

# Scotia Line of Credit Protection

## Certificate of Insurance

Please keep in a safe place.



**Scotia® Line of Credit Protection**  
Certificate of Insurance

The Canada Life Assurance Company certifies that the Insured(s) as named on the Schedule of Coverage are covered under and subject to the terms and conditions of:

**Group Policy Number G/H 60220**  
issued to

The Bank of Nova Scotia

In this Certificate of Insurance ("Certificate") and Your Schedule of Coverage certain words have specific and defined meanings. For example, You and Your mean the Insured as named on the Schedule of Coverage, the Insurer means **The Canada Life Assurance Company** and Scotiabank means The Bank of Nova Scotia. Please refer to Your Schedule of Coverage, this Certificate and the DEFINITIONS section at the end of this Certificate for other definitions.

A summary of the principal provisions of the Group Policy is outlined in the following pages. If there is any conflict between the terms and conditions of the Certificate and those described in the Group Policy, the terms and conditions of the Group Policy shall govern. This Certificate includes information on all insurance coverage available under the Group Policy, including those that You may not have selected. You may, at any time, request a copy of the Group Policy and any amendments made to it by calling **1-855-753-4272** or You may review the Group Policy by sending a written request to the Insurer's head office at the following address:

The Canada Life Assurance Company  
Creditor Insurance Department  
330 University Avenue  
Toronto, Ontario M5G 1R8

**NOTICE OF THIRTY DAY RIGHT TO EXAMINE COVERAGE**

Within thirty (30) days of Your coverage Effective Date, You may cancel the coverage provided by calling **1-855-753-4272** or sending a written cancellation notice by mail to Insurance Canada Processing Centre, P.O. Box 1045, Stratford, Ontario, N5A 6W4. At such time, any premium paid will be refunded, and this Certificate will be deemed to be void from the Effective Date.

Per: **Paul A. Mahon**  
President and Chief Executive Officer  
The Canada Life Assurance Company

Per: **Stefan Kristjanson**  
President and Chief Operating Officer  
The Canada Life Assurance Company

**THIS CERTIFICATE CONTAINS IMPORTANT INFORMATION.  
PLEASE KEEP IN A SAFE PLACE.**

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## INTRODUCTION

The insurance coverage provided under the Group Policy is referred to collectively in this Certificate as Scotia Line of Credit Protection.

Scotia Line of Credit Protection is an optional insurance product available to Scotiabank Line of Credit account customers that provides a financial safety net during times of financial hardship caused by certain life events.

Three types of insurance are available:

- Life insurance covers Your outstanding Line of Credit balance if You die.
- Critical illness insurance covers Your outstanding Line of Credit balance if You are Diagnosed with a specified critical illness.
- Disability insurance covers Your Line of Credit payment if You become Disabled.

## ELIGIBILITY

To be eligible to apply for coverage under Scotia Line of Credit Protection, You must be the principal Borrower, co-borrower or guarantor on a Scotiabank Line of Credit account that is in Good Standing and have agreed to the terms and conditions of the Scotiabank Line of Credit account. A maximum of two people per Scotiabank Line of Credit can have coverage.

At the date of application, You must be:

- at least eighteen (18) years old and less than sixty-five (65) years old; and
- You must be a resident of Canada.

To apply for critical illness insurance coverage, You must have life insurance coverage.

To apply for Disability coverage, You must also be

- actively working at least 20 hours per week for wages or expectation of profit and be able to perform the regular duties of Your occupation (if You are a seasonal worker You must have a proven work history and be capable of performing the regular duties of Your job).

## EFFECTIVE DATE OF COVERAGE

Your insurance coverage begins on the latest of the following dates:

- the date Scotiabank receives Your signed and dated Scotia Line of Credit Protection application;
- the date specified in the Insurer's approval letter, when approval is required; or
- the date You sign Your Scotiabank Line of Credit agreement.

The Effective Date of Your coverage will be indicated on the Schedule of Coverage. You will receive a confirmation of Your coverage and Your Certificate in the mail within 30 days after Your Scotia Line of Credit Protection application has been received and approved. All periods of coverage begin and end at 12:01 a.m. in the time zone that corresponds to Your last address on file.

A debit of insurance premium from Your account, or the collection of insurance premium in error, does not make insurance effective if You are otherwise not eligible or insurable for coverage.

## **TERMINATION OF COVERAGE**

Your coverage under Scotia Line of Credit Protection automatically terminates on the earliest of the following dates:

- Date of Your death;
- Date when Your life, critical illness or Terminal Illness claim is approved for life, critical illness and Terminal Illness insurance coverage;
- Date You have reached the overall maximum benefit of 48 months of Disability benefits for Your lifetime, for Disability insurance coverage;
- Your 70th birthday for life and Disability insurance coverage, or Your 65th birthday for critical illness insurance coverage;
- Date You no longer have a Line of Credit account that is in Good Standing with Scotiabank;
- Date the Scotiabank Line of Credit account is closed;
- Date of receipt of Your request to cancel Your coverage;
- Date when Your Line of Credit payment or premium payment is 120 days in arrears; or
- Date the Group Policy terminates.

Note: If two Borrowers are Insured and the older Borrower reaches the maximum age for insurance coverage, the insurance will automatically change to individual insurance coverage for the other Borrower.

If a Scotia Line of Credit Protection life insurance, critical illness or Terminal Illness claim is paid for one Borrower, the other Borrower must re-apply if they wish to continue Scotia Line of Credit Protection coverage.

## **LIFE INSURANCE**

### **What is the Life Insurance Benefit?**

Provided that You have applied and been approved for life insurance and You meet the terms and conditions of Your Certificate when You die, the Insurer will pay Scotiabank Your Outstanding Account Balance on the date of Your death, up to Your approved insurance coverage. The maximum coverage amount is \$500,000 per insured Scotiabank Line of Credit account, and \$500,000 for all of Your insured Scotiabank Line of Credit accounts.

### **Applying for Coverage**

You are automatically approved for coverage and You will not have to answer the health questions if the total credit limit of all Your insured Lines of Credit is \$150,000 or less.

You are approved for life insurance coverage if You answer 'NO' to all the health questions and the total credit limit of all of Your insured Lines of Credit is greater than \$150,000 but less than \$300,000; otherwise, further review of the application and approval from the Insurer is required before coverage will begin.

If Your application is declined for health reasons and You were not previously insured, You will retain a maximum of \$150,000 insurance coverage.

If further review of Your application is required, the Insurer will contact You for additional health related questions or to arrange for a free paramedical exam where You may be asked to provide blood and urine samples.

### **Prior Coverage Recognition**

If You increase Your existing insured Line of Credit credit limit and You reapply for life insurance coverage within 30 days of the previous coverage ending, and:

- Your application is declined by the Insurer for health reasons, or
- You are over age 65, but less than 70 years of age;

then the Insurer will recognize Your prior Scotia Line of Credit Protection life insurance coverage by granting You coverage up to Your previously insured credit limit. If two Borrowers are insured, it is possible for each Borrower to be insured for a different amount.

### **When Your Life Insurance Benefit will not be paid**

The life insurance benefit is **not** payable if the death resulted directly or indirectly from:

- intentionally self-inflicted injury, suicide or attempted suicide (whether You are aware or not aware of the result of Your actions, regardless of Your state of mind), within the first 24 months following the Effective Date of Your coverage;
- declared or undeclared war, unless You are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve;
- any nuclear, chemical, or biological contamination due to any act of terrorism;
- the commission or attempted commission of a criminal offense or provocation of an assault;
- the intentional taking of drugs, except where prescribed by a Doctor and taken as directed; or
- the operation or control of any motorized vehicle or watercraft with blood alcohol concentration in excess of legal limits in the jurisdiction where the death occurred.

The life insurance benefit is **not** payable if:

- Your application for life insurance coverage was automatically approved; and
- You die within 24 months of the start date of Your coverage; and
- the main or secondary cause of Your death is a pre-existing condition.

You are considered to have a pre-existing condition if You:

- consulted a Doctor;
- had tests done;

- received treatment, including taking any kind of medication or injection for any of the following health conditions, or for any symptoms of these health conditions whether Diagnosed or not:
  - o cancer;
  - o leukemia;
  - o AIDS (Acquired Immune Deficiency Syndrome);
  - o ARC (AIDS related complex);
  - o lung disease;
  - o liver disease; or
  - o heart disease

at any time during the 12 month period before the start date of Your coverage.

### **When Your Life Insurance Benefit will be limited**

The following restrictions will only apply if:

- Your claim is more than \$10,000; and
- the difference between Your claim amount and the average Outstanding Account Balance during the 12 months before death is more than \$5,000.

Your average monthly Outstanding Account Balance is calculated by adding the balance on each of Your monthly Scotiabank Line of Credit account statements for the 12-month period, then dividing the total by 12.

The Insurer will limit Your benefit if, after becoming Insured, You are Diagnosed with:

- cancer;
- leukemia;
- AIDS (Acquired Immune Deficiency Syndrome);
- ARC (AIDS related complex);
- lung disease;
- liver disease; or
- heart disease

and

- that condition is the primary or secondary cause of death, and
- You die within 24 months of Diagnosis.

In such event, the benefit will be limited to not more than Your average monthly Outstanding Account Balance up to Your approved insurance coverage during the 12 months before You were Diagnosed with the condition causing death.

If upon Diagnosis, You had life insurance for less than 12 months, Your average monthly Outstanding Account Balance is the average over the period from the start date of Your coverage to the date You were Diagnosed.

The Insurer will not pay more than the outstanding balance of Your Line of Credit account on the date of death, regardless of Your average monthly Outstanding Account Balance.

**How much does life insurance cost?**

Your monthly life insurance premium is based on Your age at the end of each Scotiabank Line of Credit account billing period and the Daily Balance on Your Scotiabank Line of Credit account during the billing period.

Premiums are calculated on the Daily Balance up to Your approved insurance coverage amount.

**Premium Rates**

The table below sets out the monthly premium rate for every \$1,000 of Daily Balance during the billing period.

Age	Premium Rate for Single Coverage
18 – 30	\$0.20
31 – 35	\$0.27
36 – 40	\$0.31
41 – 45	\$0.44
46 – 50	\$0.59
51 – 55	\$0.76
56 – 60	\$0.95
61 – 65	\$1.38
66 – 69	\$2.50

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

The cost of joint coverage is calculated based on the age of the oldest Insured and multiplying the rate by 1.70.



## Calculating Premium

Your premium is calculated based on Your Daily Balance multiplied by the Daily Premium Rate. Your cost of coverage is the sum of the calculated premiums for the billing period.

Example:

John is 47 years old and is the primary borrower and is enrolled in Scotia Line of Credit Protection Insurance, Life coverage only.

Based on the Life coverage rate table, his premium rate is \$0.59/\$1000

Daily Balance	# of Days			Daily Premium Rate		Premiums
				(\$0.59 / \$1000) X 12 / 365		
\$20,000	X	10	X	\$0.00001940	=	\$3.88
\$21,000	X	15	X	\$0.00001940	=	\$6.11
\$19,000	X	6	X	\$0.00001940	=	\$2.21
						\$12.20

John's Insurance premium for the August billing cycle is \$12.20 + provincial sales tax, where applicable.

## CRITICAL ILLNESS INSURANCE

### What is the Critical Illness Insurance Benefit?

If You apply for and are approved for critical illness insurance coverage, then You are eligible for Terminal Illness benefit. Provided that You meet the terms and conditions of Your Certificate when You are Diagnosed with a critical illness or a Terminal Illness, the Insurer will pay Scotiabank Your Outstanding Account Balance on the date of Diagnosis, up to Your approved insurance coverage. The maximum insurance coverage is \$150,000 per insured Scotiabank Line of Credit account, \$300,000 for all of Your insured Scotiabank Line of Credit accounts.

## What is a Critical Illness?

Only specific critical illnesses are covered. Covered critical illnesses are as follows:

**Heart attack** means the death of a portion of the heart muscle (myocardial infarction) due to an inadequate blood supply to the relevant area due to a blockage of one or more coronary arteries. This Diagnosis must be based on:

- new (after the attack) electrocardiographic (ECG) changes consistent with a Heart attack; and
- elevation of cardiac (heart) bio-markers and/or enzymes.

Diagnosis must be made by a Doctor who is a specialist in internal medicine or a cardiologist.

**Stroke** means a cerebrovascular incident caused by a hemorrhage, or by infarction of brain tissue due to intracranial thrombosis or embolization (a lack of circulation of blood to the brain caused by a blood clot, air bubble or other object) from an extra-cranial source. A Stroke does not include a transient ischemic attack (TIA), also referred to as a mini stroke. Lacunar infarcts alone that are not compatible with the current cerebrovascular signs and symptoms are not considered satisfactory evidence of a Stroke.

This Diagnosis must be made by a Doctor and supported by medical evidence of measurable, objective neurological deficit. This deficit must have continued for at least 30 consecutive days and must be considered to be permanent.

**Cancer** means a malignant tumour characterized by the uncontrolled growth and spread of malignant cells and invasion of tissue. This Diagnosis must be made in writing by a Doctor who is a certified oncologist.

The following conditions or forms of cancer are excluded from the definition of cancer:

- Stage A prostate Cancer;
- Non-invasive Cancer in situ (i.e. not spreading);
- Pre-malignant lesion, benign tumours or polyps;
- Any tumours in the presence of any human immunodeficiency virus (HIV); and
- Any skin Cancer other than invasive malignant melanoma more than 1.0 mm in depth.

## What is a Terminal Illness?

A Terminal Illness is an illness that is not a covered critical illness under this Certificate and that will likely result in death within one year of Diagnosis.

## Applying for Coverage

You are automatically approved for coverage to a maximum of \$150,000 per insured Line of Credit, and \$300,000 for all of Your insured lines of credit combined.

## **When Your Critical Illness Insurance and Terminal Illness Benefit will not be paid**

The critical illness insurance and Terminal Illness benefit is **not** payable if the critical illness or Terminal Illness resulted directly or indirectly from:

- intentionally self-inflicted injury, suicide or attempted suicide (whether You are aware or not aware of the result of Your actions, regardless of Your state of mind), within the first 24 months following the Effective Date of your coverage;
- declared or undeclared war unless You are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve;
- any nuclear, chemical, or biological contamination due to any act of terrorism;
- the commission or attempted commission of a criminal offense or provocation of an assault;
- the intentional taking of drugs, except where prescribed by a Doctor and taken as directed; or
- the operation or control of any motorized vehicle or watercraft with blood alcohol concentration in excess of legal limits in the applicable jurisdiction.

The critical illness insurance and Terminal Illness benefit is **not** payable if death results within 30 days after Diagnosis of a critical illness or within 30 days after undergoing Surgery.

The critical illness insurance and Terminal Illness benefit is not payable if the evaluation of the medical problem or of symptoms of a medical problem, or any medical consultation or tests, leading to the Diagnosis of a critical illness or Terminal Illness was initiated prior to the date You completed and signed Your Scotia Line of Credit Protection application.

The Insurer will not pay a claim for Cancer if, within the 90 days after the Effective Date of Your coverage:

- The Diagnosis of Cancer was made;
- Any evaluation of a medical problem or symptoms of a medical problem leading to the Diagnosis of Cancer was initiated; or
- Any medical consultation or tests leading to the Diagnosis of Cancer was initiated.

## **When Your Critical Illness Insurance and Terminal Illness Benefit will be limited**

The following restrictions will only apply if:

- Your claim is more than \$10,000; and
- the difference between Your claim amount and the average Outstanding Account Balance during the 12 months before Diagnosis of critical illness or Terminal Illness is more than \$5,000.

Your average monthly Outstanding Account Balance is calculated by adding the balance on each of Your monthly Scotiabank Line of Credit account statements for the 12-month period, then dividing the total by 12.

If You are Diagnosed with a critical illness or Terminal Illness and Your Line of Credit Outstanding Account Balance increased by more than 20% during the 3 month period before the Diagnosis, the benefit will be limited to the lesser of the following 2 amounts:

- Your Line of Credit account balance up to Your approved insurance coverage amount at the date of Diagnosis; or
- Your average monthly Outstanding Account Balance up to Your approved insurance coverage during the 12 months before the month in which You were Diagnosed, whichever is less.

If upon the day You are Diagnosed with a critical illness or a Terminal Illness, You had insurance coverage for less than 12 months, Your average monthly Outstanding Account Balance is calculated over the period from the start date of Your coverage to the date You were Diagnosed.

The Insurer will not pay more than the outstanding balance of Your Line of Credit account on the date of Your Diagnosis, regardless of Your average monthly Line of Credit account balance.

**How much does Critical Illness Insurance Cost?**

Your monthly critical illness insurance premium is based on Your age at the end of each Scotiabank Line of Credit account billing period and the Daily Balance on Your Scotiabank Line of Credit account during the billing period.

Premiums are only calculated on the Daily Balance up to Your approved insurance coverage amount.

**Premium Rates**

The table below sets out the monthly premium rate for every \$1,000 of Daily Balance on the billing period.

Age	Premium Rate for Single Coverage
18 – 30	\$0.41
31 – 35	\$0.46
36 – 40	\$0.54
41 – 45	\$0.87
46 – 50	\$1.34
51 – 55	\$1.85
56 – 60	\$2.55
61 – 65	\$3.35

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

The cost of joint coverage is calculated by determining the rate applicable for oldest Insured and multiplying the rate by 1.70.

If You are the only Insured on the Line of Credit and You elect to purchase both life insurance and critical illness insurance coverage, Your premium will be calculated based on the rates for each coverage separately, with a discount factor of 15

Calculating Premium

Your premium is calculated based on Your Daily Balance multiplied by the Daily Premium Rate.

Your cost of coverage is the sum of the calculated premiums for the billing period.

Example: David is 52 years old and is the primary borrower and is enrolled in Scotia Line of Credit Protection Insurance, Life and Critical Illness coverage only.

- Based on the Life coverage rate table, his premium rate is \$0.76/\$1000; and
- Based on the Critical Illness coverage rate table, his premium rate is \$1.85/\$1000
- A discount of 15% is applicable
- David’s Life and Critical Illness premium rate is \$2.2185(\$0.76+\$1.85)-15%

For the month of March, David has the following balances over 31 days:

Daily Balance		# of Days		Daily Premium Rate		Premiums	
				(\$2.2185 / \$1000) X 12 / 365			
\$10,000	X	10	X	\$0.00007294	=	\$7.29	
\$12,000	X	15	X	\$0.00007294	=	\$13.13	
\$15,000	X	6	X	\$0.00007294	=	\$6.56	
						\$26.99	

David's Insurance premium for the March billing cycle is \$26.99 + provincial sales tax, where applicable

## **DISABILITY INSURANCE**

### **What is the Disability Insurance Benefit?**

Provided that You have applied and been approved for Disability insurance and You meet the terms and conditions of Your Certificate when You become Disabled and Your Disability claim is approved by the Insurer, the Insurer will pay Scotiabank a monthly benefit which will be the lesser of:

- 3% of the Outstanding Account Balance on the date of Disability;
- 3% of the amount of insurance coverage for which You have been approved; or
- \$3,000.

Plus the amount equivalent to Your Disability premium (including provincial sales tax) as calculated based on the Outstanding Account Balance on Your date of Disability.

The maximum monthly benefit amount for any one of Your insured Scotiabank Lines of Credit is \$3,000 plus Your Disability premium (including provincial sales tax) as calculated based on the Outstanding Account Balance and will be paid for up to a maximum of 24 months per Scotiabank Line of Credit account, per Insured person, per Disability. The overall maximum is 48 months of Disability benefit payments for Your lifetime.

If You have been approved for a maximum of \$50,000 only, the maximum Insurance coverage is \$1,500 per month, plus Your Disability premium (including provincial sales tax) as calculated based on the Outstanding Account Balance and will be paid for up to a maximum of 24 months per Scotiabank Line of Credit account, per Insured person, per Disability. The overall maximum is 48 months of Disability benefit payments for Your lifetime.

### **What is a Disability?**

A Disability is a medical impairment due to injury, disease, or sickness that prevents You from performing the regular duties of Your own occupation in which You participated just before the Disability started.

To qualify for Disability benefits and to continue to receive these benefits, You must:

- be under the active care of a Doctor;
- not be engaged in any activity for wages or expectation of profit; and
- provide proof of Your Disability claim satisfactory to the Insurer.

The Insurer may request, at its own expense, a medical examination by a Doctor appointed by them.

## **When do Disability Benefits Begin and End?**

Once the Insurer has approved Your claim, the Insurer will start paying benefits on the first day Your Line of Credit payment is due after Your Qualifying Period of 60 days. Qualifying Period means the period of continuous Disability beginning on the date You become Disabled and ending on the date You qualify for benefits. No Disability benefits are payable for the Qualifying Period.

The claim payment will be pro-rated if a Disability benefit is payable for a portion of a Line of Credit account payment billing cycle. You are responsible for making Your regular Line of Credit account payments during the Qualifying Period and until the Insurer approves Your claim.

Payments will continue until the earliest of the following events:

- Your Disability ends or You return to work;
- You participate in any business or occupation for wages or profit;
- You have received 24 months of Disability benefit payments per insured person, per Line of Credit account, per Disability;
- You have received an overall maximum of 48 months of Disability benefit payments for Your lifetime;
- Your Line of Credit account is closed;
- Your Disability results from drug or alcohol abuse unless:
  - o You are enrolled in a rehabilitation program;
  - o You are hospitalized and receiving continuous treatment; or
  - o You are suffering from an organic disease that, if the use of the drug or alcohol stopped, would cause Disability
- The Insurer is notified that You are approved for a claim for critical illness on Your Line of Credit; or
- Your death.

If You are receiving Disability benefits on multiple Line of Credit accounts in any given month, each month You are Disabled represents one month of benefit for the purposes of the 24-month maximum per Line of Credit account per Disability and 48-month overall maximum benefit.

## **Recurring Disabilities**

If the same Disability recurs within 21 consecutive days of Your recovery or Your return to work and the Disability recurrence lasts a minimum of 7 consecutive days, Your Disability will be treated as a continuation of the same claim but no benefits will be payable for the period You worked. Your Disability benefit payments will begin again after You have provided proof to the Insurer of the recurrence of Your Disability.

## **Concurrent Disabilities**

Only one Disability claim will be paid at a time, on any one Line of Credit account regardless of the number of people insured on the Line of Credit account.

## Applying for Coverage

You are automatically approved for coverage and You will not have to answer the health questions if Your Scotiabank Line of Credit account insured for Disability insurance is \$50,000 or less. Any coverage for subsequently approved increases of the credit limit up to \$50,000 is also automatically approved for Disability insurance.

You will be required to answer the applicable health questions if Your Scotiabank Line of Credit account insured for Disability insurance is greater than \$50,000. If You are approved for coverage over \$50,000, any coverage for subsequently approved increases of the Scotiabank Line of Credit account limit up to \$100,000 is also automatically approved for Disability insurance.

If Your application is declined for health reasons, You will retain a maximum of \$50,000 insurance coverage.

If further review of the application is required, the Insurer will contact You for additional health related questions or to arrange for a free paramedical exam where You may be asked to provide blood and urine samples.

Your medical information will be kept confidential, and will not be shared with Scotiabank.

## When Your Disability Benefit will not be paid

The Disability insurance benefit is **not** payable if the Disability is the result of:

- normal pregnancy;
- intentionally self-inflicted injury;
- events directly or indirectly relating to, arising from or following Your participation or attempted participation in a criminal offence, or Your impairment by illegal drugs or alcohol while Your blood alcohol concentration is higher than the legal limit, regardless of whether Your Disability arises or results from Your impairment;
- war or civil disorder, whether declared or undeclared, unless You are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve;
- elective cosmetic Surgery or experimental Surgery or treatment; or
- drug or alcohol abuse unless:
  - o You are enrolled in a rehabilitation program; or
  - o You are hospitalized and receiving continuous treatment; or
  - o You are suffering from an organic disease that, if the use of the drug or alcohol stopped, would cause Disability.

The Insurer will also **not** pay a claim if:

- The Outstanding Account Balance on the date You become Disabled is \$0.00;
- You are not under the active care of a Doctor;
- You refuse to submit to a medical exam by a Doctor selected by the Insurer;
- You fail to provide proof of continuing Disability satisfactory to the Insurer;
- You are confined in a prison or similar institutions; or



- Your Scotiabank Line of Credit account limit is \$50,000 or less and You were automatically approved for insurance coverage, You become Disabled within 12 months of the start date of Your insurance coverage and Your Disability results from a pre-existing condition.

The Insurer will consider You to have a pre-existing condition if You:

- consulted a Doctor; or
- had tests done; or
- received treatment, including taking any kind of medication or injection for any health conditions, or for any symptoms of a health condition whether Diagnosed or not during the 12 months before the Effective Date of Your coverage.

### **When Your Disability Benefit will be limited**

The following restrictions will only apply if:

- the Outstanding Account Balance on Your date of Disability is more than \$10,000; and
- the difference between the Outstanding Account Balance on Your date of Disability and the average Outstanding Account Balance during the 12 months before disability is more than \$5,000.

Your average monthly Outstanding Account Balance is calculated by adding the balance on each of Your monthly Scotiabank Line of Credit account statements for the 12-month period, then dividing the total by 12.

Your monthly benefit will be limited to 3% of the lesser of:

- The average monthly Outstanding Account Balance for the 12 months prior to the date of Disability; or
- The Outstanding Account Balance on the date of Disability; or
- Your approved Scotia Line of Credit Disability Protection insurance coverage amount; or
- \$100,000.

The Insurer will not pay more than 3% of the insured Outstanding Account Balance on the date of Disability, regardless of Your average monthly Outstanding Account Balance.

### **How much does Disability insurance cost?**

Your monthly Disability insurance premium is based on:

- Your age at the end of each line of credit account billing period; and
- The Daily Balance on Your Line of Credit during the billing period. Your Daily Balance during the billing period is multiplied by 3% to determine the monthly insurable benefit and then multiplied by the applicable Daily Premium Rate to determine the insurance cost.

Your premium is added to Your Line of Credit balance and will be included on Your monthly Line of Credit statement. Scotiabank collects Your premium and sends it to the Insurer.

You must continue to pay Your premium during the period You are receiving Disability benefits. The Insurer will add the premium amount as of the approved date of Disability to each Disability benefit during the period You are receiving Disability benefits. Any changes in the amount of premium occurring after the approved date of Disability will not be included in the premium amount the Insurer adds to each Disability benefit.

**Premium Rates**

The table below sets out the monthly premium rate for every \$100 of monthly insurable benefit.

Age	Premium Rate for Each Insured
18 – 29	\$1.60
30 – 35	\$1.95
36 – 40	\$2.50
41 – 45	\$3.07
46 – 50	\$3.65
51 – 55	\$4.39
56 – 60	\$5.46
61 – 64	\$6.41
65 – 69	\$7.00

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

**Calculating Premium**

Your premium is calculated based on Your Daily Balance multiplied by 3% and then multiplied by the Daily Premium Rate. Your cost of coverage is the sum of the calculated premiums for the billing period.

Example:

Jane is 42 years old and is the primary borrower and is enrolled in Scotia Line of Credit Protection Insurance, Disability coverage only. Based on the Disability Coverage rate table, her premium rate is \$3.07/\$100 of monthly benefit.

For the month of January, Jane has the following balances over 31 days:

Daily Balance	Insurable Benefit			# of Days		Daily Premium Rate	Premiums	
(\$3.07 / \$100) X 12 / 365								
\$15,000	X	3%	X	10	X	\$0.00100931	=	\$4.54
\$13,000	X	3%	X	15	X	\$0.00100931	=	\$5.90
\$10,000	X	3%	X	6	X	\$0.00100931	=	\$1.82
								\$12.26

Jane's Insurance premium for the January billing cycle is \$12.26 + provincial sales tax, where applicable.

**MOVING INSURANCE COVERAGE FROM ONE LINE OF CREDIT TO ANOTHER**

If You are transferring Your insured credit limit from one Scotiabank Line of Credit account to a new Scotiabank Line of Credit account, Your insurance coverage remains in effect on the new Scotiabank Line of Credit account, provided Your Scotiabank Line of Credit account credit limit stays the same. Scotia Line of Credit Protection is not transferable to other types of credit products.

**HOW TO MAKE A CLAIM**

**Notice of Claim and Claim Forms**

In the event of a claim, You or Your representative can request a claim form by calling 1-855-753-4272.

Any written notice must include the Group Policy number: G/H60220.

You or Your representative will receive the claim forms and an attending physician statement with instructions for filing the claim.

You or Your representative must complete the claim form and mail it to the Insurer with any supporting documents specified on the claim form.

You or Your representative is responsible for any costs of having the claim form completed.

SAMPLE

## **Proof of Claim**

To make a claim for life insurance, You or Your representative must complete the claim form and submit it to the Insurer within the year following the date of death. After this one year period, a life insurance claim will only be considered if Your representative can provide a written reasonable cause for delay.

To make a claim for critical illness or Terminal Illness, You or Your representative must notify the Insurer of the claim within 90 days of the date You are Diagnosed with a covered critical illness or Terminal Illness. If the Insurer is not notified within that time, the Insurer will only consider a critical illness or Terminal Illness claim if You or Your representative can provide a written reasonable cause for delay. Once Your notice of claim is received, You or Your representative will be sent a claim form. The Doctor who made the Diagnosis or performed the Surgery must complete this claim form.

To make a Disability claim, You or Your representative must complete the claim form within 150 days of the date of Disability and mail it to the Insurer. The medical information must be completed by the Doctor who is actively caring for You. If the Insurer does not receive notice of a Disability claim within the specified time, they will only process the Disability claim if You can provide a written reasonable cause for delay.

## **Rights of Examination**

The Insurer may ask You to have a medical examination by a Doctor of the Insurer's choice. The Insurer will pay for this examination, but will not pay any benefits if You refuse to have the examination. In the event of a death claim, the Insurer has the right, where allowed by law, to ask for an autopsy.

## **Payments until Decision is Made**

You are responsible for continuing to make Your regular Line of Credit account payments until a decision is made by the Insurer on any claim submitted under this Certificate.

## **HOW TO CANCEL COVERAGE**

You may cancel Your coverage at any time by calling:

**1-855-753-4272**

8:00 a.m. to 8:00 p.m. (ET)

Monday to Friday

or by sending a written notice by mail to:

Insurance Canada Processing Centre

P.O. Box 1045

Stratford, Ontario

N5A 6W4

Your coverage will end on the later of the following dates:

- The date stated in Your cancellation request; or
- The date Your cancellation request is received.

If Your notice of cancellation is received within 30 days of the Effective Date of Your coverage, this insurance will be considered never to have been in force and all premiums paid will be refunded.

## **OTHER IMPORTANT INFORMATION**

### **Premium Rate Changes**

Scotia Line of Credit Protection premium rates are subject to change from time to time. Written notice will be sent by regular mail to Your address as it appears on file, at least 60 days before the premium rate is changed. Except where the Group Policy is amended to change the benefits or Eligibility criteria, or a change in legislation or regulation directly affects the insurance coverage provided under the Group Policy, the premium rate will not be changed more than once in any twelve (12) month period.

### **Payment of Benefits**

Any life insurance, critical illness and Terminal Illness benefits for approved claims payable under the Group Policy will be paid to Scotiabank to reduce or pay off Your insured Line of Credit Outstanding Account Balance.

Any Disability benefit for approved claims payable under the Group Policy will be paid to Scotiabank by depositing benefit payments to the Line of Credit account on the same frequency that Your Line of Credit payment is made.

### **Misstatement of Age**

If You misstated Your age and Your correct age would have rendered You ineligible for Scotia Line of Credit Protection, the Insurer's liability is limited to a refund of premiums paid and Your insurance will be void as if it never existed.

If Your age has been misstated and You would have been eligible for insurance based on Your correct age, Your correct age will be used to determine whether to pay any benefit.

### **Misrepresentation**

**Any concealment, misrepresentation, or false declaration on either the Scotia Line of Credit Protection application or in any medical evidence submitted in connection with the application or on Your claim form will make the coverage null and void.**

### **Contract Details**

The contract of insurance includes the Group Policy, any amendments to the Group Policy and any form of application used for enrollment, such as an internet application, a branch application or a telemarketing enrolment record.

Scotiabank and the Insurer may agree from time to time to amend the Group Policy. No amendment is valid unless the authorized representatives of Scotiabank and the Insurer approve it. You will be given 60 days prior written notice of an amendment. You will be deemed to have received such notice on the fifth business day after it is mailed to Your address as it appears on file.

**If Scotiabank or the Insurer makes any clerical errors in maintaining any records concerning the Group Policy, including collection of insurance premium in error, such errors will not alter or invalidate Your coverage or continue coverage that would otherwise be not eligible or insurable for coverage or terminated for valid reasons.**

All rights and obligations under the Group Policy will be governed by the laws of Canada and the provincial jurisdiction in which You reside.

You have the right to examine and obtain a copy of the Group Policy and certain other written statements or records You have submitted to the Insurer (if any), subject to certain access limitations.

Scotiabank receives an administration fee from the Insurer to distribute Scotia Line of Credit Protection.

### **Contestability of Coverage**

The coverage under the Group Policy shall be contestable in accordance with applicable laws in the jurisdiction where the Insured resides.

### **Currency**

All payments to be made under the Group Policy shall be payable in the lawful currency of Canada.

### **Prohibition against Assignment**

You cannot assign or give Your rights and interests with respect to Your coverage to anyone else.

### **Privacy and Confidentiality**

The Insurer recognizes and respects the importance of privacy. When You apply for coverage, a confidential file that contains Your personal information is established. This file is kept in the offices of the Insurer or the offices of an organization authorized by the Insurer.

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 the Insurer. The Insurer may use service providers located within or outside Canada.

The Insurer limits access to personal information in Your file to the Insurer's staff or persons authorized by the Insurer who require this information to perform their duties, to persons to whom You have granted access, and to persons authorized by law. In some instances, these persons may be located outside Canada and Your personal information may be subject to the laws of a foreign jurisdiction.

Personal information that the Insurer collects will be used for the purposes of determining Your eligibility for coverage and administering the group benefits plan. This includes investigating and assessing claims, and creating and maintaining records concerning the relationship.

For a copy of the Insurer's Privacy Guidelines, or if You have questions about its personal information policies and practices (including with respect to service providers) please contact:

**Canada Life:**

By website: [www.canadalife.com](http://www.canadalife.com)  
By e-mail: [Chief\\_Compliance\\_Officer@canadalife.com](mailto:Chief_Compliance_Officer@canadalife.com)  
By mail: Chief Compliance Officer  
The Canada Life Assurance Company  
330 University Avenue,  
Toronto, ON M5G 1R8

If the Insurer receives a request for access or correction, the Insurer will reply to You within 30 days. The Insurer may require a reasonable charge, in advance, for reproduction and transmission of any information the Insurer provides.

**Limitation of Actions**

No action at law or in equity shall be brought to recover on this Certificate prior to the expiration of 60 days after written proof of claim has been furnished in accordance with the requirements of the Group 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*.

## **Complaint Procedures**

If You have a complaint or inquiry about any aspect of this insurance coverage on Your Scotiabank Line of Credit account, please call 1-855-753-4272 between 8:00 a.m. and 8:00 p.m. (ET), Monday to Friday. If for some reason You are not satisfied with the resolution of Your complaint or inquiry, You may communicate the complaint or inquiry in writing to:

Ombud Service for Life and Health Insurance  
401 Bay Street, PO Box 7  
Toronto, Ontario M5H 2Y4

You may also contact the insurer directly:

### **Canada Life Complaints Process**

For complaints regarding underwriting decisions or insurance claims please call Canada Life at 1-800-380-4572.

If Your complaint or inquiry concerns any consumer provision found in federal law please contact the Financial Consumer Agency of Canada at 1-866-461-3222 or in writing at:

Financial Consumer Agency of Canada  
427 Laurier Avenue West, 6th Floor  
Ottawa, Ontario K1R 1B9



## DEFINITIONS

The following words, when used in this Certificate or the Schedule of Coverage, have the following meanings:

<b>Borrower</b>	means the principal Borrower, co-borrower, or guarantor on a Line of Credit account.
<b>Daily Balance</b>	means Your account balance at the end of each calendar day
<b>Daily Premium</b>	means the premium derived from the age rate in the applicable table(s) divided by 1000 (for Life and Critical Illness coverage or by 100 (for Disability coverage) multiplied by 12 and then divided by 365.
<b>Diagnosis or Diagnose(d)</b>	means written Diagnosis confirmed by a Doctor of Your critical illness. The date of Your Diagnosis will be the date the Diagnosis is made by Your Doctor, as supported by Your medical records. The evaluation of a medical problem or of symptoms of a medical problem, or any medical consultation or test, leading to this Diagnosis must begin after the date You complete and sign Your Scotia Line of Credit Protection application for us to consider paying a benefit.
<b>Disability or Disabled</b>	means You have a medical impairment due to injury, disease, or sickness that prevents You from performing the regular duties of Your own occupation in which You participated just before the Disability started.
<b>Doctor</b>	means a physician or a surgeon, legally licensed and practicing medicine in Canada. The Doctor must be someone other than yourself or business associate or a member of Your immediate family. Immediate family includes any of Your spouse, parent or stepparent, child or stepchild, brother or sister, stepbrother or stepsister, brother-in-law or sister-in-law, father-in-law or mother-in-law, and son-in-law or daughter-in-law.
<b>Effective Date</b>	means the date Your insurance coverage begins, specified in the Schedule of Coverage as the Effective Date.
<b>Good Standing</b>	Your Scotiabank Line of Credit account is considered to be in Good Standing as long as the payments are not past due, the account is not charged-off or closed.
<b>Group Policy</b>	means Group Policy number G/H 60220 for coverage provided by The Canada Life Assurance Company issued to The Bank of Nova Scotia.

<b>Insured</b>	means a Scotiabank Group customer noted as the Borrower whose application for insurance has been accepted and who is named as the “Insured” on the Schedule of Coverage.
<b>Insurer</b>	means The Canada Life Assurance Company.
<b>Line(s) of Credit</b>	means a personal Scotiabank Line of Credit account included in the Scotiabank Line of Credit suite of products.
<b>Outstanding Account Balance</b>	means the unpaid balance of Your Scotiabank Line of Credit account on the date of Your death, Diagnosis of a critical illness, Terminal Illness, or Disability, as applicable.
<b>Qualifying Period</b>	means the 60-day period of continuous Disability beginning on the date You became Disabled and ending on the date You qualify for Disability benefits. No Disability benefits are payable for the Qualifying Period.
<b>Schedule of Coverage</b>	means the schedule included with this Certificate which indicates the name of the Insured, and the Effective Date of coverage.
<b>Scotiabank</b>	means The Bank of Nova Scotia.
<b>Surgery</b>	means You undergo Surgery performed by a Doctor in Canada, or in another country that the Insurer approves. The evaluation of the medical problem or symptom of the medical problem leading to the Surgery must begin after the date You complete and sign Your Scotia Line of Credit Protection application in order that a benefit be paid. In addition, the Surgery must be performed while Your coverage is in effect.
<b>Terminal Illness</b>	means an illness Diagnosed by a Doctor that will likely result in death within one year of Diagnosis, and which is not covered under Your critical illness protection.
<b>You or Your</b>	means the Insured, as named in the Schedule of Coverage.

To simplify your insurance, visit us at:

**scotiabank.com**

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