Your Certificate of Insurance

Life Insurance, Critical Illness and Accidental Dismemberment Insurance, Disability Insurance

Commercial Line of Credit and Commercial Demand Note

INTRODUCTION

This certificate attests that all persons who meet the eligibility conditions are insured in accordance with the terms, conditions and provisions of the applicable group insurance Policy, subject to:

- the accuracy of the information provided on the Application form;
- the payment of premiums;
- the applicable restrictions and exclusions, including pre-existing conditions; and
- the Insurer's approval of the evidence of insurability, when required.

Any concealment or false declaration on the part of the Insured could result in the cancellation of the insurance.

The Insurer reserves the right to amend the premium pricing schedule at any time. If applicable, the new schedule will apply to all Insureds of this group insurance Policy.

This certificate includes provisions revoking or restricting the right of the Insured to designate beneficiaries to whom or for whose benefit insurance money is to be payable.

Enrolment in the insurance is optional and the insurance can be cancelled at any time. If the Insured requests to cancel the insurance within 30 days of the date on which the Application was signed, the Insurer will reimburse any premiums paid, if applicable, and the insurance will have never come into effect.

SECTION 1. DEFINITIONS

THE FOLLOWING TERMS HAVE SPECIFIC MEANINGS. THEY ARE IMPORTANT AS THEY DEFINE YOUR RIGHTS UNDER THIS CERTIFICATE. PLEASE REFER TO THESE DEFINITIONS AS YOU READ YOUR CERTIFICATE.

Accident: Bodily injury, certified by a physician, resulting solely and directly from sudden, external, violent and involuntary causes independently of any illness or other causes.

Accidental Dismemberment: Bodily injury due to an Accident that occurred while the Insurance was in effect and resulting, directly and independently of any Illness or other cause, in the loss or loss of use of a limb or an eye of the Insured. The diagnosis of loss or loss of use must be made by a Specialist.

Loss of an eye means the total and irreversible loss of vision in one eye, evidenced by the corrected visual acuity being 20/200 or less in that eye, or in the field of vision being less than 20 degrees in that eye; loss of a limb means the complete severance of one or more limbs at or above the wrist or ankle joint. The loss of use of a limb means the total and irreversible loss of muscle function of one or more limbs.

The loss or loss of use must occur within 365 days of the date of the Accident. The loss must persist for 12 months and subsequently be certified irreversible before any benefits can be paid. The Insurance must still be in effect when the diagnosis of loss or loss of use is made.

The diagnosis of loss or loss of use must be made by a Specialist.

Applicant: The person who signs the Application.

Application: The insurance Application form from the Insurer, duly completed and signed by the Applicant, including verbal consent.

Balance Used: The Loan balance on the date of the Insured Event or on the Refinancing date in case of prior coverage recognition, without exceeding the lesser of the following amounts:

- the Insured Amount; **or**
- the amount indicated under the *Maximum Benefit* section of this certificate.

Bank: National Bank of Canada.

Cancer (Life Threatening): Definite diagnosis of a tumour, which must be characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. Types of Cancer include carcinoma, melanoma, leukemia, lymphoma and sarcoma. The diagnosis of Cancer must be made by a Specialist.

EXCLUSIONS: No benefit will be payable if, within the first 90 days following the later of the effective date of your insurance contract, the Insured:

- has presented signs, symptoms or investigations that lead to a diagnosis of Cancer (covered or excluded by your insurance certificate), regardless of the date of the diagnosis, or
- has received a diagnosis of Cancer (covered or excluded by your insurance certificate).

Medical information about the diagnosis and any signs, symptoms or investigations leading to the diagnosis must be reported to the Insurer within 6 months of the date of the diagnosis. If this information is not provided within this period, the Insurer has the right to deny any claim for Cancer or, any critical illness caused by any Cancer or its treatment.

No benefit will be payable in the following situations:

- lesions described as benign, pre-malignant, uncertain, borderline, non-invasive, carcinoma in-situ (Tis), or tumours classified as Ta
- malignant melanoma skin Cancer that is less than or equal to 1.0 mm in thickness, unless it is ulcerated or is accompanied by lymph node or distant metastasis
- any non-melanoma skin Cancer, without lymph node or distant metastasis
- prostate Cancer classified as T1a or T1b, without lymph node or distant metastasis
- papillary thyroid Cancer or follicular thyroid Cancer, or both, that is less than or equal to 2.0 cm in greatest diameter and classified as T1, without lymph node or distant metastasis
- chronic lymphocytic leukemia classified less than Rai stage 1
- malignant gastrointestinal stromal tumours (GIST) and malignant carcinoid tumours, classified less than AJCC Stage 2.

For purposes of the Policy, the terms "Tis, Ta, T1a, T1b, T1 and AJCC Stage 2" are to be applied as defined in the American Joint Committee on Cancer (AJCC) Cancer Staging Manual (7th edition, 2010).

For purposes of the Policy, the term "Rai staging" is to be applied as set out in KR Rai, A Sawitsky, EP Cronkite, AD Chanana, RN Levy and BS Pasternack: Clinical staging of chronic lymphocytic leukemia, Blood 46:219, 1975.

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Critical Illness: Means exclusively: Stroke, Cancer (life-threatening) and Heart Attack, as set out in the *Definitions* section.

Disability: A state of incapacity which prevents the Insured from carrying out the normal duties of his occupation. If an Insured is unemployed at the start of his Disability, the state of incapacity is defined as one which prevents him from carrying out activities considered normal for a person of the same age.

The Disability must be certified by a physician practicing in Canada or the United States, result from an Illness or an Accident suffered while the insurance was in effect and require continuing medical care. During the Disability, the Insured must not engage in any activity for which he receives monetary compensation.

Heart Attack: Definite diagnosis of a Heart Attack resulting from the death of part of the heart muscle due to obstruction of blood flow, that results in a rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one of the following:

- Heart Attack symptoms
- new electrocardiogram (ECG) changes consistent with a Heart Attack
- development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

The diagnosis of Heart Attack must be made by a Specialist.

EXCLUSIONS: No benefit will be payable in the following situations:

- elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty, in the absence of new Q waves
- ECG changes suggesting a prior myocardial infarction, which do not meet the Heart Attack definition as described in this certificate.

Illness: A deterioration in health requiring regular, continuing and curative medical care actively provided by a physician or other practitioner belonging to a health profession corporation. Such care must be considered satisfactory by the Insurer.

Insured: Anyone who has signed an Insurance Application, has applied for insurance and meets the criteria under the *Eligibility and Insurability* section of this certificate and has received a copy of the certificate.

Insured Amount:
Life insurance:

- the amount indicated on the Application, without exceeding the authorized amount of the Loan or the amount indicated under the *Maximum Benefit* section of this certificate.

Critical Illness and Accidental Dismemberment Insurance:

- the amount indicated on the Application, without exceeding the Insured Amount for life insurance or the amount indicated under the *Maximum Benefit* section of this certificate.

Disability Insurance:

- the amount indicated on the Application, without exceeding 1% of the Insured Amount for life insurance or the amount indicated under the *Maximum Benefit* section of this certificate.

If prior coverage recognition applies, the amount may not exceed the Insured Amount of the previous loan on the Refinancing date or the amount indicated under the *Maximum Benefit* section of this certificate.

Insured Event: Death, Disability or diagnosis of Critical Illness or Accidental Dismemberment.

Insured Payment:
If the Maximum Insurable Amount indicated on the Application is a fixed amount, the lesser of:

- the Insured Amount for Disability insurance on the Application, without exceeding 1% of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used), the lesser of:

- the Insured Amount for Disability insurance indicated on the Application; or
- 1% of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

Insurer: National Bank Life Insurance Company, whose business location is at 1100 Robert-Bourassa Blvd., 5th Floor, Montreal, Quebec H3B 2G7.

Loan: Commercial line of credit or commercial demand note indicated in the Application attached.

Maximum Insurable Amount:
Depending which option is ticked on the Application:

- a fixed amount (based on the Insured Amount indicated); **or**
- a variable amount (based on the Loan Balance Used, without exceeding the Insured Amount indicated).

Policy: The group insurance Policy No. 70009-17. The Insured can obtain a copy of the Policy from the Insurer by sending a written request.

Refinancing: Any change made to the Loan by the Bank that results in a higher Loan balance.

Relapse: In the 90 days following the end of a Disability period covered by this certificate, any Disability which is due to the same cause and which persists at least 7 consecutive days is considered to be a continuation of the same Disability. Otherwise, any subsequent Disability is considered to be a new Disability and is subject to a Waiting Period.

Resident: Anyone who resides and is domiciled in Canada or the United States and who has lived there for 183 consecutive days during the 12 months prior to signing the Insurance Application.

Specialist: A valid licensed medical practitioner in Canada or the United States, who has been trained in the specific area of medicine relevant to the covered Critical Illness or Accidental Dismemberment condition for which benefit is being claimed, and who has been certified by a specialty examining board. In the absence or unavailability of a specialist, and as approved by the Insurer, a condition may be diagnosed by a qualified practitioner practicing in Canada or the United States. The term Specialist includes, but is not limited to, cardiologists, neurologists, oncologists, ophthalmologists, burn specialists and internists. The specialist must not be the Insured, the Spouse of the Insured or a relative or business associate of the Insured or of the Insured's Spouse.

Spouse: The person to whom the Insured is joined by marriage or civil union or the person publicly recognized as the Insured's Spouse and with whom he cohabitates permanently.

Stroke: Definite diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis or haemorrhage, or embolism from an extra-cranial source, with:

- acute onset of new neurological symptoms, and
- new objective neurological deficits on clinical examination,

persisting for more than 30 days following the date of diagnosis. These new symptoms and deficits must be corroborated by diagnostic imaging testing. The diagnosis of Stroke must be made by a Specialist.

EXCLUSIONS: No benefit will be payable in the following situations:

- Transient Ischaemic Attacks
- Intracerebral vascular events due to trauma
- Lacunar infarcts which do not meet the definition of Stroke as described above.

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Waiting Period: The consecutive days of Disability starting on the date the Disability occurs during which no benefit is payable.

SECTION 2. ELIGIBILITY AND INSURABILITY

The Applicant must satisfy:

a) the eligibility and insurability conditions under the *Eligibility* and *Health Declaration* sections of the Application and

b) the Insurer's requirement with respect to his state of health and his lifestyle. The Insurer may request, if necessary, that a physical examination, electrocardiogram, X-rays, blood tests, urine tests or any other tests, including screening for HIV (AIDS) and certain drugs or medication be conducted to assess the risk related to the Application. Any fees incurred for a medical examination not required by the Insurer are payable by the Applicant.

SECTION 3. EFFECTIVE DATE OF INSURANCE

For the insurance to take effect, the Insured must meet the criteria under the *Eligibility and Insurability* section of this certificate.

The insurance will take effect on the later of the 2 following dates:

- the date on which the Insurance Application is signed; or
- the date of the authorization of the Loan.

Analysis of Application

When proof of insurability must be submitted to the Insurer, this certificate provides for temporary coverage while the Application is being analyzed in the following two cases:

a) The Insurer will pay the benefits related to the coverage selected by the Applicant only if death, Disability or Accidental Dismemberment results from an Accident that takes place after the insurance takes effect. The Insured Event (death, Disability or Accidental Dismemberment) must take place before the Insurer makes any decision as to insurability.

b) If the Insured Event is not caused by an Accident, the Insurer will finalize its analysis. If the Applicant is deemed to be insurable, the benefits related to the coverage selected will be paid.

This temporary coverage does not constitute a guarantee that the Insurer will accept the Application.

Proof of insurability

If proof of insurability must be submitted, the following rules apply:

a) If the Applicant fails to provide evidence, the Insurer will close the file.

b) If the proof of insurability does not meet the insurability requirements established by the Insurer, the Insurer will reject the Application.

In all cases where proof of insurability is required, the Insurer will communicate its decision to accept or reject the Application within 30 days of receiving all necessary proof.

If the Insurer rejects the Application, any premium paid by the Applicant will be refunded.

SECTION 4. MISSTATEMENT OF AGE OR SEX

Age is determined according to the age of the Insured on his last birthday at the time of signing the Application. If the age or sex of an Insured is incorrectly stated, the benefit payable will be adjusted to the amount that would have been paid for the Insured's actual age and/or sex according to the premiums effectively paid, without exceeding the Insured Amount of the Loan. If the actual age of the Insured exceeds the maximum age covered by the insurance, no benefit will be payable under said insurance. In such cases, the amount of premiums paid in excess, if applicable, shall be reimbursed, without interest.

SECTION 5. MISREPRESENTATION WITH RESPECT TO TOBACCO USE

In order to be declared a non-smoker, the Insured must not have used tobacco or nicotine replacement products of any kind during the 12 months preceding the date the Application was signed.

If insurance is issued based on «non-smoker» smoking status and there is found to be misrepresentation in the Insured's declarations in the Application or in any other communication to the Insurer, the insurance is automatically cancelled retroactive to its effective date and any premiums paid will be refunded without interest.

SECTION 6. SUICIDE OF THE INSURED

In the event of suicide of the Insured within the first 2 years following the effective date of the insurance, regardless of the Insured's mental health, the Insurer's obligation is limited to refunding, without interest, any premiums paid by the Insured, if applicable, and the insurance will be automatically cancelled retroactive to its effective date.

SECTION 7. PREMIUM REIMBURSEMENT REQUEST

Apart from in the specific situations indicated herein, the Insurer will reimburse the Insured, without interest, all the excess premiums paid and, if the loan insurance is automatically cancelled retroactive to the effective date, all the premiums paid.

All requests for the reimbursement of premiums must be made to the Insurer by telephone or in writing. The Insurer will analyze the request and if the premiums should not have been paid they will be reimbursed, without interest.

SECTION 8. REFINANCING

In the case of a Loan to be refinanced by the Bank, a new insurance Application must be submitted to the Insurer. The terms and conditions of the new insurance Application, with all its restrictions and exclusions (including premium rates, Applicant's age and the Insured Amount of the Loan on the date the new Application is signed), will apply.

Coverage recognition of a previous Loan

If, following Refinancing of a Loan, the new Application is rejected, the provisions of the new certificate of insurance will apply to the Insured Amount of the previous Loan. The applicable premium rates will be calculated based on the Applicant's age on the date the new Application was signed. The premiums, terms and conditions and restrictions and exclusions of the new certificate will apply.

Coverage recognition of a previous Loan is subject to a review of the file and contingent on the accuracy of the information provided since the first effective date of the insurance. The insurance amount recognized will be the Insured Amount of the Loan prior to the Refinancing date, without exceeding the amount specified under the *Maximum Benefit* section of the new certificate.

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If an Insured had Disability insurance when Refinancing took place, the new Insured Payment will be calculated based on the Insured Amount of the previous Loan as of the date of the Refinancing divided by the total amount of the new Loan, without exceeding the amount specified under the *Maximum Benefit* section of the new certificate.

If Refinancing takes place while the Insured is on Disability, the Insurer will pay the Disability benefit provided for before Refinancing, without exceeding the amount of the new Loan payment after the Refinancing, or the amount specified under the *Maximum Benefit* section of the new certificate, and the maturity/amortization period provided for at the start of the Disability. The Disability benefits paid before the Refinancing date will be recognized in the maximum Disability benefit period for the new Application.

SECTION 9. PREMIUM CALCULATION AND TABLE OF MONTHLY PREMIUM RATES

The Insurer reserves the right to amend the premium pricing schedule at any time. If applicable, the new schedule will apply to all Insureds under the Policy.

Premiums are based on the age of the Insured on their last birthday, among other factors. Insurance is automatically renewed each year for the Insured Amount indicated, based on the age of the Insured on the loan insurance enrolment anniversary date.

If the Maximum Insurable Amount indicated on the Application is a **fixed amount**, the premium rate applicable to the insurance coverage is calculated based on the Insured Amount of the Loan.

If the Maximum Insurable Amount indicated on the Application is a **variable amount**, the premium rate applicable to the insurance coverage is calculated each day based on the daily Loan Balance Used.

LIFE INSURANCE - Per $1,000 of Maximum Insurable Amount and of Insured Amount

Age [1]	$0 to $99,999				$100,000 to $249,999				$250,000 to $499,999				$500,000 to $2,000,000			
	Male		Female		Male		Female		Male		Female		Male		Female	
	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker
18 to 30 years	$0.20	$0.26	$0.14	$0.17	$0.11	$0.14	$0.07	$0.09	$0.06	$0.08	$0.04	$0.05	$0.04	$0.05	$0.03	$0.03
31 to 35 years	$0.22	$0.29	$0.16	$0.19	$0.12	$0.16	$0.08	$0.10	$0.07	$0.09	$0.05	$0.06	$0.05	$0.07	$0.04	$0.04
36 to 40 years	$0.25	$0.40	$0.20	$0.27	$0.14	$0.23	$0.11	$0.15	$0.09	$0.15	$0.07	$0.10	$0.07	$0.11	$0.06	$0.08
41 to 45 years	$0.29	$0.47	$0.23	$0.40	$0.16	$0.26	$0.13	$0.22	$0.12	$0.20	$0.09	$0.17	$0.10	$0.16	$0.08	$0.14
46 to 50 years	$0.38	$0.74	$0.28	$0.58	$0.25	$0.49	$0.19	$0.38	$0.20	$0.39	$0.15	$0.31	$0.18	$0.35	$0.13	$0.28
51 to 55 years	$0.46	$0.94	$0.31	$0.63	$0.33	$0.68	$0.22	$0.45	$0.29	$0.59	$0.19	$0.40	$0.27	$0.55	$0.18	$0.37
56 to 60 years	$0.66	$1.43	$0.46	$0.94	$0.56	$1.22	$0.39	$0.80	$0.45	$0.98	$0.31	$0.64	$0.42	$0.91	$0.29	$0.60
61 to 64 years	$0.96	$1.96	$0.67	$1.26	$0.82	$1.67	$0.58	$1.08	$0.70	$1.43	$0.49	$0.92	$0.63	$1.28	$0.44	$0.83
65 to 69 years [2]	$0.96	$1.96	$0.67	$1.26	$0.82	$1.67	$0.58	$1.08	$0.70	$1.43	$0.49	0.92	$0.63	$1.28	$0.44	$0.83

CRITICAL ILLNESS AND ACCIDENTAL DISMEMBERMENT INSURANCE - Per $1,000 of Maximum Insurable Amount and of Insured Amount

Age [1]	$0 to $99,999				$100,000 to $150,000			
	Male		Female		Male		Female	
	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker	Smoker
18 to 30 years	$0.32	$0.42	$0.22	$0.27	$0.18	$0.22	$0.11	$0.14
31 to 35 years	$0.35	$0.46	$0.26	$0.30	$0.19	$0.26	$0.13	$0.16
36 to 40 years	$0.44	$0.70	$0.35	$0.47	$0.25	$0.40	$0.19	$0.26
41 to 45 years	$0.55	$0.89	$0.44	$0.76	$0.30	$0.49	$0.25	$0.42
46 to 50 years	$0.78	$1.52	$0.57	$1.19	$0.51	$1.00	$0.39	$0.78
51 to 55 years	$1.01	$2.07	$0.68	$1.39	$0.73	$1.50	$0.48	$0.99
56 to 60 years	$1.55	$3.36	$1.08	$2.21	$1.32	$2.87	$0.92	$1.88
61 to 64 years	$2.40	$4.90	$1.68	$3.15	$2.05	$4.18	$1.45	$2.70
65 to 69 years [2]	$2.40	$4.90	$1.68	$3.15	$2.05	$4.18	$1.45	$2.70

DISABILITY INSURANCE - Per $10 of Insured Payment

Age [1]	Line of credit Demand Note
18 to 30 years	$0.19
31 to 35 years	$0.27
36 to 40 years	$0.32
41 to 45 years	$0.40
46 to 50 years	$0.48
51 to 55 years	$0.58
56 to 60 years	$0.74
61 to 64 years	$0.93
65 to 69 years [2]	$0.93

[1] At the time of signing the Application or at renewal.

[2] Applies to renewals only.

Factor based on number of Insureds:

Applicable to life insurance and Critical Illness and Accidental Dismemberment insurance only: If more than one Insured, each Insured is entitled to a discount factor of 0.95.

The applicable tax rates are available on www.nbc.ca.

Premium calculation

		Life	Critical Illness and Accidental Dismemberment	Disability
Premium rate		(1)	(3)	(5)
Insured Amount _____ / 1,000		(2)	(4)	
Insured Payment _____ / 10				(6)
Premium amount (1) x (2) or (3) x (4) or (5) x (6)				
Discount factor (for multiple Insureds)	**X**			
Tax factor, if applicable	**X**			
Total life premium		(7)		
Total Critical Illness and Accidental Dismemberment premium			(8)	
Total Disability premium				(9)
Total Loan insurance premium (7) + (8) + (9)				

SECTION 10. DEATH BENEFIT

The death benefit under no circumstances includes principal, interest or premiums past due on the date of death. Any insurance premium due to the Insurer on the date of death will be deducted from the death benefit. If loan insurance premiums are received by the Insurer after the death of the Insured, the excess premiums paid after the Insured's death will be reimbursed, without interest.

In case of death, the Insurer will pay the death benefit based on the following rules:

1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated

The Insurer will pay the death benefit corresponding to the lesser of:

- the Insured Amount indicated on the Application; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

If the Insured chooses a fixed amount of insurance, the Insurer will pay to the Bank the Loan Balance Used plus interest accrued since the date of death. It will also pay to the company the difference between the Insured Amount indicated on the Application and the death benefit paid to the Bank.

Example:		
	Authorized amount of the Loan:	$300,000
	Maximum Insurable Amount:	$300,000 (fixed amount, as indicated on the Application)
	Insured Amount:	$300,000 (amount indicated on the Application)
	Maximum benefit – Life:	$2,000,000
	Loan Balance Used:	$75,000 (on date of death)
	Death benefit:	$300,000 i.e. $75,000 to the Bank to reimburse the Loan Balance Used **and** $225,000 to the company (difference between Insured Amount and death benefit)

2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)

The Insurer will pay the death benefit corresponding to the lesser of:

- the Loan Balance Used calculated on the date of death, plus interest accrued since the date of death; or
- the Insured Amount indicated on the Application; or
- 110% of the average daily Loan Balance Used over the 12 months preceding the date of death; or
- 110% of the average daily Loan Balance Used since the effective date of the insurance if the insurance has been in effect for less than 12 months; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

Example:		
	Authorized amount of the Loan:	$300,000
	Maximum Insurable Amount**:**	Variable amount based on Loan Balance Used (as indicated on the Application)
	Insured Amount:	$200,000 (amount indicated on the Application)
	Maximum benefit – Life:	$2,000,000
	Loan Balance Used:	$75,000 (on date of death)
	Average daily Balance Used:	$67,000 over the 12 months preceding the date of death
	110% of the average daily Balance Used:	$73,700 (110% of $67,000)
	Death benefit:	$73,700 i.e. $73,700 to the Bank to reimburse the Loan Balance Used

SECTION 11. DISABILITY BENEFIT

The Insured must continue to make Loan payments and pay insurance premiums during the Disability while the Insurer evaluates or re-evaluates the benefit claim.

For each day of Disability that falls outside a full payment period, the Insurer will pay 1/30th of the Disability benefit.

In case of Disability, the Insurer will pay the Disability benefit to the Bank based on the following rules:

1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated

In case of a **Disability** that persists after the Waiting Period has ended, the Insurer will pay a Disability benefit corresponding to the lesser of:

- the Insured Amount indicated on the Application; or
- 1% of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

If the Insured chooses a fixed amount, the Insurer will pay to the Bank the Insured Payment plus interest accrued since the date of death. If the Insured Payment exceeds the Loan Balance Used, the difference will be paid to the company.

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Exemple :	Authorized amount of the Loan:	$300,000
	Insured Amount for life insurance:	$300,000 (amount indicated on the Application)
	Maximum Disability benefit:	$5,000/month
	Maximum Insurable Amount:	$3,000/month (1% of the Insured Amount for life insurance, i.e., 1% of $300,000)
	Insured Amount for Disability insurance:	$2,000/month (amount indicated on the Application)
	Loan Balance Used:	$75,000 (on date of Disability)
	Disability benefit:	$2,000/month i.e. $2,000/month to the Bank to reimburse the Loan Balance Used

2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)

In case of a **Disability** that persists after the Waiting Period has ended, the Insurer will pay to the Bank the Insured Payment plus the interest accrued since the date of Disability, i.e., the lesser of:

- the Insured Amount of the Loan indicated on the Application; or
- 1% of the Loan Balance Used on the date of Disability; or
- 1% of 110% of the average daily Loan Balance Used over the 12 months preceding the date of the Insured Event; or
- 1% of 110% of the average daily Loan Balance Used since the effective date of the insurance if the insurance has been in effect for less than 12 months; or
- the amount indicated under the *Maximum Benefit* section of this certificate

Exemple :	Authorized amount of the Loan:	$300,000
	Insured Amount for life insurance:	$300,000 (amount indicated on the Application)
	Maximum Disability benefit:	$5,000/month
	Maximum Insurable Amount:	$3,000/month (1% of the Insured Amount for life insurance, i.e., 1% of $300,000)
	Insured Amount for Disability insurance:	$2,000/month (amount indicated on the Application)
	Loan Balance Used:	$75,000 (on date of Disability)
	Insured Payment for Disability based on Balance Used:	$750 (1% of $75,000)
	Average daily balance used:	$67,000 (over the 12 months preceding the date of Disability)
	110% of the average daily balance used:	$73,700 (110% of $67,000)
	Insured Payment for Disability based on average daily balance:	$737 (1% of $73,700)
	Disability benefit:	$737/month i.e. $737/month to the Bank to reimburse the Loan Balance Used

Waiting Period: 60 consecutive days.

Maximum period: Subject to the rules related to Relapse contained in the *Definitions* section of this certificate, a maximum of 24 months of consecutive Insured Payments is payable for a same Disability even if the Insured's Disability persists beyond this period. In addition, the Insured(s) may only benefit collectively from a maximum of 48 months of Insured Payments for all the Disabilities occurring throughout the entire duration of the Loan. The Insured must return to work between each separate Disability period or, if the Insured is unemployed, return to normal activity for a person of his age.

Termination of benefits

Insurance benefits will terminate on the first of the following events:

- **End of Disability:** the date the Insured is no longer disabled according to the definition of Disability in this certificate;
- **Return to work:** the date the Insured returns to work part-time, full-time or progressively, or on a temporary assignment, whether to carry out his normal duties related to his job or any other job, including light duties;
- **Compensated or paid activities:** as soon as the Insured engages in a compensated or paid activity;
- **Medical evidence not provided:** the Insured fails to present satisfactory evidence to the Insurer or refuses to undergo a medical examination or assessment by a rehabilitation consultant required by the Insurer;
- **Loan expiry:** the Loan has been closed or the amortization period of the Loan has ended;
- **Maximum benefit period:** at the expiration of the maximum benefit period;
- **Maximum age:** the last day of the month in which the Insured attains age 70;
- **Death:** the death of an Insured, if a life insurance benefit covering the Insured Amount is payable;
- **Critical Illness and Accidental Dismemberment:** an Insured is diagnosed with a Critical Illness or Accidental Dismemberment, if a Critical Illness and Accidental Dismemberment insurance benefit covering the entire Insured Amount for life insurance is payable.

SECTION 12. CRITICAL ILLNESS BENEFIT

The Critical Illness benefit under no circumstances includes principal, interest or premiums past due on the date of the Critical Illness diagnosis. Any insurance premium due to the Insurer on the date of Critical Illness diagnosis will be deducted from the Critical Illness benefit. If loan insurance premiums are received by the Insurer after the Insured's Critical Illness diagnosis, the excess premiums paid after the Insured's diagnosis will be reimbursed, without interest.

In case of a Critical Illness diagnosis, the Insurer will pay the Critical Illness benefit based on the following rules:

1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated

The Insurer will pay a Critical Illness benefit corresponding to the lesser of:

- the Insured Amount indicated on the Application; or
- the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

If the Insured chooses a fixed amount, the Insurer will pay to the Bank the Loan Balance Used plus interest accrued since the date the Critical Illness was diagnosed. It will also pay to the company the difference between the Insured Amount indicated on the Application and the Critical Illness benefit paid to the Bank.

Example:	Authorized amount of the Loan:	$300,000
	Insured Amount for life insurance:	$300,000 (Insured Amount indicated on the Application)
	Maximum Critical Illness benefit:	$150,000
	Insured Amount for Critical Illness insurance:	$125,000 (amount indicated on the Application)

	Loan Balance Used:	$75,000 (on date of diagnosis of Critical Illness)
	Critical Illness benefit:	$125,000 i.e., $75,000 to the Bank to reimburse the Loan Balance Used **and** $50,000 to the company (difference between Insured Amount for Critical Illness insurance and Critical Illness benefit)

2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)

The Insurer will pay the death benefit corresponding to the lesser of:

- the Loan Balance Used calculated on the date of death, plus interest accrued since the date of death; or
- the Insured Amount indicated on the Application; or
- 110% of the average daily Loan Balance Used over the 12 months preceding the date of death; or
- 110% of the average daily Loan Balance Used since the effective date of the loan insurance if the insurance has been in effect for less than 12 months; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

Example:	Authorized amount of the Loan:	$300,000
	Maximum Insurable Amount:	Montant variable en fonction du Solde Utilisé du Prêt (tel que choisi sur la Proposition)
	Insured Amount for Critical Illness insurance:	$150,000 (amount indicated on the Application)
	Maximum Critical Illness benefit:	$150,000
	Loan Balance Used:	$75,000 (on date of diagnosis of Critical Illness)
	Average daily balance used:	$67,000 over the 12 months preceding the date of diagnosis of Critical Illness
	110% of the average daily balance used:	$73,700 (110% of $67,000)
	Critical Illness benefit:	$73,700 i.e. $73,700 to the Bank to reimburse the Loan Balance Used

Payment of a Critical Illness benefit terminates the Critical Illness and Accidental Dismemberment insurance for all Insureds.

If, on the date of diagnosis, the Insured Amount for Critical Illness and Accidental Dismemberment insurance is less than the Insured Amount for life insurance, life insurance will remain in effect for all Insureds, covering the initial Insured Amount minus the amount of the Critical Illness benefit. Premiums will be adjusted accordingly.

SECTION 13. ACCIDENTAL DISMEMBERMENT BENEFIT

The Accidental Dismemberment benefit under no circumstances includes principal, interest or premiums past due on the date of the Accidental Dismemberment diagnosis. Any insurance premium due to the Insurer on the date of Accidental Dismemberment diagnosis will be deducted from the Accidental Dismemberment benefit. If loan insurance premiums are received by the Insurer after the Insured's Accidental Dismemberment diagnosis, the excess premiums paid after the Insured's diagnosis will be reimbursed, without interest.

In the event that the Insured is accidentally dismembered as a result of an Accident that occurred while the insurance was in effect, the Insurer will pay an Accidental Dismemberment benefit corresponding to a percentage of the Insured Amount, depending on the loss and based on the following rules:

Loss	Percentage of Insured Amount
For each limb lost (including an eye)	25% (maximum 100%)
For both eyes	100%
Hemiplegia, quadriplegia or paraplegia	100%

1) If the Maximum Insurable Amount indicated on the Application is a fixed amount, i.e., based on the Insured Amount indicated

The Insurer will pay an Accidental Dismemberment benefit corresponding to the lesser of:

- the percentage (depending on the loss) of the Insured Amount indicated on the Application; or
- the percentage (depending on the loss) of the Insured Amount for life insurance; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

If the Insured chooses a fixed amount, the Insurer will pay to the Bank the Loan Balance Used plus interest accrued since the date the Accidental Dismemberment occurred. It will also pay to the company the difference between the Insured Amount indicated on the Application and the Accidental Dismemberment benefit paid to the Bank.

Example:	Authorized amount of the Loan:	$300,000
	Insured Amount for life insurance:	$300,000 (amount indicated on the Application)
	Maximum Accidental Dismemberment benefit:	$150,000
	Insured Amount for Accidental Dismemberment insurance:	$125,000 (amount indicated on the Application)
	Loan Balance Used:	$75,000 (on date Accidental Dismemberment occurred)
	Accidental Dismemberment benefit I one eye = 25%:	$31,250 (25% of $125,000) i.e. $31,250 to the Bank to reimburse the Loan Balance Used

2) If the Maximum Insurable Amount indicated on the Application is a variable amount (based on the Loan Balance Used)

The Insurer will pay an Accidental Dismemberment benefit corresponding to the lesser of:

- the percentage (depending on the loss) of the Loan Balance Used calculated on the date of Accidental Dismemberment, plus interest accrued since that date; or
- the percentage (depending on the loss) of the Insured Amount indicated on the Application; or
- the amount indicated under the *Maximum Benefit* section of this certificate.

Example:	Authorized amount of the Loan:	$300,000
	Maximum Insurable Amount:	Variable amount based on Loan Balance Used (as indicated on the Application)
	Insured Amount for life insurance:	$200,000 (amount indicated on the Application)
	Maximum Accidental Dismemberment benefit:	$150,000

Insured Amount for Accidental Dismemberment insurance:	$125,000 (amount indicated on the Application)
Loan Balance Used:	$75,000 (on date Accidental Dismemberment occurred)
Accidental Dismemberment benefit I one eye = 25%:	$18,750 (25% of $75,000) i.e. $18,750 to the Bank to reimburse the Loan Balance Used

This benefit will be applied toward repayment of the Loan plus any interest accrued since the date of diagnosis of Accidental Dismemberment. If the Accidental Dismemberment leads to Disability, the Accidental Dismemberment and Disability benefits will both be paid.

The total benefits payable for losses resulting from one or more Accidents may not exceed the amount provided for under the *Maximum Benefit* section of this certificate.

Payment of the Accidental Dismemberment benefit of 100% of the Insured Amount terminates the Critical Illness and Accidental Dismemberment insurance for all Insureds. If the benefit is less than 100%, the insurance will remain in effect on the new Insured Amount, less the Accidental Dismemberment benefit paid.

If, on the date of diagnosis, the Insured Amount for Critical Illness and Accidental Dismemberment insurance is less than the Insured Amount for life insurance, life insurance will remain in effect for all Insureds, covering the initial Insured Amount minus the amount of the Accidental Dismemberment benefit. Premiums will be adjusted accordingly.

SECTION 14. MAXIMUM BENEFIT

Benefits payable may under no circumstances exceed the set maximum amount for each type of coverage:

Coverage	Maximum amount
Life	$2,000,000
Critical Illness	$150,000
Accidental Dismemberment	$150,000
Disability	$5,000 per month

If premiums have been paid for a benefit exceeding the maximum benefit, the difference in premiums will be reimbursed, without interest. The Disability maximum benefit excludes reimbursement of the insurance premium.

SECTION 15. TWO OR MORE INSUREDS

Two or more Insureds can be covered under the same Loan.

For life and Critical Illness insurance, the benefit is payable for the first event only.

For Disability Insurance, the amount of the Disability benefit may under no circumstances exceed the Insured Amount of the Disability insurance and the maximum benefit period for all Insureds. The Disability benefit cannot be paid to more than one Insured at a time.

In the event of simultaneous Accidental Dismemberment affecting more than one Insured where it is impossible to determine which Insured suffered the first loss, the highest benefit will be paid first and so on and so forth on the balance thus reduced, without however exceeding the amount provided for under the *Maximum Benefit* section of this certificate.

SECTION 16. CLAIMS

The Insurer must be notified of any claim for benefits for an Insured Event that persists after expiration of the Waiting Period, if applicable.

All required documents, accompanied by proof of claim and any other relevant information, must be forwarded to the Insurer no later than 1 year from the date of the Insured Event. If the Insurer does not receive the documents and all relevant information within the one-year period, the Insured loses his right to any Disability, Critical Illness and Accidental Dismemberment insurance benefits.

For life insurance benefits, the documents must be sent to the Insurer as soon as reasonably possible.

SECTION 17. RESTRICTIONS AND EXCLUSIONS

Concerning life insurance, Critical Illness and Accidental Dismemberment insurance and Disability insurance:

No benefits will be paid for death, Disability, Critical Illness or Accidental Dismemberment resulting directly or indirectly from:

- **War:** war or any act of war, whether or not the Insured was involved in it, unless the Insured was acting as a member of the Canadian Forces or Canadian Forces Reserve;
- **Riot:** active participation in an uprising, riot or insurrection;
- **Drugs:** use of drugs without a medical prescription;
- **Aircraft:** active participation in a flight in an aircraft, whether as a pilot, a member of the crew, an instructor or student;
- **Attempted suicide or self-inflicted injury:** attempted suicide or self-inflicted injury, regardless of the Insured's mental health;
- **Pre-existing conditions:** the effects of an Illness and/or symptoms or Accident when death, Disability, Critical Illness or Accidental Dismemberment occurs during the 12 months following the effective date of the insurance and for which Illness and/or symptoms, injury or any related cause, resulting directly or indirectly from the Accident or Illness, the Insured, during the 12 months that preceded the effective date of the insurance, had consulted or received treatment from a physician or other health care professional, underwent tests, took medication or was hospitalized;
- **Exclusions specific to the Insured:** any and all exclusions specific to the Insured as stipulated in the Insurer's exclusion rider as conditions for accepting the file (if applicable).

Concerning Disability Insurance only:

No benefits will be paid for Disability resulting directly or indirectly from:

- **Cosmetic care:** cosmetic treatment or surgery;
- **Psychological and psychiatric problems including adjustment disorder, chronic fatigue, depression, anxiety, or professional burnout:** if the Insured is not receiving therapy supervised by a physician specializing in this field;
- **Back problems: back pain, neck pain, dorsalgia or lumbago** which is only evidenced by the pain felt by the Insured and where no diagnosis is possible, other than a diagnosis of normal arthrosis due to the Insured's age;
- **Pregnancy:** normal pregnancy;
- **Alcoholism or drug addiction:** alcoholism or drug addiction. However, benefits may be paid provided the Insured is following a closed treatment program.

Concerning Critical Illness Insurance only:

This Policy also sets out specific exclusions applicable to each Critical Illness and for which the benefit in the event of Critical Illness will not be payable, as indicated in *Stroke*, *Cancer* (life threatening) and *Heart Attack* sections under *Definitions*.

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SECTION 18. TERMINATION OF INSURANCE

The insurance automatically terminates on the first of the following events:

- **Non-payment of premiums:** more than 3 monthly insurance premium payments are past due;
- **Cancellation:** the date the Insured voluntarily cancels his insurance provided the Insurer is advised of the cancellation in writing or by calling 1-877-871-7500 before that date, or the date the Insurer receives such written notice or the date the group insurance Policy is cancelled;
- **Loan expiry:** the end of the Loan amortization period or the closing date of the Loan;
- **Assumption:** the date the Loan is taken over by another creditor or the date the Loan or a portion of the Loan is assumed by another debtor who is not insured under a certificate of insurance in connection with the said Loan;
- **Maximum age:** the last day of the month in which the Insured reaches age 70;
- **Bankruptcy**: the date on which the company legally declares bankruptcy;
- **Death:** the death of an Insured, if a life insurance benefit repaying the Insured Amount is payable;
- **Critical Illness or Accidental Dismemberment:** the diagnosis of a Critical Illness or Accidental Dismemberment to an Insured, if a Critical Illness and Accidental Dismemberment insurance benefit covering the entire Insured Amount for life insurance is payable;
- **For Critical Illness and Accidental Dismemberment insurance:** Payment of the Critical Illness benefit terminates the Critical Illness and Accidental Dismemberment insurance for all Insureds.
- **For Disability insurance:** When the Insured(s) has (have) collectively benefited from the maximum of 48 months of benefits for all the Disabilities occurring throughout the entire duration of the Loan.
- **For Disability insurance and Critical Illness and Accidental Dismemberment insurance:** the date the life insurance coverage terminates.

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ADDITIONAL INFORMATION

GENERAL PROVISION: On request, any Insured has the right to obtain a copy of the Application, the insurance certificate, any statement or document submitted as evidence of insurability and of the group insurance Policy number 70009-17 (“Policy”).

NON-PARTICIPATING POLICY AND NO DIVIDENDS: This is a non-participating Policy and awards no rights to a share in any profits and earnings surplus that may be declared or distributed by the Insurer, nor in any dividends.

LIMITATION OF ACTIONS (LIMITATION PERIOD)

Residents of Alberta, British Columbia and Manitoba
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 Insurance Act*.

Residents of Ontario
Every action or proceeding against an insurer for the recovery of insurance money payable under the contract must be commenced within the time set out in the *Limitations Act, 2002*.

Residents of Quebec
Every action or proceeding against an insurer for the recovery of insurance money payable under the agreement must be commenced within three years.

Residents of other provinces
For applicable limitation periods, consult your provincial regulatory body or your legal advisor.

NOTICE CONCERNING THE MIB INC. (MEDICAL INFORMATION BUREAU)

Information regarding your insurability will be treated as confidential. The Insurer or its reinsurer may, however, make a brief report thereon to the MIB Inc. (Medical Information Bureau), a non-profit membership organization of the life insurance companies which operates an information exchange on behalf of its members.

Upon request by a member insurance company to which you have applied for life or health insurance coverage, or to which a claim is submitted, the MIB Inc. will supply such company with the information on its file.

Upon receipt of a request from you, the MIB Inc. will arrange disclosure of any information it may have on file. If you question the accuracy of the information in the MIB’s file, you may contact the MIB Inc. and seek correction. Address: MIB Inc., 330 University Avenue, Suite 501, Toronto, Ontario M5G 1R7. Telephone: 416-597-0590.

The Insurer may also release information from its files to other life insurance companies to which you may apply for life or health insurance or to which a claim for benefits may be submitted.

ACCESS TO PERSONAL INFORMATION

The Insurer has implemented a series of measures to preserve the confidentiality of personal information.

The Insurer will establish an insurance file in which all personal information obtained in connection with the subscription to the insurance Policy will be placed, as well as information concerning any insurance claim under the Policy. Only employees or agents responsible for underwriting, administration, investigations and claims or the reinsurer, where applicable, will have access to this file.

All files will be kept at the offices of the Insurer or one of its agents. All entitled persons, such as yourself or any person you authorize, may consult the personal information contained in the file and, if need be, request corrections by writing to: National Bank Life Insurance Company, Personal Information Access Officer, 1100 Robert-Bourassa Boulevard., 5th Floor, Montreal, Quebec H3B 2G7.

COMPLAINT MANAGEMENT

The client experience is our top priority. No matter what you have to say, we’re here to listen and provide assistance. If the service you received didn’t live up to your expectations, refer to our complaint management procedure available at www.nbc-insurance.ca or call our customer service at 1-877-871-7500.

For more information contact us at:	**Montreal**	514-871-7500
	Toll free	1-877-871-7500

The masculine gender designates individuals of both sexes with no discrimination intended and is used only to facilitate reading.

No one may amend this Certificate of Insurance. All amended forms will be considered null and void. National Bank of Canada employees may at no time act as authorized agents of the Insurer for the administration of these group insurance policies.

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