



GROUP INSURANCE CONTRACT

Group 60120

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 March 06, 2018.

First Renewal Date: March 06, 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 refers to the Debtor, the liquidator of an estate, or any other person authorized to make a claim.

Balance of the Principal Amount Insured refers to the amount due to the Creditor if the monthly payments are made on the agreed dates.

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

The effective date of coverage cannot be earlier than the date of signing of the certificate of insurance.

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

Covered Critical Illness means the following illnesses:

- Cancer (Life threatening) means a malignant tumor characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue.

This excludes Chronic Lymphocytic Leukemia less than RAI Stage 3 and Hodgkin's disease less than Stage 3. Also excluded from coverage are: 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 the undergoing of open-heart surgery to correct a narrowing or blockage of one or more coronary arteries with bypass grafts but excluding 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 area as evidenced by all three of the following: an episode of typical chest pain, new electrocardiograph changes indicative of myocardial infarction and the elevation of cardiac enzymes.
- Major Burns means third degree burns over at least 20% of the body surface.
- Stroke means a cerebrovascular incident, excluding transient ischemic attack (TIA), caused by an infarction of brain tissue due to thrombosis, intracranial hemorrhage or an embolism from an extracranial source. There must be evidence of permanent neurological deficit persisting for 30 consecutive days, supported by evidence that the deficit is resulting from the Stroke, confirmed in writing by a Physician who is certified as a neurologist. Diagnosis needs to be confirmed with reliable and clinically accepted imaging techniques such as brain CT scan, MRI, PET scan, and

cerebrospinal fluid analysis.

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.

Distributor or Dealer refers to the dealer/merchant that, in the course of its activities and incidentally, offers an insurance product that relates only to a vehicle or other heavy equipment/consumer product it sells or leases under a long-term lease agreement.

Employment or Employee means holding a full-time job for a minimum of thirty (30) hours per week during at least forty (40) weeks per year.

Employment does not mean seasonal work for which a layoff is expected and considered normal as part of the work schedule.

Taking care of the home is not considered employment.

Illness means a disease, a medical condition, or a pathological state which occurs for the first time after the insurance takes effect and which causes the Debtor's total disability.

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

Insurer means **HUMANIA ASSURANCE**, 1555 Girouard St. West, PO Box 10000, St-Hyacinthe, QC, J2S 7C8.

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, stating the Debtor's obligation to repay the loan or buy-back the loan used to purchase or finance a vehicle.

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.

Section A — General provisions (continued)

- **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.

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) 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 Administrators to have a group insurance policy and also authorized by the Insurer to offer insurance to the Debtors.

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.

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

Total disability or totally disabled means any state of incapacity resulting from an accident or illness and for which the Debtor is under the care of a physician and which prevents him, during the first twelve (12) months, from performing all the duties of his own occupation, and thereafter, total disability means a continuous state of incapacity which wholly prevents the Debtor from performing the regular duties of another paid occupation compatible with his training, education, or experience.

Should a Debtor be unemployed at the beginning of a total disability, it will mean the inability to perform the regular duties of a person of the same age, sex, and condition.

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

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 January 1 each year, whether or not certificates are still in force.

Article IV – Premiums

A certificate of insurance is issued to a Debtor pursuant to this group insurance contract in consideration of the payment of the premium payment specified in the Premium Table 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:

For the purposes of life insurance:

1. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
2. Reside in Canada;
3. Be at least eighteen (18) years of age but under seventy-one (71) years of age on the effective date and under seventy-three (73) on the expected expiry date of the insurance;
4. Have a debt owing to the Creditor in regard to a loan, a buy-back loan, or a long-term lease.

For the purposes of critical illness insurance:

5. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
 6. Reside in Canada;
 7. Be at least eighteen (18) years of age but under sixty-five (65) years of age on the effective date and under seventy-three (73) on the expected expiry date of the insurance;
 8. Have chosen life insurance coverage under this contract;
 9. Have a debt owing to the Creditor in regard to a loan, a buy-back loan, or a long-term lease.
-

For the purposes of disability insurance:

10. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
11. Reside in Canada;
12. Have been employed full-time and actively working at least thirty (30) hours per week for a minimum of forty (40) weeks during the twelve (12) months immediately preceding the date of the financial commitment;
13. Be at least eighteen (18) years of age but under sixty-six (66) years of age on the effective date and on the expected expiry date of the insurance;
14. Have a debt owing to the Creditor in regard to a loan, a buy-back loan, or a long-term lease.

For the purposes of involuntary unemployment insurance:

15. Be a natural person (partnerships, corporations, or other business entities are not eligible for insurance);
16. Reside in Canada;
17. Be able to perform the regular duties of his regular work;
18. Be employed full-time and actively working at least thirty (30) hours per week for a minimum of forty (40) weeks per year;
19. Be at least eighteen (18) years of age but under sixty (60) years of age on the effective date of insurance;
20. Be eligible for benefits under the Employment Insurance Act;
21. Have a debt owing to the Creditor not exceeding this insurance program maximum amount and not exceeding sixty (60) months;
22. Have chosen either a life or disability insurance under this contract;
23. Not be self-employed;
24. Be employed by a corporation with which he is dealing at arm's length; and
25. Hold regular employment that is not subject to seasonal conditions where a lay-off or work suspension is a regular and anticipated part of the work schedule (Seasonal Employee).

GENERAL RESTRICTIONS APPLYING TO LIFE INSURANCE, CRITICAL ILLNESS INSURANCE, DISABILITY INSURANCE, AND INVOLUNTARY UNEMPLOYMENT INSURANCE

- The Debtor must not currently be disabled and a physician must not have recommended a hospitalization or a medical investigation that has not yet taken place.
- The Debtor must not have cancer or diabetes.
- The Debtor must have never suffered from or have been treated for AIDS or any other related disease, or have tested positive for HIV antibodies.

If the Debtor does not meet one or more of the above general restrictions, the **“Pre-existing conditions”** exclusion will apply for these specific conditions for the duration of coverage and not only for the first twenty-four (24) months following the effective date of insurance.

If the financial agreement exceeds \$100,000, or if the monthly insured amount exceeds \$2,000, or the requested coverage is for critical illness, the Medical Questionnaire must be completed. A statement of health may be required and coverage is subject to the Insurer's approval.

The eligibility criteria may be verified by the Insurer at any time. If, when applicable, a premium is charged for someone who does not qualify for insurance, the Insurer's liability will be limited to the reimbursement of premiums paid.

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 the certificate is completed and signed;
- The date the premium is paid by the Creditor.

If the application needs to be submitted to the Insurer, the insurance will become effective on the date the Insurer approves the required Declaration of Health, but it will be retroactive to the effective date of insurance as defined above.

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

Article VII – Circumstances Terminating Coverage

The Debtor's insurance will automatically terminate on the first of the following dates:

1. The date the full amount of the loan is reimbursed or the date of discharge of the loan;
2. The date of seizure by the Creditor of the property used in guarantee of the loan;
3. The date the Debtor reaches his 73rd birthday for life insurance or his 71st birthday for critical illness insurance;
4. The date the Debtor reaches his 66th birthday for disability insurance or his 65th birthday for Involuntary unemployment insurance;
5. The date the Creditor receives a written notice of cancellation of the Debtor's insurance;
6. The date the debt is transferred to another Creditor or assumed by another Debtor;
7. The date the payment of the premium due is late by more than 31 days;
8. The death of the Debtor;
9. The date on which a life insurance or a critical illness benefit is paid;
10. The date the loan is renegotiated (except for renewal during the term of the loan/lease);
11. With regard to disability and Involuntary unemployment insurance, the effective retirement date of the Debtor;
12. With regard to involuntary unemployment insurance, the date six (6) monthly benefit payments have been made;
13. With regard to involuntary unemployment insurance, sixty (60) months after the effective date of insurance.

Article VIII – Termination of Insurance and Reimbursement

Should the insurance terminate for one of the reasons indicated above prior to the termination date of the insurance, the unearned premium, minus any benefit paid, will be reimbursed to the Creditor. The reimbursement will be calculated using the “Rule of 78 multiplied by 0.9” and will be subject to processing fees of \$100, which will be deducted from the amount to be reimbursed. There will be no reimbursement for amounts under ten dollars (\$10).

Article IX – Contract Modifications

Any written request by the policyholder for a contract modification must be made by means of a rider approved by the Insurer’s signing officers.

Any contract modification by the Insurer must be made by means of a rider approved by the policyholder’s signing officers, except when such modification is the result of legislative change.

Article X – Cancellation of a Clause

Any clause or part of the policy or certificate declared invalid or 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 relating 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 responsibility with regard to the amount so paid.

Only one benefit is paid by the Insurer if both Debtors are eligible for benefits at the same time.

Article XII – Misstatement of Age

In the event that the age of the Debtor on the certificate is misstated, such that the Debtor would not have been eligible for insurance if his or her real 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 the legislation in place.

In the event of a misstatement of age of the Co-debtor such that the Co-debtor would not have been eligible for insurance if his or her real 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 in regard to the Co-debtor, in accordance with the legislation in place.

A cancellation fee of \$100 will apply if the insurance is cancelled by the Insurer for misstatement of age of the Debtor or Co-debtor.

Article XIII – Fraud or Attempted Fraud

The right to benefits of a Debtor or a Co-debtor is automatically revoked if the Debtor or Co-debtor obtains or seeks to

Section A — General provisions (continued)

obtain by fraudulent means, directly or indirectly, any payment of benefits under this contract. In such cases, the Insurer is released from any commitment 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 nullify the insurance.

Article XIV – Incontestability

1. In the absence of fraud, no misrepresentation or non-disclosure can justify the cancellation or reduction of insurance that has been in force for over two (2) years.
2. However, if 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 an illness or disease, injury, or physical condition that occurs within the first twenty-four (24) months of coverage and for which treatment or treatment recommendations in the form of medical advice, consultation, diagnostic or treatment by a physician were received within the twelve-month (12) period immediately preceding the Effective date of insurance.

If at the time the certificate is signed, the Debtor:

- Is disabled or his or her physician recommended a hospitalization or a medical investigation that has not yet taken place; or
- Has cancer or diabetes; or
- Suffered from or has been treated for AIDS or any other related disease, or has tested positive for HIV antibodies;

For critical illness insurance, pre-existing condition means a covered condition, whether diagnosed or undiagnosed, suffered by the Debtor for which treatments are received prior to the effective date of insurance.

Article XVI – General Exclusions

In addition to the specific exclusions indicated in Section C, no life, critical illness, disability, or involuntary unemployment insurance benefit will be paid if it results from or is caused by one of the following:

- War, whether declared or not, or any act of war, a riot, insurrection, or revolution;
- Flying or attempting to fly aboard an aircraft if the Debtor or Co-debtor participates in a capacity other than as a passenger on a chartered flight piloted by a duly authorized pilot.

Article XVII – Assignment

The insurance cannot be assigned or transferred without the Insurer's written consent, in accordance with legal provisions.

Article XVIII – Choice of Coverage

Any choice of coverage made by the Debtor regarding life, critical illness, disability, or involuntary unemployment insurance binds the Co-debtor in regard to retroactive or non-retroactive coverage, where applicable, and in regard to the insurance covering or not covering the residual value of the vehicle, in the case of a long-term lease.

Article XIX – Loan renegotiation

The insurance shall terminate in accordance with Article VII — Circumstances Terminating Protection if the Debtor renegotiates the loan, i.e. modifies the loan's financing terms. The Insurer must be notified of any such modification in writing within ten (10) days.

Article XX – Claims

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

As a prerequisite for granting the benefits in this contract, the Insurer is entitled to receive any information it may need to manage claims. The Insurer therefore reserves the right to request proof or additional information as often as deemed necessary and to have the Debtor examined by a doctor of the Insurer's choosing.

(1) Life Insurance

The Insured's estate must notify the Insurer of the Insured's death.

The Insurer provides a claim form, which must be properly completed by the applicant, the Creditor, and the attending physician. It must then be returned to the Insurer.

(2) Critical Illness, Total Disability, and Involuntary Unemployment Insurance

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

The Debtor must provide the Insurer, within a ninety (90) days from the date of disability, critical illness, or unemployment satisfactory proof, describing the circumstances giving rise to the claim, the loss resulting from it, and the Debtor's right to receive applicable benefits. Failure to submit such satisfactory proof within the prescribed period shall not invalidate the claim, provided that it is made as soon as possible, but no later than twelve (12) months from the date the claim should have been submitted.

Failure of the Debtor to accomplish any action required by the Insurer or to provide the Insurer with the necessary information or documents will discharge the Insurer from any liability regarding benefit payments.

Until the Debtor has remedied said failure, the Debtor will have sole responsibility for the required loan reimbursements.

Section B – Life Insurance

Article I – Scope

The 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 proof of death, the Insurer shall pay the life insurance benefits to the Creditor beneficiary.

For the purpose of a loan

The amount of benefit is equal to the balance of the Principal amount insured at the date of Debtor's death, provided the life insurance benefit does not exceed the lesser of these two amounts: the Principal amount insured indicated on the certificate or \$300,000.

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

For the purpose of a long-term lease

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

Article III – Restrictions

Under no circumstances will the life insurance benefit exceed a maximum benefit of \$300,000 per loan or per Debtor for the duration of the certificate, for all the certificates held by the same Debtor.

As regards a loan granted to Co-debtors, each Debtor may be insured for an amount of up to \$300,000; however, under no circumstances will the Insurer pay more than one benefit.

Article IV – Exclusions and Limitations

Suicide

If the Debtor commits suicide, whether or not he or she is of sound mind, within 2 years of the Effective Date of Insurance, the Insurer's responsibility is limited to the reimbursement of premiums paid.

If the Co-debtor commits suicide, whether or not he or she is of sound mind, within 2 years of the Effective Date of Insurance, the Insurer's responsibility is limited to the reimbursement of the premium paid for the Co-debtor's life insurance, and the Debtor's life insurance shall remain in force.

Cancer

No benefit shall be paid if death results from a cancer that was first diagnosed in the 180-day period immediately following the effective date of insurance.

Article V - Autopsy

The Insurer reserves the right to have an autopsy performed at its own expense on the remains of either the Debtor or Co-debtor 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 receives a diagnosis of a covered critical illness, such as described in Section A, Article I – Definitions, and satisfies the survival period specified below, the Insurer will pay critical illness insurance benefits to the Creditor beneficiary.

Article II – Critical Illness Insurance Benefits

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

For the purpose of a loan

The amount of critical illness insurance benefit is equal to the Balance of the principal amount insured (outstanding amount of debt) at the date the Debtor suffers from a covered critical illness, provided the Critical Illness benefit does not exceed the lesser of these two amounts: the Principal amount insured indicated on the certificate or \$300,000.

If the Principal amount initially insured indicated on the certificate is less than the initial amount actually financed, the critical Illness insurance benefit will then be equal to the amount of the debt to be reimbursed at the date the Critical Illness covered condition is diagnosed, multiplied by a fraction, the numerator of this fraction being the Principal amount initially insured and the denominator being the initial Loan amount.

For the purpose of a long-term lease

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

Article III – Restrictions

Under no circumstances will the Critical Illness insurance benefit exceed a maximum benefit of \$300,000 per Loan or per Debtor for the duration of the certificate, for all the certificates held by the same Debtor.

As regards a Loan granted to Co-debtors, each Debtor may be insured for an amount of up to \$300,000; however, under no circumstances will the Insurer pay more than one benefit.

Please note: The certificate’s “Medical Questionnaire” must be completed. A statement of health may be required and coverage will be subject to the Insurer’s approval.

Article IV – Survival Period

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

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

Section C — Critical illness insurance (continued)

Article V – Exclusions

No critical illness insurance benefit will be payable if it results from:

- a. A pre-existing condition as described in Article XV of the General Provisions (see also (e), (f) and (g) in this section);
- b. The commission or attempted commission of a criminal offence or an assault;
- c. The operation of any motor vehicle or vessel while the Debtor’s blood alcohol level exceeds 80 milligrams of alcohol in 100 milliliters of blood or the legal limit stipulated in the province or state where the Debtor is operating a motor vehicle or vessel.
- d. A critical illness that is caused 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 thereof,
 - Cosmetic or elective surgery,
 - Drug or alcohol use unless maintaining satisfactory participation in a rehabilitation program approved and monitored by a Physician.
- e. A covered critical condition, if the Debtor does not meet the survival period specified for this benefit;
- f. A pre-existing covered condition:
 - For Cancer, this means that if the Debtor had any form of Cancer prior to the effective date of insurance, a subsequent recurrence of Cancer will not qualify for a Critical Illness benefit, even if the location or type of Cancer differs from the first occurrence; or
 - For a Heart Attack occurring after the effective date of insurance, if the Debtor had Coronary Artery Disease requiring surgery on, or prior to, the effective date of insurance; or
 - For Coronary Artery Disease diagnosed after the effective date of insurance, if the Debtor had 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 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 proof, the Insurer will 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 based on the actual number of days in the month. The benefit paid for a portion of a month depends on the number of days in the month.

Article III – Benefit Period

The benefit period begins on the day following the expiration of the elimination period and will terminate on the first of the following dates:

- a. The date the Debtor is no longer totally disabled or returns to work on a full-time basis;
- b. The date on which total disability ceases;
- c. The date the maximum number of benefit payments allowed has been attained, as indicated on the certificate;
- d. The date the Insurer requests proof of continuous total disability and the Debtor does not submit this proof within 30 days of the request;
- e. The date the full amount of the loan is reimbursed;
- f. The date of death of the Debtor's or the date a critical illness benefit is paid;
- g. The date insurance terminates as indicated on the certificate.

Article IV – Restrictions

The monthly amount insured, as indicated on the certificate, will under no circumstances exceed \$3,000 per month, for all the certificates held by a Debtor.

After the elimination period, a total disability is considered recurrent if it is due to the same or related cause and it reoccurs within 30 days following the end of the preceding total disability period.

Any amount payable at maturity of the lease is excluded.

The maximum total benefit payable for all periods of total disability may 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.

Section D — Disability insurance (continued)

Article V – Elimination Period

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

As regards retroactive coverage, benefit payments shall begin after the 30-day elimination period, retroactively to the first day of total disability. The Debtor must remain totally disabled for the whole 30-day elimination period.

As regards non retroactive coverage, benefit payments shall begin after the 30-day elimination period. The Debtor must remain totally disabled for the full 30-day elimination period.

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

Article VI – Exam

The Insurer reserves the right to have the Debtor examined by a physician of its choosing when and as often as reasonably required while the claim is being settled.

Article VII – Exclusions and Benefit Reduction

No disability benefit is payable if total disability results from any of the following:

- A pre-existing condition;
- While committing or attempting to commit a criminal offence, or provoking an assault;
- Any period of detention in a penitentiary or other penal institution;
- Any period during which the individual does not participate in a medical care program deemed reasonable and consistent with standard practice;
- A self-inflicted injury, whether or not the Debtor is of sound mind.

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 proof of the Debtor's involuntary unemployment, the lesser of the following amounts:

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

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

Article III – Benefit Period

The benefit period begins on the day following the expiration of the elimination period and will terminate on the first of the following dates:

- a. The date on which all scheduled Loan payments have been made excluding any payments in arrears and any accrued interest thereon;
- b. The date the six monthly benefit payments have been made;
- c. The date 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 death of the Debtor, or the date a critical illness benefit is paid;
- e. The Date Insurance Terminates;
- f. The date the Debtor ceases receiving benefits under the Employment Insurance Act.

Article IV – Restrictions

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

If a joint insurance has been taken and both Debtors are unemployed at the same time, the Insurer will pay only one benefit.

Article V – Waiting Period

The involuntary unemployment benefit has an elimination period of 30 consecutive days.

Section E — Involuntary unemployment insurance (continued)

Article VI – Exclusions

No involuntary unemployment insurance benefit will be payable if loss of revenue results, directly or indirectly, from:

- a. The commission or attempted commission of a criminal offence or an assault;
- b. The operation of any motor vehicle or vessel while the Debtor's blood alcohol level exceeds 80 milligrams of alcohol per 100 milliliters of blood or the legal limit stipulated in the province or state where the Debtor is operating a motor vehicle or vessel.
- c. A period of detention in a penitentiary or other similar institution;
- d. Attempted suicide or self-inflicted injury, whether or not of sound mind;
- e. Pregnancy, abortion, miscarriage or childbirth, or the parental leave as a result thereof;
- f. Cosmetic or elective surgery;
- g. Drug or alcohol use unless maintaining satisfactory participation in a rehabilitation program approved and monitored by a Physician;
- h. Illness or Injury;
 - i. Bodily or mental infirmity or disease of any kind;
 - j. Unemployment that occurs within the 90-day period immediately following the Effective Date of Insurance;
- k. Voluntary unemployment;
- l. Early or normal retirement;
- m. Dismissal with cause including, but not limited to, misconduct, personality conflict, inability to perform, or refusal to perform;
- n. The Debtor's employer ceasing operations at the Debtor's place of employment, or from lay-offs, or lock out at the Debtor's place of employment, in the event that prior to the Effective Date of Insurance, the Debtor's employer had announced its intention to lay off personnel or cease operations at that location.
- o. Strike or labour dispute at the Debtor's place of employment;
- p. The loss of the Debtor's job as a seasonal employee, as a self-employed person, or while employed by a corporation with which the Debtor was not dealing at arm's length or if the Debtor had not worked thirty (30) hours per week for a period of six (6) consecutive months.