Creditor Insurance on Personal Mortgages

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

Certificate version 6115

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 Insurance on Mortgages

The Certificate Group Policy number will change to G60100 for Life insurance.

Change to policyholder

All references to "Hongkong Bank of Canada" and "HSBC Bank Canada" are deleted and replaced with "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 the life insurance benefit for mortgages

The Insurer will pay the Insured's balance owing at the date of death (to a maximum of $750,000). An Insured's mortgage balance will include: the unpaid principal balance(s), mortgage interest from the mortgage payment due date immediately prior to death to a maximum of 5 years, any pre-payment charges, any overdrawn balance in the property tax account and any cash back option penalty amount owing and included in the existing balance on the mortgage payout statement.

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

Changes to the termination of coverage

Paragraph g) under "Termination of Insurance" in the Certificate is deleted and replaced with the following: "when your premiums are 90 days in arrears;"

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 your age and the amount of your mortgage on the date your mortgage migrates to RBC. If your mortgage exceeds $750,000, you will pay a premium on only the $750,000 maximum and the benefit will be pro-rated. The cost of joint coverage is calculated using the joint rate and the age of the older insured person.

Monthly premium rate per $1,000 of insured mortgage balance on the migration date.

Age	18-30	31-36	37-41	42-45	46-50	51-55	56-60	61-65	66-75
Single	$0.10	$0.14	$0.21	$0.30	$0.43	$0.57	$0.76	$1.02	$1.63
Joint	$0.17	$0.24	$0.36	$0.51	$0.73	$0.97	$1.29	$1.73	$2.77

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

Example: You are 35 years old and your co-borrower is 30 years old, and you have a $200,000 mortgage. The premium rate for the HomeProtector life insurance joint coverage will be based on the age of the older person. The premium rate will be $0.24 per $1,000 of the insured mortgage balance on the migration date. The premium will be calculated as follows: ($200,000 ÷ $1,000) × $0.24 = $48 per month + PST where applicable.

If you add on to or refinance your mortgage, you must reapply for Insurance coverage, and premiums will be calculated based on your age and balance at the time of your new application for Insurance (see Refinancing and HomeProtector Add-on Refinance Program (HARP).

Return of Premiums for Life Insurance

For each month following the migration date that you remain insured, you will receive a return of life insurance premiums as follows:

- the amount of the return of premiums will be 65% of the monthly life insurance premiums paid (excluding any PST paid, if applicable);
- the return of premiums will be deposited into the payment account from which your mortgage payments are drawn;
- each monthly return of premiums will be processed by the end of month following the month in which the premiums were paid; and
- the return of premiums will terminate when 12 monthly return of premium payments have been made.

Addition of Refinancing and HomeProtector Add-on Refinance Program (HARP)

The following section is added to your Certificate:

If you add on to or refinance your existing HomeProtector insured mortgage, Insurance coverage terminates and you must reapply for Insurance coverage; if your Application is approved, premiums will be calculated based on your age and balance at the time of your new application for Insurance. You are considered to have added on to or refinanced your mortgage if the balance of your mortgage increases ("Add-on/Refinance").

However, the HomeProtector Application Refinance Program (HARP) will apply if:

- you were eligible for HomeProtector Insurance at the time you applied for coverage on your mortgage prior to the Add-On/Refinance, which includes being actively working for disability Insurance;
- the increase to your existing mortgage balance is $100,000 or less;
- you reapply for the same type of coverage on your new mortgage, before it is advanced; **and**

- for life and/or disability Insurance – you are less than 70 years of age and the total of all your insured RBC Royal Bank mortgages, plus any mortgage for which you are applying for HomeProtector life and/or disability Insurance is $750,000 or less; and/or

- for critical illness Insurance – you are less than 56 years of age and the total of all your insured RBC Royal Bank mortgages, plus any mortgage for which you are applying for HomeProtector critical illness Insurance is $300,000 or less.

If these conditions apply, then you are not required to:

- answer the application health questions; or

- be actively working at the time of the Add-on/Refinance.

Your answers to the health questions on your previous insurance application for the mortgage prior to the Add-On/Refinance, plus any evidence of your insurability submitted with respect to that application, shall be deemed to be information relating to the Application submitted under HARP.

The Pre-existing Condition Exclusion under HARP means your benefit will be limited if:

- you re-applied for life, disability, or critical illness Insurance due to refinancing or adding on to your mortgage under HARP; and you

  – die or become disabled within 12 months, or

  – are diagnosed with a Covered Illness within 24 months

  after the date you re-applied for Insurance, and your death, disability, or Covered Illness for which a claim is submitted is a result of, caused by, related to or associated with a condition or health problem for which you had symptoms or received *Medical Treatment in the 12 months immediately preceding the date you re-applied for Insurance under HARP.

* Medical Treatment means receiving advice, consultation, care or service from a physician or health care practitioner, taking pills, injections, or any other form of medication or consulting a physician or health care practitioner for any health condition or symptoms of a health condition, whether diagnosed or not.

If the benefit is limited due to the pre-existing condition exclusion as set out above, the payment will be calculated as a percentage of your outstanding balance. In this case, the payable benefit for life or critical illness Insurance is calculated using the following formula:

- Initial mortgage amount ÷ Mortgage balance at time of add-on/refinance x Mortgage balance at date of death (for a life claim) or date of Diagnosis (for a critical illness claim)

For disability Insurance, the benefit will be the lesser of these two amounts:

- your previous mortgage payment before you refinanced under HARP; or

- your current mortgage payment.

Further, should your current mortgage payment become less than your benefit payment, then your benefit payment will be reduced accordingly. In no case will the benefit payment exceed your current mortgage payment.

Changes to Filing a Claim

The heading "Filing a Claim" and the accompanying paragraph is inserted into the Certificate following the heading "Termination of Insurance":

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**.

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 mortgage payments until you have been advised by the Insurer that your claim has been approved.

Changes to Cancellation and Premium Refunds

The heading "Cancellation" and the accompanying paragraph is inserted into the Certificate following the heading "Filing a Claim":

To cancel this Insurance, all borrowers and guarantors must contact the Insurance Service Centre in writing. 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 Complaint

The heading "How to Make a Complaint" and the accompanying paragraph is inserted in the Certificate following "Cancellation":

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

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*.

Amendments

The heading "Amendments" and the accompanying paragraph is inserted in the Certificate following "How to Make a Complaint".

All premiums, terms and conditions are subject to change with 60 calendar days' written notice.

Access to information

The heading "Access to information" and the accompanying paragraph is inserted in the Certificate following "Amendments":

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.

Privacy & Confidentiality

The heading "Privacy & Confidentiality" and the accompanying paragraph is inserted in the Certificate following "Access to information":

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.