

SETTLEMENT DISCLOSURE NOTICE

Final Settlement of a Statutory Accident Benefits Claim Bill 68

(For accidents between June 22, 1990 and December 31, 1993)

NOTICE AND CAUTION

Your insurer is required to give you this SETTLEMENT DISCLOSURE NOTICE if you have both agreed on a cash settlement that will permanently end your entitlement to one or more accident benefits. This SETTLEMENT DISCLOSURE NOTICE must be completed and signed by your insurer. Your insurer will probably also give you a Release to sign.

- **YOU SHOULD CONSIDER SEEKING LEGAL, FINANCIAL AND MEDICAL ADVICE BEFORE YOU SIGN A RELEASE.**
- **IF YOU SIGN THIS SETTLEMENT DISCLOSURE NOTICE AND A RELEASE, YOU WILL BE GIVING UP RIGHTS YOU MAY HAVE NOW OR IN FUTURE, EVEN IF YOUR CONDITION CHANGES.**
- **IF YOU CHOOSE NOT TO SIGN, YOUR BENEFITS WILL NOT BE AFFECTED OR REDUCED.**
- **IF YOU DO SIGN THIS NOTICE AND A RELEASE YOU HAVE 2 BUSINESS DAYS TO CHANGE YOUR MIND.**
- **YOU HAVE THE RIGHT TO SEE ANY MEDICAL INFORMATION RELATING TO YOUR CLAIM IN YOUR INSURER'S FILE AND TO OBTAIN A COPY AT THE INSURER'S EXPENSE. IF YOU WANT TO SEE THIS INFORMATION, ASK YOUR INSURER FOR A COPY.**

PLEASE READ THIS ENTIRE DOCUMENT CAREFULLY

INSURER'S OFFER TO SETTLE BENEFITS

OFFER TO SETTLE WEEKLY INCOME BENEFITS

You have been offered \$ _____ for all past and future weekly income benefits.

OFFER TO SETTLE WEEKLY BENEFITS IF NO INCOME

You have been offered \$ _____ for all past and future weekly benefits if no income.

OFFER TO SETTLE SUPPLEMENTARY MEDICAL AND REHABILITATION BENEFITS

You have been offered \$ _____ for all past and future supplementary medical and rehabilitation benefits.

OFFER TO SETTLE CARE BENEFITS

You have been offered \$ _____ for all past and future care benefits.

OFFER TO SETTLE BENEFITS FOR DAMAGE TO CLOTHING, GLASSES, HEARING AIDS AND OTHER DEVICES

You have been offered \$ _____ for all past and future damage to clothing, glasses, hearing aids and other devices.

OFFER TO SETTLE FUNERAL EXPENSES

You have been offered \$ _____ for all past and future funeral expenses.

OFFER TO SETTLE DEATH BENEFITS

You have been offered \$ _____ for all past and future death benefits.

OFFER TO SETTLE ANY OTHER ITEMS (specify) _____

You have been offered \$ _____ for other items.

TOTAL OFFER \$ _____

Provide any other details:

WHAT DOES IT MEAN IF YOU SETTLE YOUR CLAIM?

THERE ARE A NUMBER OF CONSEQUENCES OF THIS SETTLEMENT IF YOU SIGN THIS NOTICE AND A RELEASE:

- You are finally and permanently settling your claim for the benefits specified. You are forever giving up the right to claim such benefits in the future, even if your medical problems get worse.
- You are permanently giving up your right under the *Insurance Act* to mediate, litigate, arbitrate, appeal, apply to vary, or to proceed to judicial review by a court, concerning the benefits which are the subject of the settlement.
- The tax implications of the settlement may be different than the tax implications of the benefits described. In general, any investment income earned on the cash amount of the settlement may be subject to tax.

Example

If you are entitled to receive weekly income benefits, and agree to settle your claim for \$20,000.00 which you then invest, any interest income you receive will likely be taxable. If you choose to receive weekly income benefits instead of a settlement, your weekly benefits will probably not be taxable.

YOU ARE ADVISED TO CONSIDER SEEKING LEGAL, FINANCIAL AND MEDICAL
ADVICE BEFORE ENTERING INTO ANY SETTLEMENT.

DESCRIPTION OF BENEFITS

THE DETAILS OF THE BENEFITS AND YOUR RIGHTS AND RESPONSIBILITIES ARE IN THE *STATUTORY ACCIDENT BENEFITS SCHEDULE* OF THE *INSURANCE ACT* (ONTARIO). YOUR INSURANCE COMPANY IS OBLIGATED TO GIVE YOU INFORMATION ABOUT THE BENEFITS AVAILABLE.

The benefits provided under the *Statutory Accident Benefits Schedule* are complex and extensive. A short description of these benefits is provided below.

Weekly Income Benefits

This benefit compensates for lost income if you are unable to perform the essential tasks of the job you did before the accident. You may qualify if you were employed, unemployed but worked 180 days in the twelve months before the accident, on a temporary lay-off or had a contract to start work within one year. The benefit is 80% of your gross income before the accident. The maximum benefit is \$600 per week, subject to a minimum weekly amount of \$185.60. However, if you are covered by optional weekly income benefits, the maximum benefit may be \$750, \$900, or \$1,050 per week.

Weekly Benefits If No Income

This benefit compensates you if you are unable to perform the essential tasks you normally did before the accident, and do not qualify for a Weekly Income Benefit. The benefit is \$185 per week. In addition to this benefit, if you were a primary caregiver for one or more persons in your household, such as a child under age 16 or other person who needs care, you are entitled to a benefit of \$50 per week for each person requiring care. If you are covered by optional benefits the additional amount for each person requiring care is \$100 per week.

Supplementary Medical and Rehabilitation Benefits

This benefit pays for medical and rehabilitation expenses incurred as a result of your injuries. It also may pay for some other goods and services such as housekeeping and home maintenance. Expenses payable under this section are expenses that are not covered by any other medical plan, such as the Ontario Health Plan, or any medical plans at the workplace.

Maximum Medical and Rehabilitation Benefits

The maximum amount paid for medical and rehabilitation benefits is \$500,000. There is a time limit of 10 years, or twenty years less your age on the day of the accident, whichever is longer.

Care Benefits

This benefit compensates for the expense of a professional caregiver or the reasonable expenses incurred in caring for you after the accident.

Maximum Care Benefits

The maximum amount payable per month for care benefits is \$3,000. The total maximum amount payable for care benefits is \$500,000.

DESCRIPTION OF BENEFITS (continued)

Funeral Expenses

This benefit pays up to \$3,000 to cover funeral expenses. If you are covered by optional benefits the maximum amount is \$7,500.

Death Benefits

This benefit pays family members of a person killed in an automobile accident. \$25,000 is paid to a surviving spouse, \$10,000 each to surviving dependants, and \$10,000 to a person upon whom the deceased was dependent. The amounts are doubled if you are covered by optional benefits.

Optional Benefits

Optional benefits increase the amount of basic benefits, and must be purchased before the accident. The optional benefits are:

1. Increased Funeral and Death Benefits
2. Increased Weekly Income Benefits
3. Increased Primary Caregiver Benefits

You should consult your insurer and your advisors to determine if you are covered by Optional Benefits.

INSURER'S DISCLOSURE AND ACKNOWLEDGMENT

The insurer acknowledges that it has made available for review by the insured person or the insured person's representative all medical reports, medical records and other information of a medical nature in the insurer's file relating to the insured person.

I certify the information provided in this Notice is complete and correct.

Representative of insurer _____ Telephone number _____

Name of Insurance Company Ombudsman Liaison Officer* _____

Telephone number _____

* If you have a complaint about your claim, you may contact your insurer's Ombudsman Liaison Officer who will review and attempt to resolve it with you.

Date _____

INSURED'S ACKNOWLEDGMENT

I acknowledge that I have received and read the above Settlement Disclosure Notice provided to me by an insurer, and have considered whether or not to obtain legal, financial and medical advice.

Signature of Insured

Date

IF YOU CHANGE YOUR MIND

IF YOU CHANGE YOUR MIND AFTER AGREEING TO SETTLE YOUR CLAIM BY SIGNING A RELEASE, YOU MUST:

NOTIFY THE INSURER IN WRITING AND RETURN ANY SETTLEMENT FUNDS YOU RECEIVED WITHIN 2 BUSINESS DAYS AFTER YOU SIGNED THE RELEASE.

IF YOU SIGNED A RELEASE AND LATER SIGNED THIS DISCLOSURE NOTICE, YOU HAVE 2 BUSINESS DAYS FROM WHEN YOU SIGNED THE DISCLOSURE NOTICE IN WHICH TO NOTIFY THE INSURER AND RETURN ANY SETTLEMENT FUNDS YOU RECEIVED.