + 50¢ per month per \$1000 Life Insurance

Schedule II - Life, AD&D Survivor Income Benefit and T.&P.D. @ 50¢ per month per \$1000 Life Insurance

Schedule III - A&S and Extended Disability coverage + Life, AD&D Survivor Income Benefits and T.&P.D. @ \$5 per month plus 60¢ per month per \$1000 of Life Insurance

Schedule IV - Life, AD&D Survivor Income Benefit and T.&P.D. @ 60¢ per month per \$1000 Life Insurance

WHEN YOU STOP WORKING FOR ANY REASON BEFORE AGE 65 (Continued)

YOUR CONTRIBUTIONS – Contact your Benefit Representative to confirm amounts payable.

Your contributions should be mailed or paid in person to:
The Cashier
Ford Motor Company of Canada, Limited
at your place of employment

Payments are due the 10th of each month for the succeeding month's coverage. Late payments are not acceptable and can result in permanent termination of Insurance.

The Company will not advise you of payments due. Responsibility for payments rests with you.

CONVERSION OF LIFE INSURANCE

PART I

IF ALL OF YOUR LIFE INSURANCE TERMINATES AFTER YOU CEASE ACTIVE WORK BUT BEFORE AGE 65

If you cease active work and are eligible for continued insurance beyond the end of the month in which you cease active work, as provided under the section *When You Stop Working For Any Reason Before Age 65*, your Group Life Insurance, including Survivor Income Benefits coverage, will stay in force:

- 31 days following the end of the period for which Ford pays the full cost, or
- If you are eligible to continue your insurance for an additional period beyond such month, 31 days following the end of the month for which premium contributions are paid and accepted, except that Survivor Income Benefits remain in force only as provided in section (f) on page 18 after you retire under the Retirement Plan.

If you cease active work and are not eligible for continued insurance beyond the end of the month in which you cease active work, as provided under the section *When You Stop Working For Any Reason Before Age 65*, your Life Insurance, including Survivor Income Benefits coverage, will stay in force 31 days following your last day worked.

During the applicable 31 day period, you may convert, without medical examination, to any individual policy of Life Insurance then customarily issued by the Insurance Company. The Insurer will provide an individual policy of (i) term insurance for a period of one year; (ii) term insurance to age 65; or (iii) Life insurance under any regular plan then being issued by the Insurance Company. This is done by making application and paying the required premium to one of the Great-West Life Assurance Company offices. The premium for the individual policy will be that required by the class of risk to which you belong, the form and amount of the individual policy, and your age. The maximum amount of the individual policy will be equal to the amount of your Group Life Insurance, including Survivor Income Benefits*, in force on the day immediately preceding the 31 day period during which you can convert to an individual policy. However, the individual policy may be in any lesser amount (minimum \$500) that you select.

* *In determining the maximum amount of individual Life Insurance to which you may convert, include the total of all Monthly Survivor Income Benefits that would have become payable to your Survivors under the section "Survivor Income Benefits" had you died on the day before the 31 day period for converting, assuming that persons who would have then qualified as your Survivors did not become ineligible for such Benefits because of marriage or death.*

CONVERSION OF LIFE INSURANCE (Continued)

PART II

IF YOU TERMINATE EMPLOYMENT AT AGE 65

You may convert to an individual policy of Life Insurance, without medical examination, as described in part I above, if you terminate employment at age 65, except that:

- (a) you must apply and pay the first premium for the individual policy within 31 days following your termination date, and
- (b) the maximum amount of the individual policy to which you may convert is reduced by the amount of Continuing Group Life Insurance for which you become eligible, and
- (c) when the individual policy becomes effective, your Group Life Insurance remaining in force will be reduced by the amount of such individual policy.

During the 31 day period for converting in accordance with this Part II, your Group Life Insurance, including Survivor Income Benefits, stays in force, except that Survivor Income Benefits do not stay in force after you retire under the Retirement Plan.

TERMINATION OF INSURANCE

Your insurance under this Program will terminate on the earliest of the following dates:

- (a) The date the Group Policy terminates;
- (b) The date of expiration of the period for which your last premium contribution (if any is required) is made;
- (c) The end of the month in which you are transferred to an ineligible class of employees;
- (d) With respect to each insurance coverage, the date of the provision of the policy relating to such insurance coverage terminates;
- (e) The end of the month in which you cease active work unless you continue your insurance coverage as provided in the section *When You Stop Working For Any Reason Before Age 65*;
- (f) The end of the day on which you quit or are discharged unless you have a grievance pending to protest your loss of seniority.

INSURANCE CERTIFICATION

The Great West Life Assurance Company Limited certifies that the Group Life, Survivor Income Benefits, Accidental Death and Dismemberment, Accident and Sickness, and Extended Disability Insurance Coverages described in this Certificate-booklet are provided for each eligible employee, as of the applicable effective date described under "When Your Insurance Starts", page 4.

The Insurance described in this Certificate-Booklet is subject in every respect to all of the provisions of the group policies or contracts issued to Ford Motor Company of Canada, Limited and any other Person, Firm or Corporation named in such policies as Employer. These policies or contracts may be amended or discontinued by Ford Motor Company of Canada, Limited or the Insurance Company in accordance with its terms, without the consent of or notification to the insured employees or any beneficiary. The Certificate-Booklet does not constitute a waiver of any of the terms or conditions of said policies or contracts, all of which are controlling whether or not mentioned herein.

GREAT-WEST LIFE ASSURANCE COMPANY LIMITED

DEPENDENT GROUP LIFE INSURANCE OPTIONAL GROUP LIFE INSURANCE

The Company will make available Dependent Group Life Insurance and Optional Group Life Insurance as outlined in Exhibits I and II. These optional plans offer valuable financial security by giving you the opportunity to buy insurance on yourself and the lives of your dependents.

Eligibility

To be eligible for these insurance plans, you must be a regular full time hourly-rated employee. Coverage is effective on the first of the fourth month following month of hire. To be eligible for the Dependent Life Insurance you must have an eligible dependent.

Enrollment

To enroll, complete the enrollment card, check the appropriate boxes and return to your Benefit Representative.

Conversion Privilege

If you are under the age of 65 and your Optional Life coverage under this policy ends for the following reasons:

- A. your employment ends
- B. you no longer qualify as an employee
- C. this policy ends
- D. the employee class you are in is no longer covered

you may convert your coverage to individual insurance.

If your spouse has not attained the age of 65 and his/her Dependent Optional Life coverage under this policy ends for the following reasons:

- A. your employment ends
- B. you die
- C. you no longer qualify as an employee
- D. this policy ends
- E. your insurance ends due to age
- F. the employment class you are in is no longer covered

you, or your spouse in the case of your death, may convert the spousal coverage to individual insurance.

Written application must be made to us accompanied by the first premium within 31 days after your coverage ends. This is called the 31-day conversion period. The individual insurance will not begin until the end of the 31-day conversion period. If you or your spouse die during the 31-day conversion period, we will pay the maximum amount of insurance you or your spouse was entitled to apply for.

The premium rate for the individual insurance will be based on:

- A. the Individual Life and/or Group rates,
- B. the amount of insurance, and
- C. for Employee Life Insurance, your age on the birthday closest to the date the policy starts.
- D. for Dependent Life Insurance, the age of your spouse on the birthday closest to the date the policy starts.

DEPENDENT GROUP LIFE INSURANCE - OPTIONAL GROUP LIFE INSURANCE (Continued)

We offer the following individual policy choices:

- A. One Year Term Plan, where premiums are paid annually or quarterly,
- B. Level Term to 70 Plan, which ends at age 70; or
- C. any other individual plan we are willing to offer.

The individual insurance policy will not include disability, accidental death or any other special benefits.

The amount of individual insurance will be limited by the following:

- A. It will not be less than the minimum amount of insurance we offer through any of the policy choices
- B. It will not be more than the employee's coverage under this policy reduced by the amount of coverage the employee is entitled to under a replacing carrier's group plan; and
- C. It will not be more than \$200,000.

In the event a request to convert your insured dependent child to an individual policy is necessary, such request should be made in writing to your Benefit Representative.

EXHIBIT I - DEPENDENT LIFE INSURANCE

Under this policy, you can purchase life insurance on your spouse and eligible dependent children through payroll deduction. Premiums are payable monthly in advance.

Definition of Dependent

Your spouse, "and any unmarried children" over 14 days of age, who are:

- your children by birth, legal adoption or legal guardianship; while such children legally reside with and are dependent upon you;
- your spouse's children who are in your spouse's custody, are dependent on your spouse and are residing with you;
- children as defined above who do not reside with you but are your legal responsibility for the provision of health care;
- children who reside with and are related to you by blood or marriage for whom you provide principal support and qualify as a dependent as defined by the Canadian Income Tax Act and who were reported as a dependent on your most recent income tax return or who qualify in the current year for dependency tax status.

Your spouse is the person to whom you are legally married or means the person who has been cohabiting and residing with you in a conjugal relationship for an immediately preceding continuous period of at least one year and has been publicly represented by you as your spouse. When more than one "spouse" exists, the employee shall designate the eligible spouse and provide proof of relation.

Children are included until the end of the calendar year in which they reach age 25, or regardless of age if totally and permanently disabled, provided that, after the end of the calendar year when any child reaches 25, that child continues to be dependent on you within the meaning of the Canadian Income Tax Act and legally resides with you as a member of your household. "Totally and permanently disabled" means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or to be long-continued or indefinite duration.

No person may be considered a dependent of more than one eligible employee.

The definition of Dependent used in this exhibit shall apply only to the Dependent Group Life Insurance set forth herein and shall be entirely independent of any such definition used for benefits as set forth in the H-S-M-D-D-V Program.

DEPENDENT GROUP LIFE INSURANCE - OPTIONAL GROUP LIFE INSURANCE (Continued)

Amount of Insurance

The amount of Dependent Group Life Insurance applicable to each Dependent is as follows:

Schedule	Spouse	Child	Schedule	Spouse	Child
I	\$ 5,000	\$ 2,000	VII	\$35,000	\$14,000
II	10,000	4,000	VIII	40,000	16,000
III	15,000	6,000	IX	45,000	18,000
IV	20,000	8,000	X	50,000	20,000
V	25,000	10,000	XI	55,000	22,000
VI	30,000	12,000	XII	60,000	24,000

Contributions

The full cost of Dependent Group Life Insurance is payable monthly, in advance. The required monthly contribution, regardless of the number of dependents on whose account you are insuring, is as set forth in the following table, which is subject to change:

Schedule	Under age								
	30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69
I	\$0.33	\$0.43	\$0.52	\$0.73	\$1.05	\$1.59	\$2.53	\$3.66	\$6.11
II	\$0.65	\$0.85	\$1.05	\$1.47	\$2.10	\$3.19	\$5.07	\$7.33	\$12.22
III	\$0.98	\$1.28	\$1.57	\$2.20	\$3.15	\$4.78	\$7.60	\$10.99	\$18.32
IV	\$1.31	\$1.70	\$2.10	\$2.93	\$4.20	\$6.38	\$10.14	\$14.65	\$24.43
V	\$1.63	\$2.13	\$2.62	\$3.66	\$5.25	\$7.97	\$12.67	\$18.32	\$30.54
VI	\$1.96	\$2.55	\$3.15	\$4.40	\$6.30	\$9.56	\$15.21	\$21.98	\$36.65
VII	\$2.29	\$2.98	\$3.67	\$5.13	\$7.35	\$11.16	\$17.74	\$25.64	\$42.76
VIII	\$2.61	\$3.41	\$4.20	\$5.86	\$8.40	\$12.75	\$20.28	\$29.30	\$48.87
IX	\$2.94	\$3.83	\$4.72	\$6.59	\$9.44	\$14.35	\$22.81	\$32.97	\$54.97
X	\$3.27	\$4.26	\$5.25	\$7.33	\$10.49	\$15.94	\$25.34	\$36.63	\$61.08
XI	\$3.59	\$4.68	\$5.77	\$8.06	\$11.54	\$17.53	\$27.88	\$40.29	\$67.19
XII	\$3.92	\$5.11	\$6.30	\$8.79	\$12.59	\$19.13	\$30.41	\$43.96	\$73.30

When a birthday places you in a higher age bracket, the monthly contribution will change on the first day of the calendar month following the month in which your birthday occurs.

Payment of Benefits

You are the beneficiary for Dependent Group Life Insurance. If a dependent dies from any cause while the insurance is in force, the amount of insurance in force on account of the dependent shall be paid in a lump sum to you.

The insurance is term insurance without cash, loan or paid up values.

Termination of Insurance

Dependent Group Life Insurance shall automatically cease on the earliest of the following:

1. The date you cease to have a dependent as defined above.
2. The date you cease to be insured for company-paid group life insurance as outlined in section 3 of Appendix R, of the Collective Agreement.
3. If you fail to make a required contribution for Dependent Group Life Insurance when due, the last day of the calendar month immediately preceding the month for which a premium payment was due.
4. The date of discontinuance of the Dependent Group Life Insurance policy.
5. The last day of the calendar month in which you attain age 70.

DEPENDENT GROUP LIFE INSURANCE - OPTIONAL GROUP LIFE INSURANCE (Continued)

The Dependent Group Life Insurance on account of any dependent shall automatically terminate when the person ceases to be a dependent as defined in this policy.

EXHIBIT II - OPTIONAL LIFE INSURANCE

As an hourly employee who is insured for the company-paid group life insurance as provided in Section 3 of Appendix R of the Collective Agreement, you shall become eligible for this Optional Group Life Insurance the first of the fourth month following the month of hire.

When Coverage Begins

When the date of written request is on or before the employee's eligibility date, the insurance shall become effective on the employee's eligibility date.

If you enrol within 31 days after your eligibility date or, if you enrol for Employee Life Insurance within 31 days after you have become legally married or acquired a child or children by birth or legal adoption, you will become insured on the first day of the calendar month next following your date of enrolment.

If you enrol more than 31 days after your eligibility date you will be required to furnish the Insurance Company with satisfactory evidence of insurability for yourself and each eligible dependent before insurance can become effective.

In any event, you must be actively at work on the date insurance would otherwise become effective. If you're not, the insurance will become effective on the date you return to active work.

Amount of Insurance

Amounts of insurance available under this policy are as follows:

Schedule I -	\$ 10,000	Schedule II -	\$ 20,000
Schedule III -	\$ 30,000	Schedule IV -	\$ 40,000
Schedule V -	\$ 50,000	Schedule VI -	\$ 75,000
Schedule VII -	\$100,000	Schedule VIII -	\$125,000
Schedule IX -	\$150,000	Schedule X -	\$175,000
Schedule XI -	\$200,000	Schedule XII -	\$225,000

DEPENDENT GROUP LIFE INSURANCE - OPTIONAL GROUP LIFE INSURANCE (Continued)

Contributions

You are required to pay the full cost of the Optional Group Life Insurance monthly in advance. The required monthly contribution is as set forth in the following table, which is subject to change:

Schedule	Under age								
	30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69
I	\$0.62	\$0.72	\$1.04	\$1.65	\$2.69	\$4.65	\$6.93	\$11.60	\$21.54
II	\$1.24	\$1.43	\$2.07	\$3.32	\$5.39	\$9.31	\$13.86	\$23.19	\$43.08
III	\$1.86	\$2.16	\$3.11	\$4.97	\$8.08	\$13.96	\$20.79	\$34.79	\$64.61
IV	\$2.49	\$2.88	\$4.14	\$6.62	\$10.76	\$18.62	\$27.73	\$46.38	\$86.14
V	\$3.11	\$3.59	\$5.18	\$8.28	\$13.46	\$23.27	\$34.66	\$57.98	\$107.68
VI	\$4.66	\$5.40	\$7.76	\$12.43	\$20.19	\$34.91	\$51.99	\$86.98	\$161.52
VII	\$6.21	\$7.19	\$10.36	\$16.57	\$26.92	\$46.54	\$69.31	\$115.96	\$215.36
VIII	\$7.76	\$8.99	\$12.94	\$20.71	\$33.66	\$58.18	\$86.65	\$144.96	\$269.21
IX	\$9.32	\$10.79	\$15.53	\$24.85	\$40.38	\$69.81	\$103.97	\$173.94	\$323.05
X	\$10.87	\$12.59	\$18.12	\$29.00	\$47.12	\$81.45	\$121.30	\$202.94	\$376.89
XI	\$12.43	\$14.39	\$20.71	\$33.13	\$53.84	\$93.08	\$138.64	\$231.93	\$430.72
XII	\$13.98	\$16.18	\$23.30	\$37.27	\$60.58	\$104.71	\$155.96	\$260.92	\$484.56

When you have a birthday which places you in a higher age bracket, the monthly contributions will change on the first day of the calendar month following the month in which your birthday occurs.

Naming of a Beneficiary

When you enrol for Employee Life Insurance you may name a beneficiary you want to receive payment of the life insurance amount in the event of your death. You may change your beneficiary at any time. But only on an Insurance Company approved form.

If any of your designated beneficiaries predecease you, the share which such beneficiary would have received shall be payable equally to your remaining designated beneficiary or beneficiaries, if any. If all of your designated beneficiaries predecease you, or if you do not designate a beneficiary or beneficiaries, in the event of your death, payment shall be made to the executor or administrator of your estate.

If one of your dependents dies from any cause while insured, the amount of Dependent Life Insurance will be paid to you (the Employee) in a lump sum. No other beneficiary designations can be made.

In regard to a surviving spouse, when a request is made to continue coverage, the surviving spouse may name a beneficiary who will receive payment of the life insurance amount in the event of the surviving spouse's death. In the event of the death of an eligible dependent child, the amount of Dependent Life Insurance will be paid to the surviving spouse in a lump sum. No other beneficiary designation can be made.

Payment of Benefits

Should you die from any cause while insured, the amount of Optional Group Life Insurance is payable to your named beneficiary on record. At the written request of the beneficiary, the proceeds will either be paid in lump sum or by instalment.

The insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the date of death.

The insurance is term insurance without cash, loan or paid up value.

OPTIONAL GROUP LIFE INSURANCE - OPTIONAL GROUP LIFE INSURANCE (Continued)

Claiming Benefits

All claims should be reported promptly to your Benefit Representative. Employee and Dependent Life Insurance claims are paid promptly upon submission of acceptable proof of the death of an insured person.

Changing Coverages

Once insured for Employee Life Insurance, you may subsequently elect a larger amount of insurance without providing satisfactory evidence of insurability only if you, within 31 days of the event, furnish the Insurance Company with evidence that you:

- A. have become legally married; or
- B. have acquired a child or children by birth or legal adoption

Once insured for Dependent Life Insurance, you may subsequently elect a larger amount of dependent insurance only if you furnish the Insurance Company with satisfactory evidence of insurability for each of your then eligible dependents.

In any event, for you or your dependents to become insured for a larger amount of insurance you must be actively at work on the date such insurance would otherwise become effective. If not at work, the insurance will become effective on the date you return to work.

What if You Stop Working?

Employee Life Insurance, Dependent Life Insurance or both may be continued while you are not actively at work in accordance with the following provisions:

- A. If you are laid off, your coverage may be continued for the period of time shown in the following seniority schedule:

Years of Seniority on last day worked prior to layoff	Maximum Number of Months for which coverage can be continued
Less than 1	0
1 but less than 2	14
2 but less than 3	16
3 but less than 4	18
4 but less than 5	20
5 but less than 6	22
6 but less than 10	24
10 or over	36

- B. If you are granted an approved medical leave of absence due to disability or other leave of absence, your coverage may be continued for the full period of time for which your leave of absence is approved by the Policyholder.
- C. If you retire under the Policyholder's Retirement Plan, or under the Disability Retirement provisions of the Policyholder's Retirement Plan, your coverage in an amount no greater than that for which you were insured on the day immediately prior to your retirement may be continued until the end of the month in which you become age 70.

OPTIONAL GROUP LIFE INSURANCE - OPTIONAL GROUP LIFE INSURANCE (Continued)

- D. Notwithstanding anything stated above, if your employment terminates for any reason except retirement between the ages 60 and 65 with at least 5 years creditable service under the Policyholder's Retirement Plan at age 60, your coverage may be continued until you reach age 65.

The amounts of insurance you elect to continue while making cash payments may not be changed without contacting your Benefit Representative and completing a new enrolment form.

Termination of Insurance

Optional Group Life Insurance shall automatically cease on the earliest of the following:

1. The date you cease to be insured for company-paid group life insurance as provided in accordance with Section 3 of Appendix R of the Collective Agreement.
2. Should you fail to make a required contribution for Optional Group Life Insurance when due, the last of the calendar month immediately preceding the month for which the contribution was due.
3. The last day of the calendar month in which you attain age 70.
4. The date of discontinuance of Optional Group Life Insurance under the Insurance Program.

Reinstatement of Insurance

If your insurance is terminated due to the cessation of active employment and within one (1) year after such termination you are reinstated in a class of employee eligible for coverage hereunder, you will become insured as of the first day of the calendar month next following the date active employment again commences, for the amount of coverage in force on the date of termination, provided you enrol for such coverage within 31 days and are actively at work on such date.

Continuation of Coverage for Surviving Spouses

In the event of the death of an employee or retiree who is enrolled in the optional life insurance plan and has elected dependent coverage, surviving spouses will be allowed to continue existing coverage for themselves and eligible dependent children of the employee.

In order to continue coverage for surviving spouse benefits, notification must be made within 31 days of the date of the employee's death.

Premium will be based on the age of the surviving spouse and can be continued to age 70. Coverage is limited to the surviving spouse and then eligible dependent children of the employee only.

The maximum amount of coverage cannot exceed the amount of coverage in force at the time of the employee's death; however coverage may be decreased upon notification.

Continuation

Optional Life Insurance may be continued as long as you are eligible, but not beyond age 70. If you are unable to pay through Payroll deduction or have elected the Commuted Value of your pension, and qualify for continued coverage, the required premium cheque is payable to "Ford of Canada". Please contact your local Ford Benefit Representative to inquire about making such payment.

Payments are due beginning with the month following the month in which you last worked, and on the first day of each month for the following month of coverage. The Insurance Company will not advise you when payments are due. If you retire or otherwise expect to be away from work for an extended period, you may make these cash payments on a quarterly, semi-annual or annual basis. For retired employees payments may be made monthly through deduction from your pension benefits.



Ford Motor Company of Canada, Limited

HR9185 December 2016