



Creditor Insurance for CIBC Mortgages

Distribution Guide

Life Insurance, Critical Illness Insurance, Disability Insurance and Disability Insurance Plus for CIBC Mortgages

Name and Address of Insurer:

The Canada Life Assurance Company (“Canada Life”)

330 University Avenue
Toronto, Ontario
M5G 1R8
CIBC Creditor Insurance Helpline: 1 800 465-6020

Name and address of the Distributor:

Canadian Imperial Bank of Commerce (“CIBC”)

(Stamp or write branch address here)

Telephone: 1 800 465-6020

The Autorité des marchés financiers does not express an opinion on the quality of the product offered in this guide. The insurer alone is responsible for any discrepancies between the wording of the guide and the policy.

For any questions regarding *your Insurance* products, please call the *CIBC Creditor Insurance* Helpline at 1 800 465-6020

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PERSONAL NOTES

Coverage Amount:

Life Insurance:

Critical Illness Insurance:

Disability Insurance:

Disability Insurance Plus:

Premium:

Life Insurance:

Critical Illness Insurance:

Disability Insurance:

Disability Insurance Plus:

Other:

Sections 439 to 443 of the Act respecting the Distribution of Financial Products and Services.

- 439.** A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.
- The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.
- 440.** A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation of the Authority, stating that the client may rescind the insurance contract within 10 days of signing it.
- 441.** A client may rescind an insurance contract made at the same time as another contract, within 10 days of signing it, by sending notice by registered mail. Where such an insurance contract is rescinded, the first contract retains all its effects.
- 442.** No contract may contain provisions allowing its amendment in the event of rescission or cancellation by the client of an insurance contract made at the same time.
- However, a contract may provide that the rescission or cancellation of the insurance contract will entail, for the remainder of the term, the loss of the favourable conditions extended because more than one contract was made at the same time.
- 443.** A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation of the Authority, stating that the debtor may subscribe for insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the insurer specified by the distributor.
- No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.
- The rights of the debtor under the contract of credit shall not be forfeited when the debtor rescinds, cancels or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.

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NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

Section 440 of the Act respecting the distribution of financial products and services (chapter D-9.2)

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES GIVES YOU IMPORTANT RIGHTS.

- The Act allows you to Rescind an insurance contract you have just signed when signing another contract, **without penalty, within 10 days of its signature**. However the Insurer allows you to Rescind an insurance contract, **without penalty, within 30 days of its receipt**. To do so, you must give the insurer notice by registered mail within that delay. You may use the attached model for this purpose.
- Despite the Rescission of the insurance contract, the first contract entered into will remain in force. Caution, it is possible that you may lose advantageous conditions as a result of this insurance contract; contact your distributor or consult your contract.
- After the expiry of the 30-day delay, you may Rescind the insurance at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at (418) 525-0337 or 1-877-525-0337.

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To: The Canada Life Assurance Company
330 University Avenue
Toronto, Ontario M5G 1R8

Date: _____
(Date of sending of notice)

Pursuant to section 441 of the Act respecting the distribution of financial products and services, I hereby Rescind insurance contract no.:

(Number of contract, if indicated)

Entered into on: _____
(Date of signature of contract)

In: _____
(Place of signature of contract)

(Name of client) (Signature of client)

This document must be sent by registered mail.

Physician

Means a medical doctor appropriate for *your* condition who is duly licensed to practice in Canada and who is not a member of *your* family.

Previous Mortgage Life Policy

Means *Group Insurance Policy G.60129-01* providing the creditor's group *Life Insurance*, issued by *Canada Life*, as insurer, to *CIBC*, as group policyholder.

Policy or Policies

The Canada Life Assurance Company underwrites:

- i) *Group Insurance Policy G.60230-01* for *Mortgage Life Insurance*,
- ii) *Group Insurance Policy H.60230* for *Critical Illness Insurance*,
- iii) *Group Insurance Policy H 60129-301* for *Mortgage Disability Insurance* **and**
- iv) *Group Insurance Policy H 60129-311/411* for *Mortgage Disability Insurance Plus*, referred to collectively as the "*Policies*", and individually, as the "*Policy*", issued to Canadian Imperial Bank of Commerce as the Policyholder.

Power of Sale

Means the legal process by which *CIBC* may sell the property at public auction. This situation occurs when a borrower is in default of the reimbursement of the *Mortgage Loan*.

Principal

Means the amount borrowed or remaining unpaid. This is the part of the payment that reduces the outstanding balance of a *Mortgage Loan*.

Prior Insured Mortgage Loan

Means a *Mortgage Loan* that was insured under the *Mortgage Life Policy*, the *Previous Mortgage Life Policy*, the *Mortgage Critical Illness Policy*, the *Mortgage Disability Policy* or *Mortgage Disability Plus Policy*.

Refinance

Considered a *New Mortgage Loan* for *Insurance* purposes. *Refinancing* could include:

- i) extending or shortening the *Amortization Period*;
- ii) changing the interest rate for reasons other than renewal of a loan;
- iii) increasing or decreasing the outstanding balance of the *Mortgage Loan*; **or**
- iv) lengthening or shortening the term.

Rescission or Rescind or Rescinded

Means to put an end to *your Insurance* contract.

Seasonal Worker

Means a person who is employed only in certain seasons or whose employment is dependent on seasonal weather or seasonal activities. Examples of *Seasonal Workers* may include, **but are not limited to** construction workers, landscapers, and roofers.

Transfer

Means transferring the *Mortgage Loan* from one property to another. This is considered a *New Mortgage Loan* for *Insurance* purposes.

Waiting Period

Means:

- i) with respect to *Disability Insurance*, the first 60 days following the *Date of Disability*,
- and**
- ii) with respect to *Job Loss Insurance*, the first 60 days following the *Date of Job Loss*.

INTRODUCTION

The purpose of this distribution guide is to provide information on *Creditor Insurance* for *CIBC* Mortgages, which includes *Life Insurance (Group Insurance Policy 60230-01)*, *Critical Illness Insurance (Group Insurance Policy H.60230)*, *Disability Insurance (Group Insurance Policy 60129-301)* and *Disability Insurance Plus (Group Insurance Policy 60129-311/411)*, issued by The Canada Life Assurance Company ("*Canada Life*"). *Canada Life* underwrites the *Group Insurance Policies*, offered exclusively to Canadian Imperial Bank of Commerce ("*CIBC*") clients for *CIBC* Mortgages.

This Distribution Guide will help *you* decide, without the services of an *Insurance* advisor, if the *Insurance* offered suits *your* specific *Insurance* needs. It also gives details about how to apply for *Insurance*, how to submit a claim and where to go for more information on the *Insurance* products described in this guide.

If *you* have a question that is not answered here, *you* can call us at our *CIBC Creditor Insurance* Helpline at 1 800 465-6020 or visit our website at www.cibc.com.

***Note:** although the terms for all four types of *Creditor Insurance (Life Insurance, Critical Illness Insurance, Disability Insurance and Disability Insurance Plus)* are set out in this distribution guide, *you* will only have *Insurance* coverage on the *Insurance* for which *you* choose to apply.

Job Loss

Means that *your* employment was involuntarily terminated by *your* employer (not for cause) including permanent layoff, and for which *you* are eligible to receive Government of Canada Employment Insurance Benefits. *Job Loss* does not include strike or layoff where:

- i) the employment relationship has not been completely and permanently terminated, **or**
- ii) *you* have not been provided with an employment end date.

Job Loss Insurance

Means the *Job Loss Insurance* coverage under the *Mortgage Disability Insurance Plus Policy*.

Life Insurance

Means the Life Insurance coverage under the *Mortgage Life Policy*.

Mortgage Critical Illness Policy

Means Group *Policy H.60230* providing creditor's group *Critical Illness Insurance*, issued by *Canada Life*, as insurer, to *CIBC*, as group policyholder.

Mortgage Disability Plus Policy

Means *Group Insurance Policy H 60129-311/411*, providing creditor's group *Disability* and *Job Loss Insurance* issued by *Canada Life*, as insurer, to *CIBC*, as group policyholder.

Mortgage Disability Policy

Means *Group Insurance Policy H 60129-301*, providing creditor's group *Disability Insurance*, issued by *Canada Life*, as insurer, to *CIBC*, as group policyholder.

Mortgage Life Policy

Means *Group Insurance Policy G.60230-01*, providing creditor's group *Life Insurance* issued by *Canada Life*, as insurer, to *CIBC*, as group policyholder.

Mortgage Loan

Means the *Mortgage Loan* which is identified in *your Application* and insured with *Creditor Insurance*.

Mortgage Loan Agreement

Means the agreements governing *your Mortgage Loan* (as renewed or otherwise amended, if applicable).

New Mortgage Loan

Any *CIBC Mortgage Loan* written for the first time or an existing *Mortgage Loan* that is *Refinanced*.

Percentage Limit Insured

Means the percentage amount of the *Mortgage Loan* that is insured. It is *your Initial Insured Amount* expressed as a percentage (not to exceed 100%) of the outstanding *Principal* balance of the *Mortgage Loan* on the later of the date when *your Life Insurance* or *Critical Illness Insurance* on the *Mortgage Loan* begins, and the date the *Mortgage Loan* is advanced.

Permanent Employee

Means being hired by an employer for a position / employment that has no pre-determined time limited or end date.

Disability and Disabled

Means that *you* are completely unable to perform, due to sickness or injury:

- i) the regular duties of *your* full-time occupation in which *you* were engaged immediately prior to becoming *Disabled*,
- ii) the essential duties of *your* principal occupation, if *you* are a *Seasonal Worker*, **or**
- iii) the regular duties of *your* full-time occupation prior to retirement, going on parental leave, or becoming unemployed, if *you* are retired, on parental leave, or unemployed, respectively.

Disability Insurance

Means the *Disability Insurance* coverage under either *Disability Insurance* or *Disability Insurance Plus*.

Fixed Monthly Benefit Amount

Means:

- i) if *you* are approved for coverage, the *Principal* and interest portion of *your* total monthly *Mortgage Loan* payment (rounded to the nearest \$100); **or**
- ii) if *you* are not approved for coverage but are eligible for coverage based on prior coverage *you* had, the amount communicated to *you* by *Canada Life*. The maximum *Fixed Monthly Benefit Amount* is \$3000.

Foreclosed

Means the legal process by which *CIBC* takes the *Mortgage Loan* property as payment. This situation occurs when a borrower is in default of the reimbursement of the *Mortgage Loan*.

Group Insurance Policy

Means the *Mortgage Life Policy*, *Previous Mortgage Life Policy*, *Mortgage Critical Illness Policy*, *Mortgage Disability Policy* or *Mortgage Disability Plus Policy*, as applicable.

Home Power Plan

Is a *CIBC* borrowing product (that can include a *CIBC* real estate secured line of credit or it can combine a *CIBC Mortgage Loan* with a *CIBC* real estate secured line of credit) that leverages the equity in *your* home to provide *you* with ongoing access to funds.

Initial Insured Amount

Means the maximum dollar amount of *Insurance* provided to *you* related to the *Mortgage Loan*, which is the lowest of:

- i) the *Mortgage Loan* amount to be advanced, or if the *Mortgage Loan* has been advanced on the date *you* apply for *Insurance*, the outstanding *Principal* balance of the *Mortgage Loan* on the date *you* apply for *Insurance*;
- ii) the amount determined by applying *your Percentage Limit Insured* on the *Prior Insured Mortgage Loan* to the *Principal* balance at the time of payout of the *Prior Insured Mortgage Loan*;
- iii) \$750,000 minus the total of all the outstanding *Principal* balances of all *your* other life-insured *CIBC* branded *Mortgage Loans* under the *Mortgage Life Policy* or *Previous Mortgage Life Policy* on the date when *your Mortgage Life Insurance* begins under the *Certificate*; **or**
- iv) \$500,000 minus the total of all the outstanding *Principal* balances of all *your* other *Critical Illness*-insured *CIBC* branded *Mortgage Loans* under the *Mortgage Critical Illness Policy* on the date when *your Mortgage Critical Illness Insurance* begins under the *Certificate*.

Insured Person, you and your

Means each person insured under the *Group Insurance Policy*.

LIFE INSURANCE FOR CIBC MORTGAGES

DESCRIPTION OF THE PRODUCT OFFERED

Nature of the Coverage

Creditor *Life Insurance* for CIBC Mortgages is *Insurance* that helps to reduce or pay off the outstanding *Principal* balance of *your CIBC brand Mortgage Loan* if *you* or another *Insured Person* on *your Mortgage Loan*, if applicable, should die.

If *you* die, provided the terms and conditions of the *Certificate* are satisfied, *Canada Life* will pay the *Life Insurance* benefit to CIBC which will be applied to *your Mortgage Loan*. The *Life Insurance* benefit will be applied to *your Mortgage Loan* in the same order and priority as *your Mortgage Loan* payments under the terms of *your Mortgage Loan*.

The amount of the *Life Insurance* benefit is equal to the outstanding *Principal* balance of *your Mortgage Loan* on the date of *your death* multiplied by the *Percentage Limit Insured*.

If *your Initial Insured Amount* was equal to the amount of the *Mortgage Loan* (i.e., the *Percentage Limit Insured* is 100%), the amount of the *Life Insurance* benefit is equal to the outstanding *Principal* balance of *your Mortgage Loan* on the date of *your death*. *You* cannot choose a beneficiary.

SUMMARY OF SPECIFIC FEATURES

Who can apply?

To be eligible for *Life Insurance* *you* must:

- be approved for the *Mortgage Loan*,
- be a borrower, co-borrower or guarantor of the *Mortgage Loan*,
- be a resident of Canada, which is any person who:
 - has lived in Canada for a total of 183 days or more within the last year (days do not need to be consecutive); **or**
 - is a member of the Canadian Armed Forces;
- be age 18 or over and under age 65 at the time CIBC receives *your Application* (if *you* are age 65 or over and under age 70 at the time CIBC receives *your Application*, *you* may be eligible for prior coverage recognition as described in the “*Prior Coverage Recognition*” section below), **and**
- not already have more than \$750,000 of *Life Insurance* coverage on all *your* life-insured CIBC branded *Mortgage Loans*.

How many of us can be covered?

A maximum of two eligible people can be insured for *Life Insurance* on the same *Mortgage Loan*.

Each applicant must complete the *Application* for *Creditor Insurance* for CIBC Mortgages, including the Health Questions.

What if one of us is not approved?

Coverage for one person can still be put in force on the approved applicant.

DEFINITIONS

Amortization Period

Means the period for the gradual repayment of a *Mortgage Loan* by installments.

Application

Means *your* signed and completed written *Application* (in paper or electronic form) or *your* telephone *Application* for *Creditor Insurance*, and includes any health questions, whether answered in writing or verbally.

Assigned

Means to *Transfer* to another creditor.

Canada Life

Means The Canada Life Assurance Company.

Certificate

Means the *Certificate of Insurance*.

CIBC

Means Canadian Imperial Bank of Commerce or any of its affiliates.

Claims Advisor

Means an employee of an *Insurance* company whose responsibilities include investigating claims, approving valid claims, and denying invalid claims.

Creditor Insurance

Means *Life Insurance*, *Critical Illness Insurance*, *Disability Insurance* or *Disability Insurance Plus*, as applicable, for *your Mortgage Loan*.

Critical Illness

Has the meaning indicated in the “*Mortgage Critical Illness Insurance*” section.

Critical Illness Insurance

Means the *Critical Illness Insurance* coverage under the *Mortgage Critical Illness Policy*.

Date of Diagnosis

Means the date *you* are *Diagnosed* with a *Critical Illness*.

Date of Disability

Means the latest of:

- i) the date of *your Disability* as determined by *your Physician*;
- ii) the date *you* cease to work due to *your Disability*; **or**
- iii) the date *you* are under the regular care of a *Physician* for *your Disability*.

Date of Job Loss

Means the last day *you* were employed.

Diagnosis and Diagnosed

Means the determination of a medical condition made in writing by a *Physician* who has been trained in and certified by a specialty examining board in Canada in the specific area of medicine relevant to the *Critical Illness* in question, and who is not yourself, *your* relative, or *your* business associate.

CONTACT INFORMATION

Please contact *your CIBC Personal Banker* or call our *CIBC Creditor Insurance Helpline* or visit our website at www.cibc.com if *you* have any further questions.

CIBC CREDITOR INSURANCE HELPLINE: 1 800 465-6020

Telecommunication device for the hearing impaired is: Toll-free 1 800 465-7401

Insurer: The Canada Life Assurance Company
330 University Avenue
Toronto, Ontario M5G 1R8
Telephone: 1 800 387-4495

Distributor: Canadian Imperial Bank of Commerce (CIBC)
CIBC Creditor Customer Service
PO Box 3020
Mississauga, STN A
Mississauga, Ontario L5A 4M2
Telephone: 1 800 465-6020

REFERRAL TO THE AUTORITÉ DES MARCHÉS FINANCIERS

For additional information regarding the insurer's and the distributor's obligations towards *you*, please contact the Autorité des marchés financiers.

Autorité des marchés financiers

Place de la Cité, Tour Cominar
2640, boul. Laurier, bureau 400
Quebec, (Quebec)
G1V 5C1

Telephone:

Toll-free: 1 877 525-0337
Quebec City: (418) 525-0337
Montreal: (514) 395-0337

Web Site:

www.lautorite.qc.ca

How much am I covered for?

The maximum benefit for all *your CIBC* branded *Mortgage Loans* under the *Mortgage Life Policy* or the *Previous Mortgage Life Policy* is \$750,000.

If *your Application* is approved, the *Initial Insured Amount* is the lesser of:

- the *Mortgage Loan* amount to be advanced, or if the *Mortgage Loan* has been advanced, the outstanding *Principal* balance of the *Mortgage Loan* on the date of *your Application*, **or**
- \$750,000 minus the total of all the outstanding *Principal* balances of all *your* other life-insured *CIBC* branded *Mortgage Loans* under the *Mortgage Life Policy* or *Previous Mortgage Life Policy* on the date when *your Insurance* begins under the *Certificate*.

Where the *Initial Insured Amount* is less than the *Mortgage Loan* amount, the *Mortgage Loan* is only partially covered. The *Percentage Limit Insured* will be less than 100%. The *Percentage Limit Insured* of the *Mortgage Loan* amount is determined by dividing the *Initial Insured Amount* by the *Mortgage Loan* amount. Calculating a *Percentage Limit Insured* (example): If *your Initial Insured Amount* is \$100,000 and *your Mortgage Loan* amount is \$200,000, *your Percentage Limit Insured* is 50% ($\$100,000 / \$200,000$).

Calculating the *Life Insurance* benefit where there is partial coverage (example): If *you* already have one insured *CIBC* branded *Mortgage Loan* with a current balance of \$700,000 and *you* insured a second *CIBC* branded *Mortgage Loan* of \$400,000 under the *Certificate*, *your Initial Insured Amount* for the second *Mortgage Loan* under the *Certificate* would be \$50,000 (maximum coverage of \$750,000 - \$700,000 = \$50,000). Therefore, 12.5% of *your* second *CIBC* branded *Mortgage Loan* would be insured ($\$50,000 / \$400,000 = 12.5\%$), and 12.5% would be the *Percentage Limit Insured* for the second *CIBC* branded *Mortgage Loan* under the *Certificate*.

If the outstanding balance of *your* second *CIBC* branded *Mortgage Loan* is \$350,000 at the time of *your* death, the benefit payable would be \$43,750 ($\$350,000 \times 12.5\% = \$43,750$). In addition, the outstanding balance on *your* first *CIBC* branded *Mortgage Loan* would be payable subject to the terms of its certificate of insurance.

How much will the Insurance cost?

Your monthly *Life Insurance* premium is based on:

- *your* age on the date of *your Application*,
- the *Initial Insured Amount*, **and**
- the applicable premium rate from the *Life Insurance* monthly rate table below.

Your premiums remain constant while *your Insurance* is in effect (based on *your* age on the date of *your Application*), unless the premium rates are changed in the *Mortgage Life Policy*.

Canada Life and *CIBC* reserve the right to change the premium rates under the *Policy* at any time. *You* will be provided with at least 30 days prior notice of a change to *your* premium as a result of a premium rate change in the *Mortgage Life Policy*.

Your monthly *Life Insurance* premium = (*Initial Insured Amount* / 1,000 x premium rate). Applicable taxes will be added to *your* premium.

Life Insurance monthly premium rates per \$1,000 of the *Initial Insured Amount*:

Age Group	Under 30	30-35	36-40	41-45	46-50	51-55	56-60	61-64	65-69
Life Insurance Single Coverage	\$0.08	\$0.13	\$0.20	\$0.29	\$0.43	\$0.64	\$0.82	\$0.97	\$0.97
Life Insurance Joint Coverage*	\$0.15	\$0.22	\$0.34	\$0.49	\$0.68	\$0.90	\$1.19	\$1.62	\$1.62

* The *Life Insurance Joint Coverage* premium rate is based on the age of the older *Insured Person* and is only applicable when the two *Insured Persons* have:

- i) applied for *Life Insurance* on the same date, **and**
- ii) the same *Initial Insured Amount*.

In all other cases the combined premium for both *Insured Persons* is determined by using the sum of the premiums calculated using the *Life Insurance Single Coverage* rates for each person and multiplying the result by 90%.

Note: Due to rounding, there may be a minor difference in the premium that *you* are charged compared to the premium that is calculated using the above formula.

If the *Mortgage Loan* payment frequency is other than monthly, *your Insurance* premium will be adjusted as described in the “*Adjusting monthly payments and benefits*” section below.

An example of *Life Insurance Joint Coverage* calculation when applying at the same time:

You are age 36, the other borrower is age 32. *You* both apply and are approved for *Life Insurance* at the same time and the *Initial Insured Amount* is \$150,000. The monthly premium for *Insured Persons* combined would be based on *your* age of 36. It would be calculated as follows: $\$150,000/1000 \times \$0.34 = \$51.00$.

An example of *Life Insurance Joint coverage* calculation when applying at different times:

You are age 36 and *you* apply and are approved for *Life Insurance* on an *Initial Insured Amount* of \$150,000. The monthly premium would be calculated as follows: $\$150,000/1000 \times \$0.20 = \$30.00$. A 32 year-old co-borrower applies for *Life Insurance* on the same *Mortgage Loan* at a later time that has an *Initial Insured Amount* of \$130,000. The monthly premium for 32 year-old person would be calculated as follows: $130,000/1000 \times \$0.13 = \16.90 . The monthly premium for both *Insured Persons* combined is calculated as follows: $(\$30.00 + \$16.90) \times 90\% = \$42.21$.

Insurer’s reply

When a claim is approved, *you* will be informed of the benefit amount in writing. A written explanation will be provided if the claim is denied.

The insurer should make their decision known to *you* **within 30 days** of receipt of all requested information.

Appeal of an *Insurer’s Decision and Recourse*

The following steps are recommended if *you* wish to appeal *Canada Life’s* decision:

- Speak with the *Canada Life Claims Advisor* who handled the *Claim*. Tell the *Claims Advisor* that *you* are disappointed with the decision and why. *You* may be asked to provide more evidence to support why *you* feel the *Claim* should be reconsidered.
- If *you* are not satisfied with the answer from the *Claims Advisor*, *you* are encouraged to call the *CIBC Creditor Insurance Helpline* at 1 800 465-6020.
- If *you* are still not satisfied with the response, *you* may choose to submit a complaint by contacting *Canada Life* at 1-800-380-4572 or by email at creditorcomplaints@canadalife.com or visit www.canadalife.com/complaints.

If *you* are unable to resolve the problem with *CIBC* or *Canada Life*, *you* have the following options:

- *You* can contact the *Autorité des marchés financiers*; **or**
- *Your* Legal Advisor.

SIMILAR PRODUCTS

There are other products offered on the market that may have similar benefits. However, ***Creditor Insurance for CIBC Mortgages*** is exclusively offered to *CIBC* customers and may be less expensive than if *you* bought *Insurance* to cover *your Mortgage Loan* elsewhere.

What if I miss a payment?

Your *Insurance* premium payments are made together with your *Mortgage Loan* payments. If your *Insurance* premium payments are in arrears for 90 consecutive days, your *Insurance* will be terminated.

Reapplying for Coverage

If your *Insurance* ends because your *Insurance* premium payments are in arrears for 90 consecutive days, and you wish to reapply for coverage, you must complete a new *Application*.

What happens when I renew my *Mortgage Loan*?

Your coverage will continue as usual so there is no need to reapply. Your *Insurance* premium payments will also continue to be based on your age as of the date of your *Application*.

What happens if I Refinance or Transfer my *Mortgage Loan*?

You will need to reapply for *Insurance* by completing a new *Application* if you Refinance or Transfer your *Mortgage Loan* to another property.

If you are not approved for a new request for *Life Insurance* for the amount of the *New Mortgage Loan*, prior coverage recognition may apply.

PROOF OF LOSS OR CLAIM

Submission of a claim

Insurance Claim forms are available from any *CIBC* banking centre, at www.cibc.com or by calling the *CIBC* Creditor Helpline at 1 800 465-6020. We recommend that you make a *Claim* as soon as possible following an insured event.

For a *Life Insurance Claim*, notice and proof of *Claim* must be made to *Canada Life* within **one (1) year, or (3) years in Quebec** from the date of death, otherwise the *Claim* will not be payable.

For a *Critical Illness Insurance Claim*, notice of proof of *Claim* must be made to *Canada Life* within **180 days** from the *Date of Diagnosis* otherwise the *Claim* will not be payable.

For a *Disability Insurance or Job Loss Insurance Claim*, notice and proof of *Claim* must be made to *Canada Life* within **120 days** from the *Date of Disability* or *Date of Job Loss* otherwise the *Claim* will not be payable.

Canada Life may request you to undergo a medical examination by a *Physician*, when, and as often as they may reasonably require, in order to adjudicate a *Claim* or determine the continuance of a *Claim*. Any costs that may be incurred to obtain evidence for a *Claim* are your responsibility.

EXCLUSIONS AND LIMITATIONS

CAUTION

A *Life Insurance* benefit will not be paid if:

- you gave false or incomplete information or a false declaration on the *Application* or to any subsequent request for information, and *Canada Life* determines based on the correct or complete information that you would not have qualified for this *Insurance*. In this case, your *Insurance* coverage will be void and will be considered never to have been in force;
- the *Insurance* is not in force on the date of death;
- you have misstated your age on your *Application*, and your true age would have made you ineligible for this *Insurance*. In this case, *Canada Life's* liability will be limited to a refund of premiums paid;
- your death results from a self-inflicted injury within two years of the date your *Insurance* begins;
- your death is a result of events directly or indirectly related to, arising from, following your participation or attempted participation in, caused by or contributed to by, or associated with:
 - i) your use of any drug, poisonous substance, intoxicant (other than alcohol) or narcotic, unless taken according to the instructions of your *Physician*;
 - ii) 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**
 - iii) your commission or attempted commission of a criminal offence.

CRITICAL ILLNESS INSURANCE FOR CIBC MORTGAGES

WHEN YOUR INSURANCE ENDS

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

- the date of *your* death,
- *your* 70th birthday for *Life Insurance* and *Critical Illness Insurance*,
- *your* 65th birthday for *Disability Insurance* or *Disability Insurance Plus*,
- the date CIBC receives *your* request to cancel *your Insurance*,
- the date *your Mortgage Loan* is paid out, except if *you* replace *your Mortgage Loan* with a *New Mortgage Loan* under a *CIBC Home Power Plan®* without changing the outstanding *Principal* amount at the time of payout of *your Mortgage Loan*,
- the date *your Mortgage Loan* or the registered mortgage or charge securing the *Mortgage Loan* in favour of CIBC is *Assigned* to another lender at *your* request,
- the date the property being used as security for the *Mortgage Loan* is *Foreclosed* or sold under a *Power of Sale*,
- the date *your Insurance* premium payments are in arrears for 90 consecutive days;
 - for *Disability*, *Job Loss* and *Critical Illness Insurance* *you* will be given a minimum of 15 days' prior notice in writing, before *your* insurance is cancelled for non-payment of premiums;
- the date *you* are no longer a borrower, co-borrower or guarantor of the *Mortgage Loan*,
- the date CIBC and Canada Life terminate the *Group Insurance Policy*,
- for *Life Insurance*, the date of death of another person insured on the same *Mortgage Loan*, if:
 - i) a *Life Insurance* benefit is paid under the *Life Policy* or *Previous Life Policy* in respect of that person's death, **and**
 - ii) the benefit amount paid is equal to or greater than the amount of *Life Insurance* that *you* have on the *Mortgage Loan* on that date; **or**
- for *Critical Illness Insurance*:
 - i) the date *your Critical Illness* claim is approved;
 - ii) the date *you* are *Diagnosed* with Cancer or experience signs, symptoms or undergo investigations leading to a *Diagnosis* of Cancer, which occurs within 90 days of *your* coverage effective date. In this scenario, *your Critical Illness Insurance* premiums will be refunded; **or**
 - iii) the date a *Critical Illness Insurance* benefit is paid for another person insured on the same *Mortgage Loan* if the benefit amount paid is equal to or greater than the amount of *your Critical Illness Insurance* benefit on the *Mortgage Loan* on that date.

Adjusting monthly payments and benefits

If mortgage payments are made at a frequency other than monthly, the monthly *Insurance* premiums and the *Fixed Monthly Benefit Amount* paid in the event of a claim are adjusted as follows:

- for semi-monthly *Mortgage Loan* payment frequency, the monthly premium or benefit amount divided by 2,
- for weekly *Mortgage Loan* payment frequency, monthly premium or benefit amount multiplied by 12, then divided by 365, and then multiplied by 7, **and**
- for bi-weekly *Mortgage Loan* payment frequency, monthly premium or benefit amount multiplied by 12, then divided by 365, and then multiplied by 14.

CANCELLATION AND END OF INSURANCE

How to cancel *your Insurance Coverage*

This *Insurance* is optional. You may cancel *your coverage* at any time by:

- Calling CIBC Creditor Helpline at 1-800-465-6020;
- Completing a cancellation form at a CIBC banking centre;
- Completing and sending the 'Notice of Rescission of an Insurance Contract', included in this distribution guide; **or**
- Sending a letter to *your CIBC banking centre* requesting cancellation. This letter must specify the *Mortgage Loan Number*, the names of the *Insured Persons* and the *Insurance* that they want to cancel.

Your Insurance coverage includes a review period of 30 days from the date *you* receive *your Certificate*. If *you* cancel *your coverage* during this review period, *you* will receive a full refund of any *Premiums* paid and the coverage will be deemed to have never been in force. If *you* cancel at any time after the review period, no refund will be provided.

In the case of coverage for two borrowers, the *Insurance* premium will be reduced to the cost for a single premium if one borrower wishes to maintain *Insurance*.

Caution - it is possible that *you* may lose advantageous *Insurance* features as a result of terminating *your coverage*. Contact CIBC or consult *your Certificate of Insurance* for further information. Despite the termination of the *Insurance* contract, the *Mortgage Loan* contract entered into will remain in force.

WHEN YOUR INSURANCE BEGINS

Your Insurance begins on the date CIBC receives *your signed and completed Application* if:

- *you* have answered "No" to all applicable health questions on the *Application*, **and**
- *your Mortgage Loan* has been approved by CIBC.

In all other situations, Canada Life will review *your Application*. If *your Application* is approved, Canada Life will advise *you* in writing that *your Application* has been approved and confirm the date *your Insurance* begins. If *your Application* is not approved, Canada Life will provide *you* with a notice of decline.

If *your Application* is not approved and *you* qualify for prior coverage recognition, *your Insurance* begins as described in the "Prior Coverage Recognition" section above.

DESCRIPTION OF THE PRODUCT OFFERED

Nature of the Coverage

If *you* are *Diagnosed* with a *Critical Illness*, provided the terms and conditions of the *Certificate* are satisfied, Canada Life will pay the *Critical Illness Insurance* benefit to CIBC to be applied to *your Mortgage Loan*. The *Critical Illness Insurance* benefit will be applied to *your Mortgage Loan* in the same order and priority as *your Mortgage Loan* payments under the terms of *your Mortgage Loan*.

You are responsible for *your* regular mortgage payments until *your claim* is approved. For any regular mortgage payments made by *you* that are covered by *Critical Illness Insurance*, the insured portion of such payments will be reimbursed once the claim is approved.

The amount of the *Critical Illness Insurance* benefit is equal to the outstanding *Principal* balance of *your Mortgage Loan* on the *Date of Diagnosis* multiplied by the *Percentage Limit Insured*.

If *your Initial Insured Amount* was equal to the amount of the *Mortgage Loan* (i.e., the *Percentage Limit Insured* is 100%), the amount of the *Critical Illness Insurance* benefit is equal to the outstanding *Principal* balance of *your Mortgage Loan* on the *Date of Diagnosis*.

SUMMARY OF SPECIFIC FEATURES

Who can apply?

To be eligible for *Critical Illness Insurance* *you* must:

- be approved for the *Mortgage Loan*;
- be a borrower, co-borrower or guarantor of the *Mortgage Loan*;
- be a resident of Canada, which is any person who:
 - has lived in Canada for a total of 183 days or more within the last year (days do not need to be consecutive); **or**
 - is a member of the Canadian Armed Forces;
- be age 18 or over and under age 56 at the time CIBC receives *your Application* (if *you* are age 56 or over and under age 70 at the time CIBC receives *your Application*, *you* may be eligible for 'prior coverage recognition' as described in the "Prior Coverage Recognition" section below); **and**
- not already have more than \$500,000 of *Critical Illness Insurance* coverage on all *your Critical Illness-insured CIBC branded Mortgage Loans*.

How many of us can be covered?

A maximum of two eligible people can be insured for *Critical Illness Insurance* on the same *Mortgage Loan*.

Each applicant must complete the *Application* for *Creditor Insurance* for CIBC Mortgages, including the Health Questions.

What if one of us is not approved?

Coverage for one person can still be put in force on the approved applicant.

What is a Critical Illness?

Critical Illness is defined as a definitive *Diagnosis* of Cancer, Acute Heart Attack or Stroke.

Cancer:

Cancer is defined as a life-threatening tumour, which must be characterized by the uncontrolled growth and spread of malignant cells and invasion of tissue.

Cancer (life-threatening) does **not** include:

- 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.

Acute Heart Attack:

Acute Heart Attack is defined as 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.

Acute Heart Attack does **not** include:

- ECG changes suggesting a previous myocardial infarction; **or**
- Elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including but not limited to coronary angiography and coronary angioplasty in the absence of new Q waves.

Stroke:

Stroke is defined as 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.

Stroke does **not** include:

- Transient Ischemic Attacks (TIA's), 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.

ADDITIONAL INFORMATION ABOUT YOUR INSURANCE: APPLIES TO LIFE INSURANCE, CRITICAL ILLNESS INSURANCE, DISABILITY INSURANCE AND DISABILITY INSURANCE PLUS

PRIOR COVERAGE RECOGNITION

If *your Application* is not approved or *you* do not proceed with medical underwriting, *you* may still be eligible for *Insurance*. *You* are approved for prior coverage recognition if:

- *you* meet the eligibility requirements described in the “*Who can apply*” section above, and
- *you* had a *Prior Insured Mortgage Loan* which was:
 - i) insured for the same type of *Insurance* for which *you* are currently applying,
 - ii) paid out within 120 days of the date of *your Application*, **and**
 - iii) insured at the time it was paid out.

If prior coverage recognition applies to *your Application*:

- *your Insurance* coverage for the *Mortgage Loan* is effective on the date of *your Application*,
- *your* benefit under the *Certificate* will be limited to the amount of *Insurance* *you* had on the *Prior Insured Mortgage Loan* at the time the *Prior Insured Mortgage Loan* was paid out, **and**
- *you* will be notified of *your Initial Insured Amount* and the *Fixed Monthly Benefit Amount* (as applicable), and *your Insurance* premium payment under the *Certificate*.

How prior coverage recognition works (example):

You pay out a *Prior Insured Mortgage Loan* with an outstanding *Principal* balance of \$50,000, a *Percentage Limit Insured* of 100%, and a *Fixed Monthly Benefit Amount* of \$1,000. *You* were insured for the *Prior Insured Mortgage Loan* on the date it was paid out.

Within 120 days of paying out the *Prior Insured Mortgage Loan*, *you* take out a *New Mortgage Loan* with an outstanding *Principal* balance of \$200,000 and a *Fixed Monthly Benefit Amount* of \$2,000. *You* reapply for the same type of *Insurance* on the *New Mortgage Loan*. However *your Application* is not approved due to health reasons.

In this case, *you* are eligible for prior coverage recognition and the *Initial Insured Amount* on the *New Mortgage Loan* is calculated as $\$50,000 \times 100\% = \$50,000$. The *Percentage Limit Insured* on the *New Mortgage Loan* = $\$50,000 / \$200,000 = 25\%$. If the outstanding *Principal* balance of the *New Mortgage Loan* is \$60,000 on the date of death or *Date of Diagnosis*, the benefit payable is calculated as $\$60,000 \times 25\% = \$15,000$, subject to the limitations and exclusions as set out in the *Certificate*.

Under prior coverage recognition, the *Fixed Monthly Benefit Amount* on the *New Mortgage Loan* will be \$1,000, which was the *Fixed Monthly Benefit Amount* of *Insurance* on the *Prior Insured Mortgage Loan*.

the pregnancy caused *your Disability*;

- *your Disability* results from intentional self-inflicted injury;
- *your Disability* results from elective cosmetic or experimental surgery or treatment;
- *your Disability* is a result of events directly or indirectly related to, arising from, following *your* participation or attempted participation in, caused by or contributed to by, or associated with:
 - i) *your* use of any drug, poisonous substance, intoxicant (other than alcohol) or narcotic, unless taken according to the instructions of *your Physician*, or unless *you* are participating in a rehabilitation program approved by *Canada Life* that starts during the *Waiting Period*;
 - ii) *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**
 - iii) *your* commission or attempted commission of a criminal offence.

A Job Loss Insurance benefit will not be paid if:

- *you* do not provide satisfactory proof of *your* continuing receipt of Government of Canada Employment Insurance benefits to *Canada Life*;
- *you* have not been continuously employed for the 6 months prior to the *Date of Job Loss*;
- *you* are terminated by *your* employer for cause;
- *you* quit, resign or voluntarily terminate *your* employment;
- *you* retire, whether mandatorily or voluntarily;
- *you* have received notice or otherwise become aware of *your* pending unemployment prior to applying for *Disability Insurance Plus*;
- *you* or another *Insured Person* are receiving *Disability Insurance* benefits under the *Mortgage Disability Policy* or the *Mortgage Disability Plus Policy* for the *Mortgage Loan*;
- *you* are laid-off from seasonal work, or are terminated from contract work;
- *you* are not completely and permanently terminated from *your* employment or have not been provided an employment end date;
- *you* are on maternity or parental leave or leave of absence; **or**
- *you* are self-employed, an independent contractor, a controlling shareholder of the company who employs *you*, or employed by an immediate family member or a company or entity controlled or owned by an immediate family member.

How much am I covered for?

The maximum benefit for all *your Critical Illness*-insured *CIBC* branded *Mortgage Loans* under the *Mortgage Critical Illness Policy* is \$500,000.

If *your Application* is approved, the *Initial Insured Amount* is the lesser of:

- i) the *Mortgage Loan* amount to be advanced, or if the *Mortgage Loan* has been advanced, the outstanding *Principal* balance of the *Mortgage Loan* on the date of *your Application*; **or**
- ii) \$500,000 minus the total of all the outstanding *Principal* balances of all *your* other *Critical Illness*-insured *CIBC* branded *Mortgage Loans* under the *Mortgage Critical Illness Policy* on the date when *your Insurance* begins under the *Certificate*.

Where the *Initial Insured Amount* is less than the *Mortgage Loan* amount, the *Mortgage Loan* is only partially covered. The *Percentage Limit Insured* will be less than 100%. The *Percentage Limit Insured* of the *Mortgage Loan* amount is determined by dividing the *Initial Insured Amount* by the *Mortgage Loan* amount.

Calculating a *Percentage Limit Insured* (example): If *your Initial Insured Amount* is \$100,000 and *your Mortgage Loan* amount is \$200,000; *your Percentage Limit Insured* is 50% ($\$100,000 / \$200,000$).

Calculating the *Critical Illness Insurance* benefit amount where there is partial coverage (example): If *you* already have one insured *CIBC* branded *Mortgage Loan* with a current balance of \$400,000 and *you* insured a second *CIBC* branded *Mortgage Loan* of \$200,000 under the *Certificate*, *your Initial Insured Amount* for the second *Mortgage Loan* under the *Certificate* would be \$100,000 (maximum coverage of \$500,000 - \$400,000 = \$100,000). Therefore, 50% of *your* second *CIBC* branded *Mortgage Loan* would be insured ($\$100,000 / \$200,000 = 50\%$), and 50% would be the *Percentage Limit Insured* for the second *CIBC* branded *Mortgage Loan* under the *Certificate*.

If the outstanding balance of *your* second *CIBC* branded *Mortgage Loan* is \$50,000 at the time of *your Diagnosis* of a *Critical Illness*, the benefit payable would be \$25,000 ($\$50,000 \times 50\% = \$25,000$). In addition, the full outstanding balance on *your* first *CIBC* branded *Mortgage Loan* would be payable subject to the terms of its certificate of insurance.

How much will the Insurance cost?

Your monthly *Critical Illness Insurance* premium is based on:

- *your* age on the date of *your Application*,
- the *Initial Insured Amount*, **and**
- the applicable premium rate from the *Critical Illness Insurance* monthly rate table below.

Your premiums remain constant while *your Insurance* is in effect (based on *your* age on the date of *your Application*), unless the premium rates are changed in the *Mortgage Critical Illness Policy*.

Canada Life and *CIBC* reserve the right to change the premium rates under the *Policy* at any time. *You* will be provided with at least 30 days prior notice of a change to *your* premium as a result of a premium rate change in the *Mortgage Critical Illness Policy*.

Your monthly *Critical Illness Insurance* premium = (*Initial Insured Amount* / 1,000 x premium rate). Applicable taxes will be added to *your* premium.

Critical Illness monthly premium rates per \$1,000 of the Initial Insured Amount:

Age Group	Under 30	30-35	36-40	41-45	46-50	51-55	56-60	61-64	65-69
Critical Illness Insurance Single Coverage	\$0.10	\$0.17	\$0.27	\$0.45	\$0.68	\$1.01	\$1.65	\$2.40	\$2.70

The Critical Illness Insurance joint premium is determined by using the sum of the individual premiums for each Insured Persons (based on the Critical Illness Insurance Single Coverage rate and the Initial Insured Amount applicable to each insured) and multiplying the result by 85%.

An example of Critical Illness Insurance joint coverage calculation:

You are age 36 and apply for Insurance on an Initial Insured Amount of \$150,000. The monthly Critical Illness Insurance premium would be calculated as follows: $\$150,000 / 1000 \times \$0.27 = \$40.50$. A 32 year-old Insured Person applies for Insurance on the same Mortgage Loan with an Initial Insured Amount of \$130,000. The monthly Critical Illness Insurance premium for the 32 year-old Insured Person would be calculated as follows: $130,000 / 1000 \times \$0.17 = \22.10 . The monthly premium for both Insured Persons combined is calculated as follows: $(\$40.50 + \$22.10) \times 85\% = \$53.21$.

Note: Due to rounding, there may be a minor difference in the premium that you are charged compared to the premium that is calculated using the above formula.

If the Mortgage Loan payment frequency is other than monthly, your Insurance premium will be adjusted as described in the “Adjusting monthly payments and benefits” section below.

An example of Disability Insurance Plus joint coverage calculation: You are age 36; the other Insured Person is age 32. You are both insured for Disability Insurance Plus with a Fixed Monthly Benefit Amount of \$1,000. The premium rate used would be based on age 36 and age 32. Your monthly Disability Insurance Plus premium would be calculated as follows: $(\$1,000 \times \$3.44 / 100) \times .95 + ((\$1,000 \times \$2.99 / 100) \times .95) = \61.09 per month.

Note: Due to rounding, there may be a minor difference in the premium that you are charged compared to the premium that is calculated using the above formula.

If the Mortgage Loan payment frequency is other than monthly, your Insurance premium will be adjusted as described in the “Adjusting monthly payments and benefits” section below.

You must continue to pay all your Creditor Insurance premiums during the Waiting Period. Disability Insurance and Disability Insurance Plus premiums are waived during the Disability or Job Loss claim period.

EXCLUSIONS AND LIMITATIONS

CAUTION

A Disability Insurance or Job Loss Insurance benefit will not be paid if:

- **you gave false or incomplete information or a false declaration on the Application or to any subsequent request for information, and Canada Life determines based on the correct or complete information that you would not have qualified for this Insurance. In this case, your Insurance coverage will be void and will be considered never to have been in force;**
- **the Insurance is not in force on the Date of Disability or Date of Job Loss;**
- **you have misstated your age on your Application, and your true age would have made you ineligible for this Insurance. In this case, Canada Life’s liability will be limited to a refund of premiums paid;**
- **you return to work for wages or profit during the Waiting Period; or**
- **you return to work for wages or profit after the Waiting Period and before the first scheduled benefit payment.**

A Disability Insurance benefit will not be paid if:

- **you are not completely unable to perform your regular duties of your full-time occupation or you are not completely unable to perform the essential duties of your principal occupation if you are a Seasonal Worker;**
- **you do not provide satisfactory proof of your Disability to Canada Life;**
- **you do not stop working due to your Disability;**
- **you are not under the regular care of a Physician or other health care practitioner approved by Canada Life;**
- **you refuse to undergo a medical examination by a Physician at the request of Canada Life;**
- **your claim is as the result of a pregnancy, unless the pregnancy is defined as high-risk by your attending Physician, and a medical condition resulting from**

- the date *you* do not provide satisfactory proof of *your* continuing *Job Loss* to *Canada Life*,
- the date *you* do not provide satisfactory proof of *your* continuing receipt of Government of Canada Employment Insurance benefits to *Canada Life*,
- the date *your Insurance* ends other than due to *CIBC* or *Canada Life* terminating the relevant *Group Insurance Policy*, **or**
- the date of *your* death.

How much will the *Insurance* cost?

Your monthly *Disability Insurance* or *Disability Insurance Plus* premium is calculated using:

- *your* age on the date of *your Application*;
- the *Fixed Monthly Mortgage Benefit Amount*, **and**
- the applicable premium rate from the *Disability Insurance* and *Disability Insurance Plus* monthly rate table below.

Your premiums remain constant while *your Insurance* is in effect (based on *your* age on the date of *your Application*), unless the premium rates are changed in the *Mortgage Disability Policy* or the *Mortgage Disability Plus Policy*.

Canada Life and *CIBC* reserve the right to change the premium rates under the *Mortgage Disability Policy* or the *Mortgage Disability Plus Policy* at any time. You will be provided with at least 30 days prior notice of a change to *your* premium as a result of a premium rate change in the *Mortgage Disability Policy* or the *Mortgage Disability Plus Policy*.

Your monthly *Disability Insurance* or *Disability Insurance Plus* premium = (*Fixed Monthly Benefit Amount* / 100 x premium rate). Applicable taxes will be added to *your* premium.

Premium Rates are per \$100 of the *Fixed Monthly Benefit Amount*:

Age Group	Under 30	30-35	36-40	41-45	46-50	51-55	56-60	61-64
<i>Disability Insurance</i> Single Coverage	\$1.35	\$1.70	\$2.15	\$2.80	\$3.45	\$4.45	\$5.50	\$6.00
<i>Disability Insurance</i> Plus Single Coverage	\$2.64	\$2.99	\$3.44	\$4.09	\$4.74	\$5.74	\$6.79	\$7.29

For two persons who both have *Disability Insurance* or both have *Disability Insurance Plus*, the premium rate used is based on the age of each *Insured Person* and the monthly premium is determined by using the sum of the premiums and multiplying the result by 95% as follows: ((*Fixed Monthly Benefit Amount* x single premium rate / 100) x .95) + ((*Fixed Monthly Benefit Amount* x single premium rate / 100) x .95) = premium payment.

An example of *Disability Insurance* joint coverage calculation: You are age 36; the other *Insured Person* is age 32. You are both insured for *Disability Insurance* with a *Fixed Monthly Benefit Amount* of \$1,000. The premium rate used would be based on age 36 and age 32. Your monthly *Disability Insurance* premium would be calculated as follows: ((\$1,000 x \$2.15 / 100) x .95) + ((\$1,000 x \$1.70 / 100) x .95) = \$36.58 per month.

EXCLUSIONS AND LIMITATIONS

CAUTION

A *Critical Illness Insurance* benefit will not be paid if:

- ***you* gave false or incomplete information or a false declaration on the *Application* or to any subsequent request for information, and *Canada Life* determines based on the correct or complete information that *you* would not have qualified for this *Insurance*. In this case, *your Insurance* coverage will be void and will be considered never to have been in force;**
- **the *Insurance* is not in force on the *Date of Diagnosis*;**
- ***you* have misstated *your* age on *your Application*, and *your* true age would have made *you* ineligible for this *Insurance*. In this case, *Canada Life's* liability will be limited to a refund of premiums paid;**
- ***you* die within 30 days after being *Diagnosed* with a *Critical Illness*; *your Diagnosis* of Cancer or signs, symptoms or investigations leading to a *Diagnosis* of Cancer, occurs within 90 days of *your* coverage effective date. In this event, *your Critical Illness Insurance* coverage ends and premiums will be refunded;**
- ***your* claim does not meet the definition of a *Critical Illness* as set out in the section "*What is a Critical Illness*"?; **or****
- ***your Critical Illness* is a result of events directly or indirectly related to, arising from, following *your* participation or attempted participation in, caused by or contributed to by, or associated with:**
 - i) *your* use of any drug, poisonous substance, intoxicant (other than alcohol) or narcotic, unless taken according to the instructions of *your Physician*;**
 - ii) *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****
 - iii) *your* commission or attempted commission of a criminal offence.**

DISABILITY INSURANCE AND DISABILITY INSURANCE PLUS FOR CIBC MORTGAGES

payable, provided they still have a *Job Loss* and the other terms and conditions of the *Certificate* are satisfied. In such instance, no new *Waiting Period* would apply (see below under “*When your Job Loss Insurance benefits begin*”).

The benefit payments will be paid on each of the *Mortgage Loan*’s scheduled payment due dates, beginning on the first scheduled payment due date after the *Waiting Period*, until *your Job Loss Insurance* benefit ends (see the section entitled “*When your Job Loss Insurance* benefit ends”).

Your Mortgage Loan payments during the *Waiting Period* are not covered by this *Job Loss Insurance*. If the *Job Loss Insurance* benefit is less than *your* total monthly *Mortgage Loan* payment, *you* are responsible for paying the deficiency on each of the *Mortgage Loan*’s scheduled payment due dates in accordance with *your Mortgage Loan Agreement*.

Maximum *Job Loss* benefit amount

The maximum *Fixed Monthly Benefit Amount* is \$3,000 per incident of *Job Loss* for each *Job Loss*-insured CIBC branded *Mortgage Loan* for a maximum payment period of 6 months. The maximum total benefit per incident of *Job Loss* across all *your Job Loss*-insured CIBC branded *Mortgage Loans* is \$50,000.

Where the *Fixed Monthly Benefit Amount* is greater than *your* regular mortgage payments, the excess will be applied as a prepayment to *your* mortgage. Where the *Fixed Monthly Benefit Amount* is less than *your* regular mortgage payment (e.g., *your* regular mortgage payment exceeds \$3000 per month), *you* are responsible to remit the shortfall. *You* are always responsible for ensuring the required payments are made under *your Mortgage Loan*.

When *your Job Loss Insurance* benefits begin

The benefit payments begin on the first scheduled payment that occurs after the *Waiting Period*. The *Waiting Period* is the first 60 days following *your Date of Job Loss*. *You* are responsible for *your* regular mortgage payments during the *Waiting Period* and until *your* claim is approved. For any regular mortgage payments made by *you* that are covered by *Job Loss Insurance*, the insured portion of such payments will be reimbursed once the claim is approved. The maximum period for which *Job Loss Insurance* benefit payments will be paid is 6 months.

When *your Job Loss Insurance* benefits end

Your Job Loss benefit payments will automatically end on the first scheduled payment after the earliest of:

- the date of *your* 65th birthday,
- the date *you* or another *Insured Person* begin receiving *Disability Insurance* benefits under the *Mortgage Disability Policy* or the *Mortgage Disability Plus Policy* for the *Mortgage Loan*,
- the date a total of \$50,000 has been paid to *you* in *Job Loss* benefits for all of *your* CIBC branded mortgages under the *Mortgage Disability Plus Policy*,
- the date 6 months of *Job Loss* benefit payments for a *Job Loss* have been paid,
- the date *you* return to work, or engage in any business or occupation for wages or profit,

- the date 24 months of *Disability Insurance* benefit payments for a *Disability* have been paid,
- the date *your Disability* ends or *you* are able to return to work,
- the date *you* do not provide satisfactory proof of *your* continuing *Disability* to *Canada Life*,
- the date *you* refuse to undergo a medical examination by a *Physician* or other health care practitioner selected by *Canada Life*,
- the date *you* are not under the regular care of a *Physician* approved by *Canada Life*,
- the date *your Mortgage Loan* is paid out, except if *you* replace *your Mortgage Loan* with a *New Mortgage Loan* under a *CIBC Home Power Plan*® without changing the outstanding *Principal* amount at the time of payout of *your Mortgage Loan*,
- the date *your Insurance* ends other than due to *CIBC* or *Canada Life* terminating the *Group Insurance Policy*, **or**
- the date of *your* death.

Job Loss Insurance Benefits: Applicable for Disability Insurance Plus only

Your Job Loss Insurance benefit amount

If *you* applied for and were approved for *Disability Insurance Plus*, *you* will be entitled to benefits if *you* suffer a *Job Loss*.

If *you* suffer a *Job Loss*, provided the terms and conditions of the *Certificate* are satisfied, *Canada Life* will pay the *Job Loss Insurance* benefit to *CIBC* to be applied to *your Mortgage Loan* for the duration of the claim period. The amount of the benefit is set out in *your Application* as the *Fixed Monthly Benefit Amount*. This amount will be adjusted, as necessary, for any changes *you* make to *your Mortgage Loan* before the *Mortgage Loan* is advanced. The *Fixed Monthly Benefit Amount* will be applied to *your Mortgage Loan* in the same order and priority as *your Mortgage Loan* payments under the terms of *your Mortgage Loan*.

If *your Mortgage Loan* payment frequency is other than monthly, the *Fixed Monthly Benefit Amount* will be adjusted as described in the “*Adjusting monthly payments and benefits*” section below.

If two people with *Job Loss Insurance* on the same *Mortgage Loan* have a *Job Loss* at the same time, *Job Loss* benefits will only be paid for one person at a time during any one *Job Loss* claim period. If one of those persons is no longer eligible for *Job Loss* benefits, the other person’s *Job Loss* benefit would become payable, provided they still have a *Job Loss* and the other terms and conditions of the *Certificate* are satisfied. In such instance, no new *Waiting Period* would apply (see below under “*When your Job Loss Insurance benefits begin*”).

If an *Insured Person* has a *Job Loss* and *Disability* at the same time, only one claim benefit is payable during any one claim period per *Mortgage Loan*. *Disability* benefits are payable before *Job Loss* benefits. When the *Disability* claim expires, the *Job Loss* claim would become payable, provided they still have a *Job Loss* and the other terms and conditions of the *Certificate* are satisfied. In such instance, no new *Waiting Period* would apply (see below under “*When your Job Loss Insurance benefits begin*”).

In the event of *Job Loss* of either or both of the *Insured Persons* and *Disability* of either or both of the *Insured Persons* at the same time, only one claim benefit is payable during any one claim period per *Mortgage Loan*. *Disability* benefits are payable before *Job Loss* benefits. When the *Disability* claim expires, the *Job Loss* claim would become

DESCRIPTION OF THE PRODUCT OFFERED

Disability Insurance* benefits: applies to *Disability Insurance* and *Disability Insurance Plus

Nature of the Coverage

If *you* become *Disabled*, provided the terms and conditions of the *Certificate* are satisfied, *Canada Life* will pay the *Disability Insurance* benefit to *CIBC* to be applied to *your Mortgage Loan* for the duration of the claim period. The amount of the benefit is the *Fixed Monthly Benefit Amount* as set out in *your Application*. This amount will be adjusted, as necessary, for any changes *you* make to *your Mortgage Loan* before the *Mortgage Loan* is advanced. The *Fixed Monthly Benefit Amount* will be applied to *your Mortgage Loan* in the same order and priority as *your Mortgage Loan* payments under the terms of *your Mortgage Loan*.

If *your Mortgage Loan* payment frequency is other than monthly, the *Fixed Monthly Benefit Amount* will be adjusted as described in the “*Adjusting monthly payments and benefits*” section below.

You may only make one *Disability Insurance* claim at a time, and no additional *Disability Insurance* benefits will be paid resulting from any additional *Disability* that arises during the *Disability Insurance* claim period. All sicknesses or injuries, that result in *your Disability* as of the date *you* first become *Disabled*, or during the *Disability Insurance* claim period, are considered to result in only one *Disability Insurance* claim under the *Certificate*. This means that while *you* are *Disabled*, and during the *Disability Insurance* claim period, no further claims will be accepted for *Disability* arising from related or unrelated causes.

If two people with *Disability Insurance* on the same *Mortgage Loan* are *Disabled* at the same time, *Disability* benefits will only be paid for one person at a time during any one *Disability Insurance* claim period. If one of those persons is no longer eligible for *Disability* benefits, the other person’s *Disability* benefit would become payable, provided they are *Disabled* and the other terms and conditions of the *Certificate* are satisfied. In such instance, no new *Waiting Period* would apply (see below under “*When your Disability Insurance benefits begin*”).

SUMMARY OF SPECIFIC FEATURES

Who can apply?

To be eligible for *Insurance* *you* must:

- be approved for the *Mortgage Loan*,
- be a borrower, co-borrower or guarantor of the *Mortgage Loan*,
- be age 18 or over and under age 65 at the time *CIBC* receives *your Application*,
- NOT be receiving *Disability* benefits from any source, **and**
- be a resident of Canada, which is any person who:
 - has lived in Canada for a total of 183 days or more within the last year (days do not need to be consecutive); **or**
 - is a member of the Canadian Armed Forces.

In addition:

For Disability Insurance:

- you must be:
 - gainfully employed and be able to perform, for at least 25 hours per week, your regular duties of your principal occupation or your duties as a Seasonal Worker; the term occupation includes being an employee, a contractual worker, or a self-employed worker and in the case of a Seasonal Worker, such person must have worked for at least one previous season.

For Disability Insurance Plus:

- you must be gainfully employed as a Permanent Employee and be able to perform, for at least 25 hours per week, your regular duties of your principal occupation; you must NOT be a Seasonal Worker, **and**
- you must NOT be self-employed, an independent contractor, a controlling shareholder of the company that employs you, or employed by a member of your immediate family or a company either owned or controlled by an immediate family member.

How many of us can be covered?

A maximum of two eligible people may be insured on the same Mortgage Loan for Disability Insurance or Disability Insurance Plus. You cannot be insured for both Disability Insurance and Disability Insurance Plus on the same Mortgage Loan.

What if one of us is not approved?

Coverage for one person can still be put in force on the approved applicant.

Maximum Disability benefit amount

The maximum Fixed Monthly Benefit Amount is \$3,000 for each Disability-insured CIBC branded Mortgage Loan (under the Mortgage Disability Policy and the Mortgage Disability Plus Policy) for a maximum payment period of 24 months. The maximum total benefit per incident of Disability across all your Disability-insured CIBC branded Mortgage Loans is \$150,000.

Where the Fixed Monthly Benefit Amount is greater than your regular mortgage payments, the excess will be applied as a prepayment to your mortgage. Where the Fixed Monthly Benefit Amount is less than your regular mortgage payment (e.g., your regular mortgage payment exceeds \$3000 per month), you are responsible to remit the shortfall. You are always responsible for ensuring the required payments are made under your Mortgage Loan.

Example for maximum Disability benefit period per incident of Disability:

Customer A is Diagnosed with cancer and receives 24 months of Disability benefits on their mortgage between February 1, 2014 and February 1, 2016. As the maximum payment period was reached as of February 2, 2016 no further Disability benefits are paid in relation to this particular incident of Disability. Customer A continues to be insured under the Policy for Disability benefits for other related or unrelated subsequent incidents. Customer A is then Diagnosed with a back injury on April 1, 2017. Customer A is able to submit a new claim for this new incident of Disability, and may receive Disability benefits for up to a maximum period of another 24 months.

Example for maximum total benefit per incident of Disability across all of Customer A's Disability insured CIBC branded mortgages:

Customer A is Diagnosed with cancer and is receiving Disability benefits as of February 1, 2014. Customer A has 3 Disability insured mortgages. Each mortgage pays a monthly benefit of \$2,500, for a total monthly benefit of \$7,500 (\$2,500 x 3) across all 3 mortgages.

The maximum total benefit per incident of Disability across all Disability insured CIBC mortgages is \$150,000; so this means:

- $\$150,000 / \$7,500 = 20$ months or,
- $\$7,500 \times 20 \text{ months} = \$150,000$
- Customer A is potentially eligible for 20 months of benefits as their maximum coverage for this incident of Disability.

In this case, Customer A will not receive 24 months of benefits because they have hit their \$150,000 maximum at the 20th month of Disability benefit payments for this particular incident. Customer A may be eligible for Disability benefits for other related or unrelated subsequent incidents.

When your Disability Insurance benefits begin

Benefit payments begin on the first scheduled payment that occurs after the Waiting Period. The Waiting Period is the first 60 days following your Date of Disability. You are responsible for your Mortgage payments during the Waiting Period and until your claim is approved. The payments made by you during the Waiting Period will not be reimbursed to you if your claim is approved.

For any regular Mortgage payments made by you after the Waiting Period that are covered by the Disability Insurance, the insured portion of such payments will be reimbursed once the claim is approved.

Recurrence of Disability

If the same Disability recurs within 21 consecutive days of your recovery or your return to work, and lasts a minimum of seven consecutive days:

- i) the Disability will be treated as a continuation of your previous claim,
- ii) no benefits will be payable for the period you worked or for your recovery period, and
- iii) your benefit payments will begin again after you have provided satisfactory proof to Canada Life of the recurrence of your Disability.

In the above case, no new 24 month payment period begins. The months both before and after the recurrence of the Disability in which payments are made, will count towards the maximum payment period of 24 months.

When your Disability Insurance benefits end

Your Disability Insurance benefit payments will automatically end on the Mortgage Loan's last scheduled payment due date prior to the earliest of:

- the date of your 65th birthday,
- the date a total of \$150,000 in Disability Insurance benefits for a Disability are paid for all of your Disability-insured CIBC branded mortgages under the Mortgage Disability Policy and the Mortgage Disability Plus Policy,