



INCOME INSURANCE ACCIDENT

PRODUCT GUIDE



A product from  **HUMANIA**
ASSURANCE^{MD}

Table of contents

1. Income Insurance – Accident	3
Technical sheet	3
Premiums	6
Guaranteed renewal	6
Accident and Soft Tissue Injury	6
2. Total Disability Benefit Coverage	7
Monthly benefit amount	7
Definitions	7
Waiting Period	7
Recurring Disability and multiple causes of disability	7
Maximum Benefit Period	8
Assumed total and permanent disability	8
Other included benefits	8
Termination of coverage	9
3. Partial Disability Benefit Coverage	10
Benefits	10
Limitations	10
Termination of coverage	10
4. Available Riders	11
Accidental Death, Dismemberment or Total Loss of Use Benefit	11
20-Year Premium Refund Benefit	13
5. Exclusions, restrictions and special conditions	14
General exclusions	14
Restrictions at age 70	15
Special conditions for insureds who are unemployed	15
6. Calculation of benefits at claim time	16
Monthly benefit amount	16
Calculation of Earned Income	16
Coordination of benefits	18
7. Underwriting	19
Calculation of monthly premium	19
Admissibility Questions	19
Calculation of earned income	20
Maximum benefit for people who do not work full time	21
Required proof of income	21
Employment Stability Discounts	22
8. Amendments authorized after the policy is issued	23
Accident	23

1. Income Insurance – Accident

TECHNICAL SHEET

WHAT IS THE TARGET MARKET?

With only one health question to be eligible, Income Insurance – Accident is an innovative solution that meets the needs of a diverse clientele, such as:

TRADITIONAL RISKS

- Self-employed*
- Contract employees*
- Business owners*
- Salaried employees*
- Other industries that do not offer group insurance

* Examples of target industries: construction, daycare, farming, restaurants, retail, personal care, transport...

NON TRADITIONAL RISKS

- Seasonal workers
- Part-time workers
- Home based workers
- Newly self-employed
- Unemployed individuals
- Individuals on leave
- Students
- Retirees
- Workers in a high-risk industry**

** Examples of target industries: entertainment, mining, forest, fishing... No occupations refused.

HARD TO INSURE RISKS

- Individuals that are hard to insure, unable to qualify for sickness coverage.
- Individuals with a limited budget.

TYPE OF CONTRACT

Premium

Level premium until age 70 and **guaranteed** for the first 5 years of the contract.

Renewal

Guaranteed to age 100

Contract continuation

Contract continuation with the following reductions in coverage at age 70:

- Total disability: 1/6 Activity of Daily Living and no soft issue injury
- Benefit period: 2 years
- 50% of the indemnity, maximum of \$2,000
- No partial disability

Type of Coverage

Accident and soft tissue injury

Issue Age

18 to 69 years old

WAITING PERIOD	
Possible Options	1, 14, 30, 90, 120 days
1 st day Hospitalization	Included in contracts with a Waiting Period of 90 days or less. Must be hospitalized for at least 18 hours or in for day surgery.
BENEFIT PERIOD	
Possible Options	2 years, 5 years, to age 70.
Recurrent Disability	6 months
BENEFIT AMOUNT	
Minimum and Maximum	\$500 - \$6,000, non-taxable amount
Offer for unemployed, part-time, seasonal, students and retirees	\$1,000
Coordination and Integration	Coordination only, 90% of earned income
Minimum Guaranteed	Up to \$2,500 for 36 months
Earned Income	Salaried employee: employment income Self-employed or business owner: the greater of the net profit of the company + employment income or 50% of gross profit of the company
Financial Documents	Not required at time of application
DEFINITIONS	
Total Disability	Regular occupation for 36 months
Partial Disability	50% of the monthly benefit for 6 months included. Not necessary to be totally disabled before.
Unemployed at Time of Claim	Unemployed for more than 90 days: 1/6 Activity of Daily Living; Maximum \$2,500; no partial
Accident	Within 90 days following the event. Covers soft tissue injury (60 days per event, 365 days for the duration of the contract, no partial disability)
Waiver of Premium	Included - equal to Waiting Period
Assumed Total and Permanent Disability	Included
Rehabilitation	Included
Death benefit	Included - 5 times the monthly benefit, maximum \$10,000

AVAILABLE RIDERS

Accidental Death, Dismemberment or Total Loss of Use Benefit

Amount available: \$50,000 \$100,000, \$200,000 or \$300,000

Premium Refund Benefit

Every 20 years (50%, 75% or 100% at the insured's choice):

- Available from age 18 to 45
- Rider available with waiting period of 1, 14, 30 and 90 days.

PREMIUMS

This policy has a level premium up to the Policy anniversary date following the Insured's seventieth (70th) birthday. The level premium rate is based on the Insured's risk class when the coverage is issued. On the policy anniversary date following the Insured's seventieth (70th) birthday, the premium will be adjusted according to the rates established by the Insurer at the time of the change in coverage. The only other possible increases are adjustments to reflect experience.

Adjustments to reflect experience

Once the policy has been in effect for five years, the Insurer may change the premium for each guarantee based on the experience of contracts with similar features.

Minimum monthly premium: \$12

GUARANTEED RENEWAL

Renewal of the policy is guaranteed up to the policy anniversary date following the Insured's 100th birthday.

ACCIDENT AND SOFT TISSUE INJURY COVERAGE

When the Insured suffers a Disability covered under this Policy, the Insurer will pay the monthly Eligible Benefit. Payments begin when the Waiting Period has elapsed and will continue for the Maximum Benefit Period, subject to the limitations, exclusions and General Provisions of the policy and the related coverages.

Onset of disability

The Waiting Period begins on the date of the first medical consultation related to the Disability after the onset of said Disability.

Disability adjustment

Where necessary, the monthly benefit will be adjusted to a daily rate based on one-thirtieth (1/30) of the monthly benefit for each day of Disability.

Accident

An Accident is defined as an event that occurs while the policy is in force and whose cause is external, violent, sudden, unexpected and beyond the control of the Insured, such as a fall, impact, collision or blow. False or repetitive movements that occur in the course of routine Work or daily activities is not considered an Accident. If an Accident results in a loss that first appears more than ninety (90) days after the Accident, the loss is considered to be the result of an illness.

Soft Tissue Injury

Each month, the Insurer will pay the Insured, while the latter is Totally Disabled as a result of a Soft Tissue Injury, the Eligible Benefit shown in the Schedule of Benefits, subject to the Waiting Period, for a period not exceeding sixty (60) days per episode, and a maximum of three hundred and sixty-five (365) days for the duration of the contract.

Refers to the following conditions, when they do not result directly from an Accident:

- Bursitis;
- Capsulitis;
- Chondromalacia;
- Contusion;
- Costochondritis;
- Strain;
- Sprain;
- Epicondylitis (medial and lateral);
- Fasciitis;
- Umbilical hernia, inguinal hernia or herniated disc;
- Ligamentitis;
- Rotator cuff injury;
- Carpal tunnel syndrome;
- Tarsal tunnel syndrome;
- Patellofemoral syndrome;
- Tendinitis.

2. Total Disability Benefit Coverage

DEFINITION OF TOTAL DISABILITY

For an Insured who is gainfully employed or has been unemployed for ninety (90) days or less at the onset of disability:

- During the waiting period and the thirty-six (36) months that follow: inability of the Insured, due to an Accident or a Soft Tissue Injury, to perform the main duties of his or her Occupation at the onset of Disability and who, during that period, is not engaged in any other gainful activity and is under the continuous and appropriate treatment and Care of a Physician;
- From the thirty-seventh (37th) month, if applicable: inability of the Insured, due to an Accident or Soft Tissue Injury, to perform any gainful Occupation that he or she is reasonably qualified to perform based on his or her education, training or experience, while under the continuous and appropriate treatment and Care of a Physician.

WAITING PERIOD

Definition: period, expressed in number of days, during which no benefit is payable. The Waiting Period begins on the date of the first medical consultation related to the Disability after the onset of that Disability.

Available waiting periods: 1st day, 14 days, 30 days, 90 days and 120 days

1st day of hospitalization

The benefit for Total Disability resulting from an Accident is payable from the first (1st) day of Hospitalization or Day Surgery, for policies with a Waiting Period of ninety (90) days or less.

Hospitalization is defined as a stay by an Insured in a Hospital, as an inpatient, further to an admission request by a Physician, for a period of at least eighteen (18) hours.

Day surgery is defined as a surgical procedure performed by appointment in a Hospital, clinic or department affiliated with a Hospital, that does not require Hospitalization and for which the Insured is admitted and discharged on the same day as the procedure.

Accumulation of disability days

Continuous periods of Disability lasting seven (7) days or more and resulting from the same cause may be accumulated to satisfy the Waiting Period. Recurring disabilities may be added together over a period of six (6) months to satisfy the Waiting Period.

RECURRING DISABILITY AND MULTIPLE CAUSES OF DISABILITY

Recurring disability

All recurring disability due to the same or a related cause are considered to be the continuation of one and the same Disability. The Waiting Period does not begin to elapse anew and benefit payments are added to past payments in determining the Maximum Benefit Period specified in the Schedule of Benefits, subject to the Multiple Causes of Disability clause.

If the Insured becomes disabled again after being able to engage in Employment for a period of at least six (6) consecutive months, the Disability will be considered a new Disability even if due to the same or a related cause. The Waiting Period and the Maximum Benefit Period specified in the Schedule of Benefits will apply again.

Multiple causes of disability

If another Accident occurs during the Benefit Period, no additional benefits will be payable under this Policy for the other Accident.

If, at the end of the Maximum Benefit Period, the Total Disability continues and the Insured has not recovered from his or her first Disability and another Accident occurs, no benefit will be payable under this Policy for the other Accident.

MAXIMUM BENEFIT PERIOD

Maximum period of time, as specified in the Schedule of Benefits, during which benefits are payable as a result of a covered event.

Maximum available benefit period: 2 years, 5 years and up to 70 years.

Some high-risk occupations will be limited to a two-year benefit period.

ASSUMED TOTAL AND PERMANENT DISABILITY

If, as a result of an Accident, the Insured sustains total and permanent loss of use of two limbs or one sense, as described below, the Insured will be considered to be Totally Disabled, whether or not he or she holds other Employment and whether or not he or she is under the regular Care of a Physician.

Total and permanent loss of use of two limbs or one sense among those listed below is defined as:

- **One hand, one foot:** complete severance at or above the wrist or ankle joint; where there is no severance, total and permanent loss of use of the hand or foot;
- **Hearing:** total and irreversible loss of hearing in both ears, with a hearing threshold of 90 decibels or more within a speech threshold of 500 to 3,000 cycles per second, confirmed by an otolaryngologist registered and licensed to practise in Canada and practising in Canada;
- **Sight:** total and irreversible loss of sight in both eyes (visual acuity of twenty over two hundred [20/200] or less, or a field of vision of less than twenty [20] degrees).

OTHER INCLUDED BENEFITS

Rehabilitation

When the Insured receives a Disability benefit under this policy, the Insurer may pay the cost of services related to a rehabilitation program provided such services are not already covered by another program or service and that the Insurer approves the program in writing prior to the Insured's participating therein.

Death benefit

If the Insured dies while in receipt of Disability benefits, the Insurer shall pay the Beneficiary a lump sum equal to five (5) times the monthly benefit amount that was being paid at the time of death, up to a maximum of ten thousand dollars (\$10,000).

Waiver of premiums

While the Insured is eligible to receive benefits as a result of a Disability, the Insurer will waive the payment of premiums falling due according to the method of payment in effect at the onset of Disability.

Waiver of premiums will end on the date the Insured is no longer eligible to receive Disability benefits.

TERMINATION OF POLICY AND COVERAGES

This coverage terminates at the earliest of the following dates:

- The date a written request to this effect is received from the Policyowner or the date specified in the request if later than the date of receipt;
- The date on which the Income Insurance – Accident coverage is cancelled;
- The date on which the grace period for premium payment expires;
- The Policy anniversary date following the Insured's one hundredth (100th) birthday;
- The date on which the Insured dies.

3. Partial Disability Benefit Coverage

Each month, the Insurer will pay the Insured, while partially disabled as a result of an Accident, the Eligible Benefit shown in the Schedule of Benefits, subject to the Waiting Period and the Maximum Benefit Period shown in the Schedule.

DEFINITION OF PARTIAL DISABILITY

Partial Disability refers to an Insured who, although not Totally Disabled, is unable to perform at least one of the main duties of his or her Occupation at the onset of Disability, or who is unable to work at least fifty percent (50%) of the time usually devoted to his or her Occupation, while under the continuous and appropriate treatment and Care of a Physician.

An Insured need not be Totally Disabled before qualifying for Partial Disability.

LIMITATIONS

When for the same Disability both Total Disability and Partial Disability benefits are paid, the total benefit period cannot exceed the Maximum Benefit Period for Total Disability.

No Partial Disability benefit is payable for a Soft Tissue Injury.

TERMINATION OF PARTIAL DISABILITY COVERAGE

This coverage will end on the earlier of the following dates:

- Policy termination date specified in the General Conditions of this policy; or
- Policy anniversary date following the Insured's seventieth (70th) birthday.

4. Available Riders

ACCIDENTAL DEATH, DISMEMBERMENT OR TOTAL LOSS OF USE BENEFIT

Benefits

Death

If the Insured dies as a result of an Accidental Injury, the Insurer will pay the benefit shown in the Schedule of Benefits, provided the Policy is in force and the death occurs within three hundred and sixty-five days immediately following the date of the Accident.

Dismemberment or total loss of use

While the Policy is in force and in the event of dismemberment or total loss of use resulting from an Accidental Injury, the Insurer will pay the following percentage of the dismemberment benefit shown in the Schedule of Benefits:

- Both feet or both hands : 100%
- One hand and one foot : 100%
- One hand and sight in one eye : 100%
- One foot and sight in one eye : 100%
- Hearing in both ears and speech : 100%
- Sight in both eyes : 100%
- One foot or one hand : 50%
- Hearing in both ears or speech : 50%
- Sight in one eye : 12.5%
- Hearing in one ear : 12.5%
- Two or more phalanges of the same finger or same toe : 2.5%

Definitions

Dismemberment or Total Loss of Use

- Hand or foot: complete severance at or above the wrist or ankle joint; where there is no severance, total and permanent loss of use of the hand or foot;
- Speech: diagnosis of total and irreversible loss of the ability to speak. A diagnosis of loss of speech must be made by a specialist;
- Eye: total and irreversible loss of sight in one eye (visual acuity of twenty over two hundred or less, or a field of vision of less than twenty degrees);
- Hearing: total and irreversible loss of hearing in both ears, with a hearing threshold of 90 decibels or over within a speech threshold of 500 to 3,000 cycles per second, confirmed by an otolaryngologist registered and licensed to practise in Canada and practising in Canada;
- One finger and one toe: complete severance of two or more phalanges of the same finger or same toe.

Limitations

If the Insured dies as a result of Accidental Injuries for which an accidental death benefit is payable under this Policy, no benefit will be payable for dismemberment or loss of use suffered by the Insured as a result of the same Accident.

Benefits are not cumulative. If a single Accident results in multiple dismemberments or losses, the Insurer will pay only for the dismemberment or loss giving rise to the largest amount.

The benefit for total loss of use is payable if the loss persists beyond the period of three hundred and sixty-five days immediately following the date of the Accident.

Total benefits for dismemberment or total loss of use cannot exceed one hundred percent of the benefit for dismemberment or total loss of use shown in the Schedule of Benefits.

Any dismemberment or loss of use that already exists on the date the Policy is issued will not be considered a loss covered under this benefit.

The total benefit payable by the Insurer to the Insured cannot be greater than three hundred thousand dollars for dismemberment or total loss of use resulting from an Accident. If the amount of insurance held by an Insured is greater than three hundred thousand dollars for dismemberment or total loss of use resulting from an Accident, regardless of the number of coverages in effect with Humania Insurance Inc., the Insurer will pay only a single benefit equal to that entitling the Insured to the highest amount. Premiums received for dismemberment or loss of use coverage for which no benefit is paid will be reimbursed to the Policyowner.

Termination of Coverage

This coverage terminates on the earliest of the following dates:

- The Policy termination date specified in the General Provisions of this Policy;
- The Policy anniversary date following the Insured's seventieth birthday.

General Provisions

The definitions, limitations and exclusions of this coverage apply in addition to those indicated in the General Provisions. The General Provisions of the Policy govern this coverage when they are relevant to and compatible with its terms.

20-YEAR PREMIUM REFUND BENEFIT

Benefits

Under this coverage, the Insurer will refund the percentage of Refundable Premiums for the Refund Period shown in the Schedule of Benefits of the 20-Year Premium Refund Benefit, provided the Insured is still alive at the date of entitlement to the refund. This refund will be made to the Policyowner within sixty days following the refund entitlement period.

Limitations

The refund applies to coverages issued prior to attainment of age forty-six and to coverages that have not been cancelled at the Policyowner's request.

If, following payment of a premium refund, a benefit is payable for the previous refund entitlement period, any amount paid by the Insurer under this coverage must be reimbursed beforehand.

No benefit will be payable by the Insurer following failure to return the premium refund.

Exclusions

The 20-year Premium Refund excludes waived premiums paid by the Insurer.

Definitions

Refund Period

The period of twenty consecutive years of coverage beginning at the effective date of each coverage, during which no benefit has been paid or would have been payable under the coverages of this Policy. If the Insurer pays a benefit of any kind, a new Refund Period begins to elapse at the date on which the next premium is payable following the date of the last benefit payment, provided the Insured is under age 46.

Premiums Paid

Premiums paid by or on behalf of the Policyowner to the Insurer, for each coverage under the Policy where the benefit amount has not been reduced by more than twenty-five percent at the Policyowner's request.

If the benefit amount has been reduced by more than twenty-five percent at the Policyowner's request, the resulting premium will be considered the premium paid from the start date of the Refund Period.

Refundable Premiums

The total Premiums Paid to the Insurer, since the beginning of the Refund Period, for each coverage in force at the beginning of the Refund Period.

Termination of Coverage

This coverage terminates at the earliest of the following dates:

- The date on which the shortest Waiting Period under the Policy is changed to more than ninety days;
- The Policy termination date specified in the General Provisions of this Policy;
- The Policy anniversary date following the Insured's sixty-fifth birthday

General Provisions

The definitions, limitations and exclusions of this coverage apply in addition to those indicated in the General Provisions. The General Provisions of the Policy govern this coverage when they are relevant to and compatible with its terms.

5. Exclusions, restrictions and special conditions

GENERAL EXCLUSIONS

No benefit shall be payable for a disability resulting from:

- Attempted suicide or intentionally self-inflicted injury or dismemberment, whether the insured is of sane or insane;
- Participation by the Insured in the commission or attempted commission of an assault or criminal offence, or driving a motor vehicle or piloting a boat while under the influence of narcotics or while his or her blood-alcohol concentration exceeds the legal limit;
- Alcohol abuse, or the use of hallucinogens, drugs or narcotics;
- Service, whether or not as a combatant, with armed forces engaged in surveillance, training, peacekeeping, insurrection, war (whether or not declared) or any related act, or participation by the Insured in a popular uprising;
- Injuries sustained during air travel, unless the Insured is a passenger on an aircraft used by a common carrier;
- Cosmetic surgery or surgical procedure not required by the Insured's health condition, and any complication resulting therefrom;
- Experimental treatments and treatments involving the use of new procedures or therapies that are not yet in mainstream use;
- Training for or participation in professional sports or motor vehicle speed contests;
- An injury obtained during the practise of any high-risk activity, including, but not limited to: bungee jumping, freestyle skiing or snowboarding, heliskiing or heliboarding, ski jumping, sky diving, hang gliding, sky surfing, street luge, skeleton, mountain or rock climbing with or without ropes, and participation in rodeos or ultimate fighting competitions;
- Refusal by the Insured of any treatment or medication deemed necessary for his or her condition, or refusal to submit to a medical examination required by his or her condition;
- Refusal by the insured to submit to a rehabilitation program recommended by the attending physician or to actively participate in a rehabilitation program previously approved by the Insured and the Insurer;
- False or repetitive movements in the course of routine Work or daily activities, except in the case of a Soft Tissue Injury, as defined in this policy;
- A physical or mental Disability or an illness of any kind, either directly or indirectly.

No disability benefit shall be payable for:

- Any period during which the Insured is receiving a salary, except as part of a Partial Disability and/or rehabilitation plan approve by the Insurer;
- Any period during which the Insured is incarcerated in a penitentiary or a government detention facility.

No death benefit will be payable if the Insured commits suicide within two (2) years of the effective date or reinstatement of coverage, whether he or she is sane or insane.

CHANGES IN COVERAGE AT AGE 70

Effective from the Policy anniversary date following the Insured's seventieth (70th) birthday, the following changes will apply:

- Total Disability means the inability of the Insured, due to an Accident, to perform at least one of the Activities of Daily Living, while under the continuous and appropriate treatment and Care of a Physician;
- The Total Disability benefit on that date will be reduced by 50%, without exceeding two thousand dollars (\$2,000);
- The Maximum Benefit Period for Total Disability due to an Accident will change to two (2) years from the onset of Disability, even if the Disability began before attaining the age of seventy (70) when the Maximum Benefit Period shown is greater than two (2) years;
- Partial Disability coverage ends.

SPECIAL CONDITIONS FOR INSUREDS WHO ARE UNEMPLOYED

The following changes apply when the Insured has been unemployed for more than ninety (90) days at the onset of Disability:

- Total Disability means the inability of the Insured, due to an Accident, to perform at least one of the Activities of Daily Living, while under the continuous and appropriate treatment and Care of a Physician.
- If the Insured becomes disabled again after being able to perform all of his or her Activities of Daily Living for at least six (6) consecutive months, the Disability shall be considered a new Disability even if is due to the same or a related cause. The Waiting Period and the Maximum Benefit Period specified in the Schedule of Benefits will apply once again.
- The maximum benefit for all Disability coverages that the Insured has with the Insurer cannot be greater than twelve thousand dollars (\$12,000) per month.
- No Partial Disability benefit shall be payable.

6. Calculation of benefits at claim time

AMOUNT OF MONTHLY BENEFITS

The Disability benefits are established based on the Insured's actual earned income at the start of the Disability, up to the maximum insured amount shown in the Schedule of Benefits. It is important for the Policyowner to periodically make sure that the income reported on the proposal is accurate and to notify the Insurer of any decrease in income.

If the amount of the benefit paid by the Insurer is less than the insured benefit, the Insurer will not refund any excess premium.

Eligible benefit

Maximum amount payable as specified in the Schedule of Benefits. The maximum amount can be changed under the provisions, limitations and exclusions of the Policy and its coverages.

Limitations

The maximum benefit for all Disability coverages that the Insured has with the Insurer cannot be greater than twelve thousand dollars (\$12,000) per month.

If, by mistake, the sum of all benefits for all Disability benefits selected are greater than this amount, the Insurer shall pay a maximum benefit of twelve thousand dollars (\$12,000), cancel the policies that exceed twelve thousand dollars (\$12,000) in disability benefits, and reimburse the overpayments made.

CALCULATION OF EARNED INCOME

Earned income

All amounts which the Insured receives in return for services rendered, less the usual business expenses but before deduction of income tax. Earned income includes salaries, wages, bonuses, professional fees, commissions, gratuities and any other income from Employment.

RESTRICTIONS

Earned income excludes any income that is not derived directly from Work, such as interest income, rent, copyright, royalties, investment income, and any income from pension plans, annuity contracts, profit sharing plans, deferred compensation plans or any other income not received directly in return for a service provided. Dividends, whether related to or not related to Work, are not considered Earned Income.

EMPLOYMENT STATUS	DEFINITION OF EARNED INCOME
Salaried employee:	Gross employment income as reported in the last Federal Tax Return (Box 14 on the T4 slip or line 10100 on the T1 slip)
Self-employed:	<p align="center">Earned income is the maximum between the following two calculations:</p> <p>Calculation #1: Net Profit of the company Net income as reported on the last Federal Tax Return? (Depending on the type of income, see box 13500, 13700, 13900, 14100 or 14300 in the "Self-Employment Income" section of the Income Tax and Benefit Return.)</p> <p>Calculation #2: 50% of his or her share of the Gross Profits* of the company. Le chiffre d'affaires du dernier rapport d'impôt fédéral diminué :</p> <ul style="list-style-type: none"> • The cost of goods sold; • The gains realized from a transaction outside the normal course of business; and • Any business expense item related to salaries and payroll taxes, excluding the Insured's salaries and payroll taxes.
Business owner:	<p align="center">Earned income is the maximum between the following two calculations:</p> <p>Calculation #1: Net Profit of the company Net business income before taxes for the last completed fiscal year, based on the percentage of units held (Income Statement + Other employment income, excluding dividends for the last completed fiscal year</p> <p>Calculation #2: 50% of his or her share of the Gross Profits* of the business Means, for a full fiscal year, a company's revenues minus:</p> <ul style="list-style-type: none"> • The cost of goods sold; • The gains realized from a transaction outside the normal course of business; and • Any business expense item related to salaries and payroll taxes, excluding the Insured's salaries and payroll taxes.

* Use of the company's gross profits is not allowed if the company posted a net loss for two (2) or more consecutive years immediately before the disability.

Definition of average monthly earned income

The average monthly earned income is the greater of:

- 1) The last full calendar year before the onset of the disability divided by twelve (12);
- 2) The average annual earned income for the best three (3) of the last five (5) years divided by twelve (12);
- 3) \$1,111.11

COORDINATION OF BENEFITS

If the benefits payable under this Policy and any income replacement insurance from a company or a private, public or parapublic organization total more than ninety percent (90%) of the Insured's Average Monthly Earned Income, the Disability benefits that are payable will then be reduced so that the total of all benefits does not exceed such ninety percent (90%).

Where lump-sum or retroactive payments are made to the Insured, the Insured will be required to reimburse the Insurer any amounts that would not have been payable by the Insurer on account of the coordination of benefits.

If the Insured fails or refuses to exercise his or her rights under an insurance plan through any company or private, public or parapublic organization, the Insurer will assess the amount of benefits to which the Insured would have been entitled and reserves the right to reduce the monthly benefits payable to the Insured accordingly.

Coordination of total disability benefits

During the first thirty-six (36) months of benefit payments, the total eligible Disability benefit shown in the Schedule of Benefits will not be Coordinated with any other income replacement insurance from a company or a private, public or parapublic organization, up to the first two thousand five hundred dollars (\$2,500) of monthly benefits payable for all Disability coverages that the Insured has with the Insurer.

After the first thirty-six (36) months, the benefits payable will become fully Coordinated. Disability benefits shall then be based on the Insured's Average Monthly Earned Income, up to the Insured maximum amount shown in the Schedule of Benefits.

Coordination of partial disability benefits

The eligible disability benefit shown in the Schedule of Benefits will not be Coordinated with any other income replacement insurance from a company or a private, public or parapublic organization, up to the first one thousand two hundred and fifty dollars (\$1,250) of monthly benefits payable for all Disability coverage which the Insured has with the Insurer.

7. Underwriting

CALCULATION OF MONTHLY PREMIUM

The premium is based on the risk associated with your client's occupation. For example, a client who works 100% of the time in an office will benefit from a lower rate than one who does manual work.

Gender, smoking and age have no impact on the premium.

When taking out the coverage, insureds in high-risk occupations will be limited to a maximum benefit period of two (2) years and a minimum waiting period of 90 days.

ADMISSIBILITY QUESTIONS

To be eligible, the person to be insured must:

- Understand English or French and answer questions on the platform in that language.
- Answer "NO" to the following question: Does the Insured currently have more than \$10,000 in monthly indemnity on other individual disability contract(s) in force or pending, excluding this present application and all mortgage insurance with a financial institution?
- Answer "NO" to the following question: Does the Insured currently have any restrictions caused by an illness or injury that prevents him or her from performing his or her everyday life activities?
- Answer "YES" to the following statement: I declare that I am a Canadian citizen, permanent resident or temporary resident for three (3) years or more (except as a visitor, tourist, refugee, diplomat, ambassador or staff).

MAXIMUM MONTHLY BENEFITS

Annual earned income	Non-taxable monthly benefit	Annual earned income	Non-taxable monthly benefit
Less than \$15,000*	\$1,000	\$61,001 to \$63,000	\$3,600
\$15,001 to \$16,000	\$1,100	\$63,001 to \$65,000	\$3,700
\$16,001 to \$18,000	\$1,200	\$65,001 to \$67,000	\$3,800
\$18,001 to \$20,000	\$1,300	\$67,001 to \$69,500	\$3,900
\$20,001 to \$21,500	\$1,400	\$69,501 to \$71,500	\$4,000
\$21,501 to \$23,000	\$1,500	\$71,501 to \$73,750	\$4,100
\$23,001 to \$25,000	\$1,600	\$73,751 to \$76,000	\$4,200
\$25,001 to \$27,000	\$1,700	\$76,001 to \$78,500	\$4,300
\$27,001 to \$28,500	\$1,800	\$78,501 to \$80,500	\$4,400
\$28,501 to \$30,500	\$1,900	\$80,501 to \$82,750	\$4,500
\$30,501 to \$32,000	\$2,000	\$82,751 to \$85,250	\$4,600
\$32,001 to \$34,000	\$2,100	\$85,251 to \$87,250	\$4,700
\$34,001 to \$35,500	\$2,200	\$87,251 to \$89,750	\$4,800
\$35,501 to \$37,250	\$2,300	\$89,751 to \$92,250	\$4,900
\$37,251 to \$39,000	\$2,400	\$92,251 to \$95,000	\$5,000
\$39,001 to \$40,500	\$2,500	\$95,001 to \$97,750	\$5,100
\$40,501 to \$42,500	\$2,600	\$97,751 to \$100,500	\$5,200
\$42,501 to \$44,500	\$2,700	\$100,501 to \$103,250	\$5,300
\$44,501 to \$46,500	\$2,800	\$103,251 to \$106,000	\$5,400
\$46,501 to \$48,500	\$2,900	\$106,001 to \$108,500	\$5,500
\$48,501 to \$50,750	\$3,000	\$108,501 to \$111,250	\$5,600
\$50,751 to \$53,000	\$3,100	\$111,251 to \$114,250	\$5,700
\$53,001 to \$55,000	\$3,200	\$114,251 to \$117,000	\$5,800
\$55,001 to \$57,000	\$3,300	\$117,001 to \$119,500	\$5,900
\$57,001 to \$59,000	\$3,400	\$119,501 and over	\$6,000
\$59,001 to \$61,000	\$3,500		

* If the Insured reports negative earned income, the maximum monthly benefit will be \$1,000.

MAXIMUM BENEFIT FOR PEOPLE WHO DO NOT WORK FULL TIME

The maximum monthly benefit for an Insured who is NOT gainfully employed for at least 21 hours per week over 35 weeks per year shall be \$1,000.

The \$1,000 offer is an attractive solution for the following clients:

- Seasonal workers
- Part-time workers
- Unemployed individuals
- Individuals on leave
- Students
- Retirees
- Newly self-employed workers with no previous income
- Self-employed workers or business owners with negative income

It is important to note that the policy includes specific terms and conditions for insureds who have been unemployed for more than 90 days at the onset of disability.

REQUIRED PROOF OF INCOME

At time of application

The insured must report income earned when submitting the online application for insurance.

No proof of income will be requested.

At time of claim

- The first \$2,500 in monthly benefit does not require proof of income for the first 36 months.
- The Insurer requires proof of income for amounts exceeding \$2,500.

Employment status	Definition of earned income
Salaried employees:	Most recent T4 or T1
Self-employed:	Most recent T1 General Income and expense statement
Business owners:	Most recent personal T1 general Complete business financial statements for the past two years

Details regarding acceptable proof:

When proof of income is required, only the T1 General, T4 and the company's financial statement can serve as acceptable proof of income.

- The company's financial statement, when required, must include the balance sheet, income statement and all notes for the full fiscal year;
- The T1 General, when required, must include all pages up to line 260 inclusively;
- The T4 is acceptable proof of income only for salaried employees;
- The Notice of Assessment is not acceptable proof of income.

EMPLOYMENT STABILITY DISCOUNT

To be eligible for the Employment Stability Discount, the insured must:

- Exceed income requirements for the past two years (\$35,000 for blue- and grey-collar workers, \$60,000 for white-collar workers);
- Minimum of three (3) years experience in the same industry.

Some occupations are not eligible for the discount, including drivers, fishers, farm owners, forestry workers and other high-risk industries.

The Employment Stability Discount applies for the policy period.

8. Amendments authorized after the policy is issued

The following table summarizes the most frequently requested changes:

ACCIDENT

Type de modification ▼	Allowed at any time ¹ ▼	Allowed on the policy anniversary only ▼	New application for insurance ▼
Reduction in benefit amount	X		
Cancellation of a rider	X		
Change to longer waiting period	X		
Change to shorter benefit period	X		
Adding an option or increase in benefit			X
Change to shorter waiting period			X
Change to longer benefit period			X
Change to lower-risk job			X

¹ Allowed at any time but applicable to the next pre-authorized withdrawal or invoicing date.