

The purpose of this fact sheet is to inform you of your rights.  
It does not relieve the insurer or the distributor of their obligations to you.

## LET'S TALK INSURANCE!

Name of distributor: MCAP Service Corporation (MCAP)

Name of insurer: The Canada Life Assurance Company

Name of insurance product: Life and Disability Insurance for MCAP Mortgages



### IT'S YOUR CHOICE

**You are never required to** purchase insurance:

- that is offered by your distributor;
- from a person who is assigned to you; or
- to obtain a better interest rate or any other benefit

Even if you are required to be insured, **you do not have to** purchase the insurance that is being offered.

**You can choose** your insurance product and your insurer.



### HOW TO CHOOSE

To choose the insurance product that's right for you, we recommend that you read the summary that describes the insurance product and that must be provided to you.



### DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration. The distributor **must** tell you when the remuneration exceeds 30% of that amount.



### RIGHT TO CANCEL

The Act allows you to rescind an insurance contract, **at no cost**, within 10 days after the purchase of your insurance. However, the insurer may grant you a longer period of time. After that time, fees may apply if you cancel the insurance. **Ask** your distributor about the period of time granted to cancel it **at no cost**.

If the cost of the insurance is added to the financing amount and you cancel the insurance, your monthly financing payments might not change. Instead, the refund could be used **to shorten the financing period**. **Ask your distributor for details**.

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The *Autorité des marchés financiers* can provide you with unbiased, objective information.

Visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca) or call the AMF at 1-877-525-0337.

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Reserved for use by the insurer:

This fact sheet cannot be modified

# MCAP Mortgage Life and Disability Insurance Product Summary



## Welcome!

### What you need to know about your insurance:

MCAP Mortgage Life and Disability Insurance is optional and offers you coverage on your MCAP Service Corporation (MCAP) mortgage.

### You're eligible for Life Insurance on your MCAP Mortgage if:

- You're a borrower, co-borrower or guarantor of the mortgage loan;
- At least 18 and not yet 65 years old; and
- You're a Canadian resident

### In addition, you're eligible for Disability Insurance on your MCAP Mortgage if:

- You're approved for Life Insurance;
- You're not currently receiving Worker's Compensation or disability benefits; and
- You're actively working for at least 20 hours per week at the time of application, on average (based on the 28 days immediately prior to the application date);
  - if you are a Seasonal Worker on your off season and not Actively at Work, you are capable of performing the regular duties of your occupation for at least 20 hours per week..

A maximum of three people per mortgage can be insured.

You can insure up to \$750,000 on your mortgage account(s).

**Prior Coverage Recognition:** If you are refinancing or renegotiating a previously insured mortgage loan, you may be eligible for prior coverage recognition if:

- You re-apply for MCAP Mortgage Life and Disability Insurance within 30 days of your previous coverage terminating; and
- You're not older than 64; and
- Your new application has been declined for health reasons.

For details, please refer to the [sample certificate of insurance](#).

### Written approval:

You will be required to complete some health questions in your application. Canada Life will conduct a health assessment if:

- You answered 'Yes' to any of the health questions in the application
- The principal amount of your mortgage is above \$500,000

Canada Life will confirm in writing if your insurance is approved or declined within 30 days. For details, please refer to the Effective Date of Insurance section in the [sample certificate of insurance](#).

## About your insurance

### Name and address of the insurer:

The Canada Life Assurance Company  
"Canada Life"  
Creditor Insurance  
330 University Avenue - S3  
Toronto, ON M5G 1R8

### Name and address of the distributor:

MCAP Service Corporation  
1555 Peel Street, Suite 850  
Montreal, QC H3A 3L8

### See a sample certificate of insurance on our website:

[Canadalife.com](http://Canadalife.com)

Insurance > Creditor Insurance > [Guides and summaries](#)

*The coverage is subject to the terms and conditions of the group master policy entered into between MCAP Service Corporation and the insurer, Canada Life. In Québec, MCAP is the lender. You can request a copy of the master policy by contacting Canada Life.*

### Questions?

**Call us:** 1-833-489-4242

### Secure email:

[creditor\\_info@canadalife.com](mailto:creditor_info@canadalife.com)

**Canada Life's client number listed in the AMF registry:** 3001870574

**AMF website:** [lautorite.qc.ca](http://lautorite.qc.ca)

# MCAP Mortgage Life and Disability Insurance

## Product Summary



### Automatic approval:

Your application will be automatically approved if you answer 'No' to all the health questions in the application and the total life insurance coverage is less than \$500,000,.

### When your coverage begins:

Insurance coverage starts on the Effective Date of Insurance which is the latest of:

- The date you signed and submitted your insurance application; or
- The date Canada Life approves your application.

### Share the right information

*If you fail to disclose information or give incorrect information relating to your application for insurance, your coverage may be cancelled if it has been in effect for less than 2 years.*

### Cancelling your insurance

*If you change your mind about the coverage within **30 days** from the effective date of insurance, we'll issue a full refund of any premium paid. It's like the coverage never started.*

*You can cancel your insurance coverage at any time by sending your request to:*

*MCAP Service Centre  
P.O. Box 351, STN C,  
Kitchener, ON., N2G 3Y9  
or via telephone: 1-800-265-2624*

*You also have a **60-day** grace period for your premium payments. If the premium has not been paid within that period, your coverage is automatically cancelled.*

### When coverage ends:

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

- The date on which the Term of the loan or amortization period expires;
- The date the Mortgage is paid in full, replaced by new insurance coverage, discharged or assumed in writing;
- The date we receive notice of cancellation from all insureds;
- The date all or part of the insurance premiums are 61 days overdue;
- The date 8 weekly consecutive mortgage payments have been missed, on the insured Mortgage;
- The day you turn 70 years of age, or where there is more than one insured, the date when the youngest insured turns 70 years of age;
- The date the Insured Mortgage is transferred or assigned to a creditor other than the Group Policyholder;
- The date all insureds are no longer a borrower, co-borrower, co-signer, or guarantor of the Mortgage;
- The date a Life Insurance benefit is paid;
- The date you die, or where there is more than one insured, the date of the first death;
- The date the Group Policy for Life and Disability Insurance is terminated.

In addition, for disability insurance:

- The date Life Insurance coverage ends.

# MCAP Mortgage Life and Disability Insurance

## Product Summary



### Temporary accidental death protection

You are covered if you die as the result of an Accident before a decision has been made regarding your application. Canada Life will pay MCAP the life insurance benefit Canada Life would have paid, had your application been approved. For complete details, please see the "Temporary accidental death protection" section in the [sample certificate of insurance](#).

## Life Insurance

You are covered if you die before the age of 70 and meet all of the terms and conditions of the certificate of insurance. For details on terms and conditions, please refer to the section on Life Insurance in the [sample certificate of insurance](#).

### What's your benefit?

If you die, Canada Life will pay MCAP the outstanding principal balance of the loan up to a maximum of \$750,000, including any interest from the date of death up to a maximum of 90 days.

If the mortgage loan is greater than \$750,000, the benefit will be calculated by:

- Taking the insured mortgage amount
- Dividing it by the loan amount at the effective date of insurance; and dividing the mortgage balance by the loan amount at the effective date of insurance
- Multiplying that result by the outstanding balance of the insured mortgage at the date of death

**Example:** if you are insured for \$500,000 on a \$750,000 mortgage loan and at the date of death, the outstanding balance is \$300,000, the benefit is \$200,000 ( $\$500,000 / \$750,000 = .66 \times \$300,000 = \$200,000$ ).

In the event of simultaneous deaths of two insured borrowers, Canada Life will pay only one death benefit. For more information on how your benefit is calculated, please refer to the Life Insurance section section in the [sample certificate of insurance](#).

There are some cases where no benefit is paid. Read on to learn more.

### How your premium payment is calculated

Your monthly premium will be calculated by:

- Taking the mortgage amount
- Multiplying it by the premium rates shown in the table based on your age and whether more than one person is applying
- Dividing that result by 1,000 and
- Adding the applicable taxes

Joint premium rates apply when two joint mortgagors have been approved for insurance. The joint rate is based on the lesser of:

- the joint rate using the age of the older applicant; or
- the sum of the single rates for each applicant.

The guarantor or third co-applicant is insured as a single life and is added to the premium calculated for the joint mortgagors.

#### Example:

Joint mortgagors, ages 29 and 35	
<b>Life</b>	<b>Premium calculation</b>
Initial mortgage amount = \$350,000	• Multiply initial mortgage amount by percentage of coverage selected = \$350,000 x 100% = \$350,000
Percentage of coverage selected = 100%	• Apply premium rate = (\$350,000/\$1,000) x \$0.20 = \$70.00
Monthly joint premium rate = \$0.20	

Monthly premium rate per \$1,000 of insured mortgage loan		
Age	Single	Joint
18 – 30	0.10	0.15
31 – 35	0.14	0.20
36 – 40	0.21	0.32
41 – 45	0.31	0.47
46 – 50	0.43	0.62
51 – 55	0.59	0.85
56 – 60	0.80	1.23
61 – 64	1.13	1.70

# MCAP Mortgage Life and Disability Insurance

## Product Summary



### Disability Insurance

You are covered if you become disabled before the age of 70 and meet all of the terms and conditions of the certificate of insurance. For details on terms and conditions, please refer to the section on Disability Insurance in the [sample certificate of insurance](#).

#### What's your benefit?

If you become disabled for longer than the waiting period (60 consecutive days), Canada Life will pay MCAP the insured monthly benefit multiplied by the percentage of coverage indicated on your application, up to a maximum of \$4,000 or 24-months, whichever happens first. Where applicable, the benefit payment may also include interest. If property tax payments are included in your mortgage payments, the insurer will also cover property tax payments.

If the percentage of coverage is less than 100%, the benefit will be calculated by:

- Taking the insured monthly benefit
- Multiplying it by the percentage of coverage

**Example:** if you are insured for a monthly benefit of \$3,500 and your percentage of coverage is 85%, the benefit is \$2,975 ( $\$3,500 \times .85 = \$2,975$ ).

If you become disabled again within 30 days of the last disability, and the cause of the disability is proved to be the same sickness or injury, and you have not received 24-months of benefit payments, your disability claim will be considered recurring and the monthly benefit will be paid without being subject to the waiting period.

If you sustain another Disability while already receiving disability benefits for an unrelated condition, this is called a Concurrent Disability.

For more information on how your benefit is calculated, please refer to the Disability Insurance section in the [sample certificate of insurance](#).

There are some cases where no benefit is paid. Read on to learn more.

You are responsible to make up any deficiency between your Mortgage Payment and the disability insurance benefit.

### How your premium payment is calculated

Your monthly premium will be calculated by:

- Taking the monthly mortgage payment amount
- Multiplying it by the premium rates shown in the tables based on your age and whether more than one person is applying
- Dividing that result by 100 and
- Adding the applicable taxes

#### Example:

##### Joint mortgagors, ages 29, 35

##### Life

Initial mortgage amount = \$325,000  
 Percentage of coverage selected = 100%  
 Monthly joint premium rate Life insurance = \$0.20

##### Premium Calculation

- Multiply initial mortgage amount by percentage of coverage selected =  $\$325,000 \times 100\% = \$325,000$
- Apply premium rate =  $(\$325,000/\$1,000) \times \$0.20 = \$65.00$

Monthly premium rate per \$100 of insured monthly mortgage payment		
Age	Single	Joint
18 – 30	1.35	2.59
31 – 35	1.76	3.42
36 – 40	2.17	4.14
41 – 45	2.74	5.33
46 – 50	3.45	6.74
51 – 55	4.35	8.43
56 – 60	5.40	10.53
61 – 64	6.45	12.34
65 – 69*	7.50	14.46

\*Rates only applicable for existing insured persons who are refinancing an insured mortgage.

The cost of joint coverage is calculated using the joint rate and the age of the older person.

# MCAP Mortgage Life and Disability Insurance

## Product Summary



Joint mortgagors, ages 29, 35	
<b>Disability</b>	<b>Premium Calculation</b>
Initial monthly mortgage payment = \$1,500	• Multiply initial mortgage payment by percentage of coverage selected = \$1,500 x 100% = \$1,500
Percentage of coverage selected = 100%	• Apply premium rate = (\$1,500/\$100) x \$3.11 = \$46.65
Monthly joint premium rate Disability insurance = \$3.11*	

\*The joint rate of the older applicant is (\$3.42). The sum of the single rates for each applicant (\$1.35 + \$1.76 = \$3.11). The joint premium rate for Disability insurance will be (\$3.11) as it is the lesser rate.

### What are the exclusions and limitations?

No life or disability benefit will be paid if you die or become disabled because of:

- self-inflicted injury, suicide, or attempted suicide during the first two years from the date your insurance coverage started or within 2 years from the date your coverage starts or an increase in the insured amount;
- your use of any drug, poisonous substance, intoxicant or narcotic, unless taken according to the instructions of your Physician;
- your operation of any motorized vehicle or watercraft while your ability to do so is impaired by drugs or alcohol, or with blood alcohol concentration in excess of legal limits in the jurisdiction where the operation occurred;
- your commission or attempted commission of a criminal offence, regardless of whether charges are laid or a conviction is obtained.

Other limitations and exclusions may apply. Refer to the Exclusions section of the [sample certificate of insurance](#).

### Making and appealing a claim:

#### To make a claim:

Contact the MCAP Service Centre by calling toll-free: 1-800-265-2624. The MCAP Service Centre will provide you with a Claim Package which will include an Attending Physician's Statement.

**Procedure and Time Limits:** Notice of Claim must be given to Canada Life within 90 days from the date of disability, or within 1 year from the date of death and in Quebec, within three (3) years from the date of death. Failure to do so will not invalidate or reduce the claim if you can prove that it was not possible to give notice sooner.

Canada Life will notify you of their decision within 30 days after receiving all the necessary documents to process your claim. If you don't agree with a decision about your claim, you can appeal it at any time in writing, and include the reasons for appealing. The costs for any medical evidence needed to support your claim's review will be at your own expense.

While your claim is being processed, you, or your estate, continue to be responsible for mortgage payments and monthly insurance premiums as they come due.

#### To appeal a claim decision:

Write to: The Canada Life Assurance Company  
Creditor Insurance, Claims Department  
330 University Avenue – S3  
Toronto ON, M5G 1R8

Secure Email: [otbbclms@canadalife.com](mailto:otbbclms@canadalife.com)  
Secure Fax: 416-552-6657 or 1-844-870-0176

### Have a concern or complaint? We want to hear from you.

Visit [canadalife.com](http://canadalife.com), under Customer satisfaction > Customer complaints

This site will take you through the complaint process and provide you with the contact information to make a complaint.

## 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, **without penalty**, within 10 days of the date on which it is signed. However, the insurer may grant you a longer period.

To rescind the contract, you must give the insurer notice, within that time, by registered mail or any other means that allows you to obtain an acknowledgement of receipt.

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 applicable time, you may rescind the insurance contract at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at 1-877-525-0337 or visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca).

### NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To: **The Canada Life Assurance Company**  
(name of insurer)

**Creditor Insurance, 330 University Avenue – S3, Toronto, ON M5G 1R8**  
(address of insurer)

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.: 60325  
(number of contract, if indicated)

☐ Life insurance ☐ Disability insurance

Entered into on: \_\_\_\_\_  
(date of signature of contract)

In: \_\_\_\_\_  
(place of signature of contract)

\_\_\_\_\_  
(name of client)

\_\_\_\_\_  
(signature of client)