



Group Credit Insurance

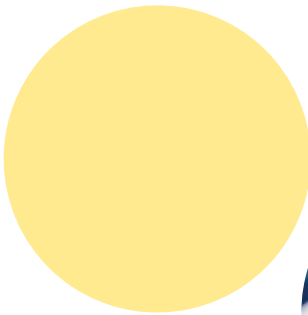
Distribution Guide

Group Credit Insurance

Automobile

Group Policy FI-A-VIMG_CV (2018-12)

Plan CV



The documents you have been given are important. Your insurance contract consists of:

- your application for insurance and your certificate of insurance;
- the group insurance policy, which is available on request;
- your Confirmation of Insurance, if applicable.

SSQ, Life Insurance Company Inc. invites you to send your questions and requests to the administrator:

Customer service and administrator:
SSQ, Life Insurance Company Inc.
2525 Laurier Blvd, P.O. Box 10500, Station Sainte-Foy
Quebec, Quebec G1V 4H6
Phone: 1-800-463-5525
Fax: 418-652-2749
Email: communications@ssq.ca

Your insurance documents are important. We recommend that you keep them in a safe place in order to be able to easily refer to them.

Distribution Guide

GROUP CREDIT INSURANCE
AUTOMOBILE
GROUP POLICY FI-A-VIMG_CV (2018-12)
PLAN CV

INFORMATION ON THE PRODUCT AND INTERVENING PARTIES

Type of insurance product: Life Insurance
 Disability Insurance
 Critical Illness Insurance

Insurer and administrator contact information:

Name: SSQ, Life Insurance Company Inc.
Address: 2525 Laurier Blvd, P.O. Box 10500, Station Sainte-Foy
 Quebec, Quebec G1V 4H6
Email: clientele@ssq.ca
Phone: 418-651-7000 / 1-800-463-5525

Distributor contact information:

[to be filled-in by the distributor]

THE RESPONSIBILITY OF THE AMF

“The Autorité des marchés financiers (AMF) does not express an opinion regarding the quality of the product offered in this guide. The insurer alone is responsible for any discrepancies between the wording of the content herein and that of the policy.”

TABLE OF CONTENTS

1. INTRODUCTION	1
2. DESCRIPTION OF THE INSURANCE OFFERED	1
A- Nature of coverage	1
B- Summary of specific conditions	2
C- Exclusions, limitations and reductions	5
D- Termination of insurance coverage	7
E- Cancellation of insurance	7
F- Other information	8
3. CLAIMS	8
A- Submitting a claim	8
B- Required documents for submitting a claim	9
C- Applicable delays for submitting a claim	10
D- Insurer's reply	10
E- Appeal of the insurer's decision and recourses	11
4. SIMILAR PRODUCTS	11
5. AUTORITÉ DES MARCHÉS FINANCIERS	11
6. DEFINITIONS	11
APPENDIXES	

The masculine form used in this guide designates both genders and is used solely to facilitate reading of the document.

1. INTRODUCTION

This Distribution Guide is designed to describe our group credit insurance by providing you with information in a reader-friendly format. This distribution guide provides all the essential information on our group credit insurance allowing you to determine whether this insurance product meets your needs.

The fact sheet provided by the Autorité des marchés financiers must be duly completed by the distributor's employee in your presence when offering the selected product, and must also be signed by the designated individuals. The distributor's employee must then provide you with a copy of the fact sheet.

If you still have questions after having read this guide, please contact a representative of the *insurer* who will be available to answer your questions.

Please note that definitions are provided on pages 13, 14 and 15 for all words that appear in *italics* in this guide.

2. DESCRIPTION OF THE INSURANCE OFFERED

A. Nature of coverage

Our group credit insurance aims to provide you with financial security to help you meet the contractual obligations created as a result of the financing of your automobile. The goal is to provide you with insurance that will reimburse the unpaid balance, or part of the unpaid balance, of your *loan* in case of death, *total disability* or *critical illness*. You do not have to be covered under this insurance to obtain a *loan*.

You can choose from the following coverage options:

1. a Life Insurance, which covers your *loan* payments in the event of your death, according to the options you selected and the applicable terms and conditions (you have to choose a life insurance for:
 - all cause death; or
 - accidental death).
2. a Disability Insurance, which covers the payment of your monthly *loan* amount if you become *totally disabled*, according to the options you selected and the applicable terms and conditions (you have to choose between a disability insurance that covers you for:
 - 6 months;
 - accidental disability only; or
 - *accident* and *sickness* disability).

Some insurance plans include *Critical Illness* Insurance. Please ask your car dealer to find out if you are eligible for such coverage, which covers some of your *loan* payments if you are diagnosed with one of the following illnesses, according to the applicable terms and conditions specified in the **Definitions** section:

- *heart attack*;
- *coronary artery bypass surgery*;
- *stroke*;
- *life-threatening cancer*.

All the applicable terms and conditions are described in the following pages.

B. Summary of specific conditions

Eligibility Requirements

To be eligible for coverage under this automobile credit insurance, you must:

- be at least 17 years of age;
- be under 73 years of age for life insurance (accidental death), under 70 years of age for life insurance (all cause death) and under 65 years of age for disability insurance;
- have contracted a *loan* from the *creditor*;
- never have had or never have been treated for AIDS or any AIDS related illness, and never have tested positive for HIV;
- for disability insurance, be a salaried employee, a self employed individual or a seasonal employee and meet the specific requirements specified below.

To be eligible for disability insurance:

- a salaried employee must be working a minimum of 22.5 hours a week for wages or profit, for a minimum of 30 weeks per year;
- a self employed worker or business owner must be working actively and regularly no less than 27 hours a week – with a regular income – and have been in the same business or profession for 12 months prior to the issuance of the insurance. In addition, in the last fiscal year, the person must have earned a minimum of \$17,000, including salary, dividends from his business and other work-related independent revenue;
- a seasonal employee must, for at least the last 2 years, have held a seasonal job more than 8 weeks but less than 30 weeks per year, and must have worked, in the last 12 months, the minimum number of hours required by the Canada Employment Insurance Commission for his region of residence and have made contributions to the Employment Insurance account.

Amount and term of coverage

For life insurance (all cause death or accidental death)

The amount of the benefit will be the lesser of:

- in the case of a *loan* agreement, the *loan* balance on the day the *insured* dies;
- in the case of a lease agreement, the present value of the outstanding lease payments, including the residual value if this amount is covered as stated in the application form;
- the maximum insured amount.

The maximum insured amount is \$75,000. If the *insured* can, at his own expense, provide medical evidence at issuance and the *insurer* accepts this medical evidence, the insured amount may reach \$150,000.

For disability insurance (6 months, *accident only*, *accident and sickness*)

The amount of the benefit will be the lesser of:

- the monthly payment payable under the *loan*, lease or buyback *loan* agreement;
- the maximum insured amount.

The maximum insured amount is \$1,500 (\$750 for eligible seasonal workers) per monthly payment. However, the amount can be increased to \$2,500 (except for eligible seasonal workers) on request, provided acceptable medical evidence, at the *insured's* expense, is accepted by the *insurer* and provided life insurance coverage has also been taken.

If you have chosen the option “6 months”, a maximum of 6 monthly payments will be made for a same cause of *total disability*.

In all cases, the *insurer* will make a maximum of 84 monthly payments to the *creditor*.

For *critical illness* insurance

The amount of the benefit will be the lesser of:

- 2 monthly payments (made to the *creditor* by the *insurer*) if the *insured* has selected Life Insurance only or Disability Insurance only;
- 4 monthly payments (made to the *creditor* by the *insurer*) if the *insured* has selected Life Insurance and Disability Insurance.

Beneficiary of the insurance

The *beneficiary* of this insurance is your *creditor*. Therefore, insurance benefits are payable directly to the *creditor* to reduce or pay off your *loan*.

Payment of the insurance premium

The premium is payable in a single payment and covers you during the term of your insurance. If you choose to finance the premium, it will be added to your *loan* and, therefore, included in your monthly payment. The premium is calculated based on the monthly payment of your *loan* and insurance options selected.

Insurance duration

Subject to the terms and conditions described in section **D. Termination of insurance coverage**, you are insured until the expiry date indicated on the application for insurance. Your insurance will terminate on this date even if your *loan* is not paid off. You can never select a term that would exceed the duration of your *loan* nor one that would expire after the maximum age of 72 in the case of life insurance and the maximum age of 64 in the case of *total disability* and *critical illness* insurance.

Effective date of the insurance contract

The effective date of your insurance is the later of the following dates:

- the date shown on the application form;
- the date indicated on the *loan* or lease agreement.

It is important to note that the insurance will only take effect if you meet the eligibility requirements and if you pay the required premium. The amount of this premium is indicated on the application for insurance form.

Waiting period in case of a claim

For life insurance

There is no *waiting period* for the payment of a Life Insurance benefit. The *insurer* will pay the benefit amount to the *creditor* upon receipt of a satisfactory proof of death of the *insured*.

For disability insurance

The benefit payments will begin at the end of period called the *waiting period*. The *waiting period* begins at the onset of *total disability* and continues for the period indicated on the application for insurance. The period of benefit payments will begin according to the option you have chosen:

- if you choose the “30 days (non-retroactive)” option, the “60 days (non-retroactive)” option or the “90 days (non-retroactive)” option, the period of benefit payments begins at the end of the *waiting period*;
- if you choose the “30 days (retroactive)” option, the period of benefit payments begins retroactive to the day you become *totally disabled*, provided you have satisfied the *waiting period*.

During the *waiting period*, you are responsible for making monthly *loan* payments when they are due.

For critical illness insurance

There is no *waiting period* for the payment of a *critical illness* insurance benefit. The *insurer* will pay the benefit amount to the *creditor* upon receipt of satisfactory proof of the diagnosis of the *critical illness*.

However, a *survival period* must be completed. This period is the number of days you must survive once a *critical illness* is diagnosed. This period is usually 30 days, unless a longer period is specified in the definition of the corresponding *critical illness*.

Termination of Total Disability Benefit Period

The benefit period for an *insured* ends on the earliest of the following dates:

- a. the date on which the insurance is cancelled (see section **D. Termination of insurance coverage**);
- b. the date the *insurer* has made 84 monthly benefit payments to the *creditor*;
- c. the date on which the *insured* ceases to provide written proof that he is still *totally disabled*;
- d. the date on which the *insured* refuses to be examined by a *physician* chosen by the *insurer*;
- e. the date on which the *insured* is no longer *totally disabled*;
- f. the date on which the *insured* has resumed actively working for wages or profit;
- g. the date on which the *insured* retires and receives a pension amount.

Medical evidence

Any *borrower* or *co-borrower* applying for an amount of insurance that is greater than the amount indicated on the certificate under the heading “**MAXIMUM INSURED AMOUNT**” is required to provide medical evidence to the *insurer* and complete a health questionnaire. If he answers “Yes” to any of the health questions on the health questionnaire, his application for insurance will be underwritten.

In this case, the *administrator* will contact him/her in order to obtain additional medical information. If necessary the *administrator* may ask him/her to undergo a medical examination or other types of examinations at his own expense.

If the application for insurance is approved, the *administrator* will send a *Confirmation of Insurance* by regular mail within 30 days of receiving the required information.

Proof of insurance

If your application for insurance is accepted, you will receive a letter within 30 days after signing the application for insurance confirming that you are insured.

Renewal of insurance

Once the insurance period has expired, it cannot be renewed.

CAUTION

C. Exclusions, limitations and reductions

Exclusions applicable to all insurance

No benefit is payable if death, *total disability* or *critical illness* results directly or indirectly from:

- 1. a pre-existing condition* (the effect of this exclusion is no longer applicable to an *insured* once his coverage has been in force for a period of 12 months or more; however this exclusion applies for the whole duration of the insurance if the *insured* is *totally disabled* at issuance of the insurance);**
- 2. the *insured's* service, whether as a combatant or non-combatant, in the armed forces of any country.**

***Pre-existing condition:**

Any physical or medical condition, illness or *disease* suffered by an *insured* for which the person received *medical advice* within the 12-month period prior to the effective date of the coverage.

Exclusions applicable to life insurance (all cause death or accidental death)

No benefit is payable if death results directly or indirectly from:

1. suicide, whether or not the *insured* was sane or insane, during the 2-year period immediately following the effective date of the insurance;
2. war, any act of war, whether war be declared or not, insurrection or a criminal act or attempted criminal act by the *insured*;
3. the operation of an aircraft, watercraft or land vehicle, while the *insured's* blood alcohol level exceeds the legal limit or while he is under the influence of narcotics.

Exclusions applicable to disability insurance (6 months, *accident* and *sickness, accident only*)

No benefit is payable for a *total disability* resulting directly or indirectly from:

1. self-inflicted *injury* or attempted suicide, whether the *insured* is sane or insane;
2. war, any act of war, whether war be declared or not, insurrection or a criminal act or attempted criminal act by the *insured*;
3. the operation of an aircraft, watercraft or land vehicle, while the *insured's* blood alcohol level exceeds the legal limit or while he is under the influence of narcotics;
4. alcoholism, drug use or medication abuse, other than as prescribed and administered by or in accordance with the instruction of a *physician*;
5. birth defects, organ donation, plastic or elective surgery, uncomplicated pregnancy, child birth or abortion.

Exclusions applicable to *critical illness* insurance

Some insurance plans include *critical illness* insurance. Exclusions that apply to a specific *critical illness* are described under their respective definitions on page 12 of this Distribution Guide.

No benefit is payable for a *critical illness* resulting directly or indirectly:

1. within 90 days following the effective date of coverage of the *insured*, in a diagnosis of cancer or any symptoms or medical problems commenced and initiated investigations leading to the subsequent diagnosis of cancer;
2. from self-inflicted *injury* or attempted suicide, whether the *insured* is sane or insane;
3. from alcoholism, drug use or medication abuse, other than as prescribed and administered by or in accordance with the instruction of a *physician*.

Limitations and restrictions applicable to all insurance

1. If the *borrower* and *co-borrower* are both insured and die simultaneously, only one death benefit will be paid. Similarly, if the *borrower* and *co-borrower* are both insured and are *totally disabled* or diagnosed with a *critical illness* at the same time, each will be assessed separately but the total benefit payable will at no time exceed the insured amount.
2. Late monthly payments, accrued interest thereon, as well as financing charges are not covered under the insurance.

Restriction applicable to life insurance

A death will be considered accidental only if it occurs within 90 days of the *accident*.

Limitations and restrictions applicable to disability insurance

1. The balance due at the end of a leasing contract is not covered.
2. No benefit is payable for any period of time when the *insured* is not in Canada or in the United States of America.

D. Termination of insurance coverage

Insurance will automatically terminate on the earliest of the following dates:

- the date the *loan* is fully paid off;
- the date the collateral property is sold, repossessed or a court judgement is rendered in connection with such collateral property;
- the date the *loan*, lease or buyback *loan* agreement is terminated, cancelled, amended or renegotiated;
- the expiry date shown on the insurance application;
- the day the *insured* or either of the insureds die;
- in the case of life insurance, the day the *insured* turns 73;
- in the case of *total disability* and *critical illness* insurance, the day the *insured* turns 65;
- the date a request for cancellation is received from the *insured*;
- the date on which a 15-year period from the effective date of the insurance has elapsed.

All claims submitted for an event that occurred before the termination of this insurance coverage will be dealt with in accordance with the terms of this insurance even if the claim is submitted after the coverage has terminated.

E. Cancellation of insurance

You can cancel your insurance at any time by sending a written notice to the *administrator* at the following fax number: 819-373-3177. You can also contact your car dealer or the *administrator* by calling 1-877-451-3888. Please note that if you cancel your insurance, the *insurer* is no longer responsible for any benefit payments, but your *loan* contract remains in effect.

If you cancel your insurance, a premium may be refunded. The payment, if any, will be made to your *creditor*, unless the *insurer* receives satisfactory proof that your *loan* has been paid off.

The premium is totally refunded if:

- your application for insurance is declined by the *insurer*;
- you are not eligible for the insurance;
- you choose to cancel the insurance within 20 days after the effective date of the insurance.

In all other cases, the amount of premium is refunded according to the following:

- based on the Rule of 78 formula. However, a pro-rata refund is calculated for the following creditors:
 - ◊ Ford Credit Canada;
 - ◊ Lincoln Automotive Financial Services;
 - ◊ Volkswagen Credit Canada;
 - ◊ Toyota Credit Canada;
 - ◊ Financial Services Nissan Canada;
 - ◊ Honda Canada Finance;
 - ◊ Credit Linx.
- cancellation fees (specified on your insurance certificate) will be deducted from the refundable amount. However, no cancellation fees are deducted for the following creditors:
 - ◊ Ford Credit Canada;
 - ◊ Lincoln Automotive Financial Services;
 - ◊ Volkswagen Credit Canada;
 - ◊ Toyota Credit Canada;
 - ◊ Financial Services Nissan Canada;
 - ◊ Honda Canada Finance;
 - ◊ Credit Linx.

- all benefit payments made will be deducted from the refundable amount. However, no benefit payment is deducted from the refundable amount for the following creditors:
 - ◊ Ford Credit Canada;
 - ◊ Lincoln Automotive Financial Services;
 - ◊ Volkswagen Credit Canada;
 - ◊ Toyota Credit Canada;
 - ◊ Financial Services Nissan Canada;
 - ◊ Honda Canada Finance;
 - ◊ Credit Linx.
- amounts of less than \$5 will not be refunded;
- the policy fee is not refundable.

If your insurance terminates on the date the security for the Loan is repossessed, is sold or becomes the subject of a court judgement and your creditor is Ford Credit, Pro-rata refunds will be issued and total claims paid under this insurance as well as the applicable cancellation fee will not be deducted from the premium credit.

The Rule of 78 formula is a formula by which the refundable premium is calculated based on a fraction using a numerator (N) and a denominator (D) that both depend on the actual and planned duration of the insurance contract: $N \times (N + 1) / D \times (D + 1)$, where N = number of months remaining and D = total number of months scheduled in the insurance contract.

Example of a calculation using the rule of 78 formula:

The term of your insurance contract is 60 months, but you choose to cancel your contract after 10 months. You paid a premium of \$350, including policy fees of \$50. Therefore, N = 50 and D = 60 and the calculation is the following: $\frac{50 \times (50 + 1)}{60 \times (60 + 1)} = 0.6967$.

We will reimburse you $(\$350 - \$50) \times 0.6967 = \$209.01$, less the cancellation fees.

The pro-rata refund method is a formula by which the refundable premium is calculated based on the time that has elapsed since the beginning of the insurance. The premium paid is multiplied by the following fraction: N/D , where N = number of months remaining and D = total number of months scheduled in the insurance contract.

Example of a calculation using the pro-rata refund method:

The term of your insurance contract is 60 months, but you choose to cancel your contract after 10 months. You paid a premium of \$350, including policy fees of \$50. Therefore, N = 50 and D = 60 and the calculation is the following: $\frac{50}{60} = 0.8333$.

We will reimburse you $(\$350 - \$50) \times 0.8333 = \$249.99$.

Required documents

To rescind your insurance, you can use the "Notice of Rescission of an Insurance Contract" available in the appendixes section of this Distribution Guide.

The notice requesting the cancellation of insurance must be dated and signed by the *borrower* and the *co-borrower*, if any, of the insurance.

If you have repaid the totality of your *loan*, you must send a copy of the *loan* discharge.

The written request for cancellation must be accompanied by a copy of your application for insurance completed and signed.

F. Other information

For additional information concerning this insurance product, you can contact the *insurer* for the administration of this insurance:

SSQ, Life Insurance Company Inc.
2525 Laurier Blvd, P.O. Box 10500
Station Sainte-Foy
Quebec, Quebec G1V 4H6
clientele@ssq.ca
1-800-463-5525

3. CLAIMS

If you submit a claim, the *insurer* will ask you to provide documents proving your entitlement to benefits.

A. Submitting a claim

The person submitting the claim needs to complete a claim form. In order to obtain a claim form and the instructions needed to complete it, he can:

- call the *administrator* at: 1-888-307-7443; or
- fax the request to the *administrator* (819-373-3177) indicating:
 - ◊ the address the claim form should be sent to;
 - ◊ the telephone number where the claimant can be reached; or
- write to the *administrator* at the address specified under section **F – Other information** above.

B. Required documents for submitting a claim

Life Insurance Claims

The following documents are required by the *insurer*:

- *loan* details, to be completed by the *creditor*;
- a copy of the application for insurance;
- a claim statement, to be completed by the spouse or the liquidator of the deceased *insured*;
- authorization allowing the Régie de l'assurance maladie du Québec (RAMQ) to provide us with an extract of the deceased's file;
- an original death certificate;
- all complementary medical documents that may be requested by the *insurer*.

Only the spouse of the deceased *insured*, his liquidator/executor and the *creditor* are authorized to submit a claim for Life Insurance benefits.

If you have chosen “accidental death” coverage, the benefit will be paid only if the death results from an *accident*.

Disability Insurance Claims

The following documents are required by the *insurer*:

- *loan* details, to be completed by the *creditor*;
- a copy of the application for insurance;
- a statement to be completed by the attending *physician* of the *insured*;
- all complementary medical documents that may be requested by the *insurer*.

Only the *insured*, his legal representative, if any, and the *creditor* are authorized to submit a claim for disability insurance benefits.

If you have chosen “*accident only*” *total disability*, the benefit will be paid only if the *total disability* results from an *accident*.

Critical Illness Insurance Claims

The following documents are required by the *insurer*:

- *loan* details, to be completed by the *creditor*;
- a copy of the application for insurance;
- a statement to be completed by the attending *physician* of the *insured*;
- all complementary medical documents that may be requested by the *insurer*.

Only the *insured*, his legal representative, if any, and the *creditor* are authorized to submit a claim for *critical illness* insurance benefits.

C. Applicable delays for submitting a claim

The claim form and the required documents must be received by the *insurer*:

- for a life insurance claim, within the 12 months following the date of death;
- for a disability insurance claim, within the 90 days following the date *total disability* begins;
- for a *critical illness* insurance claim, within the 12 months following the date of diagnosis.

Failure to file the claim within the time period specified may result in benefits not being paid, unless the individual filing the claim proves that he was unable to submit the documents earlier.

Notes:

- ◇ If your form is incomplete, there will be a delay in processing your claim.
- ◇ The *insured* must undergo any medical examination required by the *insurer*.
- ◇ You must also provide the information or documentation that has been requested by the *insurer*.

- ◇ If you do not satisfy the *insurer's* requirements, the *insurer* will not be obligated to make claim payments.
- ◇ As long as you have not satisfied all of the *insurer's* requirements, you will be responsible for making the required payments of your *loan*.

D. Insurer's reply

The *insurer* will adjudicate the claim as soon as it is received. You will receive a letter from the *insurer* to inform you of the following:

- that your claim has been accepted; or
- that your claim has been denied and the reason for the denial; or
- that your form is incomplete (the missing documents will be listed); or
- that additional information is required.

Notes:

- ◇ Generally, the *insurer* will send a letter within 30 days of receiving the claim form.
- ◇ If the *insurer* determines that benefits are payable based on the initial documents received, a cheque will be issued to the *creditor* within 30 days of receiving the claim.
- ◇ It is important that you continue to make regular *loan* payments until a decision has been made.
- ◇ If your claim is approved, the *insurer* will send you a confirmation of the benefits that will be paid directly to the *creditor*.

E. Appeal of the insurer's decision and recourses

Should your claim be denied, you may appeal the decision by writing to the *insurer* within 2 years of the date of the denial.

You must include in your letter:

- the reasons for your appeal;
- any additional documents that may be required for your appeal.

Your appeal will be reviewed and the *administrator* will send you a letter confirming the *insurer's* response to your appeal. Normally, the *administrator* sends this letter within 2 weeks of receiving your appeal.

You can also contact the Autorité des marchés financiers (AMF) or your legal advisor to obtain further advice on appeal procedures. Or you can contact the *insurer* at the following numbers: 418-651-7000 or 1-800 463-5525.

4. SIMILAR PRODUCTS

This insurance coverage was developed specifically to protect you with respect to your *loan* and is not intended to replace any personal other insurance coverage that you may have.

There are other insurance products on the market that may offer similar insurance coverage as those described in this Distribution Guide.

5. AUTORITÉ DES MARCHÉS FINANCIERS

For more information regarding the *insurer's*, the *administrator's* and the distributor's contractual obligations towards you, you can contact the Autorité des marchés financiers:

Autorité des marchés financiers
Place de la Cité, Tour Cominar
2640, bld. Laurier, 4th floor
Quebec, Quebec G1V 5C1

Phone: 418-525-0337 (Quebec City); 514-395-0337 (Montreal Area)

Elsewhere in Quebec: 1-877-525-0337

Fax: 418-525-9512

Email: information@lautorite.qc.ca

6. DEFINITIONS

Accident: Means an unintentional, sudden, unforeseen and unpredictable event due to a violent external cause and resulting, directly and independently of any other cause, in bodily *injury*.

Administrator: Means SSQ, Life Insurance Company Inc., a company located at 2525 Laurier Blvd, P.O. Box 10500, Station Sainte-Foy, Quebec, Quebec G1V 4H6, which administers the group policy.

Beneficiary: Means the party to whom benefits are paid under the terms of the insurance policy. The beneficiary of this insurance is your *creditor*.

Borrower (co-borrower): Means a customer(s) of the *policyholder* who has enrolled for coverage under the group policy and who satisfies the conditions of eligibility.

Confirmation of Insurance: Means a letter of acceptance mailed to the applicant by the *administrator* officially confirming the insurance coverage being approved if medical underwriting was required.

Creditor: Lending institution or organization that has granted a *loan*, lease or buyback *loan* agreement to the *insured*.

Critical Illness: One of the following conditions, diagnosed by a *physician*:

- a. **Heart Attack** – The diagnosis of the death of a portion of the heart muscles, resulting from the blockage of one or more coronary arteries due to atherosclerotic heart disease. The diagnosis must be based on all of the following criteria occurring at the same time: a) new episode of typical chest pain or equivalent symptoms, b) new electro-cardiographic (ECG) changes indicative of an acute myocardial infarction and c) biochemical evidence of myocardial necrosis (heart muscle death) including elevated cardiac enzymes and/or troponin.

Exclusions: Lesser acute coronary syndromes including unstable angina and acute coronary insufficiency are specifically excluded.

- b. **Coronary Artery Bypass Surgery** – The undergoing of heart surgery to correct narrowing or blockage of one or more coronary arteries with bypass grafts. The surgery must be recommended by a cardiologist licensed and practicing in Canada.

Exclusions: Non-surgical techniques NOT covered by this definition include:

- Balloon angioplasty;
- Laser embolectomy; or
- Other non-bypass techniques.

- c. **Stroke** – The unequivocal diagnosis by a neurologist of the death of brain tissue caused by thrombosis, embolism or hemorrhage. The diagnosis must be based on all of the following: a) sudden onset of new neurological symptoms, b) new objective neurological deficits on clinical examinations persisting continuously for at least sixty (60) days following the diagnosis of the stroke and c) new findings on CT scan or MRI, if done, consistent with the clinical diagnosis.

Exclusions: This definition specifically excludes Transient Ischemic Attacks (TIA's).

- d. **Life-Threatening Cancer** – The diagnosis of a malignancy, which is characterized by the uncontrolled growth of cancer cells with invasion of tissue.

Exclusions: The following conditions are excluded under this definition:

- Early prostate cancer, Diagnosed as T1A N0 M0 and T1B N0 M0 or equivalent staging;
- Non-invasive cancer (in situ);
- Pre-malignant lesions, benign tumours or polyps;
- Any skin cancer other than invasive malignant melanoma greater than 0.75 mm;
- Any tumour in the presence of any Human Immunodeficiency Virus (HIV).

Injury or accidental bodily injury: Bodily injury caused by an *accident* occurring while this insurance is in force.

Insured: The *borrower* and/or the *co-borrower*, as of the date the *insurer* approves their application form.

Insurer: SSQ, Life Insurance Company Inc.

Loan: Amount granted to the *insured* by the *creditor* for buying or leasing a car on the effective date of the coverage, excluding any late monthly payments and any accrued interest thereon.

Medical advice: Medical consultation, treatment, care or services, including diagnostic tests and the use of drugs prescribed by a *physician*.

Physician: Doctor of medicine, other than the *insured* or an immediate family member, who is licensed to practise medicine in Canada.

Policyholder: The organisation for whom a group insurance policy was established and who is authorized by the *insurer* to offer insurance to the *borrower*.

Sickness or disease: Alteration of the state of health, resulting from internal or external causes, creating symptoms and signs and revealing itself by the impairment of physiological functions or an *injury*.

Survival Period: Thirty (30) days following the date of diagnosis or the date of surgery for Coronary Artery Bypass Surgery.

Total disability or Totally disabled: A continuous state of incapacity, resulting from a *sickness* or *disease*, including when related to pregnancy, an *injury* or an *accident* that prevents the *insured* during the first 12 months of total disability, from performing all of the usual and customary duties of his own occupation; and thereafter, from performing any gainful occupation for which the *insured* is reasonably qualified by training, education or experience. For a total disability to be recognized, the condition of the *insured* must require regular and continuous medical care provided by a *physician* or an appropriate specialist and considered satisfactory by the *insurer*.

Waiting period: The number of consecutive days following the date your total disability commenced before monthly benefits become payable, as indicated on the front of the application form.

APPENDIXES

NOTICE OF RESCISSION OF AN 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.

- ◇ The Act allows you to rescind an insurance contract you have just signed when signing another contract, without penalty, within 10 days of its signature. However, the insurer allows 20 days to do so without penalty. To do so, you must give the insurer notice by registered mail within that period of time. You may use the attached form for this purpose.
- ◇ Despite the rescission of the insurance contract, the first contract entered into retains all of its effects. Caution: it is possible that you may lose favorable conditions obtained as a result of this insurance contract; contact your distributor or consult your contract.
- ◇ After expiry of the 20-day period, you may cancel the insurance at any time; however, penalties may apply.

For further information, you can contact L'Autorité des marchés financiers at 418-525-0337 in Quebec City, at 514-395-0337 in the Montreal Area or by using the toll free line at 1-877-525-0337.

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To: SSQ, Life Insurance Company Inc.
2525 Laurier Blvd., P.O. Box 10500, Station Sainte-Foy
Quebec, Quebec G1V 4H6

Date: _____
(Date of notice)

Pursuant to section 441 of the Act respecting the distribution of financial products and services,
I hereby rescind my enrolment to the insurance policy number: _____
(Insurance policy number)

entered into on: _____
(Date of signature of the Application for Insurance)

at: _____
(Place of signature of the Application for Insurance)

(Name of client)

(Signature of client)

The distributor must fill this section at time of purchase.

This document must be sent by registered mail.

The law articles 439, 440, 441, 442 and 443 shall appear on the back of this notice.

EXCERPTS FROM AN ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES (R. S. Q., Chapter D-9.2)

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 Autorité, stating that the client may rescind the insurance contract within 10 days of signing it."

Art. 441 "A client may rescind an insurance contract made at the same time as another contract, within 10 days of signing it, by sending notice by registered or certified mail.

Where such an insurance contract is rescinded, the first contract retains all its effects."

Art. 442 "No contract may contain provisions allowing its amendment in the event of rescission or cancellation by the client of an insurance contract made at the same time.

However, a contract may provide that the rescission or cancellation of the insurance contract will entail, for the remainder of the term, the loss of the favourable 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 required 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 the regulation of the Autorité, 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 rescinds, cancels 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."

