

DISTRIBUTION GUIDE

Single Premium Creditor's Group Insurance

Carefree

Protection for your Loan or Lease

Co-operators Life Insurance Company

**Single Premium Creditor's Group Insurance is underwritten by
Co-operators Life Insurance Company.**

Distribution Guide

Single Premium Creditor’s Group Insurance – Carefree

DISTRIBUTION GUIDE

Product Name: Carefree

Type of product: Single Premium Creditor’s Group Insurance - Protection for your Loan or Lease

Insurance Benefits included: Life insurance, Accidental Dismemberment/Paraplegia Insurance, Critical Illness insurance, Disability Insurance and Loss of Employment Insurance

Insurer:

Co-operators Life Insurance Company (the Insurer)
1920 College Avenue,
Regina, Saskatchewan S4P 1C4

In this distribution guide, the terms “we”, “us”, “our”, “Co-operators” and “Co-operators Life” refer to the Co-operators Life Insurance Company.

If you have any questions about your insurance, please contact the Insurer at 1.800.263.9120.

Distributor:

Name: _____

Address: _____

Telephone: _____

Responsibility of the Autorité des marchés financiers

The Autorité des marchés financiers does not express an opinion on the quality of the product offered in this Distribution Guide. The Insurer alone is responsible for any discrepancies between the wording of the Distribution Guide and the Policy.

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Single Premium Creditor's Group Insurance – Carefree

I. DEFINITIONS

The following definitions apply to the Single Premium Creditor's Group Insurance – Carefree, and are capitalized throughout this distribution guide for Your ease of reference.

Accident:

Means a violent, external incident that is sudden, involuntary and unforeseen, causing bodily injuries directly and independently of any other cause. Accident does not include sickness, disease or any naturally occurring conditions.

Accidental dismemberment:

Means the loss of one hand or both hands if completely severed through or above the wrist, the loss of one foot or both feet if completely severed through or above the ankle, or the entire and irrevocable loss of sight of both eyes.

Accrued Interest:

Means the interest owing on the Outstanding Balance of your Insured Loan/Lease from the date of the last payment, as determined by the Creditor, to the date of your death, date of your Accidental Dismemberment/Paraplegia, or the Date of Diagnosis of your Critical Illness or Terminal Illness, depending on the insurance benefit payable, not to exceed 180 days.

Actively at Work:

For Disability Insurance:

Means you were working at any occupation for wages or profit and were capable of carrying out the substantial and material duties of that occupation for at least 20 hours per week for two consecutive weeks immediately preceding the Effective Date of Insurance or, if not, at any time between the Effective Date of Insurance and the date of Total Disability.

For Loss Of Employment Insurance:

Means you must have been Employed and have been continuously working at your Principal Occupation for a minimum of 20 hours per week for 12 consecutive months as of the effective date of your involuntary loss employment.

Activities of Daily Living:

Means the ability to perform all the basic needs of: eating, bathing, dressing, toileting, transferring (walking) and continence.

Any Cancer:

Means any form of Cancer (not just a form of Cancer covered by critical illness insurance under this Product Guide).

Appropriate Medical Care:

Means you are undergoing available Medical Treatment. This includes, but is not limited to, taking pills or any prescription medication, receiving injections for any condition, and undergoing investigative medical tests for the illness, disease or bodily injury for which you have made your claim.

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The treatment must be effective, as determined by us, in assisting you with rehabilitation and restoration of functional capacity on a timely basis, including, but not limited to, participation in an occupational therapy program, physiotherapy, psychological or psychiatric counseling, or a pain behaviour modification program.

Business:

Means a sole proprietorship, partnership, corporation or other entity operating a Business or farm that is indebted to the Group Policyholder under a Loan or Lease.

Cancer:

Means a malignant tumor characterized by the uncontrolled growth and spread of malignant cells with invasion and destruction of normal tissue.

Cancer includes:

- leukemia,
- lymphoma,
- Hodgkin's disease and
- Metastatic tumors.

The Diagnosis of Cancer must be made by a Specialist.

CAUTION:

Cancer does not include, and we will not pay a critical illness insurance benefit for, any of the following medical conditions:

- **all tumors which are histologically described as benign, pre-malignant, borderline malignant, low malignant potential or non-invasive;**
- **any lesion described as carcinoma in-situ;**
- **Cervical Dysplasia or Intra-epithelial Neoplasia (CIN);**
- **Prostatic Intra-epithelial Neoplasia (PIN);**
- **any form of Cancer in the presence of HIV infection, including but not limited to lymphoma or Kaposi's sarcoma;**
- **thin melanomas with pathology report showing Clark's level less than III or Breslow thickness less than 1.5 mm;**
- **all non-melanoma skin cancers; and**
- **micro-carcinoma of the thyroid less than one cm in diameter.**

CAUTION:

If at any time prior to the Effective Date of Insurance:

- **you were Diagnosed with Any Cancer; or**
- **if you were not yet Diagnosed with Any Cancer, but:**
 - a) **you had apparent signs or symptoms of Any Cancer; or**
 - b) **you sought or received, or a prudent person would have sought or received, Medical Advice or Treatment relating to the apparent signs or symptoms of Any Cancer,**

Then we will not pay a critical illness insurance benefit for:

- **your Diagnosis of a Covered Cancer;**
- **any recurrence of that Covered Cancer; or**
- **any future Diagnosis of any other Covered Cancer**

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Covered Cancer:

Means a form of Cancer covered by critical illness insurance described in this guide, subject to the pre-existing Cancer exclusion.

Creditor:

Means any authorized financial institution to which your Loan or Lease is assigned, as shown on your Insurance Enrolment.

Critical Illness:

Means Heart Attack, Stroke and Cancer.

Date of Diagnosis:

Means the date in which a final Diagnosis is made following the completion of testing and, in the presence of Cancer, the date confirmed through biopsies, in order to determine the presence and extent of a certain disease or condition.

Diagnosis and Diagnosed:

mean a definitive written Diagnosis of a medical condition made by a Licensed Physician qualified to make that Diagnosis.

Disability:

Means a medical impairment due to injury or illness which prevents you from performing the regular duties of your Principal Occupation.

Effective Date of Insurance:

Means the Effective Date of Insurance indicated on your Insurance Enrolment.

Elimination Period:

For Disability Insurance:

The Elimination Period is like a waiting period, and is counted as a consecutive number of days between the beginning of your Total Disability and the time you are eligible for benefits. The Elimination Period can be either **30 days Non-Retroactive** or **30 days Retroactive** (depending on the box you check in the Enrolment).

- a) **Non-Retroactive Elimination Period** means we will not pay benefits to the Creditor retroactively to the start of your Total Disability.
- b) **Retroactive** means we will pay insurance benefits to the Creditor retroactively to the start of your Total Disability

For the Loss Of Employment insurance:

The Elimination Period is like a waiting period and is counted as a consecutive number of days between the beginning of your Loss of Employment and the time you are eligible for benefits.

The Elimination Period for loss of employment begins on the later of:

- the effective date of your Involuntary Loss of Employment; and
- if applicable, the end of the period of time for which any severance payments apply

The Elimination Period for loss of employment insurance is **60 days Non-Retroactive**.

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Employed and Employment:

Mean working for an employer who pays you wages or a salary. Employed does not include being Self-Employed.

Group Policy:

Means the creditor's group insurance policy issued by Co-operators Life to the Group Policyholder which makes life insurance, accidental dismemberment/paraplegia insurance, critical illness insurance, disability insurance and loss of employment insurance available to all eligible individuals who choose to enrol and pay the required Single Premium.

Group Policyholder:

Means the Group Policyholder specified on your Insurance Enrolment.

Health Care Practitioner

Means a person lawfully entitled to provide insured health services, as defined under the Canada Health Act.

Heart Attack:

means the death of a portion of the heart muscle, due to the blockage of adequate blood supply that results in a rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one (1) of the following:

- Heart Attack symptoms;
- new electrocardiogram (ECG) changes consistent with a Heart Attack; or
- development of new Q waves during or immediately following coronary angiography or coronary angioplasty.

The Diagnosis of Heart Attack must be made by a Specialist.

CAUTION:

Heart Attack does not include, and we will not pay a critical illness insurance benefit for, any of the following:

- **elevated biochemical cardiac markers as a result of coronary angiography or coronary angioplasty in the absence of new Q waves; or**
- **incidental findings of ECG changes suggesting a prior myocardial infarction, which do not meet the Heart Attack definition described above.**

Insurance Enrolment:

Means the form completed and signed by you to enrol for one or more types of optional and voluntary insurance available under the Group Policy.

Insured:

Means an individual, including you, who has enrolled and has met all eligibility requirements for one or more types of insurance under the Group Policy.

Insured Loan/ Lease:

Means the insured amount of your Loan or Lease for which you have enrolled and for which you have paid the required Single Premium. The amount of insurance coverage on your Loan or Lease may be less than your Loan/Lease Amount Excluding Insurance.

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Involuntary Loss of Employment:

Means your Employment has ceased directly and solely as a result of:

- a complete and permanent severance of your Employment without cause; or
- a Layoff by your employer.

Labour Dispute:

Means a voluntary and simultaneous work stoppage or disruption of work by a group of employees, of which you are a part, acting together against one or more employers in an industry or territory.

Layoff:

Means a suspension of your Employment initiated by your employer, with a possibility of resumption, during which your employer does not pay you any compensation.

Lease:

Means the principal amount the Creditor has agreed to extend to you for a fixed term under the terms of the lease agreement between you and the Creditor, as of the Effective Date of Insurance for which you have a legal obligation to repay. It is a contract between you and the Creditor for the use of a vehicle or other equipment, subject to stated terms and limitations, for a specified period and at a specified payment.

Licensed Physician or Physician:

Means a person who is legally licensed to practice medicine by the licensing authority of the provincial jurisdiction in which he or she is practicing within the scope of his or her licensed authority.

Loan:

Means a Loan granted to you by the Creditor, over a fixed term as specified in the agreement pertaining to your Loan.

Loan/Lease Amount Excluding Insurance:

means the total amount to be financed of your Loan or Lease (excluding Single Premium insurance) approved by the Creditor as of the Effective Date of Insurance shown on your Insurance Enrolment.

Lockout:

Means the action of your employer in temporarily closing your place of Employment, without terminating your Employment, as a result of a Labour Dispute.

Loss of Employment:

Means that your Employment was involuntarily terminated by your employer (not for cause) or suspended as a result of Layoff (temporary or permanent), and for which you are eligible to receive Unemployment Compensation.

Maximum Insurance Available (excluding insurance premium):

Means the maximum limit on the amount of life insurance, accidental dismemberment/paraplegia insurance and critical illness insurance coverage we will issue for any Loan or Lease:

- **\$100,000** for life insurance and critical illness insurance; or
- **\$25,000** for accidental dismemberment/paraplegia insurance.

Maximum Term of Insurance:

Means the maximum period of time of which we will provide insurance on any Loan or Lease. The maximum term of insurance is **96 months**.

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Medical Advice or Treatment:

Means consultation with any Licensed Physician or registered Health Care Practitioner. This includes, but is not limited to, medical or paramedical treatment and investigative tests, taking pills or any prescription medication, or receiving injections, for any condition related to the illness, disease or bodily injury for which you have made a claim.

Non-Covered Cancer:

Means a form of Cancer that is not covered by critical illness insurance described in this guide.

Outstanding Balance:

Means the present value of your remaining Loan payments or Lease payments (excluding the Residual/Balloon Amount) and is calculated as the lesser of:

- i) the amount determined by the Creditor that you owe on your Loan or Lease;
- ii) the Insured Loan/Lease amount; or
- iii) the Maximum Insurance Available (excluding insurance premium) shown on your Insurance Enrolment

Paraplegia

Means the total and permanent loss of use of both legs.

Pre-Existing Condition:

For Life Insurance and Disability Insurance:

Means any illness, disease or bodily injury, condition or symptom (regardless of whether or not a Diagnosis has been made) for which you sought or received Medical Advice or Treatment within the **6 months** immediately preceding the Effective Date of Insurance.

For Critical Illness Insurance:

Means any illness, disease or bodily injury, condition or symptom (regardless of whether or not a Diagnosis has been made) for which you sought or received Medical Advice or Treatment within the **12 months** immediately preceding the Effective Date of Insurance.

CAUTION

Please refer to the section “Exclusions, Limitations or Reduction in Coverage” for additional information on specific exclusions related to Pre-Existing Conditions.

Principal Occupation:

Means the occupation from which you derived at least 75 per cent of your gross pay for the 12 month period immediately preceding the date of your Total Disability.

Refinance:

Means you and the Creditor agree to Refinance, replace, renew, extend or otherwise amend (collectively, “Refinance”) your Insured Loan/Lease. The coverage described in this guide will automatically end at the same time as your Insured Loan/Lease is Refinanced. Unless you enrol for replacement insurance coverage with the Group Policyholder, you will not have any insurance on your Refinanced Loan or Lease.

Residual Value/Balloon Payment:

Means a lump sum payment due at the end of the term of your Loan or Lease. This amount is not insured with Single Premium insurance, as shown on your Insurance Enrolment.

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Return to Work:

Means the date the Insured returns to work part-time, full-time or progressively, or on a temporary assignment, whether to carry out his or her normal duties, or any other duties.

Seasonal Employee:

Means your occupation is solely and directly subject to specific, identifiable and predictable periods of time during each calendar year when work is unavailable due to seasonal changes in the weather or other natural, non-economic factors which limit the period of time during which you are able to perform your occupation.

Self-Employed:

Means working for income derived directly from a Business you own, including a trade, occupation, profession, partnership, corporation or other entity in which you have an ownership interest of sufficient magnitude to influence, control or direct your continuing and future Employment.

Settlement Interest:

Means interest on the Outstanding Balance of your Insured Loan/Lease which we will pay as part of the insurance benefit. It is calculated, at a rate and for a term as determined by us, from the date of your death, date of your Accidental Dismemberment/Paraplegia or the Date of Diagnosis of your Critical Illness or Terminal Illness, depending on the insurance benefit payable, not to exceed 90 days.

Single Premium:

Means the one-time, lump sum, total premium for all insurance coverage(s) for which you have enrolled. The Single Premium is considered to be the cost of your insurance.

Specialist:

Means a Licensed Physician who has been trained in the specific area of medicine relevant to the covered Critical Illness condition for which a benefit is being claimed and who has been certified by a specialty examining board. In the absence or unavailability of a Specialist and as approved by us, a condition may be Diagnosed by a qualified Licensed Physician practicing in Canada.

Strike:

Means any disruption in Employment due to a Labour Dispute or Lockout.

Stroke:

Means a cerebrovascular incident resulting in irreversible death of brain tissue due to:

- cerebral haemorrhage,
- cerebral embolism,
- cerebral thrombosis or
- subarachnoid haemorrhage

This event must result in significant neurological functional impairment that must be present on physical examination by a neurologist at least three months after the event and be permanent with no chance of recovery.

The Diagnosis must also be supported by findings on magnetic resonance imaging, computerized tomography or cerebral spinal fluid examination and must be consistent with the Diagnosis of Stroke.

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The Diagnosis of a Stroke must be made by a Specialist.

CAUTION:

Stroke does not include any of the following medical conditions:

- **Transient Ischaemic Attacks (TIA);**
- **Reversible Ischaemic Neurological Deficit (RIND);**
- **brain damage due to an Accident or injury, infection, vasculitis, inflammatory disease or migraine;**
- **disorders of the blood vessels affecting the eye including infarction of the optic nerve or retina;**
- **ischaemic disorders of the vestibular system; and**
- **asymptomatic silent stroke found on imaging.**

Suicide:

Means we will not pay a life insurance benefit if, within two years after the Effective Date of Insurance shown on your Insurance Enrolment, you die as a result of attempting to take your own life. If this happened, we would consider your insurance cancelled and we would pay a partial refund of your Single Premium as set out under the heading: Refund Of Single Premium On Cancellation.

Terminal Illness:

Means your life expectancy is 12 months or less, as determined by a Licensed Physician we consider appropriate to make such a Diagnosis.

Totally Disabled and Total Disability:

If you are Employed, are a Seasonal Employee, or are Self-Employed as of the date you become Totally Disabled, then Totally Disabled and Total Disability mean:

- for the first 12 consecutive months from the date you became Totally Disabled, that:
 - a) you are not able to perform the substantial and material duties of your Principal Occupation; and
 - b) you are receiving Appropriate Medical Care; and
- after the first 12 consecutive months of Total Disability, then Totally Disabled and Total Disability mean that:
 - a) you are not able to perform the duties of any occupation for which you are reasonably qualified by education, training or experience; and
 - b) you are receiving Appropriate Medical Care.

If you are unemployed, not working, retired, or receiving provincial, federal or any other benefits at the time you became Totally Disabled, then Totally Disabled and Total Disability mean:

- a) you are totally and continuously unable to carry out the normal Activities of Daily Living; and
- b) you are receiving Appropriate Medical Care.

Unemployment Compensation:

Means monetary and/or other benefits provided by any applicable federal or provincial Employment insurance program or Employment assistance program.

II. INTRODUCTION

The purpose of this Distribution Guide is to describe the insurance product offered to you and to present it in an easy-to-understand format in order to facilitate your comprehension of the product. The Distribution Guide is intended to help you determine whether this product is suited to your needs when you do not have the assistance of a life and health insurance advisor. It includes important information about the insurance, including terms and conditions which may exclude, restrict or limit your coverage or benefits.

The Single Premium Creditor's Group Insurance underwritten by Co-operators is an optional and voluntary insurance product which offers security during times of financial hardship caused by certain life events. If the information you provided upon enrolment is complete and accurate, insurance benefits will be payable, subject to the applicable terms, conditions and exclusions, as set out in the Product Guide and Certificate of Insurance ("product guide").

For the purpose of this guide, the terms "you" and "your" reference each individual eligible for insurance.

III. DESCRIPTION OF THE PRODUCT OFFERED

A. NATURE OF THE COVERAGE

Life Insurance:

Pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you die, up to a maximum of \$100,000.

Living Benefit:

Pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you are Diagnosed with a Terminal Illness, up to a maximum of \$100,000. This coverage is provided automatically when you enrol for Life Insurance.

Accidental Dismemberment/Paraplegia insurance:

Pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you suffer Accidental Dismemberment or Paraplegia, up to a maximum of \$25,000. This coverage is provided automatically when you enrol for Life Insurance.

Critical Illness insurance:

Pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you are Diagnosed with a covered Critical Illness, up to a maximum of \$100,000.

Disability insurance:

Covers your Insured Monthly Benefit if you become Totally Disabled, up to a maximum of \$1,500 per month.

Loss of Employment insurance:

Covers your Insured Monthly Benefit if you experience an Involuntary Loss of Employment, up to a maximum of \$1,500 per month.

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CAUTION:

If payable, insurance benefits will be paid to the Creditor who will apply the benefits towards the Outstanding Balance of your Insured Loan/Lease or otherwise to your credit.

B. SUMMARY OF SPECIFIC FEATURES

Eligibility Requirements for all types of insurance

You are eligible to enrol for life insurance (which includes living benefit and accidental dismemberment/paraplegia), critical illness insurance, disability insurance and loss of employment insurance on your Loan or Lease if, as of the Effective Date of Insurance shown on your Insurance Enrolment:

- you are **17 to 71 years old** inclusively;
- you are a Canadian resident (living in Canada at least six months out of the year);
- you have a legal obligation to repay your Loan or Lease to the Creditor, either as a borrower or lessee, co-borrower or co-lessee, co-signer, guarantor or endorser;
- you have a legal obligation to repay your Loan or Lease to the Creditor either as a Business owner, key person, or any person associated with the Business who is obligated to the debt; and
- you have not made a claim for a living benefit under any creditor's group insurance policy or certificate of insurance issued by us.

Eligibility Requirements specific to Critical Illness Insurance

You are eligible to enrol for critical illness insurance on your Loan or Lease if, as of the Effective Date of Insurance shown on your Insurance Enrolment:

- **you have also enrolled for life insurance on your Loan or Lease;** and
- you have not had a claim for a critical illness insurance benefit under any creditor's group insurance policy or certificate of insurance issued by us.

The amount of critical illness insurance coverage for which you enrol must be the same as the amount of life insurance for which you enrol.

Eligibility Requirements specific to Loss of Employment Insurance

You are eligible to enrol for loss of employment insurance on your Loan or Lease if, as of the Effective Date of Insurance shown on your Insurance Enrolment:

- **you have also enrolled for life insurance or disability insurance on your Loan or Lease;** and
- you are Employed and have been continuously working at your Principal Occupation for minimum of 20 hours per week for 12 consecutive months; and
- you have not personally received Formal Notice or Informal Notice of the impending loss of your Employment.

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When Does Your Insurance Coverage Begin?

Your Effective Date of Insurance for Single Premium Creditor's Group Insurance coverage begins on the Effective Date of Insurance as stated on your Insurance Enrolment.

Amount of Life Insurance Benefit

If you die, we will pay a life insurance benefit to the Creditor. Life insurance benefits payable will not exceed the lesser of:

- the Outstanding Balance of your Insured Loan/Lease at the date of death multiplied by the percentage of coverage calculated; or
- **\$100,000.**

We will also pay Accrued Interest on the Outstanding Balance of your Insured Loan/Lease as well as Settlement Interest to the Creditor.

CAUTION:

If the amount of life insurance for which you have enrolled is less than your Loan/Lease Amount Excluding Insurance, the amount of your life benefit will be reduced as described under the heading: Reduced Insurance Benefits.

This life insurance benefit is subject to the limitations and exclusions described in this guide.

Amount of Living Benefit

We will pay an insurance benefit to the Creditor equal to the Outstanding Balance of your Insured Loan/Lease to the Creditor as of the date of your Diagnosis of your Terminal Illness, as calculated by the Creditor. The amount of insurance payable for a living benefit will not exceed the lesser of:

- the Outstanding Balance of your Insured Loan/Lease as of the Date of Diagnosis multiplied by the percentage of coverage calculated; or
- **\$100,000.**

We will also pay Accrued Interest on the Outstanding Balance of your Insured Loan/Lease as well as Settlement Interest to the Creditor.

CAUTION:

If the amount of life insurance for which you have enrolled is less than your Loan/Lease Amount Excluding Insurance, the amount of your living benefit will be reduced as described under the heading: Reduced Insurance Benefits.

This living benefit is subject to the limitations and exclusions described in this guide.

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Amount of Accidental Dismemberment/Paraplegia Insurance Benefit

If you suffer Accidental Dismemberment or Paraplegia within 90 days of the date of an accidental bodily injury causing loss, we will pay an insurance benefit to the Creditor. The amount of insurance payable will not exceed the lesser of:

- the Outstanding Balance of your Insured Loan/Lease as of the date of Accidental Dismemberment or Paraplegia; or
- **\$25,000.**

We will also pay Accrued Interest on the Outstanding Balance of your Insured Loan/Lease as well as Settlement Interest to the Creditor.

CAUTION:

If the amount of life insurance for which you have enrolled is less than your Loan/Lease Amount Excluding Insurance, the amount of your accidental dismemberment/paraplegia benefit will be reduced as described under the heading: Reduced Insurance Benefits.

The accidental dismemberment/paraplegia insurance benefit is subject to the limitations and exclusions described in this guide.

Amount of Critical Illness Insurance Benefit

The amount of critical illness insurance benefit payable will be the lesser of:

- the Outstanding Balance of your Insured Loan/Lease as of the Date of Diagnosis multiplied by the percentage of coverage calculated; or
- **\$100,000.**

We will also pay Accrued Interest on the Outstanding Balance of your Insured Loan/Lease as well as Settlement Interest to the Creditor.

CAUTION:

If the amount of critical illness insurance for which you have enrolled is less than your Loan/Lease Amount Excluding Insurance, the amount of your critical illness insurance benefit will be reduced as described under the heading: Reduced Insurance Benefits.

CAUTION:

To be eligible for a critical illness insurance benefit, your Diagnosis of Heart Attack, Stroke or Cancer must be made after the Effective Date of Insurance and before your insurance ends.

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This critical illness insurance benefit is subject to the limitations and exclusions described in this guide. Your critical illness insurance coverage will automatically end if, for any reason, your life insurance ends.

Amount of Disability Insurance Benefit

If you become Totally Disabled and your Total Disability insurance claim is approved, we will pay a monthly disability insurance benefit to the Creditor.

- The Insured Monthly Benefit payable for disability benefits will not exceed the Maximum Monthly Benefit Payable of **\$1,500 per month**.

The total of Disability insurance benefits will not exceed:

- the amount of insurance coverage for which you have enrolled; or
- the Maximum Benefit Period Per Occurrence shown on your Insurance Enrolment.

Your disability insurance benefit payments will be capped at the life insurance coverage amount or critical illness insurance coverage amount.

You are responsible to make up any deficiency between your Loan or Lease payment amount and the disability insurance benefit.

We will start paying insurance benefits as of the expiry of the Elimination Period (you must remain Totally Disabled throughout the Elimination Period before you are eligible for benefits). You are responsible for making your regular Loan or Lease payments to the Creditor during the Elimination Period and while your claim is under review. Please also refer to the definition of Elimination Period for more details.

This disability insurance benefit is subject to the limitations and exclusions described in this guide.

To qualify for disability insurance benefits and to continue to receive these benefits, you must:

- be considered Actively at Work;
- be receiving Appropriate Medical Care, by a Licensed Physician we consider appropriate, for a medically determined sickness, disease or accidental bodily injury;
- not be engaged in any activity for wages or expectation of profit. However, at our sole discretion and judgement, we may continue to pay disability insurance benefits while you engage in a gradual Return to Work program or rehabilitative Employment we consider appropriate; and
- provide initial satisfactory proof of your Total Disability insurance claim and ongoing proof when requested.

Recurring Disabilities

A Recurring Disability means if your Total Disability recurs within six months after you recover from the same or related Total Disability, we will consider this to be a continuation

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of your previous Total Disability. If this happens, the Elimination Period shown on your Insurance Enrolment will not apply to your claim for recurrence. The Recurring Disability benefit, whether paid consecutively or in aggregate, will not exceed the Maximum Benefit Period Per Occurrence as shown on your Insurance Enrolment.

Concurrent Disabilities

A Concurrent Total Disability means you sustain a second Total Disability while you are already receiving disability benefits for an unrelated condition.

If this happens, a new Total Disability insurance claim can be submitted subject to the following:

- the medical condition causing the Concurrent Total Disability must be unrelated, (directly or indirectly) to the initial Total Disability; and
- if your Concurrent Total Disability insurance claim is approved and you are still Totally Disabled by it, we will begin payment of benefits on this new claim immediately after your initial Total Disability has ended. A new Maximum Benefit Period Per Occurrence will begin.

Amount of Loss Of Employment Insurance Benefit

If you are affected by an Involuntary Loss of Employment and your loss of employment insurance claim is approved, we will pay a monthly loss of employment benefit to the Creditor.

- The Insured Monthly Benefit payable for loss of employment benefits will not exceed the Maximum Monthly Benefit Payable of **\$1,500 per month**.

The total of loss of employment insurance benefits will not exceed:

- the amount of insurance coverage for which you have enrolled; or
- the Maximum Benefit Period Per Occurrence shown on your Insurance Enrolment.

Your loss of employment insurance benefit payments will be capped at the life insurance coverage amount or critical illness insurance coverage amount.

You are responsible to make up any deficiency between your Loan or Lease payment and the loss of employment insurance benefit amount.

We will start paying loss of employment insurance benefits as of the expiry of the Elimination Period (you must remain unemployed throughout the Elimination Period before you are eligible for benefits). You are responsible for making your regular Loan or Lease payments to the Creditor during the Elimination Period and while your claim is under review. Please also refer to the definition of Elimination Period for more details.

CAUTION:

If you are Self-Employed, a Seasonal Employee or an elected government official, you are not eligible for involuntary loss of employment insurance benefits.

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Single Premium Creditor's Group Insurance – Carefree

This loss of employment insurance benefit is subject to the limitations and exclusions described in this guide.

To qualify for loss of employment insurance benefits and to continue to receive these benefits, you must:

- have been Actively at Work;
- upon experiencing an Involuntary Loss of Employment, immediately register with the appropriate federal (and, where applicable, provincial) government department or agency in order to qualify for and receive Unemployment Compensation;
- provide us with evidence, which we consider satisfactory, of your registration for and receipt of Unemployment Compensation;
- be actively seeking Employment; and
- remain unemployed.

Reduced Insurance Benefits

If the “Amount of Insured Loan or Lease” is less than the “Loan/Lease Amount Excluding Insurance”, both shown on your Insurance Enrolment, a percentage of coverage is calculated, and the amount of the insurance benefit will be reduced proportionately. Single Premium insurance is based on the requested coverage amount of the Loan or Lease and the benefit paid at time of claim is pro-rated.

If the Loan/Lease Amount Excluding Insurance exceeds the Maximum Insurance Available (excluding insurance premium), then the amount of insurance benefit will be reduced proportionately.

Example:

If your “Loan/Lease Amount Excluding Insurance” is \$120,000 and the “Amount of Insured Loan or Lease” shown on your Insurance Enrolment is \$60,000, then for a life insurance, living benefit or critical illness claim, we will pay 50 per cent (that is, \$60,000 divided by \$120,000) of the outstanding Loan or Lease balance plus 50 per cent of the Accrued Interest and Settlement Interest.

Similarly, if your Loan/Lease Amount Excluding Insurance is \$125,000 and the Maximum Insurance Available (excluding insurance premium) is \$100,000, then for a life insurance, living benefit or critical illness claim, we will pay 80 per cent (that is, \$100,000 divided by \$125,000) of the outstanding Loan or Lease balance plus 80 per cent of the Accrued Interest and Settlement Interest.

C. EXCLUSIONS, LIMITATIONS OR REDUCTION IN COVERAGE

CAUTION:

EXCLUSIONS RELATED TO LIFE INSURANCE

Pre-Existing Condition Exclusion

We will not pay a claim if your death:

- **occurs within 6 months after the Effective Date of Insurance; and**
- **results directly or indirectly from a Pre-Existing Condition during the 6 months immediately preceding the Effective Date of Insurance.**

Also, the life insurance benefit is not payable if your death results directly or indirectly from or is in any way related to:

- **you committing Suicide within two years after the Effective Date of Insurance;**
- **your committing or attempting to commit a criminal offence;**
- **you using or ingesting any drug, alcohol, poisonous substance, intoxicant and/or narcotic other than as prescribed and administered by or in accordance with the instruction of a Licensed Physician;**
- **your operation or control of any motorized vehicle or watercraft with blood alcohol concentration in excess of legal limits in the applicable jurisdiction; or**
- **you or your estate representative not providing us with notice and proof of your claim within the time limits.**

CAUTION:

**EXCLUSIONS RELATED TO ACCIDENTAL DISMEMBERMENT /
PARAPLEGIA INSURANCE**

We will not pay an accidental dismemberment insurance benefit or paraplegia insurance benefit for a loss caused by or contributed to by:

- **any attempted Suicide or self-destruction; or**
- **any intentionally self-inflicted injury; or**
- **the commission of or the attempted commission of a criminal offence; or**
- **war or any act of war; or**
- **medical or surgical treatment; or**
- **the operation of a motor vehicle under the influence of alcohol or drugs; or**
- **the use of narcotics or other drugs not prescribed by a Licensed Physician or surgeon.**

CAUTION:

EXCLUSIONS RELATED TO CRITICAL ILLNESS INSURANCE

Pre-Existing Condition Exclusion

We will not pay a claim if your Critical Illness:

- occurs within **12 months** after the Effective Date of Insurance; and
- results directly or indirectly from a Pre-Existing Condition during the **24 months** immediately preceding the Effective Date of Insurance.

Also, the critical illness insurance benefit will not be payable if your medical condition is a result of:

- your Diagnosis not fully meeting the requirements for the definitions of Heart Attack, Stroke or Cancer;
- your Diagnosis is specifically listed in the CAUTION box under the definitions of Heart Attack, Stroke or Cancer at the beginning of this guide;
- your medical condition results directly or indirectly from you self-inflicting an injury or attempting to take your own life;
- you committing or attempting to commit a criminal offence;
- you using or ingesting any drug, alcohol, poisonous substance, intoxicant and/or narcotic other than as prescribed and administered by or in accordance with the instruction of a Licensed Physician; or
- your operation or control of any motorized vehicle or watercraft with blood alcohol concentration in excess of legal limits in the applicable jurisdiction.

Cancer Within 90 Days:

If you are Diagnosed with Cancer within 90 days following the Effective Date of Insurance, we will not pay a critical illness insurance benefit. If this happens, we will cancel your critical illness insurance coverage and provide a full refund of any Single Premium paid.

CAUTION:

EXCLUSIONS RELATED TO DISABILITY INSURANCE

Pre-Existing Condition Exclusion

We will not pay a claim if your Disability:

- occurs within **6 months** after the Effective Date of Insurance; and
- results directly or indirectly from a Pre-Existing Condition during the **6 months** immediately preceding the Effective Date of Insurance.

Also, the disability insurance benefit will not be payable if your Total Disability:

- began prior to the Effective Date of Insurance;
- results from your normal pregnancy (that is, your pregnancy is not Diagnosed as high risk by a Licensed Physician we consider appropriate);
- began when you were confined, as a result of criminal proceedings against you, to a penal institution, government detention facility, hospital or similar institution;
- began after your insurance coverage ended;
- is related to you attempting to take your own life;
- is related to you committing or attempting to commit a criminal offence;
- is related to you using, ingesting or enrolled in a rehabilitation program for

ingesting any drug, alcohol, poisonous substance, intoxicant and/or narcotic other than as prescribed and administered by or in accordance with the instruction of a Licensed Physician;

- **is related to your operation or control of any motorized vehicle or watercraft with blood alcohol concentration in excess of legal limits in the applicable jurisdiction;**
- **is related to an elective surgery; or**
- **if you are receiving loss of employment insurance benefits.**

CAUTION:

EXCLUSIONS RELATED TO LOSS OF EMPLOYMENT INSURANCE

We will not pay loss of employment insurance benefits if:

- **your loss of employment results from a Labour Dispute, Strike or Lockout;**
- **your loss of employment results from your resignation, retirement or your voluntary surrender of your Employment;**
- **your loss of employment results from dishonesty, fraud, conflict of interest, refusal to carry out your duties or willful or criminal misconduct;**
- **your loss of employment results from you being Self-Employed, a Seasonal Employee or an elected government official;**
- **your loss of employment results from or ends prior to the expiration of a specific contract of Employment;**
- **your loss of employment began prior to the Effective Date of Insurance shown on your Insurance Enrolment;**
- **your loss of employment began when you were confined, as a result of criminal proceedings against you, to a penal institution, government detention facility, hospital or similar institution;**
- **you are terminated by your employer for cause;**
- **your loss of employment began after your insurance coverage ended;**
- **you are on maternity or parental leave or leave of absence;**
- **you are receiving disability benefits from us; or**
- **your claim results directly or indirectly from or is in any way related to:**
 - a) **you committing or attempting to commit a criminal offence;**
 - b) **you using or ingesting any drug, alcohol, poisonous substance, intoxicant and/or narcotic other than as prescribed and administered by or in accordance with the instruction of a Licensed Physician; or**
 - c) **your operation or control of any motorized vehicle or watercraft with blood alcohol concentration in excess of legal limits in the applicable jurisdiction; or**
- **your Unemployment Compensation claim is not paid for any reason.**

Loss Of Employment Within 60 Days:

We will not pay loss of employment insurance benefits if your Involuntary Loss of Employment begins within 60 days of the Effective Date of Insurance.

If this happens:

- **you may cancel your loss of employment insurance coverage and receive a full refund of Premium paid for this coverage. Your cancellation request must be made within 30 days of your loss of employment; or**
- **you may keep your loss of employment insurance in force for the future.**

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Single Premium Creditor's Group Insurance – Carefree

This means that you will be eligible to claim loss of employment insurance benefits when you have once again been Employed for a minimum of 20 hours per week for 12 consecutive months.

OTHER LIMITATIONS:

Life, Living Benefit, Accidental Dismemberment/Paraplegia and Critical Illness

If more than one Insured's death, Accidental Dismemberment/Paraplegia or Diagnosis of a Critical Illness or Terminal Illness occurs on the same date, only one benefit will be paid based on the first Insured to claim; at which time all insurance described in this guide will be terminated. In no circumstances will we pay more than the Outstanding Balance on your Insured Loan/Lease; nor will the benefit payable exceed the Maximum Insurance Available (excluding insurance premium).

Disability and Loss of Employment

If more than one Insured has a Total Disability and/or loss of employment claim at the same time, under the same Insured Loan/Lease, only one benefit will be paid at a time regardless of the number of individuals insured on the Loan or Lease.

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D. WHEN DOES YOUR INSURANCE COVERAGE END?

All insurance coverage, that is, life insurance (including living benefit and accidental dismemberment/paraplegia insurance), critical illness insurance, disability insurance and/or loss of employment insurance coverage, for which you have enrolled, will end on the earlier of the following:

- a) the date you reach **73 years old**;
- b) the expiry of the Maximum Term of Insurance (**96 months**);
- c) the expiry of insurance, as shown on your Insurance Enrolment;
- d) the date we receive your written cancellation request, or, where insurance coverage is provided for more than one person, the date we receive a written cancellation request from all Insureds;
- e) the date your Insured Loan/Lease is paid in full, Refinanced, discharged or assumed by another person;
- f) the date your Loan or Lease expires or is cancelled;
- g) the date you are released, by operation of law, from your legal obligation to repay your Insured Loan/Lease (whether upon discharge from bankruptcy or otherwise);
- h) the date you transfer or assign your Insured Loan/Lease to a creditor other than the Creditor;
- i) the date you have missed more than six monthly payments, whether consecutive or not, on your Loan/Lease;
- j) the date we pay a life insurance benefit, living benefit, or critical illness insurance benefit;
- k) the date we pay an accidental dismemberment/paraplegia insurance benefit and the Outstanding Balance is extinguished by such payment;
- l) the date the Group Policy is terminated in accordance with its terms;
- m) you or your estate representative not providing us with notice and proof of your claim within the time limits specified in this guide; or
- n) the date of your death.

E. HOW TO CANCEL THIS INSURANCE

Your insurance coverage with Co-operators Life is entirely optional and voluntary and you may cancel it at any time.

You will have **30 days** beginning on the Effective Date of Insurance to review the product guide and certificate of insurance. To cancel your insurance, please contact the Insurer at 1.800.263.9120.

If you cancel your insurance coverage within 30 days of your Effective Date of Insurance, provided no claim has been made, you will receive a full refund of any Single Premium that you have paid, and the insurance coverage will be deemed never to have been in force.

You may also cancel this insurance any time after the 30-day review period, in accordance with the product guide and certificate of insurance, and a partial refund of the Single Premium will be provided.

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F. REFUND OF SINGLE PREMIUM ON CANCELLATION

If you request cancellation of your insurance after the 30-day review period and before the last day of the “Maximum Term of Insurance” shown on your Insurance Enrolment, we will pay a partial refund of your Single Premium to the Creditor.

If you have added the Single Premium to your Loan or Lease, the Creditor will apply your refund to reduce or pay off your Insured Loan/Lease.

Your Single Premium refund will be calculated in the method chosen by the Creditor.

We will calculate your Single Premium refund according to that refund method as explained further below, unless a different calculation is required by law.

Rule of 78 Refund Formula

If the refund method chosen by the Creditor is Rule of 78, then your Single Premium refund will be calculated according to the Rule of 78 Refund Formula shown below:

$$\text{Rule of 78 Refund Formula: } \frac{SP * T * (T+1)}{N * (N+1)}$$

In the formula above:

- “SP” is the Single Premium for your insurance coverage, less applicable taxes;
- “T” is the total number of months remaining in your original insurance coverage period, rounded up or down to the nearest whole month; and
- “N” is the total number of months in your original insurance coverage period.

Pro-Rata Refund Formula:

If the refund method chosen by the Creditor is Pro-Rata, then your Single Premium refund will be calculated according to the Pro-Rata Refund Formula shown below:

$$\text{Pro-Rata Refund Formula: } \frac{SP * T}{N}$$

In the formula above:

- “SP” is the Single Premium for your insurance coverage, less applicable taxes;
- “T” is the total number of months remaining in your original insurance coverage period, rounded up or down to the nearest whole month; and
- “N” is the total number of months in your original insurance coverage period.

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Simple Interest Refund Formula:

If the refund method chosen by the Creditor is Simple Interest, then your Single Premium refund will be calculated according to the Pro-Rata Refund Formula shown below:

Simple Interest Refund Formula: $(OBIL @ \text{Time T}) - (OBL @ \text{Time T})$

Where:

- “OBIL” is the Outstanding Balance of your Insured Loan/Lease calculated according to the credit rate specified on your Loan or Lease documentation, which rate includes the cost of the Single Premium added to your Loan or Lease;
- “OBL” is the amount of the Outstanding Balance of your Loan or Lease would have been if you had not purchased Single Premium insurance on your Loan or Lease calculated according to the interest rate specified on your Loan or Lease documentation, which rate does not include the cost of the Single Premium added to your Loan or Lease; and
- “Time T” is the effective date of cancellation of your Single Premium insurance.

If you would like to obtain a quote for the amount of your Single Premium refund, you may contact the Insurer. If the cancellation date is more than 30 days after the effective date of insurance, an administrative fee of one hundred dollars (\$100.00) will be deducted from any refund. No refund will be paid if the amount is less than ten dollars (\$10.00) or if we have rescinded your insurance coverage due to fraud.

G. ADDITIONAL INFORMATION

About Your Insurance Premium

Single Premium means the one-time, lump sum, total premium for all insurance coverage(s) for which you have enrolled. The Single Premium is considered to be the cost of your insurance.

When you enrol, the “Total Single Premium” shown on your Insurance Enrolment, is the sum of all premiums, plus applicable taxes. This amount is added to your “Loan/Lease Amount to be Insured”, also shown on your Insurance Enrolment.

Premium Payments

Your Single Premium and applicable taxes are shown on your Insurance Enrolment as a lump sum for each type of insurance for which you have enrolled.

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Multi Insured Discount

If more than one Insured, as shown on the Insurance Enrolment, has enrolled for the same type of insurance coverage on the Insured Loan/Lease, a discount will be applied to the Single Premium.

Currency

All amounts payable to or by us shall be in Canadian dollars.

Material Misrepresentation

If you misrepresent information at time of claim (that is, if you provide incorrect information or fail to disclose information), which is material or important to your insurance, your insurance may be void from the beginning and treated as if never in force. In case of misrepresentation, we would decline your claim and, except for fraud, refund your Single Premium, less our applicable processing fee.

Misstatement Of Age

If you misstated your age when you enrolled for insurance coverage, and as a result your correct age would have made you ineligible for Single Premium Creditor's Group Insurance coverage, the liability of Co-operators Life is limited to a refund of the Single Premium paid, and your insurance will be void as if it never existed. If this happened, we would decline your claim and refund your Single Premium, less our applicable processing fee.

If you would have been eligible for coverage based upon your correct age, we will make any adjustments to insurance benefits, premium or term that are necessary to continue coverage.

Conformity With Statutes

If, on the Effective Date of Insurance, any part of the product guide conflicts with the statutes governing the product guide, the provisions of such statutes shall govern.

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Single Premium Creditor's Group Insurance – Carefree

Cancellation Of Certificate Or Policy

We reserve the right to cancel the Group Policy. If this happens, your Group Policyholder will notify you at least **30 days** before the effective date of cancellation, and we will honour all valid claims arising before that date

Contestability Of Coverage

Contestability Period

If you make a claim for insurance benefits within the first two years of coverage, we will review the information you provided in your Insurance Enrolment to confirm that it is correct and complete. We will determine whether or not material misrepresentation is applicable.

Except if you misstate your age on your Insurance Enrolment, once your insurance has been in force for more than two years, we will generally only review your information if there is evidence of fraud. This two-year period is sometimes referred to as the Contestability Period and is a concept set out in the provincial insurance legislation.

Refinancing Your Loan or Lease

Your coverage will automatically end at the same time as your Insured Loan/Lease is Refinanced. Unless you enrol for replacement insurance coverage with the Group Policyholder, you will not have any insurance on your Refinanced Loan or Lease.

If you enrol for insurance coverage on a new Loan or Lease amount, you will be issued a new product guide, which will replace all of the terms and conditions of your previous product guide.

All exclusions, restrictions and limitations for your new insurance coverage will apply as of the effective date of insurance for your new insurance coverage amount(s). These will include, but will not be limited to, any applicable pre-existing condition exclusions and, for disability insurance, any applicable elimination period.

Reduced Benefits At Time Of Claim

If we decline your claim for insurance benefits on your Refinanced Loan or Lease due to an exclusion under the new product guide, but we would have paid benefits under your original product guide had your insurance coverage not ended due to the refinancing of your Loan or Lease, we will pay limited life insurance or disability insurance benefits. These benefits will be based on the type and amount of insurance coverage that we would otherwise have paid under the original product guide.

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Continuation of claim payments from a prior Certificate does not apply if you are transferring your Loan or Lease to another financial institution or to a different Creditor's Group Insurance product issued by Co-operators Life.

Refinancing Your Loan Or Lease While On Disability

If you are receiving disability benefits and you Refinance your Loan or Lease, you may apply for disability insurance coverage on your new Loan or Lease amount. As long as you are Totally Disabled, we will continue to pay disability insurance benefits to the extent of coverage under your previous product guide, and disability insurance coverage remains in force.

However, your disability benefit will not exceed:

- the amount of the new Loan or Lease payment;
- the term of insurance on your new Loan or Lease; or
- the amount specified under the Maximum Monthly Benefit Payable.

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Single Premium Creditor's Group Insurance – Carefree

IV. SUBMISSION OF A CLAIM

A. PROOF OF CLAIM

The insurance claims process is different for each type of claim as described in the Proof of Claim section below.

Life Insurance Claim

To make a life insurance claim, CUMIS Life is the first point of contact for your next of kin or your estate representative. We will coordinate obtaining the required claim forms and any other supporting Loan or Lease information we require.

At any time, your estate representative may contact us for the status of the claim.

CAUTION:

Your estate representative must submit notice and proof of claim within one year of the date of your death. This includes proof of your death and all other supporting documentation which we require.

Living Benefit, Accidental Dismemberment/Paraplegia, Critical Illness, Disability or Loss of Employment Insurance Claim

To make a living benefit, accidental dismemberment/paraplegia, critical illness, disability or loss of employment insurance claim, contact CUMIS Life at 1.800.263.9120. When you make the initial call, we will start by asking you for information, so we can identify you and your Loan or Lease. The information we require to establish your entitlement to benefits may be different for each type of claim.

After your claim is submitted, we will let you know if we require additional documentation or information. We will also ask you to complete and return to us an authorization form so we may obtain information directly from your Physician(s), employer or other sources we consider appropriate.

Please note you will remain legally responsible to make your Loan or Lease payments to the Creditor throughout the course of any claim. We will notify you and the Creditor in writing if we approve or decline your claim. If we approve your claim, we will pay the benefits described in the guide. If we decline your claim, we will provide you with reasons.

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CAUTION:

For Accidental dismemberment/paraplegia:

- **Claims must be reported to us within one year of the date of loss, including proof of loss and supporting documentation which we may require.**

For living benefit, critical illness, disability or loss of employment insurance:

- **You must provide us with written notice within 30 days of the date your claim first arises (that is, the date you were Diagnosed with a Terminal Illness, Critical Illness, you first became Totally Disabled, or your experienced an Involuntary Loss of Employment).**
- **You must also submit proof of your claim, in a form we consider acceptable, within 90 days of the date your claim first arises. If we do not receive notice of claim within the specified time limits, you must provide a written reasonable cause for delay within one year of the date of claim, or as set out in provincial insurance legislation.**

B. IMPORTANT TIME LIMITS FOR NOTICE OF CLAIM

CAUTION:

In the event of a claim, please contact CUMIS Life (CUMIS Life Insurance Company, an affiliate of the Co-operators Life Insurance Company) as soon as possible.

You must provide us with notice and proof of your claim within the time limits specified in this guide. If you do not do so, we may decline your claim and not pay any insurance benefits.

The insurance claims process is different for each type of claim as described in the Proof of Claim section above.

Claims Contact Information

CUMIS Life Insurance Company
151 North Service Road, P.O. Box 5065
Burlington, ON L7R 4C2
Attention: Claims Centre

Toll-free telephone: 1.800.263.9120
Toll-free confidential fax: 1.800.897.7065
Confidential email: claims.centre@cumis.com

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Rights Of Examination

We may ask you to have a medical examination by a Physician of our choice. We will pay for this examination, but will not pay any benefits if you refuse to have the examination. In the event of a death claim, we have the right, where allowed by law, to ask for an autopsy.

C. INSURER'S REPLY

Within **30 days** after receiving a satisfactory proof of claim, We will either:

- pay the benefits provided for under the Policy; **or**
- inform you in writing of the reasons why we believe that no benefits are payable.

If payable, insurance benefits will be paid to the Creditor who will apply the benefits towards the Outstanding Balance of your Insured Loan/Lease or otherwise to your credit.

D. END OF MONTHLY INSURANCE BENEFIT PAYMENTS (FOR DISABILITY AND LOSS OF EMPLOYMENT INSURANCE)

When do Disability Insurance Benefits End?

Disability benefits will be paid until the earliest of the following:

- the date you are no longer Totally Disabled;
- the date disability benefit payments have reached the Maximum Benefit Period Per Occurrence shown on your Insurance Enrolment;
-
- the date your Residual Value/Balloon Payment becomes due;
- the date you become confined as a result of criminal proceedings against you, to a penal institution government detention facility, hospital or similar institution;
- the date you participate in any Business or occupation for wages or profit;
- your Loan or Lease has been paid in full;
- the date you are no longer under the active care of a Physician;
- the date you refuse to submit to a medical exam by a Physician selected by us;
- the date your insurance ends, as described under the heading: When Does Your Insurance Coverage End?;
- the date you fail to provide satisfactory proof of continuing Total Disability; or
- the date of your death.

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When do Loss Of Employment Benefits End?

Loss of employment insurance benefits will be paid until the earliest of the following:

- your life insurance and/or your disability insurance coverage ends, for any reason;
- the date you Return to Work;
- the date you become Self-Employed;
- the date loss of employment benefit payments have reached the Maximum Benefit Period Per Occurrence shown on your Insurance Enrolment;
- the date your Residual Value/Balloon Payment becomes due;
- the date you become confined, as a result of criminal proceedings against you, to a penal institution government detention facility, hospital or similar institution;
- the date you participate in any Business or occupation for wages or profit;
- your Loan or Lease has been paid in full;
- the date your insurance ends, as described under the heading: When Does Your Insurance Coverage End?;
- the date you begin receiving disability insurance benefits for the Loan or Lease;
- the date you do not provide satisfactory proof of your continuing receipt of Unemployment Compensation or satisfactory proof of your continuing unemployment; or
- the date of your death.

E. APPEAL FROM INSURER'S RULING AND RECOURSES

If the insurance claim is declined and there is disagreement with our decision, a formal written request to appeal may be submitted to us. The written request to appeal must explain why there is disagreement, and supporting documentation must be provided. Upon receipt, we will review the request and advise on our decision of the appeal.

If our decision of the appeal is not satisfactory, we will provide information on the steps which can be taken to have concerns reviewed further. This may include, if desired, contacting our designated OmbudService.

Mail: Ombuds Office
The Co-operators Group Limited
130 Macdonell Street
Guelph, ON N1H 6P8

Email: ombuds@cooperators.ca

Phone: 1-877-720-6733

Fax: 1-519-823-9944

If we decline your claim or terminate your insurance benefits, provincial laws strictly limit the time periods within which you may commence legal proceedings against an insurer to

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recover insurance benefits. This time period starts on the date we initially decline your claim or terminate insurance benefits.

Every action or proceeding against an Insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in applicable insurance legislation, or other applicable legislation.

V. OTHER INFORMATION

If you have any questions about this insurance, please contact the Insurer:

Co-operators Compagnie d'assurance-vie

1920 College Avenue,
Regina, Saskatchewan
S4P 1C4

Phone: 1-800-263-9120

VI. SIMILAR PRODUCTS

Please note that other insurance products offering coverage similar to the insurance targeted in this distribution guide are available on the market. We encourage you to make inquiries to make sure that this insurance best meets your needs.

VII. REFERRAL TO THE AUTORITÉ DES MARCHÉS FINANCIERS

If you have any questions about either your distributor's or our obligations to you, you may contact the *Autorité des marchés financiers* at the following address:

Autorité des marchés financiers
Place de la Cité, Tour Cominar
2640 boul. Laurier, 4th floor
Sainte-Foy, Québec
Canada
G1V 5C1

Telephone

Toll-free: 1-877-525-0337
Quebec City: 418-525-0337
Montreal: 514-395-0337

Website: www.lautorite.qc.ca

VIII. CONFIDENTIALITY

Your Privacy Matters to Us

Co-operators Life Insurance Company recognizes and respects the importance of privacy. When you enrol for insurance coverage, we establish a confidential file and collect, use and disclose your personal information for the purposing of issuing, administering and servicing your insurance. You may access and correct, if needed, the personal information in your file by sending us a request in writing.

We limit access to your personal information to our staff and other persons we have authorized who have a need to know it to perform their duties. We may store or process your personal information in Canada, the United States or other countries and, under applicable law, governments, courts, law enforcement or regulatory agencies may, by lawful order, obtain disclosure of your personal information.

We may also share your personal information with the Group Policyholder and its affiliates, affiliates of Co-operators Life Insurance Company or with entities with whom the Group Policyholder or Co-operators Life Insurance Company have made arrangements to advise you of products and services that may be of interest to you. You may choose not to have your personal information shared or used for these additional purposes by contacting us.

For more information about our privacy practices please visit www.cooperators.ca. If you have questions about your privacy you may call us, toll-free, at 1-800.263.9120, send an e-mail to us at privacy@cooperators.ca, or write to us at Co-operators Life Insurance Company, 1920 College Avenue, Regina, Saskatchewan, S4P 1C4, Attention: Privacy Officer.

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NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY DISTRIBUTOR

Article 440 of the Act respecting the distribution of financial products and services.

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES GIVES YOU IMPORTANT RIGHTS

- The Act enables you to cancel the insurance contract you just signed at the same time as another contract, without penalties, within 10 days of its signature. The Insurer offers you **30 days after you have received the certificate of insurance**. To do so, you must send the Insurer a notice by registered mail within this delay. You may use the enclosed model to that effect.
- Despite the cancellation of the insurance contract, the first contract entered into retains all its effects. Be careful, it is possible that you may incur the loss of favourable conditions extended upon signing this contract; please enquire from your distributor or consult your contract.
- After the expiry of the **30-day** delay, you have the option of cancelling your insurance at any time, but penalties may apply.

For further information, please contact the *Autorité des marchés financiers* at: (418) 525-0337 or 1-877-525-0337.

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NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT

To _____
(Name of Insurer)

(Address of Insurer)

(Date of sending of this Notice)

Under Article 441 of the Act respecting the distribution of financial products and services, I hereby cancel insurance contract no.

(Number of contract, if indicated)

entered into on: _____
(Date of signature of contract)

at: _____
(Place of signature of contract)

(Name of client) (Signature of client)

The distributor must fill in this section beforehand.

This notice must be sent by registered mail.

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Single Premium Creditor's Group Insurance – Carefree

439. A distributor may not subordinate the making of a contract to the making of an insurance contract with the Insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.

440. A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation, stating that the client may cancel the insurance contract within 10 days of signing it.

441. A client may cancel an insurance contract made at the same time as another contract, within 10 days of signing it, by sending notice by registered or certified mail.

Where such an insurance contract is cancelled, the first contract retains all its effects.

442. No contract may contain provisions allowing its amendment in the event of cancellation or termination by the client of an insurance contract made at the same time.

However, a contract may provide that the cancellation or termination of the insurance contract will entail, for the remainder of the term, the loss of the favourable conditions extended because more than one contract was made at the same time.

443. A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation, stating that the debtor may subscribe for insurance with the Insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the Insurer specified by the distributor.

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an Insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.

The rights of the debtor under the contract of credit shall not be forfeited when the debtor cancels, terminates or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another Insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.