

Distribution Guide

65+

Credit Card Payment Protection Plan

Copy of the contract of insurance

National Bank Life Insurance Company customer service can send a copy of the contract if needed.

Our customer service representatives can be reached at:

Montreal: 514-871-7500

Toll-free: 1-877-871-7500

Distribution Guide

65+ Credit Card Payment Protection Plan

Name of product: 65+ Credit Card Payment Protection Plan

Type of product: Group credit insurance

Insurer	National Bank Life Insurance Company 1100 Robert-Bourassa Blvd., 5th Floor Montreal, Quebec H3B 2G7 Toll-free: 1-877-871-7500 Montreal: 514-871-7500 Fax: 514-394-6992 nbc-insurance.ca insurance@nbc.ca
Distributor	National Bank of Canada 600 De la Gauchetière Street West Montreal, Quebec H3B 4L2 Montreal: 514-394-5555 Toll-free: 1-888-835-6281

The *Autorité des marchés financiers* makes no claim as to the quality of the product presented in this Guide. Only the Insurer is liable for discrepancies between the terms set out in the Guide and those contained in the Policy.

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Introduction

The purpose of the Distribution Guide is to describe the coverage offered with the National Bank 65+ Credit Card Payment Protection Plan (hereafter called “the insurance”) and present it in an easy-to-understand format to facilitate your comprehension of the product. The Guide is intended to help you determine whether this product is suited to your needs when you do not have the assistance of a life and health insurance advisor.

Keep the Guide in a safe place with your certificate of insurance for future reference.

The National Bank 65+ Credit Card Payment Protection Plan is underwritten by National Bank Life Insurance Company, under master policy MCAP65-19. It is available exclusively to National Bank Mastercard (hereafter called “the Bank”) cardholders and stays in effect until termination of insurance.

Key definitions

Accident: An event resulting solely and directly from external, violent, sudden and involuntary causes causing a bodily Injury independently from any Illness or other cause, certified by a physician.

Balance: Outstanding balance shown on the last monthly statement of the Mastercard Credit Card account issued prior to the Insured Event.

Credit Card: Mastercard credit card issued by the National Bank of Canada in the name of the Insured.

Effective Date: 1st day of the month following the month in which the insurance application is processed, indicated on the insurance certificate summary page.

Illness: A deterioration in health requiring regular, continuing and curative medical care actively provided by a physician or other practitioner belonging to a health profession corporation. Such care must be considered satisfactory by the Insurer.

Injury: Bodily injury suffered by an Insured Person and resulting directly and independently of all other causes from an Accident caused by external, violent, and fortuitous events, which occurs while the insurance is in effect.

Insured: The primary credit cardholder named on the front page of the certificate of insurance. The terms "you" and "your" refer to the Insured.

Insured Event: Death or Accident resulting in death.

Insured Person: The primary Mastercard credit cardholder named on the front page of the certificate of insurance as well as his or her Spouse, provided the Spouse is an authorized user of the Credit Card. The terms "you" and "your" are also used to refer to an Insured Person.

Insurer: National Bank Life Insurance Company, whose place of business is at 1100 Robert Bourassa Blvd., 5th Floor, Montreal, Quebec, H3B 2G7. The terms "we," "us" and "our" refer to the insurer.

Policy: The group insurance policy No. MCAP65-19.

Spouse: At the time of claim, the individual legally married to the primary cardholder, or who has been living and having a conjugal relationship with him or her for at least 1 year, and who is an authorized user of the Credit Card with the primary cardholder. There can't be more than one spouse.

Sum Insured: Outstanding Balance shown on the last monthly Credit Card statement issued prior to the Insured Event. Transactions in process are included in the sum insured if they have been made no later than the day before the Insured Event.

1. Description of our product

a) Nature of guarantees

The 65+ Credit Card Payment Protection Plan offers the following 2 types of protection:

Life insurance:

In the event of the death of an Insured Person while the insurance is in effect, the Insurer will credit to the Credit Card account:

- > the Sum Insured, without exceeding \$10,000 for an Insured Person aged less than 80 years old.

Offered to the primary cardholder and Spouse authorized user.

Insurance in case of accidental death:

In the event of death of the Insured Person from Injuries within 365 days of the date of the Accident causing the Injuries while the insurance is in effect, the Insurer will credit to the Credit Card account:

- > the Sum Insured, up to a maximum of \$10,000, without regard at the age of the Insured Person.

Offered to the primary cardholder and Spouse authorized user.

b) Summary of specific conditions

Eligibility

You can subscribe to the 65+ Credit Card Payment Protection Plan if you have a Credit Card. Only the primary cardholder can subscribe to the insurance.

You are eligible for the 65+ Credit Card Payment Protection Plan if, at the Effective Date of the insurance, you are:

- > 65 years old or older; and
- > living in Canada; and
- > a primary cardholder of a valid Credit Card account that is in good standing. Your account is in good standing when you comply with the terms of your Credit Card agreement.

If you do not meet these requirements, you are not eligible for the 65+ Credit Card Payment Protection Plan.

When you enroll as a primary cardholder of a Credit Card, your Spouse authorized user, provided he/she meets the previously mentioned eligibility criteria, is automatically insured for all the protections.

The ways to subscribe to the 65+ Credit Card Payment Protection Plan are:

- > by telephone, when activating your Credit Card;
- > by telephone, when consenting to a telephone offer;
- > in person, when consenting to an offer in a branch;
- > by subscribing via an offer on a mobile device;
- > via the Mastercard form.

When a client subscribes by telephone or in person, his or her coverage is confirmed during the call or the meeting and all relevant documentation is sent within 3 to 5 business days.

When a client subscribes on the web, his or her coverage is confirmed in written within 3 to 5 business days following the reception of the request by the Insurer.

Life insurance coverage amount (primary cardholder and Spouse authorized user)

In the event of the death of an Insured Person while the insurance is in effect, the benefit will be credited to the Credit Card account of the Insured Person. The cases for which no benefit is payable are indicated in the "Exclusions, limitations or guarantee reductions" section of this Guide.

If, at the time of death, the Insured Person is **80 years old or younger**, the amount of the benefit shall be the lesser between:

- > the Sum Insured; or
- > \$10,000.

In the event the Insured Persons die at the same time, the Insurer would pay only one death benefit.

The benefit is payable to the Bank in payment of transactions on the Credit Card account.

Coverage amount in case of accidental death (primary cardholder and Spouse authorized user)

In the event of death of the Insured Person from Injuries within 365 days of the date of the Accident causing the Injuries while the insurance is in effect, the benefit amount payable will be credited to the Credit Card account of the Insured Person.

At the time of the accidental death, without regard at the age of the Insured Person, the benefit amount shall be the lesser of the following:

- > the Sum Insured, or
- > \$10,000.

In the event that you and your Spouse die accidentally at the same time, the Insurer would pay only one accidental death benefit.

The benefit is payable to the Bank in payment of transactions on the Credit Card account.

CAUTION

Exclusions, limitations or guarantee reductions

Concerning life insurance and accidental death insurance:

No benefit shall be paid for an Insured Event resulting directly or indirectly if any of the following causes:

- 1. Aircraft:** Active participation in a flight in an aircraft, whether as a pilot, a member of the crew, an instructor or a student;
- 2. Attempted suicide or self-inflicted Injury:** Attempted suicide or self-inflicted Injury, regardless of the Insured Person's mental health;
- 3. Criminal Offences:** Injuries suffered while committing or attempting to commit an offence under the Criminal Code;
- 4. Drugs:** The use of drugs, without a medical prescription;
- 5. Riot:** Active participation in an uprising, riot or insurrection;
- 6. Suicide:** If the death of the Insured Person is due to suicide within the 2 years following the Effective Date of the insurance or is directly or indirectly related to self-inflicted Injuries, regardless of the Insured Person mental health;
- 7. Terrorism Act:** Active participation in an act of terrorism;
- 8. War:** War or any act of war, whether or not the Insured Person was involved in it, unless the Insured Person was acting as a member of the Canadian Forces or the Canadian Forces Reserve.

Concerning life insurance only

Pre-existing conditions

No benefits shall be paid for an Insured Event resulting directly or indirectly from a pre-existing medical condition for which the Insured received medical treatment or advice within the 6-month period preceding the effective date of coverage.

A pre-existing medical condition can be covered if the Insured has been free of medical treatment and advice with respect to that condition for 6 consecutive months.

c) Summary of general conditions

Premium calculation

A monthly premium will be charged to your Credit Card account and will appear on each statement under the heading Payment protection.

The premium amount is calculated based on the premium rate in effect and the Balance on the statement date. As for the master policy MCAP65-19 in effect since February 1, 2019, the rate is \$0.69 per \$100 of outstanding Balance (plus applicable taxes).

Eligible spousal coverage is included in your premium amount.

Example: If your outstanding Balance as at the statement date is \$500, the monthly premium will be calculated as follows:
 $(\$500/\$100) \times \$0.69 = \3.45 (plus applicable taxes)

The taxes chart is available on the website nbc.ca.

The Insurer reserves the right to amend the premium rate at any time, in which case the new rate will be communicated within applicable regulatory deadlines and applied to all parties insured under the group insurance policy.

Trial period

When you enroll in the 65+ Credit Card Payment Protection Plan, you get a 30-day review period. Therefore, you will not be charged a premium until your second (2nd) month of coverage.

Example: If you enroll in the 65+ Credit Card Payment Protection Plan on March 15, you will be billed for premium when your statement for May is produced.

Duplication of benefits

No benefit paid under the certificate shall include an amount already paid. If more than one Insured Person is eligible at the same time for a benefit payable under the certificate, only one benefit will be paid.

Furthermore, if the Insured Person is concurrently eligible for benefits payable under the certificate with respect to more than one coverage, the benefit paid shall be limited to the coverage that is most generous for the Insured Person. As a result, the Insured Person will be entitled to only one benefit at a time.

Modification or termination

The insurance can be modified or terminated at any time by the Insurer after the Effective Date of the insurance providing a notice of at least 30 days to the Insured.

Cancellation of your insurance contract

You may cancel your insurance contract at any time. If you cancel your insurance contract within 30 days, any premiums paid will be reimbursed and the insurance will be considered as having never been in force.

To cancel your insurance, call the Insurer or send a notice to the Insurer by registered mail. The notice may be the "Notice of termination of insurance contract" on page 23, or any other document like a letter indicating that you want to cancel your insurance contract.

Card upgrade or transfer

If, for any reason, the number of your Credit Card is modified, the insurance will be automatically transferred to the new Credit Card number as soon as we receive a notice from the Bank in this respect.

2. Termination of insurance

This insurance terminates on the earliest of the following:

- > **Account closed:** On the date the account is cancelled or closed by you or by the Bank;
- > **Account no longer in good standing:** On the date the Credit Card account ceases to be in good standing as determined by the issuing and creditor financial institution;
- > **Cancellation:** On the 1st day of the month following the date the Insured voluntarily cancels the insurance or when the group insurance policy is terminated;
- > **Card no longer valid:** On the date the Insured ceases to have a valid Credit Card;
- > **Concerning First Diagnosis of Cancer insurance:** The payment of a benefit for First Diagnosis of Cancer will end First Diagnosis of Cancer insurance of the Insured Person;
- > **Death:** Upon the death of the primary cardholder, insurance coverage is terminated for all Insured Persons. Upon the death of the authorized user, the insurance remains in effect for the primary cardholder;
- > **Maximum age:** For life insurance, the last day of the month during which the Insured Person reaches the age of 80. After this date, only your insurance in case of accidental death will remain in effect.

3. Claim

Claim requests

We must be notified of any claim related to an Insured Event which still exists after the end of the Waiting Period, if applicable. The documents required for studying the claim will then be sent to you. These documents, along with all supporting documents, must be returned to us according to the following time limits:

Time limits for submitting claim documents and supporting documents

Life insurance,
accidental death

As soon as it is reasonably possible to do so.

Claims must be sent to:

National Bank Life Insurance Company

1100 Robert-Bourassa Blvd., 5th Floor

Montreal, Quebec H3B 2G7

Tel: 1-877-871-7500

For the procedure to follow, contact our Customer Service at 1-877-871-7500. You may also consult the Insurer's website at **nbc-insurance.ca**.

Assessment period for application for benefits

While the application for benefits is assessed by the Insurer, the Insured is required to carry on with his or her Credit Card payments.

Insurer's deadline for replying after receiving a claim

We will process your request within 30 days following receipt of all required supporting documentation.

When all the conditions of the contract are respected and your request is accepted, we pay the corresponding benefit within the same 30 days.

For any question about your claim application, feel free to contact our Customer Service at 1-877-871-7500.

We're there to help you!

Appealing the Insurer's decision and possible recourses

If you wish to dispute a decision of the Insurer, you must send a notice to the analyst who studied your claim and any documents that justify reviewing the decision.

If the situation is not settled to your satisfaction, you may refer it to the *Autorité des marchés financiers* (see contact information on page 21) or to your own lawyer.

4. Prescription of actions

Every action or proceeding engaged against an Insurer for the recovery of Sum Insured payable under the contract is prescribed by 3 years.

5. Other information

This Distribution Guide explains the rights and guarantees contained in the terms and conditions of the National Bank 65+ Credit Card Payment Protection Plan offered by National Bank Life Insurance Company.

For additional information, call Customer Service at 1-877-871-7500.

6. Similar products

There are other products on the market that offer similar coverage, however, the National Bank 65+ Credit Card Payment Protection Plan described in this Guide is available exclusively to holders of a National Bank Mastercard Credit Card.

7. Autorité des marchés financiers

For additional information on National Bank and National Bank Life Insurance Company's obligations to you, contact the *Autorité des marchés financiers*.

The Autorité des marchés financiers

Place de la Cité, Tour Cominar
2640 Laurier Blvd., Suite 400
Quebec City, Quebec G1V 5C1

Telephone:

Montreal: 514-395-0337
Quebec City: 418-525-0337
Toll-free: 1-877-525-0337

Fax: 418-525-9152

E-mail: information@lautorite.qc.ca

Website: lautorite.qc.ca

Your personal notes:

Amount of Coverage: _____

Premium: _____

Other: _____

8. Notice of termination of insurance contract

Notice given by the distributor

Section 440 of the Act respecting the distribution of financial products and services.

The Act respecting the distribution of financial products and services gives you important rights.

Under the Act, you can terminate an insurance contract made at the same time as another contract, within 10 days of its signature.

The Insurer grants you 30 days to do this. To do so, you must notify the Insurer by registered mail within that delay. You may use the attached model for this purpose.

When such an insurance contract is cancelled, the first (1st) contract remains in effect. This may however entail the loss of favorable conditions extended under the contract. Be sure to check with the distributor or read your contract carefully.

You may cancel your insurance contract any time after the thirty (30) days, in which case penalties may be applied.

For more information, contact the *Autorité des marchés financiers* at 418-525-0337 or toll-free at 1-877-525-0337.

Notice of termination of insurance contract

To:

(name of insurer)

Date:

(date of notice)

Under section 441 of the Act respecting the distribution of financial products and services, I am hereby cancelling insurance contract No.:

(contract number if provided)

Signed on:

(date contract was signed)

At:

(place contract was signed)

(your name)

(your signature)

This section must first be filled out by the distributor. This notice must be sent by registered mail.

Art. 439. A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.

Art. 440. A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation of the Authority, stating that the client may cancel the insurance contract within ten (10) days of signing it.

Art. 441. A client may cancel an insurance contract made at the same time as another contract, within ten (10) days of signing it, by sending notice by registered or certified mail. Where such an insurance contract is cancelled, the first (1st) contract retains all its effects.

Art. 442. No contract may contain provisions allowing its amendment in the event of cancellation or termination by the client of an insurance contract made at the same time. However, a contract may provide that the cancellation or termination of the insurance contract will entail, for the remainder of the term, the loss of the favorable conditions extended because more than one contract was made at the same time.

Art. 443. A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation of the Authority, stating that the debtor may subscribe for insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the insurer specified by the distributor.

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.

The rights of the debtor under the contract of credit shall not be forfeited when the debtor cancels, terminates or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.

9. Access to personal information

The Insurer has implemented a series of measures to preserve the confidentiality of personal information.

The Insurer will establish an insurance file in which all personal information obtained in connection with the subscription to the insurance Policy will be placed, as well as information concerning any insurance claim under the Policy. Only employees or agents responsible for underwriting, administration, investigations and claims or the reinsurer, where applicable, will have access to this file.

All files will be kept at the offices of the Insurer or one of its agents. All entitled persons, such as yourself or any person you authorize, may consult the personal information contained in the file and, if need be, request corrections by writing to:

**National Bank Life Insurance Company,
Personal Information Access Officer**
1100 Robert-Bourassa Blvd., 5th Floor,
Montreal, Quebec H3B 2G7.

FACT SHEET

The purpose of this fact sheet is to inform you of your rights. It does not relieve the insurer or the distributor of their obligations to you.

LET'S TALK INSURANCE!

Name of distributor: **National Bank of Canada**

Name of insurer: **National Bank Life Insurance Company**

Name of insurance product: **Credit Card Payment Protection Plan**



IT'S YOUR CHOICE

You are never required to purchase insurance:

- that is offered by your distributor;
- from a person who is assigned to you; or
- to obtain a better interest rate or any other benefit.

Even if you are required to be insured, **you do not have to purchase the insurance** that is being offered. **You can choose** your insurance product and your insurer.



HOW TO CHOOSE

To choose the insurance product that's right for you, we recommend that you read the summary that describes the insurance product and that must be provided to you.



DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration.

The distributor **must** tell you when the remuneration exceeds 30% of that amount.



RIGHT TO CANCEL

The Act allows you to rescind an insurance contract, **without penalty**, within 10 days after the purchase of your insurance. However, the insurer may grant you a longer period of time. After that time, fees may apply if you cancel the insurance. **Ask** your distributor about the period of time granted to cancel it **at no cost**.

If the cost of the insurance is added to the financing amount and you cancel the insurance, your monthly financing payments might not change. Instead, the refund could be used to **shorten the financing period**. **Ask your distributor for details**.

The *Autorité des marchés financiers* can provide you with unbiased, objective information.
Visit www.lautorite.qc.ca or call the Authority at 1-877-525-0337.

Reserved for use by the insurer

Should you have any questions,
do not hesitate to contact us.

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514-871-7500 (Montreal)
1-877-871-7500 (Elsewhere in Canada)

insurance@nbc.ca



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