

**LOAN INFORMATION**

Line of credit  Demand note

Loan No. \_\_\_\_\_ Loan transit \_\_\_\_\_  
\$ \_\_\_\_\_ Approval date (YYYY MM DD) \_\_\_\_\_  
Authorized loan amount \_\_\_\_\_

New application  Adding an insured  Adding a protection  
Is this a refinancing?  Yes Previous loan No.: \_\_\_\_\_  No

If your insurance application is refused, the insured balanced of your previous loan will be maintained, subject to the terms and conditions of the certificate enclosed with this application (see the *Refinancing* section of the certificate).

**IDENTIFICATION**

Company name \_\_\_\_\_ Company – CIS No. \_\_\_\_\_

**Applicant**

CIS No. \_\_\_\_\_ Date of birth (YYYY MM DD) \_\_\_\_\_ Sex:  M  F  
Name \_\_\_\_\_ First name \_\_\_\_\_ E-mail \_\_\_\_\_

**ELIGIBILITY**

To be eligible for insurance, you must, at the time you sign the application:

**Life insurance**

- Be between 18 and 64 years old and
- Be a resident of Canada or the United States and
- Be a borrower, co-borrower, guarantor, endorser, shareholder, officer or key-person of one of the borrowing company.

**Critical illness and accidental dismemberment insurance**

- Have signed up for life insurance.

**Disability insurance**

- Have signed up for life insurance and
- In the past 4 weeks, have completed at least 60 hours of remunerated work, or, if you are self-employed, have generated a gross income of at least \$10,000 during the fiscal year prior to signing the application.
- If you are receiving income replacement benefits or if you are on a leave of absence or unemployed, **you are not eligible for disability insurance.**

Present employer's name \_\_\_\_\_ Employed since (YYYY MM DD) \_\_\_\_\_

**APPLICATION – WAIVER - INELIGIBILITY**

**Step A – Maximum insurable amount chosen** (the selection will apply to all applicable coverage)

Fixed amount (based on insured amount indicated below) or  Variable amount (based on loan balance used, without exceeding the insured amount chosen)

If not ticked, fixed amount will apply

**Step B – Choice of coverage**

Life insurance	Critical illness and accidental dismemberment insurance	Disability insurance
<input type="checkbox"/> <b>I request</b> Insured amount chosen <input type="checkbox"/> Authorized amount of loan (maximum life insurance amount = \$2,000,000) or <input type="checkbox"/> Select an amount \$ _____ (may not exceed the authorized amount of loan or maximum life insurance amount of \$2,000,000) If not completed, authorized amount of loan will apply	<input type="checkbox"/> <b>I request</b> Insured amount chosen \$ _____ (may not exceed the insured amount indicated for life insurance or the maximum amount for critical illness and accidental dismemberment insurance of \$150,000) If not completed, the insured amount for life insurance will apply	<input type="checkbox"/> <b>I request</b> Insured amount chosen \$ _____ (may not exceed 1% of the insured amount indicated for life insurance or the maximum amount for disability insurance of \$5,000/month) If not completed, 1% of the insured amount for life insurance will apply
<input type="checkbox"/> <b>I waive or I am not eligible</b>	<input type="checkbox"/> <b>I waive or I am not eligible</b>	<input type="checkbox"/> <b>I waive or I am not eligible</b>

Date (YYYY MM DD) \_\_\_\_\_ **X** Applicant signature \_\_\_\_\_

**ATTESTATION**

I certify that eligible persons were given the opportunity to obtain insurance on the above loan.

**X** Signature of a person from the company authorized to take out the loan \_\_\_\_\_ Date (YYYY MM DD) \_\_\_\_\_

**SMOKING STATUS**

During the last 12 months, have you used tobacco or used nicotine replacement products in any form?  Yes  No

No representative of National Bank of Canada nor any other person may amend the provisions of this insurance application or the Certificate of Insurance. All amended or incomplete forms shall be considered null and void.

**HEALTH DECLARATION**

Applicant CIS No.: \_\_\_\_\_

**Instructions:**

- > You are insured without having to complete the Health Declaration, **subject to the terms and conditions of the insurance certificate (see the Restrictions and Exclusions section for pre-existing conditions):**
  - for life and/or disability insurance, if the insured amount for this coverage is \$100,000 or less and you are under 55 years of age;
  - for critical illness and accidental dismemberment insurance, if the insured amount for this coverage is \$50,000 or less and you are under 55 years of age;

Go to the **ADDITIONAL INFORMATION** section.
- > Complete the **HEALTH DECLARATION:**
  - for life and/or disability insurance, if the insured amount for this coverage is greater than \$100,000 and less than or equal to \$500,000;
  - for critical illness and accidental dismemberment insurance, if the insured amount for this coverage is greater than \$50,000,
  - **If you are aged 55 years or over.**

If you answer "No" to all the questions in the Health Declaration, you are insured, subject to the terms and conditions of the certificate (**see Restrictions and Exclusions section for pre-existing conditions**) and subject to the accuracy of the information provided.
- > **If the insured amount chosen for life insurance is more than \$500,000,** go directly to the **ADDITIONAL INFORMATION** section. A representative of the Insurer will contact you.
- > Answering "Yes" to one of the questions does not mean coverage will be automatically declined. If in doubt, please check "Yes" and a representative of the Insurer will contact you to complete a detailed questionnaire.

	Applicant	
	Yes	No
<p><b>a) In the past 3 years:</b></p> <ul style="list-style-type: none"> <li>• <b>Have you consulted, had a follow-up with or been treated by a physician or another health care professional, or have you taken medication for or had symptoms related to, or do you suffer from any of the following health problems:</b> <ul style="list-style-type: none"> <li style="width: 33%;">- heart disease or circulatory disorders</li> <li style="width: 33%;">- stroke</li> <li style="width: 33%;">- chest pain or angina</li> <li style="width: 33%;">- blood disorders including cholesterol</li> <li style="width: 33%;">- blood pressure disorders</li> <li style="width: 33%;">- muscular dystrophy</li> <li style="width: 33%;">- multiple sclerosis</li> <li style="width: 33%;">- Acquired Immune Deficiency Syndrome (AIDS), Human Immunodeficiency Virus (HIV) or any other disease or disorder of the immune system</li> <li style="width: 33%;">- tumour or cancer</li> <li style="width: 33%;">- digestive disorders</li> <li style="width: 33%;">- liver disorders</li> <li style="width: 33%;">- intestinal disorders</li> <li style="width: 33%;">- kidney disorders</li> <li style="width: 33%;">- urinary tract disorders</li> <li style="width: 33%;">- lung or respiratory disorders (including sleep apnea)</li> <li style="width: 33%;">- genital, prostate or breast disorders</li> <li style="width: 33%;">- neurological disorders</li> <li style="width: 33%;">- diabetes or glucose intolerance</li> <li style="width: 33%;">- psychological or psychiatric disorders (including depression, anxiety, adjustment disorder, etc.)</li> </ul> </li> <li>• <b>and for any of the following problems only if you are applying for disability insurance:</b> <ul style="list-style-type: none"> <li style="width: 33%;">- fibromyalgia or chronic fatigue syndrome</li> <li style="width: 33%;">- carpal tunnel</li> <li style="width: 33%;">- muscle, joint or bone disorders (including sprains, tendonitis, bursitis, capsulitis, etc.)</li> <li style="width: 33%;">- neck, back or spinal column problems</li> </ul> </li> <li>• <b>Have you ever used drugs without a medical prescription, or have you received treatment or joined a rehabilitation program because of your alcohol consumption or have you been advised by a health care professional to reduce your consumption of alcohol?</b></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b) In the past 3 years, have you been confined to a hospital due to an accident or illness for more than 48 consecutive hours?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>c) In the past 3 years, have you applied for life, disability or critical illness insurance that was subject to an additional premium or refused or issued with a restriction?</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>d) Only if you are applying for critical illness insurance. Please also complete questions a), b) and c). Has one or more members of your biological family (father, mother, brothers or sisters) suffered from diabetes, cancer, a stroke or heart disease before the age of 60?</b>	<input type="checkbox"/>	<input type="checkbox"/>

**ADDITIONAL INFORMATION (To be completed by the applicant)**

A representative of the Insurer might contact you. Please indicate the best time and telephone number at which to reach you. If a detailed questionnaire is required, you may choose the desired language. Please indicate your preference:

Choice of language

Day \_\_\_\_\_ Telephone No. \_\_\_\_\_ Ext \_\_\_\_\_

Evening \_\_\_\_\_ Telephone No. \_\_\_\_\_ Ext \_\_\_\_\_

**COLLECTION, USE AND DISCLOSURE OF YOUR PERSONAL INFORMATION**

The Insurer collects, uses and discloses your personal information to:

- Confirm your identity
- Provide the loan insurance requested
- Prevent fraud, manage risk and comply with laws
- Help the Insurer improve and develop its products and services and better understand its clients
- Enable the Insurer, National Bank of Canada or its subsidiaries, to present offers and other promotional material from business partners, unless you choose not to receive them
- Any other purpose set out in the Privacy Policy of National Bank and its subsidiaries available at <https://www.nbc.ca/privacy-policy.html>.

The policy mentions, among others, which information the Insurer collects, to whom it is communicated, and how it is used and stored, what your options and rights are, and how to manage your consent.

In order to verify your insurability for loan insurance, the Insurer may also collect information from any doctor, hospital, clinic, paramedical firm, service provider, agent, insurance company, or any other organization that holds information on you or your health status, including MIB, LLC., an organization that maintains a database of applicant information that insurers may consult as part of their underwriting insurance or a claim (*see Notice concerning MIB, LLC.*).

In addition, the Insurer may also disclose any information about your health or other relevant information about you to MIB, LLC. or its reinsurers.

Your personal information will be kept by the Insurer and its subsidiaries for a reasonable period of time following the end of the business relationship to comply with their legal obligations.

If you have any questions, please contact the Access to Personal Information Officer by writing to 800 St-Jacques Street, Suite 16701, Montreal, Quebec H3C 1A3.

**DECLARATION AND AUTHORIZATION**

I UNDERSTAND that insurance is optional and I can cancel it at any time. If I cancel the insurance within 30 days from signing the application, the Insurer will refund all of the premiums paid, if any, and the insurance will never have been effective.

I AGREE to be bound by all the provisions of the group insurance policy and

I AUTHORIZE the Insurer and National Bank of Canada to use my Social Insurance Number for administrative purposes.

I CONFIRM it is my wish that this insurance application and the insurance certificate as well as all related documents be drawn up in English. JE CONFIRME ma volonté que cette proposition d'assurance et le certificat d'assurance ainsi que tous les documents s'y rattachant soient rédigés en anglais.

**(Quebec only) The French version of this insurance application and the insurance certificate is available here: [assurances-bnc.ca/documentation.html](https://www.nbc.ca/documentation.html), under the Commercial Loan Insurance section. I CONFIRM having received this version. (Québec seulement) La version française de cette proposition d'assurance et du certificat d'assurance est disponible ici : [assurances-bnc.ca/documentation.html](https://www.nbc.ca/documentation.html) sous la section Assurance aux entreprises. JE CONFIRME avoir reçu cette version.**

I UNDERSTAND that any insurance benefits payable under said group insurance policy shall be paid to National Bank of Canada to be applied against the insured portion of my outstanding debt.

I CERTIFY that all the information provided in this application, including the Health Declaration and the Smoking Status section, is complete and accurate. I UNDERSTAND that any omission or false declaration concerning this application will automatically result in the cancellation of my insurance.

I AUTHORIZE National Bank of Canada to collect the insurance premium amount using the method applicable to the type of loan covered by this application.

I UNDERSTAND that during the period in which evidence of insurability must be provided to the Insurer and **before the Insurer renders a decision regarding my insurability, benefits related to the coverage that I selected will be payable only if the death, disability or accidental dismemberment results from an accident that occurs after the effective date of insurance.**

I HEREBY AUTHORIZE any physician, medical practitioner, hospital, clinic, paramedical firm, service provider, agent, insurance company, the MIB Inc. (Medical Information Bureau) or other organization or institution that has any information about me or my health status, to exchange information with the Insurer or its reinsurers.

I AUTHORIZE the Insurer or its reinsurers to disclose any information regarding my health status or other relevant information pertaining to me to the MIB Inc.

I AUTHORIZE the Insurer to use any information it has on my account, including information from closed files. This authorization is valid for the period required to achieve the ends for which it was requested. A photographic copy of this authorization shall be as valid as the original.

I AUTHORIZE the Insurer and National Bank of Canada to use my social insurance number for tax purposes and to process my claims.

I HEREBY UNDERTAKE to advise the Insurer immediately in writing of any change in my personal information so that it can keep my file up to date.

I HEREBY CERTIFY that I have read the conditions set out in the "Collection, use and disclosure of your personal information" section in this application and I accept them. I CONFIRM that I have read the Insurer's Privacy Policy.



**Summary**

Life Insurance, Critical Illness and Accidental Dismemberment Insurance, Disability Insurance  
**Commercial Line of Credit and Commercial Demand Note**

**NOTE TO READER**

The present addresses only the points deemed the most important to your understanding of the insurance product. It is not, under any circumstances, a substitute for reading the certificate of insurance in full and is not a comprehensive document. This document does not create or confer any contractual or any other rights. Only the certificate can be used to adjudicate questions of a legal nature.

**Nature of the coverage** (depending on the coverage(s) selected)

The Insurer will pay National Bank all the insurance benefits to pay back your loan. Therefore, the Insurer will pay:

**Life Insurance**

**Choice of fixed insurable amount**

An amount equal to the loan insured amount chosen at application time.

In this situation, based on the outstanding balance at the date of death, the Insurer may pay to the company the difference between the insured amount and the death benefit paid to the Bank.

**Choice of a variable insurable amount**

An amount equivalent to the lesser of:

The insured balance of the loan at the date of death	or	110% of the average daily balance of the loan used during the 12 months preceding the date of death (or since the effective date of the life insurance if it has been in effect for less than 12 months)
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**Disability insurance**

**Choice of fixed insurable amount**

If disability persists after a period of 60 consecutive days, an amount equal to the loan insured amount chosen at application time.

In this situation, based on the outstanding balance at the date the disability began, the insurer may pay to the company, the difference between the insured payment and the disability benefit paid to the Bank.

**Choice of a variable insurable amount**

If disability persists after a period of 60 consecutive days, an amount equal to the least of:

The insured payment of the loan at the date of the disability	or	1% of 110% of the average daily balance of the loan used in the 12 months preceding the date of the disability (or since the effective date of the insurance if it has been in effect for less than 12 months)
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The maximum benefit is 24 months of consecutive payments for the same disability. The insurer will not pay more than 48 months of payments for all insureds on the loan.

**Critical illness insurance**

**Choice of fixed insurable amount**

An amount equal to the loan insured amount chosen at the time of application.

In this situation, based on the outstanding balance at the date of a diagnosis of cancer (life-threatening), heart attack or stroke, the insurer may pay to the company, the difference between the insured amount and the benefit paid to the Bank.

**Choice of a variable insurable amount**

An amount equivalent to the lesser:

The insured balance of the loan at the date of the diagnosis of critical illness	or	110% of the average daily balance of the loan used during the 12 months preceding the date of diagnosis of critical illness (or since the effective date of the insurance if it has been in effect for less than 12 months)
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**Accidental dismemberment insurance**

**Choice of fixed insurable amount**

An amount equal to a percentage of the insured amount chosen at application time. The percentage is based on the nature of the loss.

In this situation, based on the outstanding balance at the time of the accidental dismemberment, the insurer may pay to the company, the difference between the insured amount and the benefit paid to the Bank.

**Choice of a variable insurable amount**

An amount equal to a percentage of the insured balance of the loan at the time of the accidental dismemberment.

These coverages are subject to the terms and conditions of the certificate of insurance. Please read the certificate of insurance carefully for details about each coverage and the amount of the maximum benefit payable for each coverage.

**Exclusions, restrictions, limitations**

All coverages include exclusions, restrictions or limitations.

**THE INSURER MAY REFUSE TO PAY A CLAIM DUE TO EXCLUSIONS PROVIDED FOR IN THE CERTIFICATE OF INSURANCE, WHICH ARE SPECIFIED IN THE "RESTRICTIONS AND EXCLUSIONS" SECTION.**

**Effective date of insurance**

If your insurance application is accepted without you having to provide other evidence of insurability, your insurance coverage will take effect on the later of:

- the date on which the insurance application is signed;
- the date on which the Loan is authorized.

### Calculation of the monthly premium

The insurance premium is calculated based on the age, sex and smoking status of the insured and on his/her choice for a fixed or variable amount:

- according to the chosen insured amount or the chosen insured payment at the time of application if the insured has chosen the **fixed amount**; or
- every day based on the insured daily balance of the loan if the insured has chosen the **variable amount**.

The monthly premium rate is updated annually on the anniversary date of the signing of the insurance application based on the actual age of the insured.

#### Example of fixed insured amount:

A 39-year old non-smoking man has a commercial line of credit of \$75,000. He wants to insure the full amount with life insurance.

The premium rate will be \$0.25 per \$ 1,000 of the loan initial insured amount for life insurance.

The premium is calculated as follows:  $(\$75,000 \div \$1,000 \times \$0.25) = \$18.75$  per month, plus applicable taxes, if required.

#### Example of variable insured amount:

A 39-years old non-smoking man has a commercial line of credit of \$75,000. He wants to insure the used balance with life insurance.

The premium rate will be \$ 0.25 per \$ 1,000 of the insured balance used for life insurance.

The balance is \$75,000 on June 1 and \$50,000 on June 16. The premium is calculated as follows:

June 1 to June 15:  $15 \text{ days} / 30 \text{ days} \times \$75,000 / \$1000 \times \$0.25 = \$9.37$

June 16 to 30:  $15 \text{ days} / 30 \text{ days} \times \$50,000 / \$1000 \times \$0.25 = \$6.25$

for a total monthly premium of \$15,62, plus applicable taxes, if required.

See *Premium calculation and table of monthly premium rates section of the certificate of insurance.*

### Termination of insurance

This insurance terminates on the earliest of the following events:

- the date on which a premium payment becomes three months overdue;
- the date on which the Insurer receives notice of termination from you or a later date, as indicated in the notice;
- the date on which the loan is repaid in full, the end of the scheduled repayment period or the date the loan is closed;
- the date on which the loan is taken over by another creditor or the date on which the loan (or a part of the loan) is assumed by another uninsured debtor on the loan;
- the last day of the month in which you reach age 70;
- the date on which the company filed for bankruptcy according to the act;
- the day on which an insured dies if a life insurance benefit repaying the insured loan balance is payable;
- the date of diagnosis of critical illness or accidental dismemberment to an insured, if a critical illness and accidental dismemberment insurance benefit covering the entire insured balance with life insurance is payable. Payment of the critical illness benefit terminates critical illness and accidental dismemberment insurance for all insureds;
- the date on which the life insurance policy ends;
- **for disability insurance:** when the insured(s) has (have) collectively benefited from the maximum of 48 months of benefits for all the disabilities occurring throughout duration of the loan.

### Cancellation of product

You may cancel your insurance contract at any time by calling the insurer at 1-877-871-7500 or by submitting a written request to the Insurer at the address indicated in the Insurer's definition of your certificate of insurance.

### Procedure for submitting a claim

You can begin the claim process and obtain the claims forms from the Insurer by calling 1-877-871-7500. Subject to the terms and conditions stipulated in the Claims section of the certificate of insurance, you must submit to the Insurer the completed claim form, along with supporting documents, no later than one year after the date of the insured event. While your claim is being assessed, you are required to continue making your loan and premium payments.

**Your Certificate of Insurance**  
Life Insurance, Critical Illness and Accidental Dismemberment Insurance, Disability Insurance  
**Commercial Line of Credit and Commercial Demand Note**

**INTRODUCTION**

This certificate attests that all persons who meet the eligibility conditions are insured in accordance with the terms, conditions and provisions of the applicable group insurance Policy, subject to:

- the accuracy of the information provided on the Application form;
- the payment of premiums;
- the applicable restrictions and exclusions, including pre-existing conditions; and
- the Insurer's approval of the evidence of insurability, when required.

**Any concealment or false declaration on the part of the Insured could result in the cancellation of the insurance.**

The Insurer reserves the right to amend the premium pricing schedule at any time. If applicable, the new schedule will apply to all Insureds of this group insurance Policy.

**This certificate includes provisions revoking or restricting the right of the Insured to designate beneficiaries to whom or for whose benefit insurance money is to be payable.**

Enrolment in the insurance is optional and the insurance can be cancelled at any time. If the Insured requests to cancel the insurance within 30 days of the date on which the Application was signed, the Insurer will reimburse any premiums paid, if applicable, and the insurance will have never come into effect.

**SECTION 1. DEFINITIONS**

THE FOLLOWING TERMS HAVE SPECIFIC MEANINGS. THEY ARE IMPORTANT AS THEY DEFINE YOUR RIGHTS UNDER THIS CERTIFICATE. PLEASE REFER TO THESE DEFINITIONS AS YOU READ YOUR CERTIFICATE.

**Accident:** Bodily injury, certified by a physician, resulting solely and directly from sudden, external, violent and involuntary causes independently of any illness or other causes.

**Accidental Dismemberment:** Bodily injury due to an Accident that occurred while the Insurance was in effect and resulting, directly and independently of any illness or other cause, in the loss or loss of use of a limb or an eye of the Insured. The diagnosis of loss or loss of use must be made by a Specialist.

Loss of an eye means the total and irreversible loss of vision in one eye, evidenced by the corrected visual acuity being 20/200 or less in that eye, or in the field of vision being less than 20 degrees in that eye; loss of a limb means the complete severance of one or more limbs at or above the wrist or ankle joint. The loss of use of a limb means the total and irreversible loss of muscle function of one or more limbs.

The loss or loss of use must occur within 365 days of the date of the Accident. The loss must persist for 12 months and subsequently be certified irreversible before any benefits can be paid. The Insurance must still be in effect when the diagnosis of loss or loss of use is made. The diagnosis of loss or loss of use must be made by a Specialist.

**Applicant:** The person who signs the Application.

**Application:** The insurance Application form from the Insurer, duly completed and signed by the Applicant, including verbal consent.

**Balance Used:** The Loan balance on the date of the Insured Event or on the Refinancing date in case of prior coverage recognition, without exceeding the lesser of the following amounts:

- the Insured Amount; or
- the amount indicated under the Maximum Benefit section of this certificate.

**Bank:** National Bank of Canada.

**Cancer (Life Threatening):** Definite diagnosis of a tumour, which must be characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. Types of Cancer include carcinoma, melanoma, leukemia, lymphoma and sarcoma. The diagnosis of Cancer must be made by a Specialist.

**EXCLUSIONS:** No benefit will be payable if, within the first 90 days following the later of the effective date of your insurance contract, the Insured:

- has presented signs, symptoms or investigations that lead to a diagnosis of Cancer (covered or excluded by your insurance certificate), regardless of the date of the diagnosis, or
- has received a diagnosis of Cancer (covered or excluded by your insurance certificate).

Medical information about the diagnosis and any signs, symptoms or investigations leading to the diagnosis must be reported to the Insurer within 6 months of the date of the diagnosis. If this information is not provided within this period, the Insurer has the right to deny any claim for Cancer or, any critical illness caused by any Cancer or its treatment.

No benefit will be payable in the following situations:

- lesions described as benign, pre-malignant, uncertain, borderline, non-invasive, carcinoma in-situ (Tis), or tumours classified as Ta
- malignant melanoma skin Cancer that is less than or equal to 1.0 mm in thickness, unless it is ulcerated or is accompanied by lymph node or distant metastasis
- any non-melanoma skin Cancer, without lymph node or distant metastasis
- prostate Cancer classified as T1a or T1b, without lymph node or distant metastasis
- papillary thyroid Cancer or follicular thyroid Cancer, or both, that is less than or equal to 2.0 cm in greatest diameter and classified as T1, without lymph node or distant metastasis
- chronic lymphocytic leukemia classified less than Rai stage 1
- malignant gastrointestinal stromal tumours (GIST) and malignant carcinoid tumours, classified less than AJCC Stage 2.

For purposes of the Policy, the terms "Tis, Ta, T1a, T1b, T1 and AJCC Stage 2" are to be applied as defined in the American Joint Committee on Cancer (AJCC) Cancer Staging Manual (7th edition, 2010).

For purposes of the Policy, the term "Rai staging" is to be applied as set out in KR Rai, A Sawitsky, EP Cronkite, AD Chanana, RN Levy and BS Pasternack: Clinical staging of chronic lymphocytic leukemia, Blood 46:219, 1975.

**Critical Illness:** Means exclusively: Stroke, Cancer (life-threatening) and Heart Attack, as set out in the *Definitions* section.

**Disability:** A state of incapacity which prevents the Insured from carrying out the normal duties of his occupation. If an Insured is unemployed at the start of his Disability, the state of incapacity is defined as one which prevents him from carrying out activities considered normal for a person of the same age.

The Disability must be certified by a physician practicing in Canada or the United States, result from an Illness or an Accident suffered while the insurance was in effect and require continuing medical care. During the Disability, the Insured must not engage in any activity for which he receives monetary compensation.

**Heart Attack:** Definite diagnosis of a Heart Attack resulting from the death of part of the heart muscle due to obstruction of blood flow, that results in a rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one of the following:

- Heart Attack symptoms
- new electrocardiogram (ECG) changes consistent with a Heart Attack
- development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

The diagnosis of Heart Attack must be made by a Specialist.

**EXCLUSIONS:** No benefit will be payable in the following situations:

- elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty, in the absence of new Q waves
- ECG changes suggesting a prior myocardial infarction, which do not meet the Heart Attack definition as described in this certificate.

**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.

**Insured:** Anyone who has signed an Insurance Application, has applied for insurance and meets the criteria under the Eligibility and Insurability section of this certificate and has received a copy of the certificate.

**Insured Amount:**

Life insurance:

- the amount indicated on the Application, without exceeding the authorized amount of the Loan or the amount indicated under the *Maximum Benefit* section of this certificate.

Critical Illness and Accidental Dismemberment Insurance:

- the amount indicated on the Application, without exceeding the Insured Amount for life insurance or the amount indicated under the *Maximum Benefit* section of this certificate.

Disability Insurance:

- the amount indicated on the Application, without exceeding 1% of the Insured Amount for life insurance or the amount indicated under the *Maximum Benefit* section of this certificate.

If prior coverage recognition applies, the amount may not exceed the Insured Amount of the previous loan on the Refinancing date or the amount indicated under the *Maximum Benefit* section of this certificate.

**Insured Event:** Death, Disability or diagnosis of Critical Illness or Accidental Dismemberment.

**Insured Payment:**

**If the Maximum Insurable Amount indicated on the Application is a fixed amount,** the lesser of:

- the Insured Amount for Disability insurance on the Application, without exceeding 1% of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

**If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used),** the lesser of:

- the Insured Amount for Disability insurance indicated on the Application; or
- 1% of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

**Insurer:** National Bank Life Insurance Company, whose business location is at 800, Saint-Jacques street, office 16701, Montreal, Quebec H3C 1A3.

**Loan:** Commercial line of credit or commercial demand note indicated in the Application attached.

**Maximum Insurable Amount:**

Depending which option is ticked on the Application:

- a fixed amount (based on the Insured Amount indicated); or
- a variable amount (based on the Loan Balance Used, without exceeding the Insured Amount indicated).

**Policy:** The group insurance Policy No. 70009-17. The Insured can obtain a copy of the Policy from the Insurer by sending a written request.

**Refinancing:** Any change made to the Loan by the Bank that results in a higher Loan balance.

**Relapse:** In the 90 days following the end of a Disability period covered by this certificate, any Disability which is due to the same cause and which persists at least 7 consecutive days is considered to be a continuation of the same Disability. Otherwise, any subsequent Disability is considered to be a new Disability and is subject to a Waiting Period.

**Resident:** Anyone who resides and is domiciled in Canada or the United States and who has lived there for 183 consecutive days during the 12 months prior to signing the Insurance Application.

**Specialist:** A valid licensed medical practitioner in Canada or the United States, who has been trained in the specific area of medicine relevant to the covered Critical Illness or Accidental Dismemberment condition for which benefit is being claimed, and who has been certified by a specialty examining board. In the absence or unavailability of a specialist, and as approved by the Insurer, a condition may be diagnosed by a qualified practitioner practicing in Canada or the United States. The term Specialist includes, but is not limited to, cardiologists, neurologists, oncologists, ophthalmologists, burn specialists and internists. The specialist must not be the Insured, the Spouse of the Insured or a relative or business associate of the Insured or of the Insured's Spouse.

**Spouse:** The person to whom the Insured is joined by marriage or civil union or the person publicly recognized as the Insured's Spouse and with whom he cohabitates permanently.

**Stroke:** Definite diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis or haemorrhage, or embolism from an extra-cranial source, with:

- acute onset of new neurological symptoms, and
- new objective neurological deficits on clinical examination,

persisting for more than 30 days following the date of diagnosis. These new symptoms and deficits must be corroborated by diagnostic imaging testing. The diagnosis of Stroke must be made by a Specialist.

**EXCLUSIONS:** No benefit will be payable in the following situations:

- Transient Ischaemic Attacks
- Intracerebral vascular events due to trauma
- Lacunar infarcts which do not meet the definition of Stroke as described above.

**Waiting Period:** The consecutive days of Disability starting on the date the Disability occurs during which no benefit is payable.

## **SECTION 2. ELIGIBILITY AND INSURABILITY**

The Applicant must satisfy:

- a) the eligibility and insurability conditions under the Eligibility and Health Declaration sections of the Application and
- b) the Insurer's requirement with respect to his state of health and his lifestyle. The Insurer may request, if necessary, that a physical examination, electrocardiogram, X-rays, blood tests, urine tests or any other tests, including screening for HIV (AIDS) and certain drugs or medication be conducted to assess the risk related to the Application. Any fees incurred for a medical examination not required by the Insurer are payable by the Applicant.

## **SECTION 3. EFFECTIVE DATE OF INSURANCE**

**For the insurance to take effect, the Insured must meet the criteria under the *Eligibility and Insurability* section of this certificate.**

The insurance will take effect on the later of the 2 following dates:

- the date on which the Insurance Application is signed; or
- the date of the authorization of the Loan.

### **Analysis of Application**

When proof of insurability must be submitted to the Insurer, this certificate provides for temporary coverage while the Application is being analyzed in the following two cases:

- a) The Insurer will pay the benefits related to the coverage selected by the Applicant only if death, Disability or Accidental Dismemberment results from an Accident that takes place after the insurance takes effect. The Insured Event (death, Disability or Accidental Dismemberment) must take place before the Insurer makes any decision as to insurability.
- b) If the Insured Event is not caused by an Accident, the Insurer will finalize its analysis. If the Applicant is deemed to be insurable, the benefits related to the coverage selected will be paid.

This temporary coverage does not constitute a guarantee that the Insurer will accept the Application.

### **Proof of insurability**

If proof of insurability must be submitted, the following rules apply:

- a) If the Applicant fails to provide evidence, the Insurer will close the file.
- b) If the proof of insurability does not meet the insurability requirements established by the Insurer, the Insurer will reject the Application.

In all cases where proof of insurability is required, the Insurer will communicate its decision to accept or reject the Application within 30 days of receiving all necessary proof.

If the Insurer rejects the Application, any premium paid by the Applicant will be refunded.

## **SECTION 4. MISSTATEMENT OF AGE OR SEX**

Age is determined according to the age of the Insured on his last birthday at the time of signing the Application. If the age or sex of an Insured is incorrectly stated, the benefit payable will be adjusted to the amount that would have been paid for the Insured's actual age and/or sex according to the premiums effectively paid, without exceeding the Insured Amount of the Loan. If the actual age of the Insured exceeds the maximum age covered by the insurance, no benefit will be payable under said insurance. In such cases, the amount of premiums paid in excess, if applicable, shall be reimbursed, without interest.

## **SECTION 5. MISREPRESENTATION WITH RESPECT TO TOBACCO USE**

In order to be declared a non-smoker, the Insured must not have used tobacco or nicotine replacement products of any kind during the 12 months preceding the date the Application was signed.

If insurance is issued based on «non-smoker» smoking status and there is found to be misrepresentation in the Insured's declarations in the Application or in any other communication to the Insurer, the insurance is automatically cancelled retroactive to its effective date and any premiums paid will be refunded without interest.

## **SECTION 6. SUICIDE OF THE INSURED**

In the event of suicide of the Insured within the first 2 years following the effective date of the insurance, regardless of the Insured's mental health, the Insurer's obligation is limited to refunding, without interest, any premiums paid by the Insured, if applicable, and the insurance will be automatically cancelled retroactive to its effective date.

## **SECTION 7. PREMIUM REIMBURSEMENT REQUEST**

Apart from in the specific situations indicated herein, the Insurer will reimburse the Insured, without interest, all the excess premiums paid and, if the loan insurance is automatically cancelled retroactive to the effective date, all the premiums paid.

All requests for the reimbursement of premiums must be made to the Insurer by telephone or in writing. The Insurer will analyze the request and if the premiums should not have been paid they will be reimbursed, without interest.

## **SECTION 8. REFINANCING**

In the case of a Loan to be refinanced by the Bank, a new insurance Application must be submitted to the Insurer. The terms and conditions of the new insurance Application, with all its restrictions and exclusions (including premium rates, Applicant's age and the Insured Amount of the Loan on the date the new Application is signed), will apply.

### **Coverage recognition of a previous Loan**

If, following Refinancing of a Loan, the new Application is rejected, the provisions of the new certificate of insurance will apply to the Insured Amount of the previous Loan. The applicable premium rates will be calculated based on the Applicant's age on the date the new Application was signed. The premiums, terms and conditions and restrictions and exclusions of the new certificate will apply.

Coverage recognition of a previous Loan is subject to a review of the file and contingent on the accuracy of the information provided since the first effective date of the insurance. The insurance amount recognized will be the Insured Amount of the Loan prior to the Refinancing date, without exceeding the amount specified under the *Maximum Benefit* section of the new certificate.

If an Insured had Disability insurance when Refinancing took place, the new Insured Payment will be calculated based on the Insured Amount of the previous Loan as of the date of the Refinancing divided by the total amount of the new Loan, without exceeding the amount specified under the *Maximum Benefit* section of the new certificate.



If Refinancing takes place while the Insured is on Disability, the Insurer will pay the Disability benefit provided for before Refinancing, without exceeding the amount of the new Loan payment after the Refinancing, or the amount specified under the Maximum Benefit section of the new certificate, and the maturity/amortization period provided for at the start of the Disability. The Disability benefits paid before the Refinancing date will be recognized in the maximum Disability benefit period for the new Application.

**SECTION 9. PREMIUM CALCULATION AND TABLE OF MONTHLY PREMIUM RATES**

The Insurer reserves the right to amend the premium pricing schedule at any time. If applicable, the new schedule will apply to all Insureds under the Policy.

Premiums are based on the age of the Insured on their last birthday, among other factors. Insurance is automatically renewed each year for the Insured Amount indicated, based on the age of the Insured on the loan insurance enrolment anniversary date.

If the Maximum Insurable Amount indicated on the Application is a fixed amount, the premium rate applicable to the insurance coverage is calculated based on the Insured Amount of the Loan.

If the Maximum Insurable Amount indicated on the Application is a variable amount, the premium rate applicable to the insurance coverage is calculated each day based on the daily Loan Balance Used.

**LIFE INSURANCE - Per \$1,000 of Maximum Insurable Amount and of Insured Amount**

Age <sup>(1)</sup>	\$0 to \$99,999				\$100,000 to \$249,999				\$250,000 to \$499,999				\$500,000 to \$2,000,000			
	Male		Female		Male		Female		Male		Female		Male		Female	
	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker
18 to 30 years	\$0.20	\$0.26	\$0.14	\$0.17	\$0.11	\$0.14	\$0.07	\$0.09	\$0.06	\$0.08	\$0.04	\$0.05	\$0.04	\$0.05	\$0.03	\$0.03
31 to 35 years	\$0.22	\$0.29	\$0.16	\$0.19	\$0.12	\$0.16	\$0.08	\$0.10	\$0.07	\$0.09	\$0.05	\$0.06	\$0.05	\$0.07	\$0.04	\$0.04
36 to 40 years	\$0.25	\$0.40	\$0.20	\$0.27	\$0.14	\$0.23	\$0.11	\$0.15	\$0.09	\$0.15	\$0.07	\$0.10	\$0.07	\$0.11	\$0.06	\$0.08
41 to 45 years	\$0.29	\$0.47	\$0.23	\$0.40	\$0.16	\$0.26	\$0.13	\$0.22	\$0.12	\$0.20	\$0.09	\$0.17	\$0.10	\$0.16	\$0.08	\$0.14
46 to 50 years	\$0.38	\$0.74	\$0.28	\$0.58	\$0.25	\$0.49	\$0.19	\$0.38	\$0.20	\$0.39	\$0.15	\$0.31	\$0.18	\$0.35	\$0.13	\$0.28
51 to 55 years	\$0.46	\$0.94	\$0.31	\$0.63	\$0.33	\$0.68	\$0.22	\$0.45	\$0.29	\$0.59	\$0.19	\$0.40	\$0.27	\$0.55	\$0.18	\$0.37
56 to 60 years	\$0.66	\$1.43	\$0.46	\$0.94	\$0.56	\$1.22	\$0.39	\$0.80	\$0.45	\$0.98	\$0.31	\$0.64	\$0.42	\$0.91	\$0.29	\$0.60
61 to 64 years	\$0.96	\$1.96	\$0.67	\$1.26	\$0.82	\$1.67	\$0.58	\$1.08	\$0.70	\$1.43	\$0.49	\$0.92	\$0.63	\$1.28	\$0.44	\$0.83
65 to 69 years <sup>(2)</sup>	\$0.96	\$1.96	\$0.67	\$1.26	\$0.82	\$1.67	\$0.58	\$1.08	\$0.70	\$1.43	\$0.49	\$0.92\$	\$0.63	\$1.28	\$0.44	\$0.83

**CRITICAL ILLNESS AND ACCIDENTAL DISMEMBERMENT INSURANCE - Per \$1,000 of Maximum Insurable Amount and of Insured Amount**

Age <sup>(1)</sup>	\$0 to \$99,999				\$100,000 to \$150,000			
	Male		Female		Male		Female	
	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker
18 to 30 years	\$0.32	\$0.42	\$0.22	\$0.27	\$0.18	\$0.22	\$0.11	\$0.14
31 to 35 years	\$0.35	\$0.46	\$0.26	\$0.30	\$0.19	\$0.26	\$0.13	\$0.16
36 to 40 years	\$0.44	\$0.70	\$0.35	\$0.47	\$0.25	\$0.40	\$0.19	\$0.26
41 to 45 years	\$0.55	\$0.89	\$0.44	\$0.76	\$0.30	\$0.49	\$0.25	\$0.42
46 to 50 years	\$0.78	\$1.52	\$0.57	\$1.19	\$0.51	\$1.00	\$0.39	\$0.78
51 to 55 years	\$1.01	\$2.07	\$0.68	\$1.39	\$0.73	\$1.50	\$0.48	\$0.99
56 to 60 years	\$1.55	\$3.36	\$1.08	\$2.21	\$1.32	\$2.87	\$0.92	\$1.88
61 to 64 years	\$2.40	\$4.90	\$1.68	\$3.15	\$2.05	\$4.18	\$1.45	\$2.70
65 to 69 years <sup>(2)</sup>	\$2.40	\$4.90	\$1.68	\$3.15	\$2.05	\$4.18	\$1.45	\$2.70

**DISABILITY INSURANCE - Per \$10 of Insured Payment**

Age <sup>(1)</sup>	Line of credit Demand Note
18 to 30 years	\$0.19
31 to 35 years	\$0.27
36 to 40 years	\$0.32
41 to 45 years	\$0.40
46 to 50 years	\$0.48
51 to 55 years	\$0.58
56 to 60 years	\$0.74
61 to 64 years	\$0.93
65 to 69 years <sup>(2)</sup>	\$0.93

<sup>(1)</sup> At the time of signing the Application or at renewal.

<sup>(2)</sup> Applies to renewals only.

**Factor based on number of Insureds:**

Applicable to life insurance and Critical Illness and Accidental Dismemberment insurance only: If more than one Insured, each Insured is entitled to a discount factor of 0.95.

The applicable tax rates are available on [www.nbc.ca](http://www.nbc.ca).

## Premium calculation

	Life	Critical Illness and Accidental Dismemberment	Disability
Premium rate	(1)	(3)	(5)
Insured Amount _____ / 1,000	(2)	(4)	
Insured Payment _____ / 10			(6)
Premium amount (1) x (2) or (3) x (4) or (5) x (6)			
Discount factor (for multiple Insureds)	X		
Tax factor, if applicable	X		
Total life premium	(7)		
Total Critical Illness and Accidental Dismemberment premium		(8)	
Total Disability premium			(9)
Total Loan insurance premium (7) + (8) + (9)			

## SECTION 10. DEATH BENEFIT

The death benefit under no circumstances includes principal, interest or premiums past due on the date of death. Any insurance premium due to the Insurer on the date of death will be deducted from the death benefit. If loan insurance premiums are received by the Insurer after the death of the Insured, the excess premiums paid after the Insured's death will be reimbursed, without interest.

In case of death, the Insurer will pay the death benefit based on the following rules:

### 1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated

The Insurer will pay the death benefit corresponding to the lesser of:

- the Insured Amount indicated on the Application; or
- the amount indicated under the Maximum Benefit section of this certificate.

If the Insured chooses a fixed amount of insurance, the Insurer will pay to the Bank the Loan Balance Used plus interest accrued since the date of death. It will also pay to the company the difference between the Insured Amount indicated on the Application and the death benefit paid to the Bank.

**Example:** Authorized amount of the Loan: \$300,000  
Maximum Insurable Amount: \$300,000 (fixed amount, as indicated on the Application)  
Insured Amount: \$300,000 (amount indicated on the Application)  
Maximum benefit – Life: \$2,000,000  
Loan Balance Used: \$75,000 (on date of death)  
Death benefit: \$300,000 i.e. \$75,000 to the Bank to reimburse the Loan Balance Used and \$225,000 to the company (difference between Insured Amount and death benefit)

### 2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)

The Insurer will pay the death benefit corresponding to the lesser of:

- the Loan Balance Used calculated on the date of death, plus interest accrued since the date of death; or
- the Insured Amount indicated on the Application; or
- 110% of the average daily Loan Balance Used over the 12 months preceding the date of death; or
- 110% of the average daily Loan Balance Used since the effective date of the insurance if the insurance has been in effect for less than 12 months; or
- the amount indicated under the Maximum Benefit section of this certificate

**Example:** Authorized amount of the Loan: \$300,000  
Maximum Insurable Amount: Variable amount based on Loan Balance Used (as indicated on the Application)  
Insured Amount: \$200,000 (amount indicated on the Application)  
Maximum benefit – Life: \$2,000,000  
Loan Balance Used: \$75,000 (on date of death)  
Average daily Balance Used: \$67,000 over the 12 months preceding the date of death  
110% of the average daily Balance Used: \$73,700 (110% of \$67,000)  
Death benefit: \$73,700 i.e. \$73,700 to the Bank to reimburse the Loan Balance Used

## SECTION 11. DISABILITY BENEFIT

The Insured must continue to make Loan payments and pay insurance premiums during the Disability while the Insurer evaluates or re-evaluates the benefit claim.

For each day of Disability that falls outside a full payment period, the Insurer will pay 1/30th of the Disability benefit.

In case of Disability, the Insurer will pay the Disability benefit to the Bank based on the following rules:

### 1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated

In case of a **Disability** that persists after the Waiting Period has ended, the Insurer will pay a Disability benefit corresponding to the lesser of:

- the Insured Amount indicated on the Application; or
- 1% of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

If the Insured chooses a fixed amount, the Insurer will pay to the Bank the Insured Payment plus interest accrued since the date of death. If the Insured Payment exceeds the Loan Balance Used, the difference will be paid to the company.

**Example :** Authorized amount of the Loan: \$300,000  
Insured Amount for life insurance: \$300,000 (amount indicated on the Application)  
Maximum Disability benefit: \$5,000/month  
Maximum Insurable Amount: \$3,000/month (1% of the Insured Amount for life insurance, i.e., 1% of \$300,000)  
Insured Amount for Disability insurance: \$2,000/month (amount indicated on the Application)  
Loan Balance Used: \$75,000 (on date of Disability)  
Disability benefit: \$2,000/month i.e. \$2,000/month to the Bank to reimburse the Loan Balance Used

**2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)**

In case of a **Disability** that persists after the Waiting Period has ended, the Insurer will pay to the Bank the Insured Payment plus the interest accrued since the date of Disability, i.e., the lesser of:

- the Insured Amount of the Loan indicated on the Application; or
- 1% of the Loan Balance Used on the date of Disability; or
- 1% of 110% of the average daily Loan Balance Used over the 12 months preceding the date of the Insured Event; or
- 1% of 110% of the average daily Loan Balance Used since the effective date of the insurance if the insurance has been in effect for less than 12 months; or
- the amount indicated under the Maximum Benefit section of this certificate

**Example :** Authorized amount of the Loan: \$300,000  
Insured Amount for life insurance: \$300,000 (amount indicated on the Application)  
Maximum Disability benefit: \$5,000/month  
Maximum Insurable Amount: \$3,000/month (1% of the Insured Amount for life insurance, i.e., 1% of \$300,000)  
Insured Amount for Disability insurance: \$2,000/month (amount indicated on the Application)  
Loan Balance Used: \$75,000 (on date of Disability)  
Insured Payment for Disability based on Balance Used: \$750 (1% of \$75,000)  
Average daily balance used: \$67,000 (over the 12 months preceding the date of Disability)  
110% of the average daily balance used: \$73,700 (110% of \$67,000)  
Insured Payment for Disability based on average daily balance: \$737 (1% of \$73,700)  
Disability benefit: \$737/month i.e. \$737/month to the Bank to reimburse the Loan Balance Used

**Waiting Period:** 60 consecutive days.

**Maximum period:** Subject to the rules related to Relapse contained in the Definitions section of this certificate, a maximum of 24 months of consecutive Insured Payments is payable for a same Disability even if the Insured's Disability persists beyond this period. In addition, the Insured(s) may only benefit collectively from a maximum of 48 months of Insured Payments for all the Disabilities occurring throughout the entire duration of the Loan. The Insured must return to work between each separate Disability period or, if the Insured is unemployed, return to normal activity for a person of his age.

**Termination of benefits**

Insurance benefits will terminate on the first of the following events:

- **End of Disability:** the date the Insured is no longer disabled according to the definition of Disability in this certificate;
- **Return to work:** the date the Insured returns to work part-time, full-time or progressively, or on a temporary assignment, whether to carry out his normal duties related to his job or any other job, including light duties;
- **Compensated or paid activities:** as soon as the Insured engages in a compensated or paid activity;
- **Medical evidence not provided:** the Insured fails to present satisfactory evidence to the Insurer or refuses to undergo a medical examination or assessment by a rehabilitation consultant required by the Insurer;
- **Loan expiry:** the Loan has been closed or the amortization period of the Loan has ended;
- **Maximum benefit period:** at the expiration of the maximum benefit period;
- **Maximum age:** the last day of the month in which the Insured attains age 70;
- **Death:** the death of an Insured, if a life insurance benefit covering the Insured Amount is payable;
- **Critical Illness and Accidental Dismemberment:** an Insured is diagnosed with a Critical Illness or Accidental Dismemberment, if a Critical Illness and Accidental Dismemberment insurance benefit covering the entire Insured Amount for life insurance is payable.

**SECTION 12. CRITICAL ILLNESS BENEFIT**

The Critical Illness benefit under no circumstances includes principal, interest or premiums past due on the date of the Critical Illness diagnosis. Any insurance premium due to the Insurer on the date of Critical Illness diagnosis will be deducted from the Critical Illness benefit. If loan insurance premiums are received by the Insurer after the Insured's Critical Illness diagnosis, the excess premiums paid after the Insured's diagnosis will be reimbursed, without interest.

In case of a Critical Illness diagnosis, the Insurer will pay the Critical Illness benefit based on the following rules:

**1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated**

The Insurer will pay a Critical Illness benefit corresponding to the lesser of:

- the Insured Amount indicated on the Application; or
- the Insured Amount for life insurance; or
- the amount indicated under the Maximum Benefit section of this certificate.

If the Insured chooses a fixed amount, the Insurer will pay to the Bank the Loan Balance Used plus interest accrued since the date the Critical Illness was diagnosed. It will also pay to the company the difference between the Insured Amount indicated on the Application and the Critical Illness benefit paid to the Bank.

**Example:** Authorized amount of the Loan: \$300,000  
Insured Amount for life insurance: \$300,000 (Insured Amount indicated on the Application)  
Maximum Critical Illness benefit: \$150,000  
Insured Amount for Critical Illness insurance: \$125,000 (amount indicated on the Application)  
Loan Balance Used: \$75,000 (on date of diagnosis of Critical Illness)  
Critical Illness benefit: \$125,000 i.e., \$75,000 to the Bank to reimburse the Loan Balance Used **and** \$50,000 to the company (difference between Insured Amount for Critical Illness insurance and Critical Illness benefit)

**2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)**

The Insurer will pay the death benefit corresponding to the lesser of:

- the Loan Balance Used calculated on the date of death, plus interest accrued since the date of death; or
- the Insured Amount indicated on the Application; or
- 110% of the average daily Loan Balance Used over the 12 months preceding the date of death; or
- 110% of the average daily Loan Balance Used since the effective date of the loan insurance if the insurance has been in effect for less than 12 months; or
- the amount indicated under the Maximum Benefit section of this certificate.

**Example:** Authorized amount of the Loan: \$300,000  
Maximum Insurable Amount: Montant variable en fonction du Solde Utilisé du Prêt (tel que choisi sur la Proposition)  
Insured Amount for Critical Illness insurance: \$150,000 (amount indicated on the Application)  
Maximum Critical Illness benefit: \$150,000  
Loan Balance Used: \$75,000 (on date of diagnosis of Critical Illness)  
Average daily balance used: \$67,000 over the 12 months preceding the date of diagnosis of Critical Illness  
110% of the average daily balance used: \$73,700 (110% of \$67,000)  
Critical Illness benefit: \$73,700 i.e. \$73,700 to the Bank to reimburse the Loan Balance Used

Payment of a Critical Illness benefit terminates the Critical Illness and Accidental Dismemberment insurance for all Insureds. If, on the date of diagnosis, the Insured Amount for Critical Illness and Accidental Dismemberment insurance is less than the Insured Amount for life insurance, life insurance will remain in effect for all Insureds, covering the initial Insured Amount minus the amount of the Critical Illness benefit. Premiums will be adjusted accordingly.

**SECTION 13. ACCIDENTAL DISMEMBERMENT BENEFIT**

The Accidental Dismemberment benefit under no circumstances includes principal, interest or premiums past due on the date of the Accidental Dismemberment diagnosis. Any insurance premium due to the Insurer on the date of Accidental Dismemberment diagnosis will be deducted from the Accidental Dismemberment benefit. If loan insurance premiums are received by the Insurer after the Insured's Accidental Dismemberment diagnosis, the excess premiums paid after the Insured's diagnosis will be reimbursed, without interest.

In the event that the Insured is accidentally dismembered as a result of an Accident that occurred while the insurance was in effect, the Insurer will pay an Accidental Dismemberment benefit corresponding to a percentage of the Insured Amount, depending on the loss and based on the following rules:

Loss	Percentage of Insured Amount
For each limb lost (including an eye)	25% (maximum 100%)
For both eyes	100%
Hemiplegia, quadriplegia or paraplegia	100%

**1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated**

The Insurer will pay an Accidental Dismemberment benefit corresponding to the lesser of:

- the percentage (depending on the loss) of the Insured Amount indicated on the Application; or
- the percentage (depending on the loss) of the Insured Amount for life insurance; or
- the amount indicated under the Maximum Benefit section of this certificate.

If the Insured chooses a fixed amount, the Insurer will pay to the Bank the Loan Balance Used plus interest accrued since the date the Accidental Dismemberment occurred. It will also pay to the company the difference between the Insured Amount indicated on the Application and the Accidental Dismemberment benefit paid to the Bank.

**Example:** Authorized amount of the Loan: \$300,000  
Insured Amount for life insurance: \$300,000 (amount indicated on the Application)  
Maximum Accidental Dismemberment benefit: \$150,000  
Insured Amount for Accidental Dismemberment insurance: \$125,000 (amount indicated on the Application)  
Loan Balance Used: \$75,000 (on date Accidental Dismemberment occurred)  
Accidental Dismemberment benefit | one eye = 25%: \$31,250 (25% of \$125,000) i.e. \$31,250 to the Bank to reimburse the Loan Balance Used

**2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)**

The Insurer will pay an Accidental Dismemberment benefit corresponding to the lesser of:

- the percentage (depending on the loss) of the Loan Balance Used calculated on the date of Accidental Dismemberment, plus interest accrued since that date; or
- the percentage (depending on the loss) of the Insured Amount indicated on the Application; or
- the amount indicated under the Maximum Benefit section of this certificate.

**Example:** Authorized amount of the Loan: \$300,000  
Maximum Insurable Amount: Variable amount based on Loan Balance Used (as indicated on the Application)  
Insured Amount for life insurance: \$200,000 (amount indicated on the Application)  
Maximum Accidental Dismemberment benefit: \$150,000  
Insured Amount for Accidental Dismemberment insurance: \$125,000 (amount indicated on the Application)  
Loan Balance Used: \$75,000 (on date Accidental Dismemberment occurred)  
Accidental Dismemberment benefit | one eye = 25%: \$18,750 (25% of \$75,000) i.e. \$18,750 to the Bank to reimburse the Loan Balance Used

This benefit will be applied toward repayment of the Loan plus any interest accrued since the date of diagnosis of Accidental Dismemberment. If the Accidental Dismemberment leads to Disability, the Accidental Dismemberment and Disability benefits will both be paid.

The total benefits payable for losses resulting from one or more Accidents may not exceed the amount provided for under the Maximum Benefit section of this certificate.

Payment of the Accidental Dismemberment benefit of 100% of the Insured Amount terminates the Critical Illness and Accidental Dismemberment insurance for all Insureds. If the benefit is less than 100%, the insurance will remain in effect on the new Insured Amount, less the Accidental Dismemberment benefit paid.

If, on the date of diagnosis, the Insured Amount for Critical Illness and Accidental Dismemberment insurance is less than the Insured Amount for life insurance, life insurance will remain in effect for all Insureds, covering the initial Insured Amount minus the amount of the Accidental Dismemberment benefit. Premiums will be adjusted accordingly.

#### **SECTION 14. MAXIMUM BENEFIT**

Benefits payable may under no circumstances exceed the set maximum amount for each type of coverage:

Coverage	Maximum amount
Life	\$2,000,000
Critical Illness	\$150,000
Accidental Dismemberment	\$150,000
Disability	\$5,000 per month

If premiums have been paid for a benefit exceeding the maximum benefit, the difference in premiums will be reimbursed, without interest. The Disability maximum benefit excludes reimbursement of the insurance premium.

#### **SECTION 15. TWO OR MORE INSUREDS**

Two or more Insureds can be covered under the same Loan.

**For life and Critical Illness insurance**, the benefit is payable for the first event only.

**For Disability Insurance**, the amount of the Disability benefit may under no circumstances exceed the Insured Amount of the Disability insurance and the maximum benefit period for all Insureds. The Disability benefit cannot be paid to more than one Insured at a time.

**In the event of simultaneous Accidental Dismemberment** affecting more than one Insured where it is impossible to determine which Insured suffered the first loss, the highest benefit will be paid first and so on and so forth on the balance thus reduced, without however exceeding the amount provided for under the Maximum Benefit section of this certificate.

#### **SECTION 16. CLAIMS**

The Insurer must be notified of any claim for benefits for an Insured Event that persists after expiration of the Waiting Period, if applicable.

All required documents, accompanied by proof of claim and any other relevant information, must be forwarded to the Insurer no later than 1 year from the date of the Insured Event. If the Insurer does not receive the documents and all relevant information within the one-year period, the Insured loses his right to any Disability, Critical Illness and Accidental Dismemberment insurance benefits.

For life insurance benefits, the documents must be sent to the Insurer as soon as reasonably possible.

#### **SECTION 17. RESTRICTIONS AND EXCLUSIONS**

Concerning life insurance, Critical Illness and Accidental Dismemberment insurance and Disability insurance:

No benefits will be paid for death, Disability, Critical Illness or Accidental Dismemberment resulting directly or indirectly from:

- **War:** war or any act of war, whether or not the Insured was involved in it, unless the Insured was acting as a member of the Canadian Forces or Canadian Forces Reserve;
- **Riot:** active participation in an uprising, riot or insurrection;
- **Drugs:** use of drugs without a medical prescription;
- **Aircraft:** active participation in a flight in an aircraft, whether as a pilot, a member of the crew, an instructor or student;
- **Attempted suicide or self-inflicted injury:** attempted suicide or self-inflicted injury, regardless of the Insured's mental health;
- **Pre-existing conditions:** the effects of an illness and/or symptoms or Accident when death, Disability, Critical Illness or Accidental Dismemberment occurs during the 12 months following the effective date of the insurance and for which illness and/or symptoms, injury or any related cause, resulting directly or indirectly from the Accident or Illness, the Insured, during the 12 months that preceded the effective date of the insurance, had consulted or received treatment from a physician or other health care professional, underwent tests, took medication or was hospitalized;
- **Exclusions specific to the Insured:** any and all exclusions specific to the Insured as stipulated in the Insurer's exclusion rider as conditions for accepting the file (if applicable).

#### **Concerning Disability Insurance only:**

No benefits will be paid for Disability resulting directly or indirectly from:

- **Cosmetic care:** cosmetic treatment or surgery;
- **Psychological and psychiatric problems including adjustment disorder, chronic fatigue, depression, anxiety, or professional burnout:** if the Insured is not receiving therapy supervised by a physician specializing in this field;
- **Back problems:** back pain, neck pain, dorsalgia or lumbago which is only evidenced by the pain felt by the Insured and where no diagnosis is possible, other than a diagnosis of normal arthrosis due to the Insured's age;
- **Pregnancy:** normal pregnancy;
- **Alcoholism or drug addiction:** alcoholism or drug addiction. However, benefits may be paid provided the Insured is following a closed treatment program.

#### **Concerning Critical Illness Insurance only:**

This Policy also sets out specific exclusions applicable to each Critical Illness and for which the benefit in the event of Critical Illness will not be payable, as indicated in *Stroke*, *Cancer* (life threatening) and *Heart Attack* sections under *Definitions*.

## SECTION 18. TERMINATION OF INSURANCE

The insurance automatically terminates on the first of the following events:

- **Non-payment of premiums:** more than 3 monthly insurance premium payments are past due;
- **Cancellation:** the date the Insured voluntarily cancels his insurance provided the Insurer is advised of the cancellation in writing or by calling 1-877-871-7500 before that date, or the date the Insurer receives such written notice or the date the group insurance Policy is cancelled;
- **Loan expiry:** the end of the Loan amortization period or the closing date of the Loan;
- **Assumption:** the date the Loan is taken over by another creditor or the date the Loan or a portion of the Loan is assumed by another debtor who is not insured under a certificate of insurance in connection with the said Loan;
- **Maximum age:** the last day of the month in which the Insured reaches age 70;
- **Bankruptcy:** the date on which the company legally declares bankruptcy;
- **Death:** the death of an Insured, if a life insurance benefit repaying the Insured Amount is payable;
- **Critical Illness or Accidental Dismemberment:** the diagnosis of a Critical Illness or Accidental Dismemberment to an Insured, if a Critical Illness and Accidental Dismemberment insurance benefit covering the entire Insured Amount for life insurance is payable;
- **For Critical Illness and Accidental Dismemberment insurance:** Payment of the Critical Illness benefit terminates the Critical Illness and Accidental Dismemberment insurance for all Insureds.
- **For Disability insurance:** When the Insured(s) has (have) collectively benefited from the maximum of 48 months of benefits for all the Disabilities occurring throughout the entire duration of the Loan.
- **For Disability insurance and Critical Illness and Accidental Dismemberment insurance:** the date the life insurance coverage terminates.

## ADDITIONAL INFORMATION

**GENERAL PROVISION:** On request, any Insured has the right to obtain a copy of the Application, the insurance certificate, any statement or document submitted as evidence of insurability and of the group insurance Policy number 70009-17 ("Policy").

**NON-PARTICIPATING POLICY AND NO DIVIDENDS:** This is a non-participating Policy and awards no rights to a share in any profits and earnings surplus that may be declared or distributed by the Insurer, nor in any dividends.

### **LIMITATION OF ACTIONS (LIMITATION PERIOD)**

#### *Residents of Alberta, British Columbia and Manitoba*

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in The Insurance Act.

#### *Residents of Ontario*

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract must be commenced within the time set out in the Limitations Act, 2002.

#### *Residents of Quebec*

Every action or proceeding against an insurer for the recovery of insurance money payable under the agreement must be commenced within three years.

#### *Residents of other provinces*

For applicable limitation periods, consult your provincial regulatory body or your legal advisor.

## **NOTICE CONCERNING THE MIB LLC. (MEDICAL INFORMATION BUREAU)**

Your insurability information will be treated in a confidential manner.

However, the insurer or its reinsurer may make a brief report thereon to MIB LLC. (Medical Information Bureau), a non-profit membership corporation of life insurance companies, which operates an information exchange on behalf of its members.

Upon request by a member insurance company to which you have applied for life or critical illness insurance coverage, or to which a claim is submitted, the MIB will supply such company with the information on its file. Upon receipt of a request from you, the MIB will arrange disclosure of any information it may have on file.

If the information in the MIB's files seems incorrect, you can ask for it to be corrected by writing to them at MIB LLC., 50 Braintree Hill Park, Suite 400, Braintree, MA 02184-8734, United States. Phone: 1-866-692-6901.

The insurer may also disclose information from its files to other life insurance companies to which you may apply for life or health insurance or to which a claim for benefits may have been submitted.

For more information on the MIB, consult the [mib.com](http://mib.com) website.

## **COLLECTION, USE AND DISCLOSURE OF YOUR PERSONAL INFORMATION**

The insurer collects, uses and discloses your personal information to:

- Confirm your identity
- Provide the loan insurance requested
- Prevent fraud, manage risk and comply with laws
- Help the insurer improve and develop its products and services and better understand its clients
- Enable the insurer, National Bank of Canada or its subsidiaries, to present offers and other promotional material from business partners, unless you choose not to receive them
- Any other purpose set out in the Privacy Policy of National Bank and its subsidiaries available at <https://www.nbc.ca/privacy-policy.html>.

The policy mentions, among others, which information the Insurer collects, to whom it is communicated, and how it is used and stored, what your options and rights are, and how to manage your consent.

In order to verify your insurability for loan insurance, the Insurer may also collect information from any doctor, hospital, clinic, paramedical firm, service provider, agent, insurance company, or any other organization that holds information on you or your health status, including MIB, LLC., an organization that maintains a database of applicant information that insurers may consult as part of their underwriting insurance or a claim (see Notice concerning MIB, LLC.).

In addition, the Insurer may also disclose any information about your health or other relevant information about you to MIB, LLC. or its reinsurers. Your personal information will be kept by the Insurer and its subsidiaries for a reasonable period of time following the end of the business relationship to comply with their legal obligations.

National Bank Life Insurance has implemented a series of measures to preserve the confidentiality of personal information.

We have put together an insurance file containing any personal information obtained in connection with your insurance application as well as information about any insurance claim under this insurance. Only employees or agents responsible for underwriting, administration, investigations and claims or the reinsurer, where applicable, have access to this file. All files are kept at our offices.

All persons authorized to do so (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, Access to Personal Information Officer, 800 Saint-Jacques Street, office 16701  
Montreal, Quebec H3C 1A3.

For more information, consult our privacy policy [nbc-insurance.ca/confidentiality.html](http://nbc-insurance.ca/confidentiality.html).

## **COMPLAINT MANAGEMENT**

The client experience is our top priority. No matter what you have to say, we're here to listen and provide assistance. If the service you received didn't live up to your expectations, refer to our complaint management procedure available at [www.nbc-insurance.ca](http://www.nbc-insurance.ca) or call our customer service at 1-877-871-7500.

For more information contact us at:

<b>Montreal</b>	514-871-7500
<b>Toll free</b>	1-877-871-7500

The masculine gender designates individuals of both sexes with no discrimination intended and is used only to facilitate reading.

**No one may amend this Certificate of Insurance. All amended forms will be considered null and void. National Bank of Canada employees may at no time act as authorized agents of the Insurer for the administration of these group insurance policies.**