



# LoanProtector® Certificate of Insurance

Loan and Line of Credit life, critical illness and disability insurance (2022-01)

This Certificate of Insurance ("Certificate") provides important details on your Insurance coverage; please keep this Certificate in a safe place. Subsequent correspondence may refer to this Certificate as the "Booklet" or the "LoanProtector booklet".

LoanProtector Insurance provides group creditor life, critical illness and disability Insurance underwritten by The Canada Life Assurance Company ("Insurer" or "Canada Life"), under Group Policy ("Policy") G28444, H28544 and H28445, issued to the Royal Bank of Canada including associated companies ("RBC Royal Bank") as the policyholder. Each applicant (referred to as "you") approved by the Insurer is insured under the Policy, further to your electronic application, your written application or your telephone conversation with a representative of RBC Royal Bank or the Insurer in which you indicated your wish to apply ("Application") for LoanProtector life or LoanProtector life and critical illness or LoanProtector life and disability Insurance ("Insurance").

## Eligibility

To be eligible to apply for LoanProtector Insurance, at the date of application you must be:

- for life and disability Insurance, less than 70 years old;
- for critical illness Insurance, less than 56 years old; and
- an individual borrower or co-borrower of an eligible personal loan or Royal Credit Line account.

A maximum of two people per eligible personal loan or Royal Credit Line account can have coverage.

You cannot be insured for both critical illness and disability Insurance at the same time on the same personal loan or Royal Credit Line account.

If applying for critical illness Insurance, you must also have or be applying for LoanProtector life coverage.

If applying for disability Insurance, you must also have or be applying for LoanProtector life coverage and be actively working on the date of application.

Actively working means you are:

- engaged in full-time employment (including self-employment), consistently working at least 20 hours a week, for which you are paid a salary or wages; or
- on maternity or parental leave but capable of performing the regular duties of your employment or occupation; or
- employed seasonally for at least 20 hours a week during the work season, which has a beginning and end, and you have a proven work history as a seasonal employee, you expect to return to the same occupation the next season and you are currently capable of performing the regular duties of your seasonal employment.

An eligible loan is an RBC Royal Bank personal:

- Fixed or variable rate loan; or
- Royal Credit Line account;

and is not a:

- Demand loan; or
- Government guaranteed student loan.

Note: The loan or Royal Credit Line account must be in good standing to be considered eligible for Insurance.

## Confirmation of Coverage

If you answered No to all the health questions in the Application then your application for coverage is automatically approved.

If you answered Yes to any of the health questions in the Application your application is not automatically approved and you must complete a separate health assessment. In this case, the Insurer will send you a written notice of approval or refusal of your application.

## When coverage begins

Your Insurance coverage begins on the date your LoanProtector Application is approved.

Note: No benefit will be paid until the date of the advance of your loan, or the date funds become available to withdraw from your Royal Credit Line account.

## When coverage ends

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, critical illness or disability Insurance;
- the date that all or part of your Insurance premiums are 90 days overdue;
- the date you increase your Royal Credit Line account limit to over \$100,000, and on each subsequent limit increase; unless you are already insured for the plan maximum of \$500,000;
- the last day of the month in which you turn 70 years of age\*; Please note that your loan will not be insured for the full duration of the amortization period if the amortization period of your loan extends beyond your 70th birthday. Likewise, your Royal Credit Line account will not be insured for the full duration of your line of credit if the line of credit remains active after your 70th birthday; \*for Royal Credit Line accounts, if the last day of the month falls on a Friday, Saturday, Sunday or a statutory holiday and a financial transaction on your account occurs between the last day of the month and the next business day, your coverage will end on the next business day;
- the date you are no longer the borrower or co-borrower of the loan or Royal Credit Line account;
- the date you cancel your Royal Credit Line account;
- the date you die; or
- the date the group policy for life, critical illness or disability coverage terminates.

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

Your critical illness Insurance coverage also ends on the date you are Diagnosed with a Covered Illness for which the Insurer pays a critical illness Insurance claim.

Critical illness coverage also ends and premiums are refunded if a Diagnosis of Cancer or any sign, symptom or investigation leading to a Diagnosis of Cancer, occurs within 90 days of your coverage effective date, regardless of when a Diagnosis is made.

Temporary coverage

If RBC Royal Bank has advanced funds to you and the Insurer still needs to assess your LoanProtector application, LoanProtector Insurance provides temporary Insurance coverage during the assessment period with the following conditions:

LoanProtector Insurance will only pay a life Insurance benefit if you die as a result of an accidental injury:

- accidental injury is a bodily injury resulting from an accident, directly and independently of all other causes.
- an accident is a sudden, violent and unforeseen external event, which does not include medical conditions or treatment for medical conditions;
- the benefit is the amount that would have been paid had your LoanProtector application been approved;
- No benefit is payable if your death 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:
  - suicide or intentional self-inflicted injury;
  - 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.

Your temporary insurance will end on the earlier of the following dates:

- the 30<sup>th</sup> day following the date of your Application; or
- The date that the Insurer reaches a final decision on your Application.

Life insurance

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) and Qualifying Balance(s) of your insured line(s) of credit owing at your date of death, to a maximum of \$500,000 for all of your insured loans and lines of credit combined.

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

Line of Credit - your Qualifying Balance is the lesser of the outstanding balance as of the date of death or the average monthly balance for the 12 months prior to the month in which death occurred\*; plus a maximum of 60 days interest that remains to be paid on the Qualifying Balance of your Royal Credit Line account. The benefit paid may be less than your outstanding balance.

\*If death occurred more than 30 days, but less than 12 months, from the date funds became available to withdraw on your Royal Credit Line, "average monthly balance" means:

- the average daily balance starting from the date funds became available to withdraw until the end of the month prior to the month in which death occurred;

If death occurred 30 days or less from the date funds became available to withdraw on your Royal Credit Line, "average monthly balance" means:

- the average daily balance starting from the date funds became available to withdraw up to and including the day before the date of death occurred.

Partial Coverage - If, when coverage begins, the total of all loans and lines of credit 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.

Example: If the loan balance was \$600,000 at the time of the Insurance application and the balance owing at the date of death is \$550,000, the benefit payable is the maximum of \$500,000. If you are jointly insured, the Insurer will pay the insured loan balance or Royal Credit Line account Qualifying Balance upon the first death and Insurance coverage will remain in effect for the other insured borrower (if a balance is not paid in full).

Note: All life benefits paid by the Insurer are applied directly to your insured loan(s) or Royal Credit Line account(s).

Cost of life insurance

Life Insurance premiums for loans and Royal Credit Line accounts are calculated using the life Insurance rates in the table below.

Monthly premium rate per \$1,000 of outstanding balance	
Age	Single
Under 31	\$0.14
31-35	\$0.23
36-40	\$0.29
41-45	\$0.41
46-50	\$0.54
51-55	\$0.71
56-60	\$0.97
61-65	\$1.21
66-69	\$1.58

Joint life coverage is calculated by multiplying the cost of single coverage for the eldest insured borrower by 1.7. Provincial sales tax will be added to your premium where applicable.

If your birthday falls on a weekend or statutory holiday and your premium rate is expected to change per the table above, your new premium rate will become effective on the 2nd business day following your birthday.

Personal Loan - The estimated cost of Insurance on your fixed or variable rate personal loan is expressed as the "average cost per payment". It is based on: your premium rate, declining loan balance and your loan payment frequency. The average cost per payment is not the actual premium collected with each payment. It is an estimate of the average cost of your Insurance coverage for the term of your loan. The actual Insurance cost for your loan is calculated using the premium rates based on your age at the time of your application and your loan balance on the date your payment is due.

Example: 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 \$1.43 [(\$0.14 × \$10,000 ÷ \$1,000) ÷ 365 × 31 × 12]. The amount applied to interest and to the principal repayment is therefore \$98.78 (\$100 - \$1.43).

Line of Credit - The cost of Insurance on your Royal Credit Line account is expressed as the "cost per \$1,000 of outstanding balance". The Insurance premium for your Royal Credit Line account is based on the premium rate for your age on the date your payment is due and your average daily balance during that statement period. If you maintain a zero balance on your Royal Credit Line account, then you will not pay any Insurance premiums.

#### Critical Illness Insurance

Provided you meet the terms and conditions of this Certificate, if you are Diagnosed with Cancer (Life-Threatening), Heart Attack, or Stroke (see Covered Illnesses) while you are insured under this Certificate, the Insurer will pay RBC Royal Bank the outstanding balance(s) of your insured personal loan(s) and Qualifying Balance(s) of your insured line of credit account(s) owing at the date of Diagnosis, to a maximum of \$300,000 for all of your insured loan and line of credit accounts combined.

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

Line of Credit - Your Qualifying Balance is the lesser of the outstanding balance as of the date of Diagnosis or the average monthly balance for the 12 months prior to the month in which the date of Diagnosis occurred\*\*; plus a maximum of 60 days interest that remains to be paid on the Qualifying Balance of your Royal Credit Line account. The benefit paid may be less than your outstanding balance.

\*\* If the date of Diagnosis occurred less than 12 months, but more than 30 days, from the date funds became available to withdraw on your Royal Credit Line, "average monthly balance" means the average daily balance starting from the date funds became available to withdraw until the end of the month prior to the month in which the date of Diagnosis occurred; if the date of Diagnosis occurred 30 days or less from the date funds became available to withdraw on your Royal Credit Line, "average monthly balance" means the average daily balance starting from the date funds became available to withdraw up to and including the day before the date of Diagnosis occurred.

Partial Coverage - If, when coverage begins, the total of all loan and line of credit accounts to be insured under LoanProtector Insurance exceeds \$300,000, premiums are only calculated on the \$300,000 maximum, and the benefit paid is also capped at the \$300,000 maximum.

Example: If the loan balance was \$600,000 at the time of the Insurance application and the balance owing at the date of Diagnosis is \$550,000, the benefit payable is the maximum of \$300,000. If you are jointly insured, the Insurer will pay the insured loan balance upon the first date of Diagnosis, and critical illness Insurance coverage will remain in effect for the other insured borrower (if a balance is not paid in full).

Note: All critical illness benefits paid by the Insurer are applied directly to your insured loan(s) or Royal Credit Line account(s).

#### Covered Illnesses

This section contains specialized medical terms; if you have questions, please contact your medical doctor.

Diagnosis means the determination of the nature and circumstances of a medical condition, made in writing by a medical doctor who has been trained in and certified by a specialty examining board in Canada in the specific area of medicine relevant to the Covered Illness, and who is not yourself, your relative, or your business associate.

Cancer (Life-Threatening) is defined as a definite Diagnosis of a tumour, which must be characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. The diagnosis of Cancer should be confirmed by a pathology report.

Cancer (Life-Threatening) does not include, and no benefit will be payable under this condition for:

- Carcinoma in-situ; Malignant melanoma skin cancer that is less than or equal to 1.0mm 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; or
- Papillary thyroid cancer or follicular thyroid cancer, or both, that is less than or equal to 2.0cm in greatest diameter and classified as T1, without lymph node or distant metastasis.

Heart Attack is defined as a definite Diagnosis of the death of heart muscle due to obstruction of blood flow, which results in the 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; or
- Development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

Heart Attack does not include, and no benefit will be payable under this condition for:

- ECG changes suggesting a prior myocardial infarction; or
- Elevated cardiac bio markers and/or symptoms that are due to medical procedures (for example coronary angiography or angioplasty) in the absence of new Q waves or a diagnosis other than heart attack.

Stroke is defined as a definite Diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis or hemorrhage, 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. Headache or fatigue will not be considered a neurological deficit.

Stroke does not include, and no benefit will be payable under this condition for:

- Transient Ischemic Attacks, also referred to as mini stroke;
- Intracerebral vascular events due to trauma; or
- Lacunar infarcts which do not meet the definition of Stroke as described above.

#### Cost of critical illness Insurance

Critical illness Insurance premiums for loans and Royal Credit Line accounts are calculated using the critical illness Insurance rates in the table below.

Monthly premium rate per \$1,000 of outstanding balance		
Age	Single	Joint
Under 31	\$0.25	\$0.43
31-35	\$0.35	\$0.60
36-40	\$0.45	\$0.77
41-45	\$0.77	\$1.31
46-50	\$1.17	\$1.99
51-55	\$1.65	\$2.81
56-60*	\$2.22	\$3.77
61-65*	\$3.17	\$5.39
66-69*	\$4.40	\$7.48

\*Applicable only for clients with existing LoanProtector coverage. Provincial sales tax will be added to your premium where applicable. The cost of joint coverage is calculated using the joint rate and the age of the older person.

If your birthday falls on a weekend or statutory holiday and your premium rate is expected to change per the table above, your new premium rate will become effective on the 2<sup>nd</sup> business day following your birthday.

**Personal Loan** -The estimated cost of Insurance on your fixed or variable rate personal loan is expressed as the “average cost per payment”. It is based on: your premium rate, declining loan balance and your loan payment frequency. The average cost per payment is not the actual premium collected with each payment. It is an estimate of the average cost of your Insurance coverage for the term of your loan. The actual Insurance cost for your loan is calculated using the premium rates based on your age at the time of your application and your loan balance on the date your payment is due.

**Example:** You are 30 years old and you have a \$10,000 loan for which you have taken single LoanProtector critical illness Insurance. You must make monthly personal loan payments of \$100, including the life and critical illness Insurance premium. The critical illness Insurance premium included in the first monthly payment is \$2.55 [(\$0.25 × \$10,000 ÷ \$1,000) ÷ 365 × 31 × 12]. The amount applied to interest and to the principal repayment is therefore \$96.02 (\$100 - \$1.43 - \$2.55).

**Line of Credit** - The cost of Insurance on your Royal Credit Line account is expressed as the “cost per \$1,000 of outstanding balance”. The Insurance premium for your Royal Credit Line account is based on the premium rate for your age on the date your payment is due and your average daily balance during that statement period. If you maintain a zero balance on your Royal Credit Line account, then you will not pay any Insurance premiums.

**Disability Insurance**

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 and/or 3% of the Qualifying Balance of your Royal Credit Line account each month.

The insurer will not pay more than a maximum of \$3,000 each month for all your insured loan and line of credit accounts combined, including Insurance premiums.

For Royal Credit Line accounts, your Qualifying Balance is defined as the lesser of:

- the outstanding balance as of the date of your disability; or
- the average monthly balance for the 12 months prior to the month in which your disability occurred\*.

\* If your disability occurred less than 12 months from the date funds became available to withdraw on your Royal Credit Line, “average monthly balance” means:

- the average daily balance starting from the date funds became available to withdraw until the end of the month prior to the month in which your disability occurred;

If your disability occurred 30 days or less from the date funds became available to withdraw on your Royal Credit Line, “average monthly balance” means:

- the average daily balance starting from the date funds became available to withdraw up to and including the day before the date your disability occurred.

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

Disability payments will continue until the earliest of the following five 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 have not been made, 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;
  4. the date your LoanProtector life or disability Insurance coverage ends; or
  5. for a Royal Credit Line account, the date your Qualifying Balance has been paid in full.

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 borrower. However, at no time will the benefit be more than the monthly loan payment, or in the case of a Royal Credit Line account, more than 3% of your Qualifying Balance, 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 or Royal Credit Line account is refinanced.

\*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.

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(s) or Royal Credit Line account(s).

Cost of disability Insurance

Disability Insurance premiums are calculated using the disability Insurance rates below.

Monthly premium rate per \$100 payment for loans and per estimated disability benefit for Royal Credit Line accounts	
Age	Single
Under 31	\$1.66
31-35	\$2.06
36-40	\$2.58
41-45	\$3.30
46-50	\$3.75
51-55	\$4.28
56-60	\$6.24
61-65	\$7.26
66-69	\$8.03

The cost of joint disability coverage is calculated by multiplying the cost of single coverage for the eldest insured borrower by 2.0. Provincial sales tax will be added to your premium where applicable.

If your birthday falls on a Friday, Saturday, Sunday or statutory holiday and your premium rate is expected to change per the table above, your new premium rate will become effective on the 2nd business day following your birthday.

Personal Loan - The disability premium is calculated using the premium rates based on your age at the time of your application per \$100 of your regular payment amount. Since the disability premium is calculated based on your loan payment, if you increase your loan payment, your disability premium will increase. If you have applied for disability Insurance, the cost is included in the average cost per payment.

Line of Credit - As there is no way to predict what your actual Royal Credit Line account balance will be when a disability occurs, the premium calculation is based on 3% of the daily balance in each billing month and your age at the time your payment is due. This is because the benefit payable will be calculated as 3% of the Qualifying Balance at the time you were disabled (to the allowable maximum).

Example: You are 36 years old; you have a \$10,000 loan for which your

monthly payment is \$200; you have Royal Line of Credit with an account daily balance of \$25,000:

- Personal Loan: Your monthly disability Insurance premium will be \$5.16  $[(\$200 \div \$100) \times \$2.58]$ .
- Royal Credit Line Account: The estimated disability benefit is calculated as \$750  $(3\% \times \$25,000)$  per month. Therefore your monthly disability premium is \$19.35  $[(\$750 \div \$100) \times \$2.58]$ .

For both calculations above, the premium is divided by 365 and multiplied by the number of days in your payment frequency, plus provincial sales tax, where applicable.

Concurrent or overlapping disabilities

In case of individual 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

Example:

1. on May 1, 2019 you become disabled. You submit a claim and it is approved. Benefits commence on July 15, 2019, your first payment date after satisfying the waiting period of 60 days,
2. on March 1, 2020 you sustain an overlapping disability. You then submit and are approved for that second claim. As of March 1, 2020 you are still receiving benefits from your initial claim. You recover from your original disability on March 15, 2020,
3. after the payment on April 15, 2020, the payments from your initial claim (May 1, 2019) stop because you recovered from your initial disability on March 15, 2020).

As of March 15, 2020, if you are still disabled from the second disability, you will start to receive benefits on June 15, 2020 (first payment date after the 60 day waiting period) and they will continue until the earliest of the five dates for termination set out in the *Disability Insurance* section, up to a maximum of 24 months, which will be calculated from June 15, 2020.

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.

#### How to cancel coverage

This Insurance coverage is voluntary and can be cancelled at any time. To cancel this Insurance, all borrowers and co-borrowers must contact the Insurance Service Centre (see the *Contact Information* section of this Certificate). 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.

#### 30 day review period

If you cancel your Insurance coverage within 30 days from:

- the date your LoanProtector Application is approved; or
- the date of the advance of your loan, or the date funds become available to withdraw from your Royal Credit Line account,

then a full refund of your premiums will be issued, if any have been collected, provided no claim has been made and coverage will be deemed never to have been in force.

#### Limitations and exclusions

In addition to the pre-existing condition exclusion and benefit maximums, waiting period and maximum disability benefit period, LoanProtector Insurance is subject to other limitations and exclusions, including that no benefit is payable if you commit suicide within two years of the date your Insurance coverage begins, or your death, critical illness 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.

Another example of when a benefit will not be paid is 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, are disabled or diagnosed with a Covered Illness.

No disability 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.

Additionally, no critical illness Insurance benefit is payable if:

- within 90 days of your coverage effective date, a Diagnosis of Cancer occurs or you have signs, symptoms or investigations leading to a Diagnosis of Cancer, regardless of when the Diagnosis is made.

No critical illness benefit is payable if your claim does not meet the definition for one of the Covered Illnesses as described in the *Covered Illnesses* section of this Certificate.

#### Pre-existing condition exclusion

The Pre-existing Condition Exclusion means that the Insurer will NOT pay a benefit if you:

- die or become disabled within 12 months, or
- are diagnosed with a Covered Illness within 24 months

after the date you 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 applied for Insurance.

\*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.

#### Submitting 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.
- Critical illness claim forms must be received by the Insurer within 180 days from the date of Diagnosis.
- 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 and/or line of credit payments until you have been advised by the Insurer that your claim has been approved.

#### Additional Information

Royal Bank of Canada receives compensation from the Insurer when you enrol in this Insurance.

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.

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.

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

Any overpayment resulting from a determination that benefits already paid were not payable under the terms of this coverage must be repaid by you and/or your estate within 30 days.

#### Electronic Agreement

If you apply for or vary the terms of your Insurance coverage by way of an electronic agreement, such agreement shall be deemed to have been signed and/or delivered and to constitute a "writing" for the purpose of any law requiring the agreement to be signed.

Any electronic agreement that is entered into or accepted by you, or in your name or purported to be entered into and accepted by you, will be considered to be binding upon you.

#### 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.

The consent given in this form will be valid until we receive written notice that you have withdrawn it, subject to legal and contractual restrictions. For example, if you withdraw your consent, we may not be able to continue to adjudicate or administer a claim for benefits.

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](http://www.canadalife.com).®

#### 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, 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](http://www.rbcroyalbank.com).

You may also contact The Canada Life Assurance Company at:

- 1-800-554-5577 or by mail, 330 University Avenue, Toronto ON, M5G 1R8.

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

#### Special Conditions for your RBC Homeline Plan

If you have HomeProtector and/or LoanProtector Insurance within an RBC Homeline Plan®, the Insurer has made the following modifications which will apply to your HomeProtector and LoanProtector Insurance. Except as described below, all terms and conditions set out in your HomeProtector and LoanProtector Certificates of Insurance, continue to apply.

#### Important Definitions

"Full Life and/or Critical Illness Coverage" means you have full HomeProtector and LoanProtector life and/or critical illness Insurance (subject to the maximum Insurance limits set out in the *Life Insurance and Critical Illness Insurance* sections) on all the Segments affected by one of the listed types of reallocation set out in this section. If you have HomeProtector prior life and/or critical illness Insurance coverage recognition (see *Prior Coverage Recognition (PCR)*), you do not have Full Life and/or Critical Illness Coverage.

"Mortgage Segments" means the Mortgage Loans under an RBC Homeline Plan.

"On Claim" means you have put in a claim that is outstanding for benefits or are receiving benefits under HomeProtector and/or LoanProtector Insurance on any Segment. If you are On Claim and choose to reallocate funds by one of the listed types of reallocations set out in this section, a new Insurance application may be required and you may lose your benefits (see *Disability Insurance*).

"Royal Credit Line Segments" means the Royal Credit Line accounts under an RBC Homeline Plan.

"Segments" means the Mortgage Loans and Royal Credit Line accounts under an RBC Homeline Plan.

"Splitting Life Coverage" means you have full HomeProtector or LoanProtector life Insurance (subject to the maximum Insurance limits set out in the *Life Insurance* section) on a Mortgage Segment or Royal Credit Line Segment and you reallocate a portion of that Mortgage Segment to a newly opened Mortgage Segment or a portion of that Royal Credit Line Credit Limit to a newly opened Royal Credit Line Segment. If you have HomeProtector prior life Insurance coverage recognition (see *Prior Coverage Recognition (PCR)*), you cannot split that type of coverage.

"Splitting Life and Critical Illness Coverage" means you have full HomeProtector or LoanProtector life and critical illness Insurance (subject to the maximum Insurance limits set out in the *Life Insurance and Critical Illness Insurance* sections) on a Mortgage Segment or Royal Credit Line Segment and you reallocate a portion of that Mortgage Segment to a newly opened Mortgage Segment or a portion of that Royal Credit Line Credit Limit to a newly opened Royal Credit Line Segment. If you have HomeProtector prior life and critical illness Insurance coverage recognition (see *Prior Coverage Recognition (PCR)*), you cannot split that type of coverage.

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“Splitting Life and Disability Coverage” means you have full HomeProtector or LoanProtector life and disability Insurance (subject to the maximum Insurance limits set out in the Life Insurance section) on a Mortgage Segment or Royal Credit Line Segment and you reallocate a portion of that Mortgage Segment to a newly opened Mortgage Segment or a portion of that Royal Credit Line Credit Limit to a newly opened Royal Credit Line Segment. If you have HomeProtector prior life Insurance coverage recognition (see *Prior Coverage Recognition (PCR)*), you cannot split that type of coverage.

#### Transfer of coverage

If you are transferring an existing mortgage with HomeProtector Insurance into an RBC Homeline Plan and not changing the interest rate or term, the Insurer will not require a new Insurance application and your existing HomeProtector Insurance on the mortgage continues. If you are reopening an existing Royal Credit Line account with LoanProtector Insurance into an RBC Homeline Plan and not changing the credit limit, the Insurer will not require a new Insurance application and your existing LoanProtector Insurance on the Royal Credit Line account continues.

#### Automatic Increases to Primary Royal Credit Line

Subject to the terms and conditions of the RBC Homeline Plan Agreement, as balances of the Mortgage Loan(s) under the RBC Homeline Plan decrease, the Primary Royal Credit Line Credit Limit will automatically increase by the same amount.

If your Primary Royal Credit Line has LoanProtector Insurance, you will not be required to re-apply for Insurance for automatic increases. The Insurer will provide Insurance on any such increases.

Exception: If the automatic increase is caused by any of the following, the Insurer will require a new Insurance application:

- increasing the RBC Homeline Plan limit;
- reducing a Royal Credit Line Limit;
- closing a Royal Credit Line;
- making a payment to a Mortgage Loan which results in a prepayment charge;
- paying greater than 10% of the original principal amount of a Mortgage Loan in accordance with the RBC Homeline Plan Agreement; or
- entering into any subsequent Mortgage Loan Allocation Agreement or Royal Credit Line Allocation Agreement.

#### Increases to Royal Credit Line Limit(s)

LoanProtector only - If you increase an insured Royal Credit Line limit within your RBC Homeline Plan, you will not be required to re-apply for LoanProtector Insurance as long as the total of all your LoanProtector Insurance combined (on all Royal Credit Lines and loans inside and outside of this RBC Homeline Plan) is \$100,000 or less, or if you are already insured for the maximum of \$500,000, and you maintain the same type of coverage (i.e., life Insurance only or life and critical illness Insurance or life and disability Insurance).

A new LoanProtector Insurance application will continue to be required if you wish to add critical illness or disability Insurance to your existing life Insurance.

#### Reallocations

Subject to the terms and conditions of the RBC Homeline Plan Agreement, a feature of RBC Homeline Plan is that prior to advance, you can choose how to allocate the funds you borrow in the various Segments. Subsequently, after the RBC Homeline Plan has been advanced, you may choose to reallocate these funds. You can reallocate the funds by:

- reducing a Royal Credit Line Credit Limit;
- closing a Royal Credit Line;
- paying greater than 10% of the original principal amount of a Mortgage Loan in accordance with the RBC Homeline Plan Agreement;
- making a payment to a Mortgage Loan which results in a prepayment charge; or
- entering into any subsequent Mortgage Loan Allocation Agreement or Royal Credit Line Allocation Agreement provided that:
  - the RBC Homeline Plan Limit does not increase;
  - you are not On Claim; and
  - you have Full Life and Disability Coverage or Full Life and Critical Illness Coverage or Full Life Coverage or you are Splitting Life and Disability Coverage or Splitting Life and Critical Illness Coverage or Splitting Life Coverage.

For reallocations only, if you have:

- Full Life and Disability Coverage, or
- Full Life and Critical Illness Coverage, or are
- Splitting Life and Disability Coverage, or
- Splitting Life and Critical Illness Coverage,

your Insurance will continue and the Insurer will not require a new life and disability or life and critical illness Insurance application;

if you have:

- Full Life Coverage, or are
- Splitting Life Coverage

your Insurance will continue and the Insurer will not require a new life Insurance application.

However, the following modifications will apply to your HomeProtector and LoanProtector Insurance coverage:

a) Cost of Insurance - With each reallocation, the cost of HomeProtector and/or LoanProtector may change for any Segment changed by the reallocation. The new cost will be as set out in the *Cost of life Insurance, Cost of critical illness Insurance and Cost of disability Insurance* sections in this Certificate.

Exception: If the reallocation increases the balance of a Mortgage Segment, your HomeProtector life and critical illness Insurance cost will be based on:

- your age at the time of your HomeProtector application for the Mortgage Segment (or, if joint on the age of the oldest insured) and
- the balance of the Mortgage Segment at the time of Reallocation.

b) Information Provided - If there have been any reallocations within this RBC Homeline Plan, your answers to the health questions in your HomeProtector and LoanProtector applications, plus any further information provided regarding those applications, shall be deemed to be information relating to all applications.

Therefore, if you fail to disclose or you give incorrect information relating to any application, the Insurer may not pay a benefit under either HomeProtector or LoanProtector.

c) Suicide - On reallocation no new 2-year suicide exclusion period shall begin. However, any unexpired 2-year suicide period will continue to apply despite any reallocation.

d) Pre-existing conditions - On reallocation no new pre-existing health condition period begins. However, any unexpired pre-existing health condition period will continue to apply despite any reallocation.

#### Group Policy Replacement

Your HomeProtector or LoanProtector Insurance coverage for Mortgage and Royal Credit Line accounts under an RBC Homeline Plan may be cancelled and replaced by coverage under a new group policy(ies) designed for the RBC Homeline Plan upon 60 days' notice to you.