

SUMMARY

Consumer loan insurance— personal loan with mortgage security

10 important facts you should know about your loan insurance

Do you have a personal loan with mortgage security with National Bank of Canada (the "Bank")?
Have you completed an insurance application for your loan?

Read this summary!

It presents key points about your loan insurance.

Understanding these points will help you determine if this insurance product meets your needs so you can make an informed decision about your application.

This summary is an explanatory document only. It is not part of your insurance contract. Your application and the attached insurance certificate make up your insurance contract.



For all the details of your coverage, consult your insurance certificate, which is also available at nbc.ca.

- > You are entitled to a 30-day review period. If you cancel your insurance before the end of that period, we will reimburse any premiums paid.

INFORMATION ABOUT THE INSURER

> National Bank Life Insurance Company

1100 Robert Bourassa Blvd., 5th Floor,
Montreal, Quebec H3B 2G7

Telephone Montreal area: 514-871-7500
Toll-free: 1-877-871-7500

nbc-insurance.ca
insurance@nbc.ca

Client number delivered by the
Autorité des marchés financiers: 2000891377

To check the status of the insurer in the AMF
registry: lautorite.qc.ca

DISTRIBUTOR INFORMATION

> National Bank of Canada

600 De la Gauchetière West,
Montreal, Quebec H3B 4L2

Telephone Montreal area: 514-394-5555
Toll-free: 1-888-483-5628

nbc.ca



Here are 10 important facts you need to know about your loan insurance

1 There are 2 types of loan insurance coverage

- 1 In the event of your death, **life insurance** will pay down your loan and free your family from one of the many obligations that come with the death of a loved one.
- 2 If an injury or illness renders you unable to work or carry out the usual tasks of a person of your age, **disability insurance** can reduce the impact of lost income by helping you cover all or part of your mortgage payments. Benefits start after 60 days of disability.

You can opt for life insurance only, or sign up for both types of coverage.

2 Loan insurance covers the insured amount or insured payment of your loan, in whole or in part

The definitions of "insured amount" and "insured payment" are set out in section 1 of your insurance certificate.


- > In the event of death, we pay the insured amount of the loan on the date of death.
- > In the event of disability, we will cover the insured loan payment.

If you are refinancing a loan and previous insurance coverage is recognized, the amount of insurance maintained will be the insured amount of the previous loan.

Maximum amount payable for each type of coverage

The amount payable for a claim cannot exceed the maximum for each type of coverage.

Life insurance	Disability insurance
\$1,000,000	\$5,000/month

 See sections 6, 8 and 9 of your insurance certificate for more information on the amounts payable when an insured event occurs.

3 Loan insurance involves exclusions

We may refuse to pay your claim because of the exclusions set out in section 12 of your insurance certificate.

Please review them immediately.



WARNING – Exclusions

We will not pay any benefits in the following situations:

Life insurance and disability insurance

- > Suicide within two years of the effective date of the insurance.
- > Claims submitted within **12 months of the start date** of the insurance for a condition for which you showed signs or felt symptoms, consulted, received treatment, were examined by or referred for an examination by a health professional, took medication, received a prescription or were hospitalized in the **12 months preceding the start date** of the insurance (pre-existing condition);
- > Exclusions specific to the insured (if applicable);
- > Attempted suicide or self-inflicted injury;
- > Use of narcotics not prescribed by a physician;
- > Any direct activity in a flying device (plane, helicopter, etc.) as a pilot, crew member, instructor or student;
- > Active participation in a riot;
- > War.

Disability insurance

- > Pregnancy
- > Cosmetic care
- > Back pain
- > Alcoholism or addiction
- > Psychological or psychiatric disorders, chronic fatigue, depression, anxiety, stress or professional burnout

All coverage



For details, see the insurance certificate under section 12.

4 Your premium is fixed throughout the loan duration

As long as the terms and conditions of your loan do not change, your life insurance will remain the same.

However, your disability insurance premium may change if your payment amount is adjusted.

Furthermore, we reserve the right to amend our premium rate scales at any time. If we do so, the premiums charged to all our insureds will change.

5 We use several factors to establish your rate and calculate your premium

Your premium is the amount you must pay to be insured.

Your premium rate is based on a number of factors, including:

- > The insured amount;
- > The age of the oldest insured person.

A discount is applied to your premium based on the number of insured persons.

A tax on insurance applies to your premium amount, depending on which Canadian province you live in.

The insurance premium is collected on the first day of each month, in a separate transaction.

Here's how to calculate your insurance premiums

Life insurance

- > $\text{Insured amount} / 1,000 \times \text{Premium rate} \times \text{Factor based on number of insureds} \times \text{Taxes} = \text{Monthly premium}$

To calculate your premium based on your real payment frequency, you must multiply it by the appropriate factor:

Weekly _____ 0.2301

Every two weeks ____ 0.4603

Disability insurance

- > $\text{Insured payment} / 10 \times \text{Premium rate} \times \text{Taxes} = \text{Disability insurance premium}$

Since your payments are already at the correct frequency, you don't need to include the frequency factor in your calculation.



Consult your insurance certificate for premium rates and nbc.ca for tax rates.

6 Duration of insurance

Start

The insurance comes into effect on the later of the following dates:

- > The date the insurance application is signed; or
- > The date of the loan disbursement.

When you need to provide proof of insurability, your insurance comes into effect when we send you a letter confirming your insurance.

End

Insurance generally remains in effect for the entire loan duration, unless you decide to terminate your coverage.

Other circumstances can also lead to termination of insurance coverage, such as refinancing or failure to pay premiums.



See section 13 of your insurance certificate for more information.

7 You'll have access to temporary accident coverage while we are studying your application

When you are required to submit proof of your insurability, you are covered for 120 days from the start of the payment of premiums in the event of accidental death, dismemberment or disability (depending on the coverage selected). Coverage is limited to 90 days if you have not submitted proof of insurability as requested.



See sections 1 and 3 of your certificate for the definition of an accident and details of temporary coverage in the event of an accident.

8 If you make a false declaration, we may refuse your claim and cancel your insurance coverage

You must always provide accurate information on your health status, lifestyle and any other information we deem necessary.

If, as part of a claim or at any other time during the insurance coverage, we obtain any information that differs from the information you provided, **we may refuse your claim and cancel your insurance** retroactively to its effective date.



See sections 2 and 4 of your insurance certificate for more information.

9 How to file a claim and applicable timeframes

Insurance can give you peace of mind should the unexpected occur. Here's how to file an insurance claim.

- 1 Contact our Customer Service Department at 1-877-871-7500.
We'll open a file for you and send you the forms to be completed;
or
Print the forms you need from our website at nbc.ca.
- 2 Complete the forms and send them, along with any documents needed to review your claim, to our offices at:

National Bank Life Insurance
1100 Robert Bourassa Blvd., 5th Floor
Montreal, Quebec H3B 2G7

Timeframes for submitting claim forms and supporting documents

- > **Life insurance:**
As soon as reasonably possible.
 - > **Disability insurance:**
Within a year of the event.
- 3 We will notify you of our decision and, if applicable, proceed with payment after we review your claim.

Payments

We process claim requests, carry out verifications and proceed with payment within 30 days of receiving all documents required to review the claim.

10 Loan insurance is optional and you are entitled to terminate it at any time

You can terminate your insurance at any time at no cost by calling us at 1-877-871-7500.

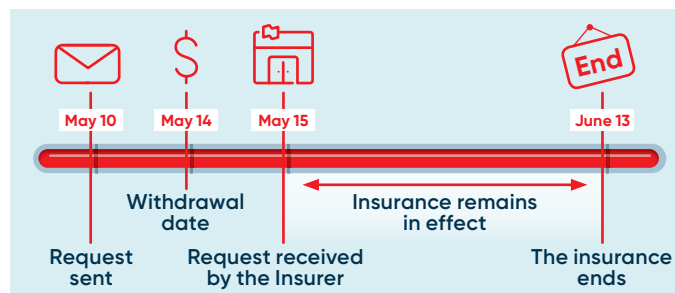
You can also send a written request to:

National Bank Life Insurance Company
1100 Robert Bourassa Blvd., 5th Floor
Montreal, Quebec H3B 2G7

Your insurance coverage will end on the next premium payment date after the later of the following dates:

- > The date on which you choose to terminate your insurance coverage; or
- > The date on which we receive your termination request.

For example, in the image below, the insurance would remain in effect until June 13, since the insurer received the request to terminate the insurance after the current month's premium payment date.



When you terminate your insurance contract, premiums are not refunded and no grace period is granted.

Notice of rescission of an insurance contract

Section 440 of the Act respecting the distribution of financial products and services

Send by registered mail to:

National Bank Life Insurance
1100 Robert Bourassa Blvd., 5th Floor,
Montreal, Quebec H3B 2G7

Date notice sent: _____

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*, I hereby rescind my loan insurance contract.

Contract number: _____

Entered into on: _____

Loan number: _____

Place of signature: _____

Your name: _____

Your signature: _____



The client experience is our top priority

We're here to listen and help, no matter what you have to say.

Call our Customer Service Department at **1-877-871-7500** or consult the website at nbc-insurance.ca for our complaint settlement policy.

Insurer: National Bank Life Insurance Company.

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