CERTIFICATE OF INSURANCE SPECIMEN

Loan Insurance

Group Insurance 9000-A
Life, Accidental Dismemberment and Disability Insurance

Insurer:	**Insurance Distributor:**
iA Financial Group	LAURENTIAN BANK
Industrial Alliance Insurance and Financial Services Inc. 2200 McGill College Avenue, Montréal, QC, H3A 2S6 Phone: 1-800-361-6002, Fax: 1-514-499-3773	Laurentian Bank of Canada 1360 René-Lévesque Boulevard West, Suite 600 Montréal, Quebec H3G 0E5 Phone: 1-800-252-1846

For the purposes of this certificate, the masculine form includes the feminine unless a different meaning is required from the context. In addition, the singular shall include the plural where required.

1. Definitions

Unless indicated otherwise, terms used herein retain their usual meaning. However, the terms in **bold and italic** in this document have the following meanings:

Accident: a sudden and unforeseen event resulting from an external cause that results in physical injury directly and independently of any other cause, as certified by a physician. This definition excludes any form of *Illness* or degenerative process, any infection other than an infection resulting from a cut or apparent external injury, accidentally sustained or an inguinal, femoral, umbilical or abdominal hernia.

Healthcare Professional: any healthcare professional who is a member in good standing of his corporation or professional association and who practises within the scope of his qualifications, as prescribed by law.

Illness: any health deterioration requiring regular continuous and curative medical attention by a physician, and considered satisfactory by the *Insurer*, and whose failure to receive such care would result in a deterioration of the person's state of health.

Insured Person: a person who meets the eligibility criteria for insurance as set out in section 2. *Eligibility*, a person who has enrolled in the insurance in accordance with section 3. *Enrolment and Effective Date of Insurance* and whose insurance coverage is in force.

Loan: either a personal loan, a *Mortgage Loan,* a personal line of credit or a mortgage line of credit granted by the Laurentian Bank of Canada.

Mortgage Loan: a Mortgage Loan consisting of either a single facility or a multiple facility Mortgage Loan granted by the Laurentian Bank of Canada.

Paid Work: a work for which the *Insured Person* receives a salary from his employer or a work for which the *Insured Person* is paid as a self-employed worker for the performance of work or the provision of services.

Personally Liable: a borrower, co-borrower or guarantor.

Total Disability: state of incapacity that prevents the *Insured Person* from performing each and every one of the regular duties of his regular employment during the waiting period and for 12 months after that time period. If this condition persists for more than 12 months, it must prevent the *Insured Person* from performing any *Paid Work* for which his training, education and experience have adequately prepared him. The disability must be certified by a physician and result from an *Accident* or *Illness* and require continuous medical care. If the *Insured Person* is unemployed at the onset of the disability, the state of disability is that which prevents him from performing each of the normal activities of a person of the same age.

2. Eligibility

Each person who wishes to apply for insurance must meet the following criteria on the date the application is submitted:

For the Life and Accidental Dismemberment Insurance Coverage:

- Be between the ages of 18 and 64, inclusively;
- Be a full-time resident of Canada;
- Be *personally liable* for a *Loan*; and

- Choose this insurance to guarantee the reimbursement of a *Loan* while considering the limits set forth in Section 7.2 *For the Life Insurance Coverage* and the maximum amount of coverage defined in Section 7.1 *Maximum Insurance Coverage*.

For the Disability Insurance Coverage:

- Be between the ages of 18 and 59, inclusively;
- Be a full-time resident of Canada;
- Have performed *Paid Work* for at least 4 consecutive weeks preceding the insurance application, as a permanent employee for a minimum of 20 hours per week or as a self-employed worker; and
- Choose this insurance to guarantee the reimbursement of a personal *loan* or a *Mortgage Loan* while considering the limits set forth in section 7.4 *For the Disability Insurance Coverage* and the maximum amount of coverage defined in section 7.1 *Maximum Insurance Coverage*.

3. Enrolment and Effective Date of Insurance

Enrolment to the insurance is optional. It is possible to enrol either for the life and accidental dismemberment insurance benefit, or to enrol for the life and accidental dismemberment insurance benefit and the disability insurance benefit. It is not possible to apply for disability insurance coverage on its own.

For a *Mortgage Loan* or a line of credit, it is always possible to enrol for the insurance. For a personal loan, enrolment to the insurance is only possible at the time of the loan application.

The application for insurance must be made using the application for insurance form provided for this purpose. As indicated in section 4 of this form, the *Insurer* may have to review the application, based on the amount of the insurance coverage requested, and the answers provided in subsections 4.1 and 4.2 of this form.

Insurance coverage begins:

- If no analysis is required by the *Insurer* under section 4 of the application for insurance form: at the latest of the date of signature of the application for insurance form and the date on which the Laurentian Bank of Canada disburses the funds;
- If an analysis is required by the *Insurer* under the section 4 of the application for insurance form: the latest of the date on which the *Insurer* accepts the insurance application and the date on which the Laurentian Bank of Canada disburses the funds.

If the eligibility criteria are not met or if the application for insurance is refused by the *Insurer* at the end of its review, no insurance will be granted and any premium paid will be refunded.

3.1 Temporary Insurance Coverage

If an analysis is required by the *Insurer* under section 4 of the application for insurance form, the person who has filled out the application for insurance will benefit from a temporary insurance coverage during this analysis period, up to a maximum of 90 days starting on the date of the signature of the application for insurance form. In the event of death resulting directly from an *Accident* occurring during this period, the

Insurer will pay the Laurentian Bank of Canada the life insurance benefit calculated in accordance with Section 7. *Insurance Coverage*.

4. Premium

The amount of the premium payable to the *Insurer* is stated on the application for insurance. The amount is determined by the *Loan* type, amount, and term, as well as the number of insured persons, their age, and the insurance coverage chosen. For a personal loan, the premium payment options are stated on the application for insurance.

For a *Mortgage Loan*, the premium is collected periodically and continues to be payable even if an *Insured Person* is in a state of *Total Disability*.

For a credit line, the premium is collected periodically. The premium rate will be adjusted upon a change in the *Insured Person*'s age group or upon periodic review. The premium rates can be found in the summary or in the group insurance policy 9000-A.

5. Termination of Insurance

The *Insured Person* may terminate the insurance at any time, provided he submits a request to the *Insurer*.

If the termination request is received in the first 20 days following the signature of the application for insurance form, the insurance will be cancelled, and any premium collected will then be refunded.

Coverage terminates on the first day of the month following the first of the following events:

a) The *Loan* covered by the insurance has been paid in full;

b) The date on which the *Loan* covered by the insurance is assumed by another financial institution;

c) For the life and accidental dismemberment insurance coverage, when the *Insured Person* reaches the age of 70;

d) For the disability insurance coverage, when the *Insured Person* reaches the age of 65;

e) The refinancing or increase of the *Mortgage Loan* or line of credit covered by the insurance;

f) When the premium payment or monthly payment is over two monthly instalments in arrears (this applies only to the *Mortgage Loan* and the line of credit);

g) The date on which the *Insured Person* requests that his insurance be cancelled under this contract;

h) The date on which the property given as security is taken in payment by the Laurentian Bank of Canada, is sold, is the object of a legal disposition or is the object of an order to seize;

i) The date on which the *Insured Person* is no longer personally liable for the *Loan* covered by the insurance;

j) The date of the *Insured Person*'s death;

k) Upon the termination of the group insurance policy 9000-A (Loan Insurance);

l) Clauses c), d) and i) apply individually to each *Insured Person*.

For a *Mortgage Loan* or a line of credit, all premium withdrawals will cease on the next billing cycle.

For a personal loan for which a single premium has been paid, a portion of the premium will be refunded, calculated in accordance with the formula set out in the group insurance policy 9000-A. No premium reimbursement lower than $5 will be issued.

6. Acknowledgement of Previous Insurance in case of Refinancing or Increase

Notwithstanding paragraph e) of Article 5. *Termination of insurance*, the *Insurer* will recognize the insurance that was in force immediately prior to the refinancing of the *Mortgage Loan* or the increase in the line of credit covered by this insurance, if the following conditions are met:

- A new application for insurance was submitted to the *Insurer* in the context of refinancing the *Mortgage Loan* or increasing the line of credit that was previously covered by the insurance;

- Eligibility criteria for the insurance are met on the date of the new application; and

- The *Insurer* refused the new application for insurance following their analysis under section 4 of the application form.

The insurance coverage granted will be:

- For a *Mortgage Loan*: the balance and duration of the *Mortgage Loan* covered by the insurance on the date prior to the refinancing or increase;

- For a line of credit: the coverage granted, at the time the previous insurance took effect.

7. Insurance Coverage

Any benefit payable under this insurance will be paid by the *Insurer* to the Laurentian Bank of Canada for the benefit of the *Insured Person*, to be applied to the *Loan* covered by the insurance.

7.1. Maximum Insurance Coverage

The maximum insurance coverage is $750,000 for all *Loans* covered by the group insurance policy 9000-A for the same *Insured Person*. In addition, the cumulative amount covered by the group insurance policy 9000-A for a single *Insured Person* may not exceed $750,000 at any time.

7.2. For the Life Insurance Coverage

Upon the death of the *Insured Person*, the *Insurer* shall pay to the Laurentian Bank of Canada the lesser of the following amounts, subject to Section 7.1 *Maximum Insurance Coverage*:

For a *Mortgage Loan*:

i) The insured balance of the *Mortgage Loan*, without arrears, immediately prior to the *Insured Person*'s death plus interest accrued since the date of death; or

ii) Part of the loan balance covered by the insurance, calculated on the basis of the coverage granted in accordance with Section 6. *Acknowledgement of Previous Insurance in case of Refinancing or Increase*; or

iii) $750,000.

For a Personal Loan:

i) The balance of personal loan covered by the insurance, without arrears, immediately prior to the *Insured Person*'s death plus interest accrued since the date of death; or

ii) $750,000.

For a Line of Credit:

i) The insured balance due on the line of credit, without arrears, immediately prior to the *Insured Person*'s death plus interest accrued since the date of death; or

ii) The average of the last 3 balances owing, without arrears, as shown on the monthly statements of the line of credit covered by the insurance immediately prior to the *Insured Person*'s death, plus the interest accrued on that average since the date of the *Insured Person*'s death; or

iii) Coverage provided under section 6. *Acknowledgement of Previous Insurance in case of Refinancing or Increase*; or

iv) $250,000.

7.3. For the Accidental Dismemberment Insurance Coverage

In order to be covered by this benefit, an accidental dismemberment must result directly and solely from an *Accident* that occurred while this benefit was in force; it must occur within 365 days following this *Accident* and it must appear in the table below.

If the *Insured Person* suffers such accidental dismemberment, the *Insurer* shall pay to the Laurentian Bank of Canada the percentage of the amount covered by the life insurance benefit indicated in the table below, calculated at the time of the accidental dismemberment, subject to Section 7.1 *Maximum Insurance Coverage*.

Accidental Dismemberment	Percentage
- Complete and irrecoverable loss of hearing and speech (ability to pronounce intelligible sounds) - Complete and irrecoverable loss of sight in both eyes - Complete and irrecoverable loss of sight in one eye and amputation of a foot or hand - Amputation of both hands, both feet, one hand and one foot, or one arm and one leg* - Loss of use of both arms, both hands, both legs, or both feet**	100%
- Amputation of an arm or a leg* - Loss of use of an arm or a leg**	75%
- Amputation of a hand or a foot *, or loss of use of a hand or a foot** - Complete and irrecoverable loss of sight in one eye	67%
- Complete and irrecoverable loss of hearing	50%

- Complete and irrecoverable loss of speech (ability to pronounce intelligible sounds)	
- Amputation of the thumb (1 complete phalanx) and index finger (2 complete phalanges) of the same hand	33%

* Amputation of a hand is the complete separation at or above the wrist and amputation of an arm is the complete separation at or above the elbow. Amputation of a foot is the complete separation at or above the ankle joint and amputation of a leg is the complete separation at or above the knee joint. ** Loss of use is the total and irrecoverable loss of use on a continuous basis for a period of 12 consecutive months, at the end of which the loss is deemed to be permanent.

7.4. For the Disability Insurance Coverage

In the event of *Total Disability* of the *Insured Person* and at the end of the waiting period, the *Insurer* will pay the Laurentian Bank of Canada a benefit corresponding to the monthly payment required for the *Loan* payment or for a portion of the *Loan* payment calculated on the basis of the coverage granted in accordance with Section 6. *Acknowledgement of Previous Insurance in case of Refinancing or Increase*. The benefit for a fraction of a month is calculated at the rate of 1/30 of the monthly payment per day of *Total Disability*.

Subject to Article 7.1 *Maximum Insurance Coverage*, the maximum benefit amount is $2,500 per month for all *Loans* covered by the group insurance policy 9000-A for the same *Insured Person*.

Waiting Period:

No benefits are payable during the following waiting period:
- 30 consecutive days following the onset of a *Total Disability* resulting from an *Accident*;
- 90 consecutive days following the onset of a *Total Disability* resulting from *Illness*.

Any *Total Disability* resulting from an *Accident* and starting more than 30 days after the *Accident* is considered a *Total Disability* resulting from an *Illness*.

Evidence of *Total Disability*:

It is the *Insured Person*'s responsibility to provide the *Insurer* with satisfactory evidence of *Total Disability*. This evidence may include the opinion of a medical specialist and copies of the results of any tests performed.

The *Insurer* may at any time require that the *Insured Person*:
a) Provide satisfactory evidence as to the continuation of his *Total Disability*;
b) Be examined by a physician or *Healthcare Professional* designated by the *Insurer*.

Termination of Benefits:

Benefits automatically cease on the first of the following events:
a) The date on which the *Insured Person* ceases to be in a state of *Total Disability*;
b) The date, set by the *Insurer*, on which the *Insured Person* fails to provide satisfactory proof of continuing *Total Disability*;
c) The date the *Insured Person* refuses to submit to a medical examination required by the *Insurer*;
d) The date the insurance terminates in accordance with Section 5. Termination of Insurance;
e) The date on which the *Insured Person* performs *Paid Work*;
f) The date on which the *Insured Person* ceases to receive the continuous care of a physician unless the *Insured Person* is medically certified by a physician to the satisfaction of the *Insurer* to be in a stable condition;
g) The date the *Insured Person* suffers an accidental dismemberment covered by this insurance in accordance with Section 7.3 *For the Accidental Dismemberment Insurance Coverage*;
h) For a *Mortgage Loan*, when the maximum of 24 months of benefits is reached;
i) For a personal loan, when the maximum of 60 months of benefits is reached.

Successive Periods of *Total Disability*:

Successive periods of *Total Disability* are considered to be the same period of *Total Disability*:

a) If they are dependent on the same or related causes and the periods are not separated by 2 or more consecutive weeks of full-time active employment; or
b) If the causes are different, unrelated, and the periods are not separated by 1 or more days of full-time active employment.

Thus, when successive periods of *Total Disability* are considered to be the same period of *Total Disability*, the waiting period does not apply a second time, the same benefit amount remains applicable and the number of months of benefits is cumulative.

8. Exclusions

8.1 For the Life Insurance Coverage

No benefit is payable in the event of suicide of an *Insured Person* during the first 2 years of insurance and the *Insurer* is liable only for the refund of premiums, without interest.

8.2 For the Life and Accidental Dismemberment Insurance Coverage

No benefit is payable if the claim results directly from any of the following causes:
a) An Injury that the *Insured Person* inflicts on himself, regardless of his psychological state, and regardless of any *Illness* or impairment;
b) Chronic or excessive consumption of alcohol;
c) An overdose from any substance or drug of any kind, legal or not and whether it was prescribed to the *Insured Person* or not.

8.3 For the Disability Insurance Coverage

No benefit is payable if the claim results directly or indirectly from an injury that the *Insured Person* inflicts on himself, unless medical evidence shows that the injury is directly related to a mental health problem.

8.4 For all Insurance Coverages

No benefit is payable if the claim results directly from any of the following causes:
a) A participation in a criminal act, a military operation, insurrection, riot or civil unrest or;
b) A flight or attempted flight in an aircraft, except when riding as a passenger (and not as a pilot or crew member);
c) Injuries suffered when the *Insured Person* was operating a motor vehicle while under the influence of narcotics or with a blood alcohol concentration in excess of 80 milligrams per 100 milliliters of blood (0.08).

Pre-existing conditions

No benefit is payable for the death or *Total Disability* of an *Insured Person*:
a) That occurs in the first year of coverage; and
b) That is attributable to an *Illness* or injury for which the *Insured Person* was treated during the 12 months prior to the beginning of coverage.

The *Insurer* considers an *Insured Person* to have been treated for an *Illness*, for any symptoms associated with an *Illness*, or for an injury, when the *Insured Person* has:
a) Consulted a physician or another *Healthcare Professional*, or received treatments from such specialist;
b) Undergone tests;
c) Taken drugs prescribed by a physician; or
d) Been hospitalized.

9. Submitting a Claim

For the Life Insurance coverage: A notice of claim must be submitted to the *Insurer* no later than one year after the date of death and must include the supporting documents required by the *Insurer*. Subject to any applicable legislation, the *Insurer* may require an autopsy to assess its liability in connection with a claim.

For the accidental dismemberment insurance coverage: A notice of claim must be submitted to the *Insurer* within 30 days of the date of the event. Written proof with the necessary back up documentation must be submitted within 90 days of the event.

For the disability insurance coverage: A notice of claim must be submitted to the *Insurer* within 30 days of the end of the waiting period and any documentation required by the *Insurer* must be submitted within 90 days of such claim. The waiting period is provided for in Article 7.4 *For the Disability Insurance coverage*.

A notice of claim or any documentation required by the *Insurer* which is not submitted to the *Insurer* within the time frame will remain valid if:

- The notice of claim is submitted within a reasonable time frame within a year of the date on which the event occurred; and

- If it is established that it was reasonably impossible to submit the notice or the required documentation within the prescribed time frame.

10. Policy Review

The *Insured Person* who has enrolled in the insurance may contact the Laurentian Bank of Canada to consult or obtain a copy of the insurance policy.

11. Contract

The policy, appendix, endorsements, insurance certificate, the welcome letter and enrolment form constitute the group insurance contract 9000-A known as "Loan Insurance".

12. Protection of personal information

The *Insurer* is committed to protecting the privacy of any *Insured Person*'s personal information that was collected while providing services under the present insurance. The *Insurer* recognizes and respects a person's right to privacy concerning his personal information. Upon enrolment, the *Insurer* will open a confidential file containing any personal information collected with respect to the *Insured Person*. The file will be kept at the *Insurer*'s office. Access to the file will be limited to the *Insurer*'s employees, agents, business partners and service providers who require access within the scope of their duties, as well as individuals who were granted access by the *Insured Person*, or who are authorized by law.

For the *Insurer*, the personal information that is collected is used to perform administrative services with respect to the contract of insurance. These services include, but are not limited to:

a) Determining eligibility under the group plan or any coverage;

b) Enrolling of *Insured Persons* to the insurance; and

c) Claim evaluation and settlement.

13. Right of access to personal information

An *Insured Person* has the right to access his personal information and to request, in writing, that any inaccurate information be corrected. In addition, the *Insured Person* can request that any outdated or unnecessary information be deleted. If the *Insurer* has medical information about the *Insured Person* which was not obtained directly from the *Insured Person*, the *Insurer* will only release the information to the *Insured Person* through the *Insured Person*'s physician. To request access to his personal information the *Insured Person* must send a written request to the person responsible for information at the address hereunder:

Industrial Alliance Insurance and Financial Services
Access information officer
1080, Grande Allée Street West
PO Box 1907, Station Terminus
Quebec, QC G1K 7M3

14. Complaint

The *Insured Person* who wishes to review the *Insurer*'s complaint policy or file a complaint may do so by visiting:
https://ia.ca/corporate/complaint/file-complaint

APPENDIX 5 (a.31)

NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY THE DISTRIBUTOR

In accordance with Section 440 of the *Act respecting the distribution of financial products and services (Chapter D 9.2).*

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES GIVES YOU IMPORTANT RIGHTS.

The Act allows you to cancel this insurance contract without penalty within 10 days of signing it. The *Insurer* may however grant you a longer period.

To do so, you must give the *Insurer* notice within the allotted time frame by registered mail or any means providing a confirmation of receipt.

Despite the cancellation of such insurance contract, the first contract will remain in force. Beware that you may lose advantageous conditions that were extended to you due to this contract. Contact your distributor or check your contract for more information.

Once the applicable period is expired, you may cancel your insurance at any time, but penalties may apply.

For further information, contact the Autorité des marchés financiers at 1-877-525-0337 or visit www.lautorite.qc.ca.

NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT

To: Industrial Alliance Insurance and Financial Services Inc.
2200 McGill College Ave, Montréal, QC, H3A 2S6

Date: _____
(date notice is sent)

Under Section 441 of the Act respecting the distribution of financial products and services, I hereby cancel insurance contract no.:

_____
(contract number, if available)

Agreed on: _____
(date contract was signed)

In: _____
(place contract was signed)

_____
(name of the client)

_____
(signature of the client)