

# Carefree Summary

## Insurance for your vehicle's loan or lease

Protection if an unexpected life event makes you unable to pay your loan or lease

**Insurer**

Co-operators Life Insurance Company  
1900 College Avenue  
Regina, Saskatchewan  
S4P 4K8

1-855-587-8595  
cooperators.ca

Autorité des marchés financiers (AMF) client number:  
2000860463

Check the insurer's status in the AMF register at  
lautorite.qc.ca

**Administrator**

LGM Financial Services Inc.  
1111 Dr.-Frederik-Philips Blvd, Suite 450  
Saint-Laurent, Quebec  
H4M 2X6

If you have any questions about your insurance, please contact the Administrator, LGM Financial Services Inc. at 1-866-269-0000.

**Distributor**

BMW Group Financial Services Canada,  
a division of BMW Canada Inc.  
50 Ultimate Drive  
Richmond Hill, Ontario  
L4S 0C8

*This summary is not the insurance contract. For full details, read the sample Product Guide and Certificate of Insurance: [cooperators.ca/en/Group/Group-Specialty-Market-Programs](http://cooperators.ca/en/Group/Group-Specialty-Market-Programs). If there is any ambiguity or discrepancy between this summary and the insurance contract, the terms of the insurance contract will prevail.*

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# Understanding your insurance

## What kind of insurance am I buying?

Carefree is a group insurance plan for your loan or lease. It offers you a choice of different coverages. **You can buy one or all of these insurance coverages.** It is optional and can cover up to two people for:

- Disabilities
- Involuntary job loss
- Death
- Terminal illness (expected to live 12 months or less)
- Paraplegia or losing a limb
- Critical illness (heart attack, cancer, stroke)

**i** *Involuntary job loss insurance must be purchased with coverage for disability or death.*

*When you buy coverage for death, we include critical illness and paraplegia coverage. Terminal illness coverage can only be bought with coverage for death.*

## Can I buy this insurance?

You can sign up for this insurance if you are:

- 17 to 71 years old,
- a Canadian resident (living in Canada at least 6 months of the year), and
- paying for a loan or lease.

**i** *To buy involuntary job loss coverage, you must work at least 20 hours a week for the last 12 months. You cannot be self-employed, a seasonal employee, or an elected government official.*

*You cannot buy this insurance if you have made a claim for a terminal illness.*

## What are the maximum limits on my insurance?

The maximum limits on your insurance are:

Claim Event	One-time Maximum Amount	Maximum Monthly Amount	Maximum Time
Disability		\$1,500	Insurance Term
Involuntary job loss		\$1,500	6 months
Death	\$100,000		
<i>Terminal illness</i>	\$100,000		
<i>Paraplegia or losing a limb</i>	\$25,000		
Critical illness	\$100,000		

**i** *Your insurance amounts and benefit terms are on your Enrolment form. You choose your maximum amounts and maximum time periods when you enroll.*





# Understanding your insurance

## What is the cost of my insurance?

Your insurance cost is based on the amount of your loan or lease, the time you are paying on it, and your dealership's commission. You pay the cost once, including applicable taxes. This payment is added to the total of your loan or lease.

Your insurance cost is listed on your Enrolment form as your "Total Premium".

For Example:

Car Loan	Total Premium (Including taxes)	Total Loan Amount
		 + 
\$40,000	\$2,000	\$42,000

**i** *If you insure more than one person for the same insurance coverage, there is a cost savings.*

Your dealership representative can give you an insurance quote.

## Who gets the insurance payment when I make a claim?

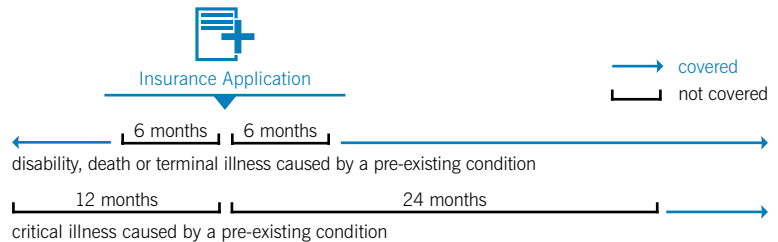
Your claim payments do not go to you. We apply the payments from your approved claims directly to your loan or lease.

**i** *We will only pay one claim at a time. We will not pay more than the outstanding balance on your loan or lease. We will not pay more than either your one-time maximum or maximum monthly insurance amount.*

# Understanding your insurance

## What is not covered?

A pre-existing condition is an illness or injury that existed before your insurance started, and it was treated by your doctor or should have been treated by your doctor.



We will not pay your claim for **disability, death, or terminal illnesses** from pre-existing conditions that happened in the **6 months before or 6 months after** your insurance starts. We will also not pay for **critical illnesses** that happen either **12 months before or 24 months after** your insurance starts.

We will not pay a claim in some limited situations, including:

- Being under the influence of drugs (unless prescribed) or alcohol
- Committing a crime
- Being detained for criminal proceedings
- Impaired driving
- Dying by suicide within 2 years

**i** We will only pay one claim for disability or involuntary job loss at a time.

*Disability claims:*

- Coming from a normal pregnancy (not diagnosed as high risk)
- Relating to elective surgery

*Involuntary job loss claims:*

- Taking maternity or parental leave, or a leave of absence
- Losing your job within the first 60 days of your insurance
- Being denied your government unemployment claim

*Paraplegia or losing a limb claims:*

- Resulting from a self-inflicted injury
- Relating to an act of war
- Resulting from medical or surgical treatment

*Critical illness claims:*

- Being diagnosed with cancer within 90 days of your insurance starting or if you had cancer at any time before

# Submitting a claim



Make a claim

Toll-free telephone:  
1-855-587-8595

## How do I make a claim?

To make a claim, call us at 1-855-587-8595 as soon as possible. We will help you get the right claim forms and any other information needed to support your claim.

## How long do I have to file my claim?

We encourage you to make your claim as soon as possible. We may deny your claim if it is not filed within the following time limit guidelines.

	Time Period
Disability	Within 30 days
Involuntary job loss	Within 30 days
Death	Within 1 year
<i>Terminal illness</i>	Within 30 days
<i>Paraplegia or losing a limb</i>	Within 30 days
Critical illness	Within 30 days

## How long will it take to get a reply for my claim?

We will reply to your claim in writing within **30 days** of getting your satisfactory proof of claim. We will either:

- pay your loan or lease, or
- tell you why no benefits are payable.

**i** *Until you hear back from us, you are legally responsible to make your loan or lease payments.*

## When will my claim payments start?

Disability or involuntary job loss claims have a waiting period. Waiting periods are a time between the day you lost your job or became disabled and the day we pay your claim. Your claim payments begin after the waiting period. Only claims with retroactive waiting periods are paid back to the day of disability.

	Waiting Period
Disability	Choice of 30 days retroactive or non-retroactive
Involuntary job loss	60 days non-retroactive

# Managing your insurance



## How do I cancel?

Call 1-866-269-0000 to cancel your insurance at any time.

- During the first 30 days you will get a full refund.
- After 30 days, you may get a partial refund, depending on how long you've had your insurance, your claims history and other relevant factors.

## Pro-rata refund formula: $(SP \times T) \div N$

- SP is the Single Premium for your insurance, including applicable taxes
- T is the total number of days left on your insurance period
- N is the original number of days on your insurance period

## For example:

If SP = \$2,000, T = 1,095 days, and N = 1,460 days

$$\begin{array}{rcccl} \$ & & \text{[Calendar]} & & \\ \$2,000 & \times & 1,095 \text{ days (3 years)} & = & \text{[Hand holding \$]} \\ \hline & & \text{[Calendar]} & & \$1,500 \\ & & 1,460 \text{ days (4 years)} & & \end{array}$$

Your refund will be paid directly to your loan or lease.

- ❗ You can get a quote for your refund by contacting the Administrator. We do not pay refunds if they are less than \$10.00.



# Managing your insurance



## Ombuds Office

**Email:**  
ombuds@cooperators.ca

**Phone:**  
1-877-720-6733

**Fax:**  
1-519-823-9944

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

## What happens if you don't give us complete and truthful information?

You must give us complete and truthful information when you sign up for insurance. If you make a claim and you gave us misleading information, we may:

- Deny your claim,
- Reduce your benefits,
- Cancel your insurance (as if it had never existed), and
- Refund the cost of your insurance, minus our processing fee.

## When does my insurance end?

Your insurance ends:

- on your expiry date
- the date your loan or lease is paid off or ends
- if you have missed six loan or lease payments in a row
- if you die or we pay either a terminal or critical illness claim

## Where do I send my complaints?

If you disagree with our decision about your claim, you can:

1. contact our claims department, and
2. if this does not resolve your concern, then contact our Ombuds Office at 1-877-720-6733.

You can also contact the Autorité des marchés financiers at [lautorite.qc.ca](http://lautorite.qc.ca)

For more information about our complaint resolution process, visit: [cooperators.ca/en/have-an-insurance-concern/compliments-concerns/life-insurance-resolution.aspx](http://cooperators.ca/en/have-an-insurance-concern/compliments-concerns/life-insurance-resolution.aspx)

**i** *By law, you have 3 years from your claim to file any legal actions.*