

PRODUCT SUMMARY

Credit Life, Critical Illness & Disability Insurance, Form F7202QE



Offered by:



Questions? Concerns? Contact FCIC:

320 Sioux Road, Sherwood Park, Alberta T8A 3X6

- **Toll Free:** 1-800-561-3242
- **Local:** 780-467-9575
- **Fax:** 780-467-4016
- **Email:** insurance@firstcanadian.ca
- **AMF License #:** 12007

Offered through the following distributor:

Place label for Distributor here:

*** Label must include name, address, email, phone, fax of Distributor.

PRODUCT SUMMARY

Credit Life, Critical Illness & Disability Insurance, Form F7202QE

This summary is not your insurance policy. Please refer to the Application and Certificate of Insurance for complete terms, conditions, limitations and exclusions. Definitions for any terms showing in bold and italics can be found in the "Definitions" section of the Application and Certificate of Insurance.

WHO CAN BENEFIT?

Coverage is designed for you if:

Life Insurance

- you have financed or leased a vehicle,
- you are in general **Good Health**,
- you are 18 years or older, but not yet 70, and
- you want to ensure your family doesn't have to worry about a debt in the event of your death.

Critical Illness Insurance

- you have financed or leased a vehicle,
- you are in general **Good Health**,
- you are 18 years or older, but not yet 70, and
- instead of making a vehicle payment, you would prefer to have those funds available for medical expenses or personal/family enjoyment in the event you are diagnosed with a **Critical Illness**.

Disability Insurance

- you have financed or leased a vehicle,
- you are in general **Good Health**,
- you are 18 years or older, but not yet 66, and
- you are currently working, but worry about making your payments if you get sick or injured.

Please see the "Eligibility of Persons Covered" section of the Application and Certificate of Insurance for full eligibility requirements.

WARNING: FCIC relies on your certification that you are in **Good Health** in accepting your application for insurance. If you make any fraudulent misrepresentations regarding your **Good Health**, FCIC has the right to void your insurance and retain all premiums. If you are uncertain about being in **Good Health** at the time of purchase, please contact FCIC at 1-800-561-3242 to speak to one of our representatives.

WHAT ARE THE BENEFITS?

Life Insurance

- Pays off your insured loan or lease up to \$250,000.00 in the event of your death. This coverage is designed to leave your family with an asset as opposed to a liability.
- Get up to 120 months of coverage.
- Customize your plan:
 - ✓ Customer only, Co-Signer only and Joint coverage plans available
 - ✓ Optional **Dismemberment** coverage available

Critical Illness Insurance

- Pays off your insured loan or lease up to \$250,000.00 if you are diagnosed with a **Critical Illness**.
- **Critical Illnesses** include Heart Attack, Stroke, Life Threatening Cancer, Paralysis, Major Organ Transplant.
- Get up to 120 months of coverage.
- Customize your plan:
 - ✓ Customer only, Co-Signer only and Joint coverage plans available

Disability Insurance

- Covers your monthly payments to a maximum of \$3,000 per month if you become **Totally Disabled** and cannot work. This coverage is designed to protect your credit while you face a decreased income.
- Get up to 96 months of coverage.
- Customize your plan:
 - ✓ Customer only, Co-Signer only and Joint coverage plans available
 - ✓ Several **Waiting Period** options available
 - ✓ Insure 100% of your loan or lease payment, or just a portion of it
 - ✓ Choose between disability coverage that protects your loan payments for the full coverage term and 12-Month Critical Period disability coverage that will make up to 12 benefit payments over the coverage term.

WHAT DOES IT COST?

Premiums are based on:

- 1.** INSURED MONTHLY PAYMENT
- 2.** TERM OF COVERAGE SELECTED
- 3.** INSURANCE OPTIONS SELECTED

Age, gender, health and occupation do not affect your insurance premium. Premium is fixed (meaning it won't change over time) and it is added to the principal amount of your loan or lease so premium payments are included in your regular monthly payment amount. Applicable provincial sales tax on insurance premiums will be added to the cost of your insurance.

The following is a summary of exclusions and limitations to this coverage. For full details, please refer to the "Exclusions and Limitations" section of the Application and Certificate of Insurance.

Exclusions - FCIC will not pay your claim if your death, **Dismemberment**, **Critical Illness** or **Total Disability** results from any of the following:

- A **Pre-Existing Illness, Disease, or Physical Condition** occurring within the first 24 months of coverage
- Cosmetic or elected surgery
- War or any act of war
- An act of terrorism
- Any pandemic-like outbreak
- Suicide occurring within the first 24 months of coverage (exceptions made for medically assisted suicide)
- An intentionally self-inflicted injury
- Operation of a motor vehicle while impaired beyond the legal limit
- Participation in a criminal act
- Intentional taking of a poisonous gas or substance
- Illness, disease, or death resulting from un-prescribed alcohol or drug use
- HIV or AIDS
- Travel in or descent from any kind of aircraft (except as a passenger on a commercial flight)
- Not following reasonable medical treatment as prescribed by a doctor
- **Total Disability** resulting from pregnancy, childbirth, or termination of pregnancy
- A **Critical Illness** claim will not be paid if:
 - you do not survive 30 days following the diagnosis of the **Critical Illness**,
 - you present with symptoms of cancer or are diagnosed with cancer within 90 days of purchasing this insurance, or
 - the same or similar **Critical Illness** was diagnosed prior to purchasing this insurance.

Limitations:

- In the event of joint coverage, where both you and your insured co-signer die, are diagnosed with a **Critical Illness** or become **Totally Disabled** at the same time, FCIC will not make twice the benefit payments. Benefit payments are restricted as if only one insured has died, is diagnosed with a **Critical Illness** or is off work due to a **Total Disability**.
- After a **Total Disability** exceeds 12 consecutive months, benefit payments will only be made if you are prevented from performing the duties of any occupation within the range of your education, training, or experience (not just the occupation you held before becoming sick or injured).
- No more than 6 benefit payments will be made in total for the full term of your policy for disability claims resulting from nervous, mental, psychological, or psychiatric conditions.
- No more than 2 benefit payments will be made for disability claims resulting from disease or disorder of the neck or back, unless you are under the care of a **Specialist**.
- Only one **Life Benefit** is payable per certificate. For instance, if a **Life Benefit** has been paid to you in connection with a **Critical Illness**, no further benefits will be paid out if you die during the insurance term.
- No more than 12 benefit payments will be made in total for the full term of your policy if you purchase 12-Month Critical Period coverage.

GOOD TO KNOW:

Maximum coverage amounts vary based on your age at time of purchase.

Type of Insurance	Age of insured on Effective Date	Maximum Insured Amount	To a Maximum Term of:
Life, Critical Illness & Dismemberment	18-59 yrs	\$250,000	120 months
	60-69 yrs	\$100,000	120 months
Disability	18-65 yrs	\$3,000 /mth	96 months

- ✓ If you have other insurance with FCIC, then these "Maximum Insured Amounts" apply to all loans and leases insured by FCIC combined.
- ✓ Coverage expires on the 73rd birthday of the eldest insured customer.

Be aware that benefits may not fully cover your financial obligations under your loan or lease contract if:

- the finance or lease contract term is greater than the insurance term,
- the total amount financed or leased is greater than the maximum coverage,
- if you choose a partial payment option for Disability coverage, or
- if you choose the 12-Month Critical Period coverage option.

MAKING A CLAIM

To get Life, Critical Illness or Disability Insurance Claim Application forms:



Call FCIC's Life and Disability Claims Department at 1-800-561-3242



Email insclaims@firstcanadian.ca



Visit FCIC's website at www.firstcanadian.ca



Contact the dealership where you purchased the insurance

You (or your estate) will need to fill out a Claimant's Statement to provide general details about the claim and an Information Release Form so that we can obtain additional information on your behalf if necessary. You will also need to have your doctor complete a form, and your employer (in the case of a Disability claim).

There is a 3-year time limit for making a life insurance claim, and a 1-year time limit for making any other type of claim. Additionally, if Disability claim forms are received more than 90 days after your **Total Disability** begins, benefit payments will be paid from no earlier than 90 days prior to the date that claim forms were received.

Benefit decisions are provided in writing within 30 days of receiving the information required to make a decision. As soon as claims are approved, FCIC sends benefit payments directly to your lender on your behalf. In the event a claim is denied, FCIC will provide the reason for the denial in writing.

You can appeal FCIC's decision if the initial claim is denied by writing to the Claims Manager and providing additional information or documentation to support your position, which was not submitted with the original claim. Please see the Complaints section on our website for our full Complaints Handling Protocol.

CANCELLATION OF INSURANCE:

30-day no penalty cancellation period.

You may cancel your insurance coverage at any time during the term of the policy. You are entitled to a full refund of premium if cancellation is requested within 30 days of purchase. We require a "Termination of Coverage" form to be completed, which you can obtain from our office or from the dealership where the insurance was purchased. You can also use the Notice of Rescission of an Insurance Contract, which will be provided to you with your Certificate of Insurance.

Refunds are calculated using the following formula:

(Premium x "Rule of 78" x 80%) less any paid claims, less an administration fee of \$50 per coverage type.

The "Rule of 78" is an industry standard mathematical formula defined as:

$$((A-B) \times (A-B+1)) / (A \times (A+1))$$

where 'A' equals the term of insurance in months and 'B' equals months of insurance used.

Example: A customer purchased 84 months of Disability coverage at a cost of \$1500. The policy has been in force for 24 months when the customer decides it is no longer needed. No claims had ever been made under the policy.

In calculating this customer's refund, A = 84 and B = 24.

$$\text{Rule of 78} = ((84-24) \times (84-24+1)) / (84 \times (84+1))$$

$$= (60 \times 61) / (84 \times 85)$$

$$= 3,660 / 7,140$$

$$= 0.51 \text{ (or 51\%)}$$

$$\text{Refund} = (\$1,500 \times 0.51 \times 0.8) - \$50$$

$$= 612 - 50$$

$$= \$562$$

For more information about cancelling your insurance, please contact FCIC's Cancellations department at 1-800-561-3242, email cancel@firstcanadian.ca, or see the "Termination of Coverage" and "Refund of Unearned Premium" sections of the Application and Certificate of Insurance.



320 SIOUX ROAD
 SHERWOOD PARK, ALBERTA
 T8A 3X6
 PHONE: 1-800-561-3242
 780-467-9575
 FAX: 780-467-4016
 EMAIL: insurance@firstcanadian.ca

APPLICATION AND
 CERTIFICATE OF INSURANCE

GENERAL INFORMATION

CUSTOMER Surname		First Name	Initial	Sex	Date of Birth
Address		Apt. No.	City	Province	
Postal Code	Home Phone	Work Phone	Customer Email		
CO-SIGNER Surname		First Name	Initial	Sex	Date of Birth
Address		Apt. No.	City	Province	
Postal Code	Home Phone	Work Phone	Co-Signer Email		

DEALERSHIP **DEALER #**

FINANCE CONTRACT INFORMATION

FINANCIAL INSTITUTION	FINANCE CONTRACT DATE	
AMOUNT FINANCED	APR	BALLOON OR RESIDUAL PAYMENT
PAYMENT AMOUNT AND FREQUENCY	FINANCE CONTRACT TYPE (LOAN OR LEASE)	FINANCE CONTRACT TERM/AMORTIZATION PERIOD (IN MONTHS)
VIN	THIRD PARTY DETERMINATION: Check here if you are entering into the Finance Contract or purchasing this Certificate on behalf of a person who is not the Customer or Co-Signer. <input type="checkbox"/>	

ELECTION OF COVERAGE

<p>LIFE AND DISMEMBERMENT INSURANCE MAXIMUM COVERAGE AGE 18 - 59 IS \$250,000* MAXIMUM COVERAGE AGE 60 - 69 IS \$100,000* MAXIMUM TERM IS 120 MONTHS</p> <p>I elect the following coverage: <input type="checkbox"/> Customer only <input type="checkbox"/> Co-Signer only <input type="checkbox"/> Joint coverage <input type="checkbox"/> Dismemberment</p>	<p>CRITICAL ILLNESS INSURANCE MAXIMUM COVERAGE AGE 18 - 59 IS \$250,000* MAXIMUM COVERAGE AGE 60 - 69 IS \$100,000* MAXIMUM TERM IS 120 MONTHS</p> <p>I elect the following coverage: <input type="checkbox"/> Customer only <input type="checkbox"/> Co-Signer only <input type="checkbox"/> Joint coverage</p>	<p>DISABILITY INSURANCE MAXIMUM COVERAGE AGE 18 - 65 IS \$3,000 PER MONTH MAXIMUM TERM IS 96 MONTHS MUST BE PERMANENTLY EMPLOYED 12-MONTH CRITICAL PERIOD - A MAXIMUM OF 12 DISABILITY BENEFITS WILL BE PAYABLE</p> <p>I elect the following coverage: <input type="checkbox"/> Customer only <input type="checkbox"/> Co-Signer only <input type="checkbox"/> Joint coverage <input type="checkbox"/> Disability <input type="checkbox"/> 12-Month Critical Period</p>
DECREASING BALANCE TERM LIFE INSURANCE	DECREASING BALANCE TERM CRITICAL ILLNESS INSURANCE	WAITING PERIOD (IN DAYS)
COVERS THE AMOUNT FINANCED NOT INCLUDING THE END VALUE OR ANY PORTION OF THE END VALUE	COVERS THE AMOUNT FINANCED NOT INCLUDING THE END VALUE OR ANY PORTION OF THE END VALUE	<input type="checkbox"/> RETROACTIVE WAITING PERIOD <input type="checkbox"/> ELIMINATION WAITING PERIOD
INSURANCE TERM (IN MONTHS)	INSURANCE TERM (IN MONTHS)	PARTIAL PAYMENT OPTION _____ % (of payment insured)
LIFE PREMIUM \$	CRITICAL ILLNESS PREMIUM \$	INSURED MONTHLY PAYMENT \$
END VALUE LIFE INSURANCE	END VALUE CRITICAL ILLNESS INSURANCE	DISABILITY INSURANCE DOES NOT COVER THE END VALUE OR ANY PORTION OF THE END VALUE
END VALUE INSURED \$	END VALUE INSURED \$	INSURANCE TERM (IN MONTHS)
INSURANCE TERM (IN MONTHS)	INSURANCE TERM (IN MONTHS)	DISABILITY PREMIUM \$
END VALUE LIFE PREMIUM \$	END VALUE CRITICAL ILLNESS PREMIUM \$	
*Only one Life Benefit is payable under this Certificate		TOTAL PREMIUM \$

I confirm that (a) I have received all five pages of this Certificate, and (b) I decline any coverage(s) not elected by me on page one of this Certificate after considering and understanding the benefits of such declined coverage(s).

Customer initials _____ Co-Signer initials _____

SIGNATURE REQUIRED ON SECOND PAGE

DISCLOSURE STATEMENT TO CUSTOMER

- A. With respect to the coverage provided hereunder, if we accept this application, you will be enrolled in a policy of group insurance and this Certificate is evidence of that coverage. All coverage under this Certificate will be provided by FCIC.
- B. The Dealership represents FCIC in arranging this coverage. The Dealership will receive a commission from FCIC in respect of this transaction. You are not obligated to purchase this Certificate or any further insurance or products from FCIC or the Dealership.
- C. All benefits payable under this Certificate are subject to the terms, conditions, exclusions, and limitations contained in this Certificate.
- D. **This Certificate may not cover the Amount Financed. In no circumstance will FCIC's obligation to you exceed the Maximum Coverage (as defined in section 1, "Definitions") and coverage will be reduced to ensure that such threshold is not exceeded in any circumstance.**
- E. **PRIVACY NOTICE:** FCIC collects personal information for the purposes of verifying your identity and personal background, evaluating insurance risk, setting premiums, marketing products to you, administering this coverage and investigating claims. A copy of this completed Certificate will be provided to your Financial Institution. All personal information received by FCIC will be retained only as long as is necessary to fulfill the purposes for which it was collected, in accordance with FCIC's Privacy Policy, which is available at home.firstcanadian.ca/privacy-policy/, or as otherwise required or permitted by law. You can review your personal information by providing a request in writing to the attention of FCIC's Privacy Officer. Telephone calls to or from FCIC's head office may be recorded for quality assurance and training purposes.



CUSTOMER ACCEPTANCE AND APPROVAL

TO BE READ AND UNDERSTOOD BY THE CUSTOMER AND CO-SIGNER BEFORE SIGNING:

- A. I apply for the coverage set out in the Election of Coverage. I have received a copy of this Certificate as evidence of that coverage.
- B. If I am applying for disability insurance coverage, I confirm that I am Permanently Employed (as defined in section 1, "Definitions").
- C. I certify that the information I provided is true and complete, and I understand that any false or incomplete information provided by me in respect of this coverage may cause my coverage to be voided.
- D. I certify that I am in Good Health (as defined in section 1, "Definitions"), and I acknowledge that FCIC will rely on my certification that I am in Good Health in accepting my application for coverage. If I have made any fraudulent misrepresentations regarding my Good Health, FCIC has the right to void my coverage and retain all of the Premium (as defined in section 1, "Definitions").
- E. I represent and warrant that the address I have provided on page one of this Certificate is accurate in all respects and that I will provide FCIC with notice of any change in my address. I acknowledge and agree that I will be deemed to have received any notice or other correspondence delivered by FCIC to the address I have provided on page one of this Certificate or to any other address that I notify FCIC is my then current address.
- F. In the event of my death, I authorize the release to FCIC of my medical records, including (but not limited to) a statement of benefits paid from a Provincial or Territorial health care provider.
- G. Coverage begins as of the Effective Date (as defined in section 1, "Definitions").
- H. If I have other coverage with FCIC, I understand the Maximum Coverage limits apply to the combined amounts of coverage provided by FCIC under all certificates of creditor group insurance covering me.
- I. I have read the Privacy Notice on page two of this Certificate and consent to the collection, use and disclosure of my personal information.
- J. I understand that coverage is voluntary and that I have 30 days from the Effective Date to cancel coverage for a full refund of the Premium. I understand that if I cancel coverage within such 30 day period, coverage will be deemed not to have been in effect.
- K. I have been offered the option to purchase all types of coverage offered by this Certificate, as outlined in the Election of Coverage, and have willingly chosen the coverage elected on page one of this Certificate.

I HAVE READ ALL OF THE INFORMATION CONTAINED IN THIS CERTIFICATE. I CONFIRM THAT THE DEALERSHIP'S MANAGEMENT HAS FULLY DISCLOSED THE TERMS AND CONDITIONS OF THIS CERTIFICATE, INCLUDING EXCLUSIONS OF COVERAGE FOR ANY PRE-EXISTING ILLNESS, DISEASE, OR PHYSICAL CONDITION WITHIN 24 MONTHS OF THE EFFECTIVE DATE, WHICH MAY LIMIT OR INVALIDATE MY CLAIM. I AM CURRENTLY IN GOOD HEALTH.

Please confirm ELECTION OF COVERAGE on page one is correct before signing.

Customer Application Date

Please confirm ELECTION OF COVERAGE on page one is correct before signing.

Co-Signer Application Date

THIS CERTIFICATE MUST BE ENTIRELY AND LEGIBLY COMPLETED

1. DEFINITIONS

Unless otherwise defined in this Certificate, capitalized terms used in this Certificate have the meaning indicated on page one or as set out below:

"APR" stands for "Annual Percentage Rate", which means the cost of borrowing disclosed in the Finance Contract.

"Certificate" means this application and certificate of insurance, including these terms and conditions.

"Civil Code" means the *Civil Code of Québec*, as amended.

"Critical Illness" means diagnosis of any of the following covered conditions, which first occurs after the Effective Date:

- (a) Life Threatening Cancer: The new diagnosis of a malignant tumor characterized by uncontrolled growth and spread of malignant cells and the invasion of tissues, **but not including any one or more of the following:**
 - (i) Pre-malignant lesions, benign tumors, or benign polyps;
 - (ii) Any skin cancer other than malignant melanoma invading into the dermis greater than a depth of 0.7mm;
 - (iii) Chronic lymphocytic leukemia;
 - (iv) Kaposi's sarcoma;
 - (v) Non-invasive cancer in situ;
 - (vi) Early prostate cancer (Stage A or T₁N₀M₀);
 - (vii) Stage 1 Hodgkin's disease;
 - (viii) Stage A colon cancer;
 - (ix) Intraductal non-invasive carcinoma of the breast; or
 - (x) Stage 0 or 1 transitional cell carcinoma of the urinary bladder.
- (b) Heart Attack: The death of a portion of the heart muscle (myocardium) resulting from blockage of at least one of the coronary arteries to the relevant area. Diagnosis must be based on both new electrocardiographic (ECG) changes and elevation of cardiac (heart) enzymes.
- (c) Stroke: The diagnosis of a cerebrovascular incident for which you suffer from a permanent, measurable, neurological deficit, for which a Specialist must provide supporting evidence. This incident must be caused by an infarction of brain tissue, hemorrhage, or embolism from an extra-cranial source. Transient Ischemic Attacks (TIA) are specifically excluded.
- (d) Major Organ Transplant: The diagnosis of a permanent failure of at least one of your following organs: liver, kidneys, lungs, entire heart, or bone marrow (including bone marrow transplants where your own bone marrow is extracted for treatment and re-infused into you). Your condition must medically warrant transplantation, and you must be accepted into

a recognized transplant program (if transplant has not already occurred). Transplantation means the replacement of your malfunctioning organ(s) or tissue, with organ(s) or tissue from a suitable donor under generally accepted medical procedures.

- (e) Paralysis: The complete and permanent loss of use of two or more of your limbs as a result of paralysis for a continuous period of 90 days or more. No benefit will be payable if you become paralysed as the result of a self-inflicted injury.

"Disability Benefit" means, during a period of Total Disability, the lesser of the following amounts:

- (a) the Insured Monthly Payment as indicated in the Election of Coverage;
- (b) the monthly amount required to amortize the Amount Financed assuming a standard amortization schedule over the Amortization Period of the Finance Contract; or
- (c) the Maximum Coverage.

For greater certainty, the "Disability Benefit" does not include any accrued interest, overdue amounts, missed payments, skipped payments, or late payment charges, nor does it include the End Value or any portion of the End Value. Amortization schedules and present values will be calculated using the APR.

"Dismemberment" means the complete severance of one arm or one leg at or above the wrist or ankle joint, or the complete and irrecoverable loss of the sight of one eye.

"Effective Date" means the later of: (a) the Finance Contract Date, (b) the date that funds are advanced by the Financial Institution under the Finance Contract, or (c) the Application Date.

"End Value" means the net balance outstanding under the Finance Contract at the end of the Insurance Term including any Balloon or Residual Payment.

"End Value Insured" means the insured portion of the End Value as set out in the Election of Coverage. If no End Value Insured is disclosed in the Election of Coverage, the End Value Insured is zero.

"FCIC" means First Canadian Insurance Corporation.

"Finance Contract" means the loan or lease agreement between the Financial Institution and the Customer or Co-Signer, or both, as the case may be, pursuant to which the Vehicle and associated products, including, but not limited to, extended warranties or additional insurance, if any, as well as any taxes and fees associated with any of the foregoing, were financed for the Amount Financed.

“Good Health” means the absence of any illness, disease, or physical or mental condition (including, but not limited to, cancer, terminal illness or end-stage disease) or any reason to seek medical attention for any illness, disease, or physical or mental condition (including, but not limited to, cancer, terminal illness or end-stage disease) that is likely to affect your life expectancy or future ability to work.

“Insured” means the Customer only, the Co-Signer only, or the Customer and Co-Signer jointly as set out in the Election of Coverage, provided such person is eligible for coverage. The singular “Insured” includes the plural “Insureds” if there is more than one Insured. “I”, “me”, “my”, “you”, and “your” refer to the Insured. For clarity, Customer and Co-Signer designations in this Certificate will be independent of, and may not match, any comparable designation in the Finance Contract.

“Life Benefit” means, on the date of death, Critical Illness, or Dismemberment, the lesser of the following amounts, subject to reduction as provided in this definition:

- (a) (i) if the Finance Contract is a loan, the net balance outstanding, or (ii) if the Finance Contract is a lease, the present value of the payments remaining due during the Insurance Term plus the present value of any End Value outstanding; and
- (b) the amortized Amount Financed assuming a standard amortization schedule over the Amortization Period of the Finance Contract.

The **“Life Benefit”** will be reduced by the present value on the date of death, Critical Illness, or Dismemberment of the amount, if any, by which the End Value exceeded the End Value Insured on the Effective Date. If the Amount Financed exceeds the Maximum Coverage, the **“Life Benefit”** will be calculated as though the Amount Financed were equal to the Maximum Coverage.

For greater certainty, the **“Life Benefit”** does not include any End Value in excess of the End Value Insured, accrued interest, overdue amounts, missed payments, skipped payments, or late payment charges. Amortization schedules and present values will be calculated using the APR.

“Maximum Coverage” means the following amounts:

- (a) with respect to the combined amount of life, Critical Illness, and Dismemberment insurance coverage provided by FCIC under all certificates of creditor group insurance covering you,
 - (i) \$250,000 if on the Effective Date you are 18 years of age or older, but not yet 60 years of age, or
 - (ii) \$100,000 if on the Effective Date you are 60 years of age or older, but not yet 70 years of age; and
- (b) with respect to the combined amount of disability insurance coverage provided by FCIC under all certificates of creditor group insurance covering you, \$3,000 per month.

“Maximum Term” means the following maximum terms of coverage:

- (a) with respect to life, Critical Illness, and Dismemberment insurance coverage, 120 months from the Effective Date; or
- (b) with respect to disability insurance coverage, 96 months from the Effective Date.

“Natural Person” means one living person, and excludes a corporate body, association, or partnership.

“Permanently Employed” describes a Natural Person who is actively employed in an occupation that generates taxed income (to the extent that income must be reported to the Canada Revenue Agency) and meets the following conditions:

- (a) in all cases other than Seasonal Employment, the person must work a minimum of 25 hours per week during each of the following periods, and must have paid employment insurance premiums in connection with the work performed during such periods:
 - (i) the 30 days immediately before the Effective Date and the 30 days immediately before the onset of the Total Disability, and
 - (ii) any 20 weeks in both the year immediately before the Effective Date and the year immediately before the onset of the Total Disability; or
- (b) in the case of Seasonal Employment, the person must work a minimum of 25 hours per week for at least 13 consecutive weeks in both the year immediately before the Effective Date and the year immediately before the onset of the Total Disability, and must have paid employment insurance premiums in connection with the work performed during such periods.

“Pre-existing Illness, Disease, or Physical Condition” means any illness, disease, or physical condition for which any medical advice, treatment, service, prescribed medication, diagnosis, or consultation (including consultation to investigate or diagnose where a diagnosis has not yet been made) was obtained or recommended, that you were waiting to obtain, or that a prudent person would have sought during the six month period immediately before the Effective Date. An illness, disease, or physical condition is a **“Pre-existing Illness, Disease, or Physical Condition”** irrespective of whether it was disclosed by you in any application for coverage or any verbal declaration to any party.

“Premium” means the Total Premium stated in the Election of Coverage.

“Seasonal Employment” means employment in an industry in which the practice is to regularly layoff or terminate employees and call them back to work during specific, identifiable, and predictable periods of time each calendar year due to seasonal changes in the weather or due to other natural factors that limit the availability of work. For clarity, Seasonal Employment does not include work stoppages caused by unanticipated factors such as work shortages, plant shutdowns, or labour disputes.

“Specialist” means a medical doctor who is certified in a medical or surgical specialty, is in good standing, is licensed in and practicing in Canada, and is not you or related to you.

“Total Disability” means a medically determinable illness, disease, or physical condition that prevents you from performing the duties of your occupation for remuneration or profit and that is subject to the regular and periodic care of an independent physician. Lack of work, or a significant reduction in work, in the field in which you have training, education or experience, including, but not limited to, as a result of increased automation, does not qualify as having a **“Total Disability”** or entitle you to Disability Benefits.

“Vehicle” means the vehicle to which the Finance Contract applies.

“Waiting Period” means the number of consecutive days following the date that your Total Disability commenced after which Disability Benefits become payable as set out in the Election of Coverage.

The sections and headings used in this Certificate, including any sub-headings in the definition of Critical Illness, are used for convenience only and do not in any way affect the meaning of the language in this Certificate or its scope or intent.

2. PREMIUM

The coverage provided by this Certificate will not take effect unless the Premium is stated in the Election of Coverage and has been paid to FCIC. If the Premium is advanced as part of the Finance Contract, the Premium is deemed to have been paid to FCIC on the Effective Date.

3. ELIGIBILITY OF PERSONS COVERED

You will be eligible for coverage only if on the Effective Date you are a Natural Person, are in Good Health, have entered into a Finance Contract, and have completed the Election of Coverage.

For greater certainty, the Insured may include a guarantor of the Finance Contract, so long as such guarantor is a Natural Person and is a party to the Finance Contract.

In the case of life, Critical Illness, and Dismemberment insurance coverage, on the Effective Date you must be 18 years of age or older, but not yet 70 years of age.

In the case of disability insurance coverage, on the Effective Date: (a) you must be 18 years of age or older, but not yet 66 years of age, and (b) you must be Permanently Employed.

If a portion of the Premium is collected from an ineligible person, FCIC's liability will be limited to the return of such portion of the Premium (subject to Section D of the Customer Acceptance and Approval on page two of this Certificate).

4. LIFE AND DISMEMBERMENT INSURANCE COVERAGE

If life insurance coverage is elected, FCIC will pay the Life Benefit as at the date of your death. If Dismemberment insurance coverage is elected, FCIC will pay the Life Benefit as at the date of your Dismemberment.

If the deaths or Dismemberments of the Customer and Co-Signer covered jointly by this Certificate occur simultaneously, FCIC will pay only a single amount equal to the Life Benefit.

5. CRITICAL ILLNESS INSURANCE COVERAGE

If Critical Illness insurance coverage is elected, FCIC will pay the Life Benefit as at the date a Specialist diagnoses you with a Critical Illness.

In the event that the Customer and Co-Signer covered jointly by this Certificate have a Critical Illness at the same time, FCIC will pay only a single amount equal to the Life Benefit.

6. DISABILITY INSURANCE COVERAGE

If disability insurance coverage is elected, FCIC will pay the Disability Benefit for so long as you have a continuous Total Disability that exists longer than the Waiting Period. To be eligible for Disability Benefits, you must be Permanently Employed at the onset of any Total Disability.

If the 12-Month Critical Period is elected, FCIC will make no more than 12 Disability Benefit payments during the Insurance Term.

If you elected a Retroactive Waiting Period, payment will be calculated from the first day of Total Disability. If you elected an Elimination Waiting Period, payment will be calculated from the day following the Waiting Period. After the Waiting Period, successive periods of Total Disability caused by the same illness, disease, or physical condition separated by less than one month of continuous employment are considered a continuation of the same period of Total Disability and are not subject to a new Waiting Period.

You have a duty to mitigate your losses in the event of a Total Disability. A failure to mitigate such losses may result in a denial of Disability Benefits.

In the event that the Customer and Co-Signer covered jointly by this Certificate have a Total Disability at the same time, FCIC will pay only a single amount equal to the Disability Benefit.

Should an amount be payable for a period shorter than one month, the Disability Benefit will be pro-rated.

7. EXCLUSIONS AND LIMITATIONS

7.1 Exclusions - General

FCIC will have no liability (except to refund unearned premiums) if you are not eligible for the coverage elected or if the death, Dismemberment, Critical Illness, or Total Disability results from or is caused or contributed to, directly or indirectly, by any of the following:

- (a) a Pre-existing Illness, Disease, or Physical Condition where death, Dismemberment, Critical Illness, or Total Disability occurs within 24 months of the Effective Date;
- (b) cosmetic or elected surgery, including complications arising from the surgery, whether occurring prior to or after the Effective Date;
- (c) war or any act of war, whether declared or not;
- (d) an act of terrorism;
- (e) any pandemic-like outbreak, whether declared or not;
- (f) suicide, whether you are sane or insane, within 24 months of the Effective Date, except, with respect only to life insurance coverage, where the suicide is a medically assisted suicide performed in compliance with the laws of Canada and a licensed physician provides evidence that you were likely to die during the Insurance Term;
- (g) an intentionally self-inflicted injury, whether you are sane or insane;
- (h) operation of a motorized vehicle while impaired by drugs or alcohol beyond the legal limit;
- (i) participation in a criminal act, including the illegal use of drugs;
- (j) the intentional taking of any poisonous gas or substance of any kind;
- (k) illness, disease, or death resulting from alcohol or drug use (except the use of drugs legally prescribed by a licensed physician and used in the prescribed dosage and according to the licensed physician's and licensed pharmacist's instructions);
- (l) Human Immunodeficiency Virus (HIV or AIDS) or related condition which first manifested itself or was diagnosed prior to the Effective Date;
- (m) travel in or descent from any kind of aircraft, except as a fare paying passenger with no duties whatsoever on a commercial flight;
- (n) being negligent or non-compliant in seeking and/or following reasonable medical treatment, consultation, care or services including diagnostic measures as prescribed by a licensed physician.

FCIC will have no liability if the Total Disability results from or is caused or contributed to, directly or indirectly, by pregnancy, childbirth, or termination of pregnancy.

7.2 Exclusions - Critical Illness Insurance Coverage

A Life Benefit for a Critical Illness will not be paid in the event of any one or more of the following:

- (a) you do not survive 30 days following the diagnosis of the Critical Illness;
- (b) you present with symptoms of cancer or are diagnosed with cancer within 90 days immediately following the Effective Date; or
- (c) the same or similar Critical Illness, including any contributive condition, was diagnosed prior to the Effective Date.

7.3 Limitations

- (a) The Life Benefit is limited to the Maximum Coverage. If you are covered by FCIC under more than one certificate of creditor group insurance, the Life Benefit will be reduced such that the combined amount payable by FCIC upon your death, Critical Illness, or Dismemberment under all certificates of creditor group insurance does not exceed the Maximum Coverage.
- (b) The Life Benefit may not cover the Amount Financed. For example, if the Amount Financed under the Finance Contract is greater than the Maximum Coverage, or if the Finance Contract Term is greater than the Insurance Term, then the Life Benefit may not fully cover your obligations under the Finance Contract.
- (c) Only one Life Benefit is payable under this Certificate. If a Life Benefit has been paid to you in connection with a Critical Illness, no Life Benefit will be payable on your death or Dismemberment.
- (d) Disability Benefits are limited to the Maximum Coverage and Maximum Term. If you are covered by FCIC under more than one certificate of creditor group insurance, the Disability Benefit will be reduced such that the combined amount payable by FCIC during the period of Total Disability under all certificates of creditor group insurance does not exceed the Maximum Coverage.
- (e) The Disability Benefits may not cover the Amount Financed. For example, if the Amount Financed or the Payment Amount under the Finance Contract is greater than the Maximum Coverage, or if the Finance Contract Term is greater than the Insurance Term, or if the Partial Payment Option has been elected, or if the 12-Month Critical Period has been elected, then the Disability Benefits may not fully cover your obligations under the Finance Contract. Disability insurance coverage does not cover the End Value or any portion of the End Value and you remain solely responsible for this amount.
- (f) After a Total Disability exceeds 12 consecutive months, Disability Benefits will not be paid unless the illness, disease, or physical condition (i) prevents you from performing the duties of any occupation for remuneration or profit within the range of your education, training, or experience, and (ii) is subject to the ongoing regular and periodic care of an independent physician.
- (g) In the case of one or more Total Disabilities that result from or are caused or contributed to, directly or indirectly, by nervous, mental, psychological, or psychiatric conditions, including (but not limited to) stress, anxiety, depression, and bi-polar disorders, Disability Benefits are limited to six months. For greater certainty, under no circumstances will more than six Disability Benefit payments be made in aggregate for the full Insurance Term in respect of one or more Total Disabilities resulting from the foregoing.

- (h) In the case of one or more Total Disabilities that result from or are caused or contributed to, directly or indirectly, by disease or disorder of the neck or back, including (but not limited to) the lumbar, thoracic, or cervical spine, Disability Benefits are limited to two months unless you are under the care of a Specialist such as a neurologist, neurosurgeon, physiatrist, orthopaedic surgeon, or a rheumatologist. For greater certainty, under no circumstances will more than two Disability Benefit payments be made in aggregate for the full Insurance Term in respect of one or more Total Disabilities resulting from the foregoing if you are not under the care of one of the foregoing Specialists.
- (i) In the case of death caused by medically assisted suicide performed in compliance with the laws of Canada, FCIC will pay the Life Benefit as at the date death was likely to have occurred if death had not been caused by a medically assisted suicide, which date is to be determined by a licensed physician.
- (j) In the case where the 12-Month Critical Period has been elected, the total amount of Disability Benefits payable during the Insurance Term will not exceed 12 times the Insured Monthly Payment amount indicated in the Election of Coverage.
- (k) If you have made any fraudulent misrepresentations regarding your Good Health on the Application Date, FCIC has the right to void your coverage and retain all of the Premium.

8. TERMINATION OF COVERAGE

Coverage under this Certificate will terminate on the earliest of the following:

- (a) the date that FCIC mails a written notification to you that this application for coverage is declined;
 - (b) with respect to a particular type of coverage, upon completion of the Insurance Term as stated in the Election of Coverage;
 - (c) with respect to a particular type of coverage, upon completion of the applicable Maximum Term;
 - (d) upon completion of the Finance Contract Term;
 - (e) the date the Finance Contract is fully discharged, rewritten, or revised unless otherwise approved by FCIC;
 - (f) the date the Financial Institution has demanded payment of the amount then outstanding under the Finance Contract because of default thereunder; the date that the Vehicle or any other property provided as security under the Finance Contract is sold, repossessed, or becomes subject to a court order or bankruptcy proceeding, or the date the Financial Institution first attempted to seize or repossess the Vehicle or any other property provided as security under the Finance Contract if such efforts were not successful;
 - (h) the date FCIC receives from the Customer and Co-Signer, if any, written notice to terminate coverage, except that in the event such notice is received within 30 days of the Effective Date, coverage will be deemed not to have been in effect;
 - (i) in the case of disability insurance coverage only, the date you retire;
 - (j) in the case of disability insurance coverage only, if the 12-Month Critical Period has been elected, when FCIC has made a total of 12 Disability Benefit payments during the Insurance Term;
 - (k) upon FCIC's payment of the Life Benefit; or
 - (l) upon the eldest Insured reaching age 73.
- You have no conversion privileges or other rights upon termination of coverage.

9. REFUND OF UNEARNED PREMIUMS

On termination of coverage, you may apply for a refund of the unearned premium by providing notice in writing to FCIC. Within 30 days of the receipt of such notice, FCIC will pay the appropriate refund to the Financial Institution, or if the Finance Contract is fully discharged, to you.

The refund will be calculated either on the effective date of the termination of coverage or 90 days before the date you requested a refund, whichever is later. The refund amount **will not** be calculated pro-rata, but will be calculated as follows: (Premium x "Rule of 78" x 80%) less any paid claims, less an administration fee of \$50 per coverage type. The "Rule of 78" is an industry-standard mathematical formula used to calculate unearned premium as follows:

$$\frac{(A-B) \times (A-B+1)}{A \times (A+1)}$$

where
"A" equals the Insurance Term in months; and
"B" equals the number of expired months of coverage.

You are entitled to a full refund of Premium if requested within 30 days of the Effective Date. FCIC will provide a refund table to you upon request.

10. CLAIMS

Written notice of claim must be submitted to FCIC within 30 days of the event giving rise to the claim. With respect only to life insurance claims, if it is not reasonably possible to submit notice of claim within such 30 day period, it must be submitted to FCIC as soon as reasonably possible, and in no event more than three years after your death.

Claim forms are available from FCIC by telephoning 1-800-561-3242, by emailing insurance@firstcanadian.ca, or by writing to the address indicated on page one of this Certificate. All expenses incurred in connection with providing a notice of claim or a proof of claim will be borne by you.

In every case, the claim payment will be made to the Financial Institution and will completely discharge FCIC's liability under this Certificate.

Life, Critical Illness, and Dismemberment Insurance Claims

In the case of death, Critical Illness, or Dismemberment, proof of claim must be received within one year after the event giving rise to the claim. With respect only to life insurance claims, if it is not reasonably possible to submit proof of claim within such one year period, it must be received by FCIC as soon as reasonably possible, and in no event more than three years after your death.

In verifying any claim in respect of your death, Critical Illness, or Dismemberment, FCIC will be entitled to receive satisfactory proof of your date of birth, proof of death, Critical Illness, or Dismemberment and the circumstances causing or contributing to your death, Critical Illness, or Dismemberment, and proof from the Financial Institution that the Finance Contract had not been paid out, discharged, re-written, or revised before your death, Critical Illness, or Dismemberment.

Disability Insurance Claims

In the case of Total Disability, proof of claim must be submitted promptly. If proof of claim is received more than 90 days after the event giving rise to the claim, Disability Benefits will be calculated from no earlier than 90 days prior to the date that proof of claim was received. In no event will a proof of claim be considered valid when submitted more than one year after the event giving rise to the claim.

In verifying any claim in respect of your Total Disability, FCIC will be entitled to receive satisfactory proof of your date of birth, proof of the Total Disability and the circumstances causing or contributing to the Total Disability, a detailed statement of the treatment prescribed in respect of the Total Disability, satisfactory proof from time to time of the continuation of the Total Disability, proof from the Financial Institution that the Finance Contract had not been paid out, discharged, re-written, or revised before or during any period of Total Disability, and income tax returns and notices of assessment from the Canada Revenue Agency and from the Ministère de revenu du Québec to verify that you were Permanently Employed and had a Total Disability at all relevant times. FCIC, at its own expense, will have the right and opportunity to have you examined from time to time with respect to the Total Disability by a physician chosen by FCIC. The expense of providing periodic medical updates will be borne by you.

Disability Benefits will be paid monthly in arrears on receipt of the necessary forms.

11. DISPUTES

In the event of a dispute, claim, or controversy arising out of or relating to this Certificate, please contact FCIC directly by telephoning 1-800-561-3242 and asking to speak with a customer service representative. If you are dissatisfied with the response, please refer to the complaints resolution process available at home.firstcanadian.ca/complaints/.

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 Civil Code, or other applicable legislation.

Questions about refunds, coverage, transfer of coverage, or claims may be asked by telephoning 1-800-561-3242, by emailing insurance@firstcanadian.ca, or by writing to the address indicated on page one of this Certificate.

SAMPLE



320 Sioux Road, Sherwood Park, Alberta T8A 3X6

- **Toll Free:** 1-800-561-3242 • **Local:** 780-467-9575 • **Fax:** 780-467-4016
- **Email:** insurance@firstcanadian.ca • **AMF License #:** 12007

More information about our obligations to you can be found on the
Autorité des marchés financiers' website: www.lautorite.qc.ca