



Protection for your Loan or Lease Carefree

Single Premium Creditor's Group Insurance

(Life, Accidental Dismemberment/Paraplegia, Critical Illness, Disability and Loss of Employment)

Product Guide and Certificate of Insurance

Co-operators Life Insurance Company

Customer Service – 1.866.533.9328

Single Premium Creditor's Group Insurance is underwritten by
Co-operators Life Insurance Company and administered by LGM Financial Services Inc.

Carefree is underwritten by Co-operators Life Insurance Company and administered by LGM Financial Services
Inc. To contact Co-operators Life Insurance Company call 1.855.587.8595 or visit www.cooperators.ca

Single Premium Creditor's Group Insurance

This Product Guide and Certificate of Insurance (together, the "Product Guide") describes the optional and voluntary insurance coverage for which you have enrolled and also acts as your certificate of insurance. Please read it together with a copy of your completed Insurance Enrolment provided to you by the Group Policyholder.

This Product Guide contains important information about your insurance, including terms and conditions which may exclude, restrict or limit your coverage or benefits. This Product Guide includes information on the insurance coverage available under the Group Policy, including those that you may not have selected.

A summary of the principal provisions of the Group Policy is outlined in the following pages. If there is any conflict between the terms and conditions of the Product Guide and those described in the Group Policy, the terms and conditions of the Group Policy shall govern.

In this Product Guide, certain words and phrases have specific meanings. These terms are explained under the heading "Definitions" and in other places throughout this document.

For the purpose of this Product Guide, the terms "you" and "your" reference each individual:

- a) who is a natural person (or persons); and
- b) who is named on the Insurance Enrolment and is eligible for one or more types of insurance under the Group Policy; and
- c) who has (or have) obtained a Loan or Lease with the Creditor:
 - i) for which they are liable and have a legal obligation to repay, either in whole or in part, as a borrower, co-borrower, lessee, co-lessee, co-signer, guarantor or endorser; or
 - ii) in the case of a Business, have a legal obligation to repay the Loan or Lease to the Group Policyholder either as a Business owner, key person, or any person associated with the Business who is obligated to the debt; and
- d) for whom we have received the Single Premium; and
- e) to whom we have issued a Product Guide.

The terms "we", "us", "our", "Co-operators" and "Co-operators Life" refer to the Co-operators Life Insurance Company.

You may, at any time, request a copy of the Group Policy and any amendments made to it by contacting the Group Policyholder.

Please read this carefully and keep it in a safe place. You may need to refer to it later if you have questions about your insurance or if you need to make a claim.

Questions

About Your Insurance

If you have any questions about your insurance, please contact the Administrator, LGM Financial Services Inc. at 1.866.533.9328.

About Your Loan or Lease

If you have any questions about your Loan or Lease, please contact the Creditor shown on your Insurance Enrolment.

Product Guide and Certificate of Insurance

Single Premium Creditor’s Group Insurance – Carefree

Table of Contents

- Introduction..... 5**
 - The Group Policy 5
 - Your Certificate Of Insurance 5
 - The Importance Of Single Premium Insurance 5
 - Insurance Benefits At A Glance..... 5
 - Payment Of Insurance Benefits 5
 - Eligibility Requirements – All Insurance 6
 - When Does Your Insurance Coverage Begin? 6
 - When Does Your Insurance Coverage End? 6
 - Limitations On Insurance Benefits 7
 - Pre- Existing Condition Exclusion 8
- Life Insurance 9**
 - What Is The Life Insurance Benefit? 9
 - What Is A Living Benefit? 9
 - EXCLUSIONS: When Your Life Insurance Benefit Will Not Be Paid..... 10
- Accidental Dismemberment/Paraplegia Insurance.....10**
 - What Is The Accidental Dismemberment/Paraplegia Insurance Benefit? 10
 - What Is Accidental Dismemberment/Paraplegia? 10
 - EXCLUSIONS: When Your Accidental Dismemberment/Paraplegia Insurance Benefit Will Not Be Paid..... 11
- Critical Illness Insurance.....11**
 - Applying for Coverage..... 11
 - What Is The Critical Illness Insurance Benefit? 11
 - What Is A Critical Illness?..... 12
 - EXCLUSIONS: When Your Critical Illness Insurance Benefit Will Not Be Paid..... 14
- Disability Insurance15**
 - What Is The Disability Insurance Benefit?..... 15
 - What Is A Disability?..... 15
 - When Do Disability Benefits Begin?..... 17
 - EXCLUSIONS: When Your Disability Benefit Will Not Be Paid 17
 - When Do Disability Insurance Benefits End? 18
- Loss of Employment Insurance18**
 - Applying For Coverage 18
 - What Is The Loss Of Employment Insurance Benefit? 18

Product Guide and Certificate of Insurance

Single Premium Creditor’s Group Insurance – Carefree

What Is Loss Of Employment?..... 19

When Do Loss Of Employment Benefits Begin? 20

EXCLUSIONS: When Your Loss Of Employment Benefit Will Not Be Paid 20

When Do Loss Of Employment Benefits End? 21

Refinancing Your Loan or Lease21

 What Happens On Refinancing?..... 21

 Refinancing Your Loan Or Lease While On Disability 22

How To Make A Claim22

 Notice Of Claim – Important Time Limits..... 22

 Proof Of Claim..... 22

 Other Important Claim Information 23

 Important Time Limits For Taking Legal Action 24

Additional Information About Your Insurance.....24

 About Your Insurance Premium..... 24

 Material Misrepresentation 25

 Misstatement Of Age..... 25

 Conformity With Statutes 25

 Contestability Of Coverage..... 25

 If you have a complaint 25

How To Cancel Insurance Coverage.....26

Definitions28

Your Privacy Matters To Us32

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Introduction

The Group Policy

Co-operators Life Insurance Company has issued a creditor's group insurance policy to the Group Policyholder specified on your Insurance Enrolment. The Group Policy provides creditor's group insurance, as described in this Product Guide, to eligible borrowers or lessees of the Group Policyholder who enrol and pay the required Single Premium.

The Group Policy and this Product Guide are non – participating. This means your insurance coverage has no cash value and pays no dividends.

Your Certificate Of Insurance

You are receiving this Product Guide because you chose to enrol in one or more types of optional and voluntary insurance available to you under the Group Policy. It acts as your certificate of insurance and, along with your Insurance Enrolment is proof of your coverage under the Group Policy.

The terms and conditions of your insurance are found in:

- your Insurance Enrolment;
- this Product Guide; and
- the Group Policy and any amendments.

All rights and obligations under the Group Policy will be governed by the laws of Canada and the provincial jurisdiction in which you reside at time of enrolment.

You have the right to examine and obtain a copy of the Group Policy and certain other written statements or records you have submitted to us (if any), subject to certain access limitations.

The Importance Of Single Premium Insurance

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 this Product Guide.

Insurance Benefits At A Glance

- **Life insurance:** pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you die.
- **Accidental Dismemberment/Paraplegia insurance:** pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you suffer Accidental Dismemberment or Paraplegia.
- **Critical Illness insurance:** pays off or reduces the Outstanding Balance on your Insured Loan/Lease if you are Diagnosed with a covered Critical Illness.
- **Disability insurance:** covers your Insured Monthly Benefit if you become Totally Disabled.
- **Loss of Employment insurance:** covers your Insured Monthly Benefit if you experience an Involuntary Loss of Employment.

Payment Of Insurance Benefits

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Eligibility Requirements – All Insurance

NOTE: You must meet the eligibility requirements explained below. If you do not, you will not have any insurance coverage under this Product Guide.

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 a Canadian resident and living in Canada at least six months 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;
- your age is within the “Minimum/Maximum Eligibility Age” for each type of insurance for which you have enrolled, as shown on your Insurance Enrolment; 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.

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.

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 expiry of the “Maximum Term of Insurance”, as shown on your Insurance Enrolment;
- b) the date you reach the “Coverage Termination Age” as shown on your Insurance Enrolment;
- 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 consecutive monthly payments on your Loan/Lease;
- j) the date we pay a life insurance benefit, living benefit, or critical illness insurance benefit under this Product Guide;
- 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 Product Guide; or
- n) the date of your death.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Limitations On Insurance Benefits

For all insurance, there are limits on the total amount of insurance you can obtain and how long your insurance will remain in force. For disability insurance and loss of employment insurance, there are also limits on how long we will pay benefits if a claim is made. The amount of insurance coverage on your Loan or Lease may be less than your Loan/Lease Amount Excluding Insurance.

Maximum Benefit Period Per Occurrence means the maximum limit on the total number of months for which we will pay disability insurance and loss of employment insurance benefits for a single claim, as shown on your Insurance Enrolment.

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 as shown on your Insurance Enrolment.

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

NOTE: Any life insurance benefit, living benefit or critical illness benefit payable will include the Single Premium, even if the "Amount of Insured Loan or Lease" shown on your Insurance Enrolment exceeds the Maximum Insurance Available (excluding insurance premium).

Maximum Monthly Benefit Payable means the maximum limit on the monthly amount of disability insurance and loss of employment insurance benefits we will pay for any Loan or Lease, as shown on your Insurance Enrolment.

Maximum Term of Insurance means the maximum period of time of which we will provide insurance on any Loan or Lease, as shown on your Insurance Enrolment.

NOTE: Maximum Term of Insurance may be less than the term of your Loan or Lease. This means that when the Maximum Term of Insurance expires, your insurance coverage will end, and we will not pay any benefits after that time. If the term of your Loan or Lease is longer than the Maximum Term of Insurance, you may enrol for new insurance coverage when the Maximum Term of Insurance expires. Please refer to the heading Refinancing Your Loan or Lease for additional information.

Your Loan or Lease will not be insured for the full duration of the Loan or Lease term if:

- the term of your Loan or Lease extends beyond the "Coverage Termination Age" shown on your Insurance Enrolment; or
- the disbursement of funds for your Loan or Lease is after your Effective Date of Insurance.

Once your insurance coverage has expired, we will not pay any benefits after that time.

If your "Loan/Lease Amount Excluding Insurance" and/or "Loan/Lease Payment Excluding Insurance" is greater than the Maximum Insurance Available (excluding insurance premium) and/or the Maximum Monthly Benefit Payable amount shown on your Insurance Enrolment, your Insured Loan/Lease will be capped at those stated values.

Those capped insured coverage amounts will be used to calculate the Single Premium and pay insurance benefits at the time of claim.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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.

For 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.

Pre- Existing Condition Exclusion

NOTE: We will not pay any insurance benefits or refund your Single Premium if your life, living benefit, critical illness or Total Disability claim results directly or indirectly from, or is in any way related to, a Pre-Existing Condition.

A **Pre-Existing Condition** is any illness, disease, bodily injury, condition or symptom (regardless of whether or not a Diagnosis has been made) for which you sought or received, or a prudent person would have sought or received, Medical Advice or Treatment within the specified Pre-Existing Condition Exclusion Period as shown on your Insurance Enrolment, immediately preceding the Effective Date of Insurance.

For this definition of Pre-Existing Condition:

- **Medical Advice or Treatment** means consultation with a 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.
- **Health Care Practitioner** means a person lawfully entitled to provide insured health services, as defined under the Canada Health Act.

How Does The Pre- Existing Condition Exclusion Work?

If you had symptoms or were treated for a medical condition within a specified period of time before your insurance coverage began, we will not pay any insurance benefits if your life, living benefit, critical illness or Total Disability claim occurs within a specified period of time after your insurance coverage began. These specified periods of time are shown together on your Insurance Enrolment as the Pre-Existing Condition Exclusion Period.

For Example:

Your Pre-Existing Condition Exclusion Period shown on your Insurance Enrolment is "6/6". You had symptoms and were treated for a heart condition five months before your coverage began. If your life, living benefit, critical illness or Total Disability claim occurred as a result of your heart condition, and your coverage had been in effect for less than six full months, we would not pay insurance benefits.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

However, as long as you met all eligibility requirements for enrolment on the Effective Date of Insurance shown on your Insurance Enrolment, we would pay insurance benefits if your life, living benefit, critical illness or Total Disability claim occurred as a result of your heart condition, any time after your coverage has been in effect for six full months.

If your claim for disability insurance benefits or critical illness insurance benefits was denied due to a Pre-Existing Condition, your insurance would remain in effect and continue.

Pre- Existing Condition Exclusion Period

The Pre-Existing Condition exclusion applies during the Pre-Existing Condition Exclusion Period shown on your Insurance Enrolment. We would pay insurance benefits if, after the Pre-Existing Condition Exclusion Period expired, your life, living benefit, critical illness or Total Disability claim was related to a Pre-Existing Condition.

Life Insurance

What Is The Life Insurance Benefit?

If you have enrolled for life insurance coverage and you meet the terms and conditions of this Product Guide, when you die, we will pay a life insurance benefit to the Creditor, which will be equal to the Outstanding Balance of your Insured Loan/Lease on the date of your death, as calculated by the Creditor.

Life insurance benefits payable will not exceed:

- the Outstanding Balance of your Insured Loan/Lease at the date of death multiplied by the percentage of coverage calculated; or
- the Maximum Insurance Available (excluding insurance premium) shown on your Insurance Enrolment.

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

NOTE: 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 Product Guide.

What Is A Living Benefit?

If you have enrolled for life insurance coverage and meet the terms and conditions of this Product Guide, then you are eligible for the living benefit.

If you are Diagnosed with a terminal illness (your life expectancy from that terminal illness is 12 months or less) as determined by a Licensed Physician we consider appropriate to make such a Diagnosis, you are eligible to make a living benefit claim.

NOTE: A living benefit claim must be made prior to death occurring.

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
- the Maximum Insurance Available (excluding insurance premium) shown on your Insurance Enrolment.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

We will also pay Accrued Interest on the applicable amount as calculated above, as well as Settlement Interest to the Creditor.

NOTE: 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 Product Guide.

EXCLUSIONS: When Your Life Insurance Benefit Will Not Be Paid

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

- any Pre-Existing Condition;
- you committing Suicide within two years after the Effective Date of Insurance (applicable to life insurance benefit only);
- 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 specified in this Product Guide.

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, regardless of your state of mind and whether you are aware or not of the result of your actions. 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 Premium On Cancellation.

Accidental Dismemberment/Paraplegia Insurance

What Is The Accidental Dismemberment/Paraplegia Insurance Benefit?

If you have enrolled for life insurance coverage and meet the terms and conditions of this Product Guide, then you are eligible for the accidental dismemberment/paraplegia 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 equal to the Outstanding Balance on your Insured Loan/Lease on the date of your Accidental Dismemberment or Paraplegia, as calculated by the Creditor.

What Is Accidental Dismemberment/Paraplegia?

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.

Paraplegia means the total and permanent loss of use of both legs.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Accidental Dismemberment/Paraplegia insurance benefits 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
- the Maximum Insurance Available (excluding insurance premium) shown on your Insurance Enrolment.

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

NOTE: 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 Product Guide.

EXCLUSIONS: When Your Accidental Dismemberment/Paraplegia Insurance Benefit Will Not Be Paid

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

- a) any attempted Suicide or self-destruction, regardless of your state of mind and whether you are aware or not of the result of your actions; or
- b) any intentionally self-inflicted injury; or
- c) the commission of or the attempted commission of a criminal offence; or
- d) war or any act of war; or
- e) medical or surgical treatment; or
- f) the operation of a motor vehicle under the influence of alcohol or drugs;
- g) the use of narcotics or other drugs not prescribed by a Licensed Physician or surgeon; or
- h) you or your estate representative not providing us with notice and proof of your claim within the time limits specified in this Product Guide.

Critical Illness Insurance

Applying for Coverage

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.

What Is The Critical Illness Insurance Benefit?

If you have enrolled for critical illness insurance coverage and you meet the terms and conditions of this Product Guide, we will pay an insurance benefit to the Creditor as of the date of your Diagnosis equal to the Outstanding Balance of your Insured Loan/Lease, as calculated by the Creditor. Your Diagnosis with a Critical Illness must be confirmed by appropriate results as described in this Product Guide.

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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
- the Maximum Insurance Available (excluding insurance premium) shown on your Insurance Enrolment.

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

NOTE: 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.

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

What Is A Critical Illness?

Critical Illnesses are Heart Attack, Stroke and Cancer, which are defined as follows:

Heart Attack (acute myocardial infarction) means the definite Diagnosis of death of heart muscle, due to obstruction of blood flow, that results in a rise and fall of cardiac biomarker to levels considered diagnostic of acute 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 pathological Q waves on ECG following an intra-arterial cardiac procedure including, but not limited to, coronary angiography or angioplasty.

Heart Attack Exclusions:

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

- a) ECG changes suggestive of a prior myocardial infarction;
- b) other acute coronary syndromes, including angina pectoris and unstable angina; or
- c) elevated cardiac biomarkers and/or symptoms that are due to medical procedures or diagnoses other than heart attack.

The Diagnosis of Heart Attack (acute myocardial infarction) must be made by a Specialist.

Stroke (cerebrovascular accident resulting in persistent neurological deficits) is defined as a definite Diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis, hemorrhage, or embolism, with:

- acute onset of new neurological symptoms, and
- new objective neurological deficits on clinical examination, persisting continuously for more than 30 days following the Date of Diagnosis. These new symptoms and deficits must be corroborated by diagnostic imaging testing showing changes that are consistent in character, location and timing with the new neurological deficits.

For the purpose of this Product Guide, neurological deficits must be detectable by a Specialist and may include, but are not restricted to, measurable loss of hearing, measurable loss of vision, measurable changes in neuro-cognitive function, objective loss of sensation, paralysis, localized weakness, dysarthria (difficulty with pronunciation), dysphasia, (difficulty with speech), dysphagia (difficulty swallowing), impaired gait (difficulty walking), difficulty with balance, lack of coordination, or new-onset seizures undergoing treatment. Headache or fatigue will not be considered a neurological deficit.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Stroke Exclusions:

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

- a) Transient Ischaemic Attacks (TIA);
- b) intracerebral vascular events due to trauma;
- c) ischaemic disorders of the vestibular system;
- d) death of tissue of the optic nerve or retina without total loss of vision of that eye; or,
- e) lacunar infarcts which do not meet the definition of stroke as described above.

The Diagnosis of a Stroke must be made by a Specialist

Cancer means the definite Diagnosis of a malignant tumor characterized by the uncontrolled growth and spread of malignant cells with invasion and destruction of normal tissue. Cancer includes: carcinoma, melanoma, leukemia, lymphoma, and sarcoma.

For the purpose of this Product Guide:

- T1a or T1b prostate cancer means a clinically inapparent tumour that was not palpable on digital rectal examination and was incidentally found in resected prostatic tissue
- the term gastrointestinal stromal tumours (GIST) classified as AJCC Stage 1 means:
 - i) gastric and omental GIST that are less than or equal to 10 cm in greatest dimension with five or fewer mitoses per 5 mm², or 50 per HPF; or
 - ii) small intestinal, esophageal, colorectal, mesenteric and peritoneal GISTs that are less than or equal to 5 cm in greatest dimension with 5 or fewer mitoses per 5mm² or 50 per HPF;
- the terms Tis, Ta, T1a, T1b, T1 and AJCC stage 1 are as defined in the American Joint Committee on Cancer (AJCC) cancer staging manual, 8th Edition, 2018.
- the term Rai stage 0 is as defined in KR Rai, A Sawitsky, EP Cronkite, AD Chanana, RN Levy and BS Pastemack: Clinical staging of chronic lymphocytic leukemia. Blood 46:219, 1975.

Cancer Exclusions:

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

- a) lesions described as benign, non-invasive, pre-malignant, of low and/or uncertain malignant potential, borderline, carcinoma in situ, or tumours classified as Tis or Ta;
- b) malignant melanoma of skin that is less than or equal to 1.0mm in thickness, unless it is ulcerated or is accompanied by lymph node or distant metastasis;
- c) any non-melanoma skin cancer, without lymph node or distant metastasis. This includes but is not limited to, cutaneous T cell lymphoma, basal cell carcinoma, squamous cell carcinoma or Merkel cell carcinoma;
- d) prostate cancer classified as T1a or T1b, without lymph node or distant metastasis;
- e) papillary thyroid cancer or follicular thyroid cancer, or both, that is less than or equal to 2.0cm in greatest dimension and classified as T1, without lymph node or distant metastasis;
- f) chronic lymphocytic leukemia classified as Rai stage 0 without enlargement of lymph nodes, spleen or liver and with normal red blood cell and platelet counts;
- g) gastro-intestinal stromal tumours classified as AJCC Stage 1;
- h) grade 1 neuroendocrine tumours (carcinoid) confined to the affected organ, treated with surgery alone and requiring no additional treatment, other than perioperative medication to oppose effects from hormonal over secretion by the tumour; or
- i) thymomas (stage1) confined to the thymus, without evidence of invasion into the capsule or spread beyond the thymus.

The diagnosis of Cancer must be made by a Specialist. and must be confirmed by a pathology report.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

EXCLUSIONS: When Your Critical Illness Insurance Benefit Will Not Be Paid

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

- any pre-existing condition;
- your Diagnosis:
 - a) not fully meeting the requirements for the definitions of Heart Attack, Stroke or Cancer, described above; or
 - b) is specifically listed under the headings *Heart Attack Exclusions*, *Stroke Exclusions* or *Cancer Exclusions*, described above;
- your medical condition results directly or indirectly from you self-inflicting an injury or attempting to take your own life, regardless of your state of mind and whether you are aware or not of the result of your actions;
- 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;
- 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 specified in this Product Guide.

Cancer Within 90 Days:

A Critical Illness benefit will not be payable if within 90 days following the Effective Date of Insurance, you have any of the following:

- signs, symptoms or investigations leading directly or indirectly to a Diagnosis of any cancer (covered or not covered under this Product Guide); or
- a Diagnosis of any cancer (covered or not covered under this Product Guide).

If this happens, we will cancel your critical illness insurance coverage and provide a full refund of any Premium paid for this coverage.

Pre- Existing Cancer Exclusion

We will not pay a critical illness insurance benefit for a Diagnosis of Cancer if you had Any Cancer at any time before the Effective Date of Insurance.

NOTE: For critical illness insurance, the Pre-Existing Condition Exclusion Period shown on your Insurance Enrolment does not apply if you have ever had any form of Cancer (that is, not just a Covered Cancer). If this applies to you, we will not pay a critical illness insurance benefit for any Diagnosis of Cancer. We explain this further below.

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

For the purposes of this pre-existing Cancer exclusion and the examples further below:

- **Any Cancer** means any form of Cancer (not just a form of Cancer covered by critical illness insurance under this Product Guide).
- **Covered Cancer** means a form of Cancer covered by critical illness insurance under this Product Guide, subject to this pre-existing Cancer exclusion.
- **Non-Covered Cancer** means a form of Cancer that is not covered by critical illness insurance under this Product Guide.

Disability Insurance

What Is The Disability Insurance Benefit?

If you have enrolled for disability insurance coverage and you meet the terms and conditions of this Product Guide, when you become Totally Disabled and your Total Disability insurance claim is approved, we will pay a monthly disability insurance benefit to the Creditor that is equal to the “Insured Monthly Benefit” as shown on your Insurance Enrolment.

The “Insured Monthly Benefit” payable for disability benefits will not exceed the Maximum Monthly Benefit Payable shown on your Insurance Enrolment.

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.

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

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

What Is A Disability?

A **Disability** is a medical impairment due to injury or illness which prevents you from performing the regular duties of your Principal Occupation for the first 12 months of Disability, and following this, prevents you from performing the duties of any occupation.

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, bodily injury, or donation of an organ or tissue;
- 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.

At any time during the process of claiming or paying disability insurance benefits, we may require you to be assessed as we consider appropriate.

Actively at Work 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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Terms Specific To Disability And What They Mean

Elimination Period

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; and can be either **Non-Retroactive** or **Retroactive**. You must become Totally Disabled and remain Totally Disabled throughout the Elimination Period before you are eligible for benefits.

We will start paying insurance benefits as of the expiry of the Elimination Period.

- 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.

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.

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) the definite diagnosis of your total inability, due to disease or injury, to perform independently;
 - i) with or without the aid of assistive devices;
 - ii) at least 3 of 6 Activities of Daily Living; and
 - iii) the diagnosis must be made by a Physician supported by an independent home care assessment made by an occupation therapist or equivalent
- b) you are receiving Appropriate Medical Care.

Activities of Daily Living means the ability to perform all the basic needs of: eating, bathing, dressing, toileting, transferring and continence. The Activities of Daily Living are defined as follows:

- bathing: washing oneself in a bathtub, shower or by sponge bath;
- dressing: Putting on and removing necessary clothing, braces, artificial limbs or other surgical appliances;
- toileting: getting on and off the toilet and maintaining personal hygiene;
- bladder and bowel continence: managing your bladder and bowel function with or without protective undergarments or surgical appliances so that hygiene is maintained;
- transferring: moving in and out of a bed, chair or wheelchair; and
- feeding: consuming food or drink that already have been prepared and made available

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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 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.

When Do Disability Benefits Begin?

Once we have approved your claim, we will start paying disability insurance benefits to the Creditor as of the expiry of the Elimination Period.

Your "Insured Monthly Benefit" will not exceed the Maximum Monthly Benefit Payable, both shown on your Insurance Enrolment. The total amount of disability insurance benefits paid is subject to the Maximum Benefit Period Per Occurrence also shown on your Insurance Enrolment.

EXCLUSIONS: When Your Disability Benefit Will Not Be Paid

The disability insurance benefit will not be payable if your Total Disability:

- is related to any Pre-Existing Condition;
- 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, regardless of your state of mind and whether you are aware or not of the result of your actions;
- 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;
- if you are receiving loss of employment insurance benefits from us under this Product Guide; or
- you or your estate representative not providing us with notice and proof of your claim within the time limits specified in the Product Guide.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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.

Loss of Employment Insurance

Applying For Coverage

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 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.

NOTE: If you are Self-Employed, a Seasonal Employee or an elected government official, you are not eligible to enrol for loss of employment insurance.

***For Quebec Residents only:** You are eligible to enrol for loss of employment insurance if, on the Effective Date of Insurance you have also enrolled for Life insurance and/or Disability insurance.*

What Is The Loss Of Employment Insurance Benefit?

If you have enrolled for loss of employment insurance coverage and you meet the terms and conditions of this Product Guide, when 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 that is equal to the "Insured Monthly Benefit" as shown on your Insurance Enrolment.

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

The "Insured Monthly Benefit" payable for loss of employment benefits will not exceed the Maximum Monthly Benefit Payable shown on your Insurance Enrolment.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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.

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

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

What Is Loss Of Employment?

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.

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.

Actively at Work for loss of employment 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.

Terms Specific To Loss Of Employment And What They Mean:

Elimination Period:

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.

We will pay loss of employment insurance benefits if you experience an Involuntary Loss of Employment and remain unemployed throughout the Elimination Period shown on your Insurance Enrolment.

We will start paying loss of employment insurance benefits to the Creditor as of the expiry of the Elimination Period.

You are responsible for making your regular Loan or Lease payments during the Elimination Period and while your claim is under review.

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

When Do Loss Of Employment Benefits Begin?

Once we have approved your claim, we will start paying loss of employment insurance benefits to the Creditor as of the expiry of the Elimination Period.

Your "Insured Monthly Benefit" will not exceed the Maximum Monthly Benefit Payable, both shown on your Insurance Enrolment. The total amount of loss of employment insurance benefits paid is subject to the Maximum Benefit Period Per Occurrence also shown on your Insurance Enrolment.

Recurring Loss of Employment

If your loss of employment recurs within six months after a previous period of Involuntary Loss of Employment for which we have paid benefits, we will consider this a continuation of your previous Involuntary Loss of Employment. If this happens, the Elimination Period shown on your Insurance Enrolment will not apply.

The recurring loss of employment insurance benefit whether paid consecutively or in aggregate will not exceed the Maximum Benefit Period Per Occurrence as shown on your Insurance Enrolment.

EXCLUSIONS: When Your Loss Of Employment Benefit Will Not Be Paid

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;
- your loss of employment began after your insurance coverage ended;
- you are terminated by your employer for cause;
- you are on maternity or parental leave or leave of absence;
- you are receiving disability benefits from us;
- 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;
- your Unemployment Compensation claim is not paid for any reason; or
- you or your estate representative not providing us with notice and proof of your claim within the time limits specified in this Product Guide.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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.

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.

When Do Loss Of Employment Benefits End?

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

- 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 under this Product Guide 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.

NOTE: For Quebec residents only: your loss of employment insurance benefits will also end if, for any reason your life insurance and/or your disability insurance coverage ends (depending on what coverages you enrolled for).

Refinancing Your Loan or Lease

Refinance means you and the Creditor agree to Refinance, replace, renew, extend or otherwise amend (collectively, "Refinance") your Insured Loan/Lease. Your coverage under this Product 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.

What Happens On Refinancing?

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 certificate of insurance.

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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.

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 certificate of insurance, 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.

How To Make A Claim

Notice Of Claim – Important Time Limits

NOTE: In the event of a claim, please contact CUMIS Life Insurance Company (CUMIS Life Insurance Company, is a wholly-owned subsidiary 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 Product 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 below.

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: 1.855.587.8595
Toll-free confidential fax: 1.800.897.7065
Confidential email: claims.centre@cumis.com

Proof Of Claim

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. The Administrator will be notified when a claim decision has been made. At any time, your estate representative may contact us or the Administrator for the status of the claim.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

*NOTE: 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 1.855.587.8595. 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 this Product Guide. If we decline your claim, we will provide you with reasons.

*NOTE: 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 claims 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.*

Other Important Claim Information

Appealing Your Claim

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

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

If you reside in Saskatchewan, you may also contact the Superintendent of Insurance:

Mail: Financial and Consumer Affairs Authority of Saskatchewan
Insurance and Real Estate Division
Attention: Superintendent of Insurance
Suite 601-1919 Saskatchewan Drive
Regina, SK S4P 4H2

Email: fcaa@gov.sk.ca

Phone: 1.306.787.6700

Fax: 1.306.787.9006

Important Time Limits For Taking Legal Action

Provincial Insurance legislation states:

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 the Insurance Act, or other applicable legislation.

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

Simultaneous Claims

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 under this Product 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. The benefit paid will be limited to the Maximum Benefit Period Per Occurrence and the Maximum Monthly Benefit Payable.

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.

Additional Information About Your Insurance

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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. This amount is included in the “Amount of Insured Loan or Lease” shown on your Insurance Enrolment.

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.

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.

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 this Product Guide conflicts with the statutes governing this Product Guide, the provisions of such statutes shall govern.

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.

If you have a complaint

There may be times when you feel we haven't met your expectations, and we welcome the opportunity to try to make things right. If you have a concern about your claim, policy or the service you've received, there are simple steps you can take to have your voice heard. To get started, please visit our company website for further details on our complaint handling process. <https://www.cumis.com/en/about-cumis/Pages/credit-mortgage-protection-complaint-resolution-process.aspx>

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

How To Cancel Insurance Coverage

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

However, you should keep in mind any conditions on your Loan or Lease which may require you to obtain insurance for the security of the Group Policyholder.

To cancel your insurance, please contact the Administrator at 1.866.533.9328.

You will have 30 days beginning on the Effective Date of Insurance to review this Product Guide.

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 this Product Guide, and a partial refund of the Single Premium will be provided.

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 by the Administrator 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:

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

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, including applicable taxes;
- "T" is the total number of days remaining in your original insurance coverage period; and
- "N" is the total number of days in your original insurance coverage period.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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 Simple Interest Refund Formula shown below:

Simple Interest Refund Formula: (OBIL @ Time T) – (OBL @ Time T)

Where:

- a) "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;
- b) "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
- c) "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 Administrator. If the cancellation date is more than 30 days after the effective date of insurance, if applicable in your provincial jurisdiction, 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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Definitions

In this Product Guide, certain words and phrases have specific meanings. These terms are explained in this section and in other places throughout this document.

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 has the meaning ascribed to it under section "What Is The Accidental Dismemberment/Paraplegia Insurance Benefit?".

Accrued Interest is 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 has the meaning ascribed to it under the following sections:

- i) "What Is A Disability?" for disability benefits;
- ii) "What Is Loss of Employment?" for loss of employment benefits.

Activities of Daily Living has the meaning ascribed to it under section "Terms Specific to Disability and What They Mean".

Administrator means LGM Financial Services Inc. or such other Administrator as we may appoint from time to time.

Any Cancer has the meaning ascribed to it under section "EXCLUSIONS: When Your Critical Illness Insurance Benefit Will Not Be Paid".

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. 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 has the meaning ascribed to it under section "What Is A Critical Illness?".

Concurrent Disabilities has the meaning ascribed to it under section "What Is A Disability?".

Covered Cancer has the meaning ascribed to it under section "EXCLUSIONS: When Your Critical Illness Insurance Benefit Will Not Be Paid".

Creditor means any authorized participating automotive or recreational vehicle dealership or a financial institution to which your Loan or Lease is assigned by such dealership, as shown on your Insurance Enrolment.

Critical Illness has the meaning ascribed to it under section "What Is A Critical Illness?".

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 has the meaning ascribed to it under section "What Is A Disability?".

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

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Elimination Period has the meaning ascribed to it under the following sections:

- i) "What Is A Disability?"
- ii) "What Is Loss of Employment?"

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/Dealership specified on your Insurance Enrolment.

Health Care Practitioner has the meaning ascribed to it under section "Pre-Existing Condition Exclusion".

Heart Attack has the meaning ascribed to it under section "What Is A Critical Illness?".

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.

Involuntary Loss of Employment has the meaning ascribed to it under section "What Is Loss of Employment?".

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 has the meaning ascribed to it under section "What Is Loss of Employment?".

Maximum Benefit Period Per Occurrence has the meaning ascribed to it under section "Limitations On Insurance Benefits".

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

Maximum Insurance Available (excluding insurance premium) has the meaning ascribed to it under section "Limitations On Insurance Benefits".

Maximum Monthly Benefit Payable has the meaning ascribed to it under section "Limitations On Insurance Benefits".

Maximum Term of Insurance has the meaning ascribed to it under section "Limitations On Insurance Benefits".

Medical Advice or Treatment has the meaning ascribed to it under section "Pre-Existing Condition Exclusion".

Non-Covered Cancer has the meaning ascribed to it under section "EXCLUSIONS: When Your Critical Illness Insurance Benefit Will Not Be Paid".

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 has the meaning ascribed to it under section "What Is The Accidental Dismemberment/Paraplegia Insurance Benefit?".

Pre-Existing Condition has the meaning ascribed to it under section "Pre-Existing Condition Exclusion".

Pre-Existing Condition Exclusion Period has the meaning ascribed to it under section "Pre-Existing Condition Exclusion".

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.

Recurring Disabilities has the meaning ascribed to it under section "What Is A Disability?".

Recurring Loss of Employment has the meaning ascribed to it under section "When Do Loss of Employment Benefits Begin?".

Refinance has the meaning ascribed to it under section "Refinancing Your Loan or Lease".

Residual Value/Balloon Payment as shown on your Insurance Enrolment, 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.

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 has the meaning ascribed to it under section "About Your Insurance Premium".

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.

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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

Stroke has the meaning ascribed to it under section "What Is A Critical Illness?".

Suicide has the meaning ascribed to it under "EXCLUSIONS: When Your Life Insurance Benefit Will Not Be Paid".

Totally Disabled and **Total Disability** has the meaning ascribed to it under section "What Is A Disability?".

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

Product Guide and Certificate of Insurance

Single Premium Creditor's Group Insurance – Carefree

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 purpose 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 and www.lgm.ca/privacy. If you have questions about your privacy you may call us, toll-free, at 1.800.510.8372, send an e-mail to us at customerservice@lgm.ca, or write to us at Co-operators Life Insurance Company, c/o LGM Financial Services Inc., Suite 400, 1021 West Hastings Street, Vancouver, British Columbia, V6E 03C, Attention: Privacy Officer.

Co-operators Life Insurance Company

Customer Service – 1.866.533.9328

Single Premium Creditor's Group Insurance is underwritten by Co-operators Life Insurance Company and administered by LGM Financial Services Inc.

Carefree is underwritten by Co-operators Life Insurance Company and administered by LGM Financial Services Inc.
To contact Co-operators Life Insurance Company call 1.855.587.8595 or visit www.cooperators.ca