

Notice of Amendment to Creditor Insurance Effective the Migration Date (the “Effective Date”)



HFMI

Unless mentioned here, all other terms and conditions of your existing creditor insurance as set out in your certificate of insurance remain in full force and effect. Only the changes that take effect on the Effective Date are set out here.

Important: This Notice of Amendment forms part of your Certificate of Insurance (the “Certificate”). Please review it carefully and keep it with your Certificate of Insurance.

As of the Effective Date, the following amendments to the Certificate shall be made:

Changes to the Insurer

All references in the Certificate to “Insurer”, “we”, “us”, and “our” shall mean The Canada Life Assurance Company. The Canada Life Assurance Company can be contacted at: 1-800-554-5577, by mail at 330 University Avenue, Toronto ON, M5G 1R8, or online at www.canadalife.com

Changes to the Group Policy numbers for Life and Disability Insurance on Lines of Credit

All references in the Certificate to the Group Policy number change to G28444 for Life insurance and H28445 for Disability insurance.

Change to policyholder and creditor

All references to “HSBC Bank Canada” are deleted and replaced with “Royal Bank of Canada”.

All references to “Creditor” shall mean Royal Bank of Canada.

Addition of Contact Information

If you have any questions, you can:

- call the Insurance Service Centre at 1 800 ROYAL 23 OR **1 800 769-2523**, weekdays, 8:00am to 8:00pm ET
- contact us by mail at RBC Insurance Services Inc., c/o Insurance Service Centre, P.O. Box 53, Postal Station A, Mississauga ON, L5A 2Y9
- find information online at www.rbcroyalbank.com

Changes to the maximum number of insured borrowers

The maximum number of eligible persons who may be insured under the Credit Facility at the same time is two.

Changes to eligibility requirements for borrowers

Only borrowers and co-borrowers are eligible for coverage under the Certificate.

Changes to coverage for line of credit

For lines of credit that are migrated to RBC as fixed rate installment loans, all references in the Certificate to “line of credit” will change to “personal loan”.

Changes to the life insurance benefit

For lines of credit that are migrated to RBC as fixed rate installment loans, the section “What We Will Pay” in your Certificate is deleted in its entirety and replaced with:

Provided you meet the terms and conditions of your Certificate, in the event of death, the Insurer will pay RBC Royal Bank the outstanding balance(s) of your insured personal loan(s) owing at your date of death, to a maximum of \$500,000.

If, when coverage begins, the total of all loans to be insured under LoanProtector Insurance exceeds \$500,000, premiums are only calculated on the \$500,000 maximum, and the benefit paid is also capped at the \$500,000 maximum.

Your balance is the outstanding amount of your loan and a maximum of 60 days interest that remains to be paid.

Where two persons are insured and one insured person dies, life insurance coverage will remain in place on the surviving insured person if the loan has not been repaid in full.

Note: All life insurance benefits paid by the Insurer are applied directly to your insured loan(s).

Changes to the definition of Total Disability

The definition "Total Disability" is deleted and replaced with the following:

A disability is a sickness or injury that completely prevents you from performing the regular duties of:

- the occupation(s) in which you were engaged immediately before the date you became disabled; or
- your principal occupation, if you are a seasonal employee and you become disabled between seasons; or
- if you are retired, your occupation prior to retirement.

Changes to the disability insurance benefit

For lines of credit that are migrated to RBC as fixed rate installment loans, the "Total Disability Insurance: section of your Certificate is deleted in its entirety and replaced with:

Provided you meet the terms and conditions of your Certificate, in the event of disability, the Insurer will pay to RBC Royal Bank, up to a maximum of 24 months, your regular loan payment of principal, interest and Insurance premium each month.

The Insurer will not pay more than a maximum of \$3,000 each month, including Insurance premiums.

There is a waiting period of 60 days from the date of disability before benefits are payable.

Disability payments will end on the earliest of the following dates:

1. the date your disability ends or you return to work;
2. the date you become engaged in any business, occupation or undertaking for wages or expectation of profit.

For either of the dates above, it is your responsibility to inform the Insurer that either of these events has occurred. Also, in these cases, as long as the maximum benefit of 24 months of disability payments has not been paid, the Insurer will make additional payment(s) depending on your regular payment schedule, as follows:

- one additional regular monthly payment, if your regular payment is made monthly; or
 - 2 additional regular bi-weekly payments, if your regular payment is made bi-weekly; or
 - 2 additional regular semi-monthly payments, if your regular payment is made semi-monthly; or
 - 4 additional regular weekly payments, if your regular payment is made weekly.
3. the date that 24 months of disability payments have been made on your behalf; or
 4. the date your LoanProtector life or disability Insurance coverage ends.

If you have joint coverage and both of you are disabled, payment of benefits will continue until each of you recover, to a maximum of 24 months per insured person. However, at no time will the benefit be more than the monthly loan payment, up to a maximum of \$3,000 per month.

Note: Do not refinance after the date of disability as insurance terminates when a personal loan is refinanced.

To qualify for disability benefits, and to continue receiving these benefits, you must:

- be under the continuous care of a physician or health care practitioner who is licensed to practice medicine in Canada, and follow a reasonable and customary treatment program for your condition, as approved by Canada Life. The physician, or health care practitioner treating you for your disability must be someone other than yourself or a family member;
- not be engaged in any activity for wages or expectation of profit; and

- provide proof of your disability claim satisfactory to the Insurer, and continue to provide proof of your disability claim whenever the Insurer may request it, at your expense.

The Insurer may request, at its own expense, a medical examination by a physician appointed by them or an examination at a rehabilitation facility.

Note: All disability benefits paid by the Insurer are applied directly to your insured loan.

Concurrent or Overlapping disabilities

If your initial disability develops into another related condition, so that you are disabled from a new disability that is the direct or indirect result of the initial disability, this will be considered as one period of disability and the **24-month** maximum benefit period will be calculated from the occurrence of the initial disability. This is known as a concurrent disability.

If you sustain a second or further unrelated disability during the benefit period of your initial disability that continues to be disabling beyond the end of the initial disability, this is known as an overlapping disability and a new claim for benefits can be submitted, subject to the following:

- the medical condition causing the overlapping disability must be unrelated to the initial disability;
- the overlapping disability must have commenced after the initial disability began; and
- benefits for your overlapping disability will only start after benefits on your initial claim have stopped. A new 60 day waiting period is applied after the last benefit payment date for the first disability. A new maximum benefit period of 24 months will begin.

If more than one insured person is disabled at the same time:

- disability Insurance benefits will be paid for the first claimant to be approved,
- if the second insured person is still disabled when the Disability Insurance benefits end for the first insured person, payments will commence for the second insured person,
- the waiting period for the second insured person can be satisfied during the payment of the first claims, where applicable.

If you recover from a disability, but:

- your disability recurs within 21 consecutive and complete days, and
- lasts for at least five consecutive and complete days of work, and
- is due to the same cause or causes, then

the Insurer will still consider this to be one continuous period of disability. In such cases, the Insurer begins paying your disability benefits effective immediately after this temporary period of recovery, without any waiting period.

Changes to when life and disability coverage ends

The "When Insurance Stops" section of your Certificate is deleted in its entirety and replaced with:

Your Insurance coverage ends on the earliest of the following dates:

- the date your personal loan is paid in full;
- the date your personal loan is refinanced;
- the date the Insurance Service Centre receives your written or verbal request to cancel your life or disability Insurance;
- the date that all or part of your Insurance premiums are 90 days overdue;
- the last day of the month in which you turn 70 years of age;
- the date you are no longer the borrower or co-borrower of the loan;
- the date you die; or
- the date the group policy terminates.

Your disability Insurance coverage also ends on the date your life Insurance coverage ends.

Changes to what the Insurer won't pay

The "What We Won't Pay" section of your Certificate is deleted in its entirety and replaced with:

No life insurance benefit is payable if you commit suicide within two years of the date your Insurance coverage begins.

No life or disability insurance benefit is payable if your death or disability results from events directly or indirectly related to, arising from, following your participation or attempted participation in, caused by or contributed to by, or associated with:

- your use of any drug, poisonous substance, intoxicant or narcotic, unless taken according to the instructions of your Physician;
- your operation of any motorized vehicle or watercraft while your ability to do so is impaired by drugs or alcohol, or with blood alcohol concentration in excess of legal limits in the jurisdiction where the operation occurred; or
- your commission or attempted commission of a criminal offence, regardless of whether charges are laid or a conviction obtained.

No disability Insurance benefit is payable if:

- your disability is directly or indirectly the result of intentional self-inflicted injury;
- your pregnancy, other than physical complications of pregnancy, or
- your alcoholism or drug addiction, unless you maintain satisfactory participation in a rehabilitation program approved by the Insurer and your participation began during the waiting period and continues throughout the benefit period.

No life or disability benefit is payable in the event of misrepresentation: On receiving a claim, the Insurer will validate the information you provided, including the answers you gave to the most recent health questions at time of application. If you have failed to disclose information or have given incorrect information relating to the application, coverage may be void and the Insurer may not pay a benefit if you die or are disabled.

Changes to the cost of insurance

The cost of insurance for all insured borrowers is being changed as follows:

Cost of Life Insurance

Your life insurance premium will be based on the rate table and the premium rates for your age at the time of your most recent creditor insurance application and your loan balance on the date your payment is due.

If your loan exceeds \$500,000, you will pay a premium on only the \$500,000 maximum. Joint life coverage is calculated by multiplying the cost of single coverage for the eldest insured borrower by 1.7.

Rates – Application Date on or before July 31, 2001

If loan balance on migration date is \$50,000 or less, one rate applies.

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.45								

If loan balance on migration date is greater than \$50,000, age banded rates apply

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.12	\$0.19	\$0.29	\$0.41	\$0.54	\$0.68	\$0.81	\$1.01	\$1.32

Rates – Application Date between August 1, 2001 - April 30, 2004

If loan balance on migration date is \$75,000 or less, one rate applies.

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.45								

If loan balance on migration date is greater than \$75,000, age banded rates apply.

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.12	\$0.19	\$0.29	\$0.41	\$0.54	\$0.68	\$0.81	\$1.01	\$1.32

Rates – Application Date between May 1, 2004 - April 30, 2009

If loan balance on migration date is \$100,000 or less, one rate applies.

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.45								

If loan balance on migration date is greater than \$100,000, age banded rates apply.

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.12	\$0.19	\$0.29	\$0.41	\$0.54	\$0.68	\$0.81	\$1.01	\$1.32

Rates – Application Date between March 1, 2009 – January 15, 2022

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$0.12	\$0.19	\$0.29	\$0.41	\$0.54	\$0.68	\$0.81	\$1.01	\$1.32

Provincial sales tax will be added to your premium where applicable.

Example using rates effective March 1, 2009: You are 30 years old, and you have a \$10,000 loan for which you have taken single LoanProtector life insurance. You must make monthly personal loan payments of \$100, including the life insurance premium. The life insurance premium included in the first monthly payment is \$1.22 $[(\$0.12 \times \$10,000 \div \$1,000) \div 365 \times 31 \times 12]$. The amount applied to interest and to the principal repayment is therefore \$98.78 ($\$100 - \1.22).

Cost of Disability Insurance

Your disability insurance premium will be based on the rate table and the premium rates for your age at the time of your most recent creditor insurance application per \$100 of your regular payment amount. The cost of joint coverage is calculated by multiplying the cost of single coverage for the eldest insured borrower by 2.0.

Rates – Application Date on or before July 31, 2001

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$2.40								

Rates - Application Date between August 1, 2001 - April 30, 2004

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$2.40								

Rates - Application Date between May 1, 2004 - April 30, 2009

Age	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$2.40								

Rates – Application Date between March 1, 2009 – January 15, 2022

Age	Under 31	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Single	\$1.35	\$1.50	\$1.85	\$2.30	\$2.70	\$3.45	\$4.30	\$5.00	\$5.80

Provincial sales tax will be added to your premium where applicable.

Example using rates effective March 1, 2009: You are 36 years old; you have a \$10,000 loan for which your monthly payment is \$200. Your monthly disability insurance premium will be \$3.70 $[(\$200 \div \$100) \times \$1.85]$.

Additional Changes

The following provisions are inserted in the Certificate:

On request, you or a claimant under this Certificate will be provided with a copy of your application and any evidence of your insurability provided to the Insurer, subject to limits prescribed by law. On reasonable notice, the Insurer will provide you or a claimant under this Certificate with a copy of the Policy.

Cancellation

To cancel this Insurance, all borrowers and guarantors must contact the Insurance Service Centre. In the event you cancel your Insurance, your final premium will be adjusted to reflect Insurance costs up to and including the date your request is received by the Insurance Service Centre.

How to Make a Claim

Claim forms and more information on the claims process can be obtained from your RBC Royal Bank branch or by contacting the Insurance Service Centre at 1-800-769-2523.

- Life claim forms must be received by the Insurer as soon as possible or **within one (1) year from the date of death and in Quebec, within three (3) years from the date of death.**
- Disability claim forms must be received by the Insurer **within 150 days from the day the disability started.**

You must provide medical evidence required to support the claim at your expense. You or your authorized representative will be notified in writing of a decision to approve or deny your claim by the Insurer within 30 days of the Insurer receiving all information required upon which to make a decision.

Important: You are responsible for all your regular loan payments until you have been advised by the Insurer that your claim has been approved.

Limitation Periods

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* (for actions or proceedings governed by the laws of Alberta and British Columbia),
- The *Insurance Act* (for actions or proceedings governed by the laws of Manitoba),
- The *Limitations Act, 2002* (for actions or proceedings governed by the laws of Ontario), or in other applicable legislation,
- for those actions or proceedings governed by the laws of Quebec, the prescriptive period is set out in the *Quebec Civil Code*.

Privacy & Confidentiality

RBC Insurance Services Inc. and The Canada Life Assurance Company recognize and respect the importance of privacy.

Your personal information:

- When you apply for coverage, we establish a confidential file that contains your personal information including your name, contact information, and products and coverage you have with us. Depending on the products or services you apply for and are provided with, this may also include financial or health information.
- Your information is kept in the offices of RBC Insurance Services Inc. or Canada Life.
- You may exercise certain rights of access and rectification with respect to the personal information in your file by sending a request in writing to RBC Insurance Services Inc. or Canada Life.

Who has access to your information:

- We limit access to personal information in your file to RBC Royal Bank, RBC Insurance Services Inc. and Canada Life, to organizations authorized by RBC Insurance Services Inc. or Canada Life who require it to perform their duties, and to persons whom you have granted access.
- In order to assist in fulfilling the purposes identified below, we may use service providers located within or outside Canada.
- Your personal information may also be subject to disclosure to public authorities or others authorized under applicable law within or outside Canada.

What your information is used for:

- Personal information that we collect will be used for the purposes of determining your eligibility for products, services or coverage for which you apply, providing, administering or servicing products or coverage you have with us, and for Canada Life's and its affiliates' internal data management and analytics purposes.
- This may include investigating and assessing claims, paying benefits, and creating and maintaining records concerning our relationship.

If you want to know more:

For a copy of our Privacy Guidelines, or if you have questions about our personal information policies and practices (including with respect to service providers), write to Canada Life's Chief Compliance Office or refer to www.canadalife.com.

How to Make a Complaint

To obtain information about how to make a complaint and our complaints handling process, please call Canada Life at 1-800-380-4572.

