



GROUP INSURANCE CONTRACT

Group 60100

In consideration of the group insurance application made by

PARTICIPATING DEALER

hereinafter referred to as "Policyholder", and subject to payment by the Policyholder of the required premiums, **Humania Assurance**, hereinafter referred to as "Insurer", agrees to provide the insured persons with the benefits described herein, in accordance with the terms and conditions of this contract.

Effective Date: The Insurer agrees to provide coverage beginning at midnight one minute, local time at the Policyholder's address, on April 15, 2018.

First Renewal Date: April 15, 2019.

The terms and conditions outlined in the following pages are an integral part of the contract. Signed,
for the Insurer, on the following date of issue:

Reviewed by:

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Section A – General Provisions

When applicable, the masculine gender includes the feminine and the singular includes the plural.

Article I – Definitions

Accident means a sudden, violent, and unforeseeable event causing bodily injuries, directly and independently of all other causes. This event must be due solely to an unintended external cause of a violent nature and require regular and continuous medical care from a physician. If a disability begins more than ninety (90) days after the date the accident occurred, this disability shall be considered an illness. Drowning is considered to be an accident.

Applicant or Claimant means the Insured the liquidator of an estate, or any other person authorized to make a claim.

Balance of the Principal Amount Insured means the amount due to the Creditor if the monthly payments were or had been made on the agreed dates.

Benefit Period means the period beginning on the effective date of the insurance indicated on the certificate and ending at the end of the term of the insurance also indicated on the certificate or before that date, as indicated in Article VII of this section.

The effective date of coverage cannot be earlier than the date on which the certificate of insurance is signed.

Certificate of Insurance means the document certifying the purchase of an insurance contract and indicating the duration and limitations of the various coverages and providing a summary of the main provisions of the group insurance policy.

Co-insured means the person named on the insurance certificate as Co-insured who is the Co-borrower, Co-lessee, Co-signatory, Co-debtor and for whom the additional required premium has been paid.

Covered Critical Illness means the following illnesses:

- **Cancer (life threatening)** means a malignant tumor characterized by the uncontrolled growth and spread of malignant cells that invade the tissues.

The following are excluded: Chronic Lymphocytic Leukemia less than RAI Stage 3, and Hodgkin's disease, at less than Stage 3. Are also excluded: carcinoma in situ, malignant melanoma to a depth less than 0.75mm, Stage A prostate cancer and Kaposi's sarcoma and tumors that result from HIV infection

- **Coma** means a state of unconsciousness with no reaction to external stimuli or response to internal needs for a continuous period of seven days. The use of life support systems must be required throughout the period of unconsciousness.
- **Coronary Artery Bypass Surgery** means open-heart surgery to correct a narrowing or blockage of one or more coronary arteries with bypass grafts, but does not include non-surgical techniques such as balloon angioplasty or laser relief of an obstruction.
- **Heart Attack (Myocardial Infarction)** means the death of a portion of heart muscle as a result of inadequate blood supply to the relevant areas as evidenced by all three of the following: an episode of typical chest pain, new electrocardiograph changes indicative of myocardial infarction and a high level of cardiac enzymes.
- **Major Burns** means third degree burns over at least 20% of the body surface.

Section A – General Provisions (Continued)

- Stroke means a cerebrovascular incident caused by an infarction of brain tissue due to a thrombosis or an intracranial hemorrhage or resulting from an embolism from an extracranial source.

In the case of a permanent neurological deficit persisting for 30 consecutive days, written confirmation by a certified neurologist is required. The diagnosis must be confirmed by reliable and clinically accepted imaging techniques such as brain CT scan, magnetic resonance imaging (MRI), PET scan, and cerebrospinal fluid analysis. Transient ischemic attacks (TIA) are excluded.

Creditor means:

- a. Any financial institution to whom the Debtor owes a debt with respect to his vehicle, or
- b. The lesser of the vehicle to whom are payable the amounts provided for in the long-term lease, or
- c. The person to whom the financial institution or the lesser has assigned its rights as Creditor.

The Creditor is as indicated on the certificate of insurance.

Debt means the unpaid balance of the loan amount or the current value of the remaining payments in the case of a lease agreement.

Debtor means a client (or clients) of an authorized dealer who has contracted a financial obligation and has asked to be insured under the group insurance policy and who meets all of the eligibility requirements. For the purposes of this agreement, a Co-debtor who has asked to be insured is also considered a Debtor.

Diagnosis means a diagnosis made by a physician licensed to practice in Canada.

Disability or Total Disability means a disability that occurs as a result of an accident or illness and continues without interruption for a period covering at least the waiting period. The disability must require the normal and continuous care of a physician, other than the Insured or the Co-insured, exercising within the limits of his or her license. The disability must prevent you, during the **first twelve (12) months**, from performing the work that you were performing when the disability began and thereafter, from exercising any paid occupation for which you are qualified according to your education, training or experience.

For persons who are unemployed or enrolled in a program of studies on the date on which the disability begins, total disability means the inability of the Insured or the Co-insured, as a result, directly or indirectly and independently of any other cause, of an accident or illness, to perform his normal daily duties as well as any duties for which he would reasonably be qualified as a result of his education or experience.

The lack of employment in the professional sector in which the Insured would be qualified for work as a result of his education, training or experience does not result in his being automatically considered totally disabled nor entitle him to monthly benefits.

Distributor or Dealer means the dealer/merchant who, in the course of its activities and incidentally thereto, offers an insurance product that relates solely to a vehicle/consumer product that it sells or leases under a long-term lease agreement.

Employment or Employee means holding a regular paid job and actively working a minimum of twenty (20) hours per week.

Section A – General Provisions (Continued)

In the case of seasonal work for which a layoff is expected and considered a normal part of the work schedule, “employment” or “employee” means holding paid employment and actively working a minimum of twenty-five (25) hours per week. During the period of unemployment resulting from the seasonal character of the employment, the person is able to perform the regular duties of his employment.

Taking care of the home is not considered “employment”.

Hospitalization means occupying a hospital room as an admitted bedridden patient, if a bill is issued by a government health insurance plan.

Illness means a deterioration of one’s health or a physical disorder, diagnosed by a physician other than yourself. Under this plan, abortion, miscarriage or birth are not considered to be an illness. Pregnancy is not considered an illness, except for complications arising from such pregnancy. The term “Illness” has also the same meaning and referred to as “Sickness” in the certificate of insurance.

Injury means a bodily injury that is caused solely by an accident and that results in the Debtor’s total disability.

Insured means the person designated as such on the certificate of insurance as being the Insured, who is indebted to the Creditor with respect to a loan or a long-term lease and for whom the required premium has been paid.

Insurer means **Humania Assurance**, 1555, Girouard st. West, St-Hyacinthe (Quebec) J2S 7C8.

Joint Insurance means insurance when an Insured and a Co-insured are covered by the same contract, but only one benefit is paid by the Insurer if both insured suffer a loss at the same time.

Involuntary Unemployment means the involuntary loss of one’s employment or a layoff that is not attributable to the Debtor’s action, inaction, choice or desire and which had not been announced by the employer prior to the effective date of insurance. This is a contract of indemnity; the Debtor has a duty to mitigate by using his best efforts to find new employment.

Loan means any written contract between the Debtor and the Creditor or his agent, setting out the Debtor’s obligation to repay the loan used to purchase or finance a vehicle, whether by loan or buy-back loan.

The loan is as described on the certificate of insurance.

Long-term Lease means any written contract between the Debtor and the Creditor whereby the Debtor leases a vehicle and is required to make the monthly lease payments, as well as other miscellaneous charges provided for under the long-term lease.

- **However, the residual value of the vehicle is excluded from the payment of benefits:**
 - In the case of disability insurance: at all times;
 - In the case of life insurance: if the Debtor has not selected this option.

Section A – General Provisions (Continued)

Monthly Disability Benefits means the monthly amount indicated on the certificate (including the insurance premium) that the Debtor must pay to the Creditor in reimbursement of:

- His loan, or
- His long-term lease.

Under no circumstances shall the residual value of the vehicle be payable by the Insurer.

Non-retroactive Coverage means that no benefits are payable during the first thirty (30) or ninety (90) days of total disability.

Physician means a person duly qualified to practice medicine in Canada as a Doctor of Medicine (M.D.).

The physician is not the Debtor nor is he related to him by blood or by marriage and has no business relationship with the Debtor.

Policyholder means an organization authorized by the Insurer to have a group insurance policy and also authorized by the Insurer to offer insurance to the Debtors.

Recurring Disability means a disability for which the waiting period does not apply. To be deemed a recurring disability, a period of disability must meet all of the following conditions:

- It follows a **1st period of total disability** for which the waiting period has been completed and for which benefits have been paid by the Insurer;
- It is a new period of total disability of indefinite duration resulting from the same cause or from a related cause;
- This period is separated from the **1st period of total disability** by your return to employment for a period of less than **30 consecutive days**.

Residual Value means the vehicle's value on the expiry of the long-term lease contract.

Retired: Is considered retired any person receiving a retirement pension and who

- Is no longer employed, or
- Works less than twenty (20) hours per week.

Retroactive Coverage means that the benefit period begins on the date the total disability is declared, provided that the waiting period has expired.

Section A – General Provisions (Continued)

Rule of 78 means the formula applied to the premiums to be reimbursed. If the insurance is terminated before the end of its term, the reimbursement is equal to the unearned portion of the paid premium (according to the “Rule of 78”). Any termination shall be dealt with in accordance with the provincial legislation then in effect.

The “Rule of 78” is calculated as follows:

$$0.8 \times \frac{T \times (T+1)}{N \times (N+1)}$$

Where: T = The number of months remaining until the end of the insurance

N = The total number of months provided for in the insurance contract

Treatment means consultations, care or services provided by a physician, including diagnostic procedures and prescription drugs.

Vehicle/Consumer Product means a vehicle operating on land or on water, as well as any consumer goods or services.

Waiting Period means the number of days without interruption, i.e. thirty (30) days or ninety (90) days, as the case may be, during which the Debtor must be totally disabled before becoming eligible for benefits. The waiting period is 30 days for the involuntary unemployment insurance. The term “Waiting period” has also the same meaning and is referred to as the “Elimination period” in the certificate of insurance

Article II – Legal Currency

All amounts payable under this contract, whether by the Insurer or to the Insurer, are payable in legal Canadian currency.

Article III – Contract Duration and Renewal

Subject to the provisions of Article IX – Contract Modifications, the group insurance contract is in force for a one-year period from the effective date. If no modifications are made, the contract is renewed on a yearly basis, on April 15 of each year, whether or not certificates are still in force.

Article IV – Premiums

A certificate of insurance is issued to a Debtor under this group insurance contract in consideration of the payment of the premium indicated in the Table of Premiums during the existence of the contract. The premium is due and payable on the effective date of the certificate of insurance.

Article V – Eligibility for Coverage

To be eligible for this insurance, the Debtor must, on the effective date of insurance, meet all of the following requirements:

Section A – General Provisions (Continued)

For the purposes of life insurance:

1. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
2. Be able to physically perform his normal duties;
3. Reside in Canada;
4. Be at least eighteen (18) years of age but less than seventy-one (71) years of age on the effective date;
5. Have a debt owing to the Creditor with respect to a loan, a buy-back loan, or a long-term lease.

For the purposes of critical illness insurance:

6. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
7. Reside in Canada;
8. Be at least eighteen (18) years of age but less than sixty-five (65) years of age on the effective date;
9. Have selected life insurance coverage under this contract;
10. Have a debt owing to the Creditor with respect to a loan, a buy-back loan, or a long-term lease.

For the purposes of disability insurance:

11. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
12. Reside in Canada;
13. Hold a regular paid job and actively work a minimum of twenty (20) hours per week;

In the case of seasonal work for which a layoff is expected and considered a normal part of the work schedule, he must hold paid employment and actively work a minimum of twenty-five (25) hours per week. During the period of unemployment resulting from the seasonal character of the work, the person is able to perform the regular duties of his employment.

14. Be at least eighteen (18) years of age but less than sixty-five (65) years of age on the effective date;
15. Have a debt owing to the Creditor with respect to a loan, a buy-back loan, or a long-term lease.

For the purposes of involuntary unemployment insurance:

16. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
17. Reside in Canada;
18. Be able to perform the regular duties of his own occupation;
19. Hold a paid job for at least forty (40) weeks per year;
20. Be at least eighteen (18) years of age but less than sixty (60) years of age on the effective date of insurance;
21. Be eligible for benefits under the Employment Insurance Act;
22. Have a debt owing to the Creditor with respect to a loan not exceeding the maximum amount insurable under this plan and a period of insurance not exceeding sixty (60) months;
23. Have selected life insurance coverage or disability insurance coverage under this contract;
24. Not be self-employed;

Section A – General Provisions (Continued)

25. Be employed by a corporation with which he is dealing at arm's length; and
26. His regular occupation is not subject to seasonal conditions where a lay-off or work suspension is anticipated and considered a normal part of the work schedule (Seasonal Employee).

The Insurer may verify the eligibility criteria at any time. If, when applicable, a premium is charged with respect to a person who does not qualify for insurance, the Insurer's liability shall be limited to the reimbursement of premiums paid.

Article VI – Effective Date of Insurance

The insurance begins on the latest of the following dates:

- The effective date of insurance indicated on the certificate;
- The date of acceptance or disbursement of the loan or lease contract;
- The date on which the certificate of insurance is completed and signed;
- The date the premium is paid by the Creditor.

The Insurer reserves the right to reject any certificate of insurance deemed non-compliant, within a maximum period of fifteen (15) days following receipt of the certificate at the Insurer's office.

Article VII – Circumstances Terminating Coverage

The Insured/Co-Insured shall automatically terminate on the earliest of the following dates:

1. The termination date indicated on the certificate of insurance;
2. The date of the Insured's (or the Co-insured's, if applicable) death or the date a critical illness benefit is paid;
3. The Insured's or the Co-insured's 74th birthday for life insurance, the 71st birthday for critical illness and disability insurance and the 65th birthday for involuntary unemployment insurance;
4. The date of the advance repayment* of the entire loan or of the termination or cancellation of the loan or of the long-term lease;

*An advance repayment means that the balance of the loan is paid off before the expected due date.

5. The date on which the equipment used to guarantee the loan is seized or repossessed, for any reason, by the Creditor under the long-term lease or as a result of a court order;
6. The date on which the Insured or the Co-insured, as applicable, receives written notice of the cancellation of the insurance by the Insurer for one of the reasons provided under law, in particular in the case of misrepresentations;
7. The date on which the loan is renegotiated. The Insured (or the Co-insured) shall notify the Insurer in writing of any changes to the loan or to the long-term lease, within ten (10) of such changes;
8. In the case of disability insurance or unemployment insurance, the date on which the Insured or the Co-insured officially retires;

Section A – General Provisions (Continued)

9. The date of the Insured's (or Co-insured's, if applicable) written request for cancellation of the insurance; the cancellation becomes effective on the latest of the following dates:
 - The date on which the notice of request is received at the Insurer's office;
 - The effective date of cancellation indicated in the notice of request.
10. With respect to involuntary unemployment insurance, the date on which six (6) monthly benefit payments have been made;
11. With respect to involuntary unemployment insurance, sixty (60) months after the effective date of coverage.

The request for cancellation of insurance made by the Co-insured shall not result in the cancellation of the Insured's insurance and viceversa.

Article VIII – Termination of Insurance and Reimbursement

The Insured (and the Co-insured, if applicable) may request that his insurance be cancelled, without penalty, by completing the form attached to the distribution guide and returning it to the Insurer by registered mail within twenty (20) days following the effective date of the insurance. If the insurance is so cancelled by the Insured and the Co-insured, the certificate is null and void and no benefits are payable by the Insurer in the event of a loss that would otherwise have been covered. Any premium paid shall be fully refunded.

After this period of twenty (20) days, the Insured (and the Co-insured, if applicable) may request the cancellation of his coverage at any time by written notice to the Insurer, at the address set out on the first page of the guide. The policy fee is not refundable and is vested to the Insurer. The following procedures shall apply:

- If the insurance is cancelled for one of the reasons set out in paragraphs 1, 2, 3, 10 and 11 of Article VII above: no premium shall be refunded;
- If the insurance is cancelled for one of the reasons set out in paragraphs 4, 5, 7,8 and 9 of Article VII above: the Insurer shall refund:
 - Any unearned premium, using the "Rule of 78" explained in this section, minus
 - Cancellation fees of \$75.
- If the insurance is cancelled under paragraph 6 of Article VII above, the Insurer shall refund:
 - All premiums paid, minus
 - Cancellation fees of \$75.

If the Insured's coverage is cancelled, the insurance shall remain in effect with respect to the Co-insured but shall terminate with respect to the Insured, and the Insurer shall refund the premiums pertaining to his insurance coverage, according to the procedure described above.

Likewise, if the Co-insured's coverage is cancelled, the insurance shall remain in effect with respect to the Insured but shall terminate with respect to the Co-insured, and the Insurer shall refund the premiums pertaining to his insurance coverage, according to the procedure described above.

Section A – General Provisions (Continued)

If the Insured's or the Co-insured's application for insurance is denied by the Insurer, the insurance with respect to the Insured or the Co-insured, as the case may be, shall be deemed null and void. No benefits shall be paid by the Insurer with respect to any loss that would otherwise have been covered, and the premiums pertaining to his insurance coverage shall be refunded in full.

The insurance shall not be assigned or transferred without the Insurer's prior written consent, as provided by law.

Article IX – Contract Modifications

Any written request by the Policyholder to modify the contract shall be made by way of a rider approved by the Insurer's signing officers.

Any contract modification by the Insurer shall be approved by way of a rider signed by the Policyholder's signing officers, except where such modification is the result of a legislative change.

Article X – Cancellation of a Clause

Any clause or part of the policy or certificate declared invalid or null and void shall not be considered part of the policy, but all other parts of the policy and the certificate shall remain in force and binding on the parties.

Article XI – Irrevocable Beneficiary

The Insurer shall pay all benefits pertaining to an approved claim directly to the Creditor or, at its discretion, to any subsidiary, affiliate or other Creditor to whom the Creditor has assigned the loan or long-term lease.

They are then considered irrevocable beneficiaries.

The payment made by the Insurer fully discharges its liability with respect to the amount so paid.

Where the Debtor and the Co-debtor are entitled to benefits at the same time, only one benefit shall be paid.

Article XII – Misstatement of Age

In the event that the age of the Debtor on the certificate is misstated, with the result that the Debtor would not have been eligible for insurance if his actual age had been provided, the Insurer may cancel the insurance by reimbursing the premiums paid by the Debtor or by not paying any claims, in accordance with applicable legislation.

In the event that the age of the Co-debtor has been misstated, with the result that the Co-debtor would not have been eligible for insurance if his actual age had been provided, the Insurer may cancel the Co-debtor's insurance by reimbursing the difference between the premium for a single insurance and the premium for a joint insurance or by not paying any claims pertaining to the Co-debtor, in accordance with applicable legislation.

Processing fees of \$75 shall apply if the insurance is cancelled by the Insurer for misstatement of the Debtor's or the Co-debtor's age.

Section A – General Provisions (Continued)

Article XIII – Fraud or Attempted Fraud

A Debtor's or Co-debtor's entitlement to benefits is automatically revoked if the Debtor or Co-debtor obtains or seeks to obtain, directly or indirectly, by fraudulent means any payment of benefits under this contract. In such cases, the Insurer is released from any obligation specified in the contract as soon as there is fraud and reserves the right to demand reimbursement of benefit payments already made. Any fraud or attempted fraud may result in cancellation of the insurance.

Article XIV – Incontestability

1. In the absence of fraud, no misrepresentation or failure to disclose shall justify the cancellation or reduction of and insurance that has been in force for more than two (2) years.
2. However, if a disability began during the first two (2) years of insurance, the rule stated in paragraph (1) does not apply and the Insurer may cancel or reduce all benefits due.

Article XV – Pre-existing Condition

Pre-existing condition means any medical condition, illness or disease, whether diagnosed or not, that the Insured or the Co-insured has suffered or for which the Insured or the Co-insured has been treated or recommended for treatment during the twelve (12) months immediately preceding the effective date of insurance.

A medical condition, illness or disease that existed within the twelve-month (12) period immediately preceding the effective date of insurance but for which the Insured or Co-insured was neither treated nor recommended for treatment during a continuous period of twelve (12) months immediately following the effective date of insurance is not considered a pre-existing condition. This provision does not apply if the insurance has been in force for at least 24 months.

Article XVI – General Exclusions

In addition to the specific exclusions indicated in Sections B, C, D and E, no life, critical illness, disability, or involuntary unemployment insurance benefits shall be paid if it results from or is caused by any of the following:

- A war, whether declared or not, an act of war, a riot, an insurrection, or a revolution;
- A pre-existing condition, as described in Article XV of the General Provisions;
- Flying or attempting to fly aboard an aircraft if the Debtor travels in a capacity other than as a passenger;
- A criminal offence or an attempt to commit a criminal offence;
- Driving a motor vehicle while under the influence of drugs or while the blood alcohol level exceeds the limit permitted by law;
- Service in the armed forces.

Section A – General Provisions (Continued)

Fees that are not included by this insurance include the following:

- Fees for excess kilometers;
- Insurance;
- Registration fees;
- Service fees;
- Arrears of monthly payments;
- Interest or any other fees;
- The residual value (or, in the case of life insurance, if this option has not been selected).

Article XVII – Assignment

The insurance cannot be assigned or transferred without the Insurer's prior written consent, as provided by applicable legislation.

Article XVIII – Choice of Coverage

Any choice of coverage made by the Debtor with respect to life, critical illness, disability or involuntary unemployment insurance binds the Co-debtor with respect to retroactive or non-retroactive coverage, where applicable, and with respect to coverage of the residual value of the vehicle, in the case of a long-term lease, if applicable.

Article XIX – Renegotiation of Loan

The insurance shall terminate in accordance with Article VIII — Cancellation of Insurance and Reimbursement if the Debtor renegotiates the loan, i.e. modifies the loan's financing terms. The Insurer must be notified in writing within ten (10) days of any modification of the loan.

Article XX – Claims

Written evidence of an accident, disability, or event subject to an application for benefits must satisfy the Insurer.

As a prerequisite for granting benefits under this contract, the Insurer is entitled to receive any information it may require to manage the claims. The Insurer therefore reserves the right to require additional evidence of information as often as it deems necessary and to have the Debtor examined by a physician of the Insurer's choosing.

1. Life Insurance

The Debtor's estate shall notify the Insurer of the Debtor's death.

The Insurer shall provide a claim form, which shall be properly completed by the Applicant, the Creditor and the attending physician and returned to the Insurer.

Section A – General Provisions (Continued)

2. Critical Illness, Total Disability, and Involuntary Unemployment Insurance

The Debtor shall obtain a claim form from the Insurer. The notice of claim may be given in writing or by phone.

The Debtor shall provide the Insurer, within ninety (90) days following the date of disability or the date of receiving a critical illness diagnosis or of becoming unemployed, satisfactory evidence of the loss, reasonably describing the circumstances giving rise to the claim, the resulting loss, and the Debtor's entitlement to benefits. Failure to submit such evidence within the prescribed period shall not invalidate the claim, provided that the claim is made as soon as possible, but no later than twelve (12) months following the date on which the claim should have been submitted.

If the Debtor fails to accomplish any action required by the Insurer or to provide the Insurer with the necessary information or documents, the Insurer shall be released from any liability respecting benefit payments.

The Debtor shall be responsible for the required loan payments until he has remedied said failure.

Article XXI – Reduction of Monthly Benefits

Any amount that the Insured or Co-insured receives from leasing his vehicle to a third party during his disability or unemployment and any business income generated by the vehicle during the disability or unemployment shall be deducted from the monthly benefits.

Section B – Life Insurance

Article I – Scope

This decreasing term life insurance associated with a loan or a lease provides for the full repayment of the loan balance in the event of the Debtor's death during the coverage period.

Article II – Life Insurance Benefits

Upon receipt of satisfactory evidence of death, the Insurer shall pay the life insurance benefits to the Creditor beneficiary.

In the case of a loan

The amount of the benefit is equal to the balance of the principal amount insured at the date of Debtor's death, provided that the life insurance benefit does not exceed the lesser of the following two amounts: the principal amount insured indicated on the certificate or \$125,000.

If the principal amount initially insured, as indicated on the certificate, is less than the initial amount financed, the life insurance benefit shall then be equal to the amount of the debt to be reimbursed at the date of death, multiplied by a fraction, the numerator of which is the principal amount initially insured and the denominator of which is the initial loan amount.

In the case of a lease

The amount of the benefit is equal to the discounted value of the remaining payments, at the interest rate provided in the lease agreement, including the residual value indicated in the application for insurance, if applicable, provided that the required premium has been paid.

Article III – Restrictions

Under no circumstances shall the life insurance benefit exceed \$125,000 per loan or per Debtor for the duration of the certificate, for all certificates held by the same Debtor.

With respect to a loan granted to Co-debtors, each Debtor may be insured for a maximum amount of \$125,000; however, under no circumstances shall the Insurer pay more than one benefit.

Article IV – Exclusions and Limitations

Suicide

If the Debtor commits suicide, whether or not he is of sound mind, within two (2) years following the effective date of insurance, the Insurer's liability shall be limited to the reimbursement of the premiums paid for the Debtor's insurance, and the single life insurance on the life of the Co-debtor shall remain in force.

If the Co-debtor commits suicide, whether or not he is of sound mind, within two (2) years following the effective date of insurance, the Insurer's liability is limited to the reimbursement of the premiums paid for the Co-debtor's insurance, and the single life insurance on the life of the Debtor shall remain in force.

Section B – Life Insurance

Cancer

No benefits shall be paid if death results from a cancer that was diagnosed during the one hundred and eighty (180)-day period immediately following the effective date of insurance.

Article V – Autopsy

The Insurer reserves the right to request that an autopsy be performed, at its own expense, on the remains of the Debtor or Co-debtor, as the case may be, whose death is the subject of a claim under this insurance, to the extent permitted by law.

Section C – Critical Illness Insurance

Article I – Scope

If, during the coverage period, the eligible Debtor is diagnosed with a covered critical illness, as described in Section A, Article I – Definitions, and satisfies the survival period specified below, the Insurer shall pay the critical illness insurance benefits to the Creditor beneficiary.

Article II – Critical Illness Insurance Benefits

The Insurer shall pay the following benefits upon receipt of satisfactory evidence that the Debtor suffers from a covered critical illness.

In the case of a loan

The critical illness insurance benefit is equal to the balance of the principal amount insured at the date on which the Debtor suffers from a covered critical illness, provided that the critical illness benefit does not exceed the lesser of the following two amounts: the principal amount insured indicated on the certificate or \$125,000.

If the principal amount initially insured indicated on the certificate is less than the amount initially financed, the critical illness insurance benefit shall then be equal to the balance of the debt to be reimbursed as at the date on which the critical illness was diagnosed, multiplied by a fraction, the numerator of which is the principal amount initially insured and the denominator of which is the initial loan amount.

In the case of a lease

The amount of the benefit is equal to the discounted value of the remaining payments, at the interest rate provided in the lease contract, including the residual value indicated in the application for insurance, if applicable, provided that the required premium has been paid.

Article III – Restrictions

Under no circumstances shall the critical illness insurance benefits exceed a maximum of \$125,000 per loan or per Debtor for the duration of the certificate, for all the certificates held by the same Debtor.

With respect to a loan granted to Co-debtors, each Debtor may be insured for a maximum amount of \$125,000; however, under no circumstances shall the insurer pay more than one benefit.

Article IV – Survival Period

The survival period is the period beginning on the date a critical illness is diagnosed and ending thirty (30) days thereafter.

The survival period does not include the number of days during which the Debtor is on life support. The Debtor must be alive at the end of this period and must not have suffered the irreversible loss of all brain functions.

Section C — Critical illness insurance (continued)

Article V – Exclusions

No critical illness insurance benefits shall be payable as a result of the following:

- a. A pre-existing condition as described in Article XV of the General Provisions (see also exclusions (e), (f) and (g) in this section);
- b. A loss that results directly or indirectly from:
 - An attempted suicide or intentional self-inflicted injury, whether or not the Debtor is of sound mind,
 - A pregnancy, abortion, miscarriage, childbirth, or parental leave pertaining thereto,
 - Cosmetic or elective surgery,
 - The consumption of alcohol or drugs, unless the Debtor actively participates in a rehabilitation program approved and monitored by a physician;
- c. A covered critical illness, if the Debtor does not meet the survival period specified for this benefit;
- d. A critical illness associated with a cancer that was first diagnosed during the one hundred and eighty (180)-day period immediately following the effective date of insurance;
- e. A pre-existing critical illness (if any of the following events occurs within two years following the effective date of insurance):
 - In the case of cancer: if the Debtor had any form of Cancer prior to the effective date of insurance, a subsequent recurrence of cancer shall not qualify for critical illness benefits, even if the location or type of cancer differs from the first occurrence; or
 - In the case of a heart attack occurring after the effective date of insurance, if the Debtor suffered from a coronary artery disease requiring surgery on or prior to the effective date of insurance; or
 - In the case of a coronary artery disease diagnosed after the effective date of insurance, if the Debtor suffered a heart attack prior to the effective date of insurance.

Section D – Disability Insurance

Article I – Scope

If the eligible Debtor becomes totally disabled while covered, disability insurance provides monthly benefits equal to the monthly payment (including the insurance premium, if funded) payable to the Creditor under the instalment purchase agreement or lease, subject to the waiting period and any maximum payable.

Article II – Monthly Disability Benefits

Upon receipt of satisfactory evidence, the Insurer shall pay the Creditor the lesser of:

- The monthly payment required under the financial commitment described on the front page of the insurance certificate;
- The monthly payment specified by the Creditor, excluding any arrears, where applicable.

The daily benefit is calculated on the basis on the actual number of days in the month. The benefit paid for a portion of a month therefore depends on the number of days in the month.

Article III – Benefit Period

The benefit period begins on the day following the end of the waiting period and terminates on the earliest of the following dates:

- a. The date of death;
- b. The date on which the Debtor is no longer considered totally disabled;
- c. Where the Insured is unable or unwilling to provide the Insurer with satisfactory evidence of total disability;
- d. The date on which the maximum number of benefit payments has been reached, as indicated on the certificate;
- e. The date on which the loan has been fully reimbursed or the termination date of the loan, as indicated on the certificate;
- f. The date on which a critical illness benefit is paid;
- g. The date on which the Insured returns to work;
- h. Your 71st birthday;
- i. The date on which you retire;
- j. The date on which you cease to receive regular treatments by a physician;
- k. The date on which you refuse to occupy a rehabilitation employment that the Insurer and its consulting physicians deem reasonably appropriate;
- l. The date on which the insurance terminates, as indicated on the certificate.

Article IV – Restrictions

The monthly amount insured, as indicated on the certificate, shall under no circumstances exceed \$1,500 per month, for all the certificates held by a Debtor.

After the waiting period, a total disability is considered recurrent if it is due or related to the same cause and it occurs within thirty (30) days following the end of the preceding period of total disability.

Any amount payable on expiration of the lease is excluded.

The maximum total benefit payable for all periods of total disability shall in no case exceed:

- The loan balance, in the case of a loan;
- The amount of monthly payments owing to the Creditor, in the case of a lease.

Article V – Waiting Period

In the event of a claim for total disability, there is a 30-day waiting period that applies to each claim, except in the case of a recurrence.

With respect to **retroactive coverage**, benefit payments shall begin after the 30-day waiting period, retroactively to the first day of total disability. The Debtor must remain totally disabled during the entire 30-day waiting period.

With respect to **non-retroactive coverage**, benefit payments shall begin after the 30-day waiting period (or ninety (90) days without accident or hospitalization, if this option has been selected). The Debtor must remain totally disabled during the entire waiting period.

There is no waiting period in the event of a recurrence.

Article VI – Examination

The Insurer reserves the right to have the Debtor examined by a physician of its choice when and as often as reasonably required during the period covered by the claim.

Article VII – Exclusions and Reduction of Benefits

No disability benefits shall be paid as a result of any of the following:

- Any period of detention in a penitentiary or other similar institution;
- Any period during which the individual fails to participate in a medical care program deemed reasonable and consistent with standard practice;
- Childbirth, abortion, miscarriage or pregnancy existing as of the effective date of the certificate or occurring later, except in the case of complications arising from such pregnancy;
- Lumbago or low back pain that can only be subjectively confirmed by the sole presence of pain felt by the Insured or the Co-insured;
- A self-inflicted injury or attempted suicide, whatever the Insured's or Co-insured's state of mind;
- Cosmetic or non medically required surgery;
- Mental illness or nervous disorders including anxiety, depression, emotional disorders and behavioural problems, if the Insured or Co-insured is not participating actively in therapy sessions supervised by a physician specializing in such disorders;
- Alcoholism or drug addiction, unless the Insured or Co-insured enters an in-house detoxification program;
- An accident or illness that occurs after the Insured or Co-insured has retired.

Also, no disability benefits are payable during a maternity, paternity, adoption or parental leave.

Section E – Involuntary Unemployment Insurance

Article I – Scope

If the eligible Debtor involuntarily loses his employment while covered, the involuntary unemployment insurance provides for the payment of monthly benefits directly to the Creditor, subject to the maximum amount specified below.

Article II – Monthly Benefits for Involuntary Unemployment

Upon receipt of satisfactory evidence of the Debtor’s involuntary unemployment, the Insurer shall pay the Creditor the lesser of the following amounts:

- The monthly payment required in accordance with the financial commitment described on the front page of the insurance certificate, subject to a \$750 maximum;
- The monthly payment established by the Creditor, excluding all arrears, if applicable.

The Debtor is however responsible for the first payment following his loss of employment.

Article III – Benefit Period

The benefit period begins on the day following the end of the waiting period and terminates on the earliest of the following dates:

- a. The date on which all scheduled loan payments have been made, excluding any payments of arrears and any accrued interest on the loan;
- b. The date on which the maximum six monthly benefit payments have been made;
- c. The date on which the Debtor returns to part-time or full-time employment or is no longer available for work in Canada, whichever is earlier;
- d. The date of the Debtor’s death, or the date on which a critical illness benefit is paid;
- e. The date on which the insurance terminates;
- f. The date on which the Debtor ceases to receive benefits under the Employment Insurance Act.

Article IV – Restrictions

The monthly amount insured, as indicated on the certificate, shall, under no circumstances, exceed \$750 per month, for all the certificates held by a Debtor, if applicable.

In the case of joint insurance, where both Debtors have become unemployed, the Insurer shall pay only one benefit.

The maximum total benefit payable for all periods of involuntary unemployment shall in no case exceed:

- The loan balance, in the case of a loan;
- The amount of monthly payments owing to the Creditor, in the case of a lease.

Article V – Waiting Period

The Involuntary Unemployment Benefit is subject to a waiting period of thirty (30) consecutive days.

Article VI – Exclusions

No Involuntary Unemployment Insurance benefits shall be payable if the loss results, directly or indirectly, from:

- a. Operating a motor vehicle or boat while your blood alcohol level exceeds 80 milligrams of alcohol per 100 milliliters of blood or the legal limit in the province or state where you are operating such motor vehicle or boat;
- b. A period of detention in a penitentiary or other similar institution;
- c. Attempted suicide or any self-inflicted injury, whether or not you are of sound mind;
- d. A pregnancy, abortion, miscarriage, childbirth, or the parental leave pertaining thereto;
- e. Cosmetic or elective surgery;
- f. Alcohol or drug use, unless actively participating in a rehabilitation program approved and monitored by a physician;
- g. An illness or injury;
- h. Mental or bodily infirmity or disease of any kind;
 - i. Unemployment that occurs during the first ninety (90) days immediately following the effective date of insurance;
 - j. Voluntary unemployment;
 - k. Early or normal retirement;
 - l. Dismissal with cause, including, but not limited to, misconduct, personality conflict, inability or refusal to perform duties;
- m. From the insured's employer ceasing operations at the insured place of employment, or from lay-offs, or lock out at the insured's place of employment, but only if prior to the effective date of insurance, the employer had announced its intention to lay-off personnel or cease operations at that location;
- n. A strike or labor dispute at the insured's place of employment;
- o. The loss of the insured's employment as a seasonal worker, as a self-employed worker, or while employed by a corporation with which the insured was not dealing at arm's length or if the insured has not worked twenty (20) hours per week for a period of six (6) consecutive months.