

Term Plus

Coverage in the event of total disability

The Total Disability Rider under the Term Plus coverage helps to cover financial obligations in the event of disability. It provides a monthly indemnity so you can continue to make loan payments and meet your other financial obligations.

Two options are available:

- **Disability rider with guarantee – Proof of loan upon purchase:** Monthly indemnity payments of up to \$2,000 if proof of loan and financial obligations is provided at the time of purchase.
- **Disability rider without guarantee – Proof of loan upon claim** Proof of loan is required at the time of claim.

Available indemnity periods:

2 years, 5 years or up to age 65.

Coverage that evolves with your needs

The monthly indemnity amount must be based on loans and financial obligations as well as monthly payments. A needs analysis allows for tailored coverage. Revising it frequently with an advisor is essential.

Needs analysis

Name of client: _____

A stay-at-home spouse or spouse on parental leave: ☐ Yes ☐ No (if yes, maximum monthly indemnity is \$1,000)

Loans to insure	Balance	Payments	Loan and financial obligation already insured?*	Monthly indemnity requested
Mortgage loan	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Mortgage line of credit	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Personal lines of credit	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Personal loan	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Car loan	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Student loan	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
Other loans and financial obligations				
	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$
	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Total	\$	\$	Insurance needs Use this amount in section C of the insurance application.	

A loan or financial obligation already covered under other disability insurance is not eligible. For the indemnity period up to age 65, only residential mortgage loans or mortgage lines of credit are eligible for the Disability rider with guarantee – Proof of loan upon purchase.

X
Signature of client: _____

Y Y Y Y M M D D
Date

X
Signature of advisor: _____

Y Y Y Y M M D D
Date

Eligibility

The insured person must:

- Purchase Term Plus life insurance;
- Work for 8 months or more a year;
- Work at least 21 hours a week or 92 hours per month.

Eligible loans and financial obligations

To be eligible for coverage in the event of total disability

- The loan must have been contracted from a financial institution in Canada.
- The object of the loan or financial obligation must be located in Canada.
- The insured person must be the holder of the loan or financial obligation.
- The required monthly payment amount and the loan balance must be indicated on the lender's document.
- The required monthly payment amount for the financial obligation must be indicated in the document.

Eligible loans

- Mortgage loan or line of credit
- Personal loan or line of credit
- Loan for the purchase or lease of a vehicle (car, motorcycle, boat or recreational vehicle)
- Student loan
- Commercial loan
- Investment loan (as long as the object of the loan does not generate rental income)

* When Disability rider with guarantee – Proof of loan upon purchase is selected with an indemnity period up to age 65:

- At the time of purchase, only residential mortgage loans or lines of credit are eligible.
- At the time of the claim, if evidence of insurability is required, all types of eligible loans and financial obligations are accepted.

Ineligible loans

- Loans between individuals and credit card balances
- Any loan already covered under another disability insurance policy

Benefit for a stay-at-home spouse or spouse on parental leave

- Eligible for a maximum monthly indemnity of up to \$1,000 for an indemnity period of 2 years only.

Note that a spouse on parental leave must have a regular eligible occupation according to our criteria to be eligible for the maximum amount of \$1,000.

Eligible financial obligations*

- Lease for housing or commercial premises¹
- School and municipal taxes²
- Condominium fees²
- Spousal/child support¹

1. Two-year indemnity period only

2. In addition to a residential mortgage loan or line of credit

Loan for an apartment building with rental units

A loan for a rental property is considered eligible if:

- The insured person is a resident owner of the property;
- The building contains no more than 6 units, including the one occupied by the insured person.

Loan for a building housing a business

A loan for a commercial building is considered eligible if:

- The insured person owns the business or company;
- The business or company occupies at least 50% of the building's livable space;
- The business income comes from the activity carried out at that location.

Lease for commercial premises

The lease is considered eligible if:

- It contains the name of the insured person or the name of their business or company;
- It pertains to a building occupied by the insured person's business or company;
- The insured person's income comes from the activity carried out at that location.

Benefit payable in the event of total disability

Disability rider with guarantee – Proof of loan upon purchase

A maximum amount of \$2,000 may be guaranteed when proof of eligible loans, financial obligations and monthly payments is provided at the time of purchase.

At the time of claim

If the monthly indemnity amount indicated in the policy is \$2,000 or less:

- No additional proof of loans or financial obligations is required at the time of claim and the payable benefit is equal to the monthly indemnity amount indicated in the policy.

If the monthly indemnity amount indicated in the policy exceeds \$2,000:

- Proof of loans, financial obligations and monthly payments is required at the time of claim to justify the amount of the monthly indemnity amount indicated in the policy that exceeds \$2,000. Proof of loans, financial obligations and monthly payments to be provided must be for the full amount of the monthly indemnity and not only for the amount exceeding \$2,000.

In such a case, the payable benefit corresponds to the highest of the following amounts:

- \$2,000;
- The total eligible monthly payments, without exceeding the monthly indemnity amount indicated in the policy.

Disability rider without guarantee – Proof of loan upon claim

The payment is based on the proof of loan and financial obligations provided at the time of claim and the eligible monthly payment amounts.

At the time of claim, the payable benefit corresponds to the lowest of the following amounts:

- The monthly indemnity amount indicated in the policy;
- The total eligible monthly payments at the time of claim.