

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: Nesto Inc.

Name of insurer: The Canada Life Assurance Company

Name of insurance product: Nesto Mortgage Protection Insurance



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.**

The *Autorité des marchés financiers* can provide you with unbiased, objective information.
Visit www.lautorite.gc.ca or call the AMF at 1-877-525-0337.

Welcome!

What you need to know about your insurance

Nesto Mortgage Protection Insurance is optional and offers you coverage for your Nesto mortgage with:

- Life Insurance; or
- Life Insurance and Disability Insurance

Note: You can apply for Total Disability Insurance only if you have or are also applying for Life Insurance.

The various coverages are all subject to the terms and conditions of the group master policy entered into between Nesto and Canada Life. You can request a copy of the master policy by contacting Canada Life.

You're eligible for this insurance if on the date of your application, you're a Canadian resident, are between 18 and 64 years old and a borrower, co-borrower or guarantor of an eligible Nesto mortgage, and

- For Disability Insurance, have or are applying for Life Insurance and are actively working a minimum of 20 hours per week, and are not receiving Worker's Compensation or Disability benefits.

A maximum of two people per mortgage can be insured.

An interest-only mortgage can be insured for Life Insurance only and only for a maximum of 36 months. The mortgage must be in good standing to be considered eligible for insurance. For more information, please refer to 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
Toronto, ON M5G 1R8

Name and address of the distributor:

[Nesto Inc.](#)

2200 Stanley St 1er étage
Montreal, Quebec H3A 1R6

See a sample certificate of insurance on our website:

[Canadalife.com > Insurance > Creditor Insurance > Guides and Summaries](#)

Telephone: **1-800-380-4572**

Fax: **1-866-870-0176**

Email: creditor_info@canadalife.com

AMF client number: **3001870574**

AMF website: lautorite.qc.ca

Accidental Death coverage

If your mortgage insurance application is subject to approval by Canada Life and the lender has approved your mortgage, you will have temporary Accidental Life Insurance coverage until your application is approved under certain conditions. For details, please refer to the sample certificate of insurance.

When your coverage begins

Insurance coverage starts on the date your application is approved or the date you have requested insurance to begin.

Automatic approval: You will be required to complete some health questions in your application. If you answer “No” to ALL the health questions in your application and the total amount of insurance on your Nesto mortgage(s) is less than \$500,000, then you will be automatically approved.

Written approval: A health assessment may be required if you answered “Yes” to any of the health questions in the application. Canada Life will confirm in writing if your application is approved or refused. For details, please refer to the **sample certificate of insurance**.

Note: Benefits will only be paid on an approved claim once the funds have been fully advanced to you by Nesto.

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.

When your coverage ends

Your insurance coverage ends on the earliest of the following dates:

- The date your mortgage is paid in full, settled or transferred in writing to another person
- The date the Insurance Service Centre receives your written request to cancel the insurance
- The date all or part of your insurance premiums are 60 days overdue
- The date you are no longer a borrower, co-borrower or guarantor of the mortgage
- The date you die
- The date that your amortization period as set out in your Mortgage Agreement with your lender expires, up to a maximum of 35 years after the Effective Date of Insurance
- Where Nesto is the mortgage lender, the date you transfer your mortgage to another lender
- The date the group policy for life or total disability coverage terminates

For **Life Insurance** your coverage will also end on:

- The last day of the month in which you turn 75 years of age.

For **Disability Insurance** your coverage will also end on:

- The last day of the month in which you turn 65 years of age
- The date your Life Insurance coverage ends

Cancelling your insurance

You can cancel your insurance coverage at any time. All borrowers and guarantors must contact Canada Life by calling toll free at: 1-800-380-4572. Your request must be signed by all borrowers and guarantors. Your final premium will be adjusted to reflect insurance costs up to and including the date your request is received.

If you change your mind about the coverage within **30 days** from the later of the date your application is approved or the date the funds were advanced to you, we'll issue a full refund of any premium paid. It's like the coverage never started.

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

Life Insurance

You are covered if you die before the age of 75 and meet all the terms 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](#).

If you die, Canada Life will pay Nesto the outstanding balance(s) of your mortgage(s) at the date of your death, up to a maximum of \$750,000 for all your insured Nesto mortgages combined. For information on what the “mortgage balance” consists of and further information on the amount of benefit paid, refer to the [sample certificate of insurance](#).

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

No benefit will be paid if you die because of:

- Suicide during the first two years from the date your insurance coverage started
- Direct or indirect participation or attempted participation in a criminal offence

Other limitations and exclusions may apply. Refer to the [sample certificate of insurance](#), under Limitations and Exclusions and Pre-existing condition exclusions.

Disability Insurance

You are covered if you become disabled before the age of 65 and meet all the terms 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](#).

Canada Life will pay Nesto the insured mortgage payment, which includes the principal, interest and insurance premiums (does not include property tax instalments) for a maximum of 24 months.

Canada Life will not pay more than \$3,500 per month for all your insured Nesto mortgages combined. This amount includes insurance premiums.

60 day waiting period: If you become disabled, you will have to wait 60 days from your date of disability before benefits will be payable. This means you are responsible for any mortgage payment due during this 60 day period.

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

No disability benefit will be paid if your disability results, directly or indirectly, from:

- Your use of illegal or illicit drugs or substances
- Your intentional self-inflicted injury
- Your pregnancy, other than physical complications of pregnancy
- Your alcoholism or drug addiction, unless you maintain participation in a rehabilitation program approved by Canada Life and your participation started during the waiting period and continued throughout the benefit period
- Your direct or indirect participation or attempted participation in a criminal offence

Other limitations and exclusions may apply. Refer to the [sample certificate of insurance](#) for complete information.

More information about your insurance

How your premium payment is calculated

The premium rates shown in the table below are multiplied by the insured mortgage amount. The resulting amount is divided by 1,000 and becomes your monthly payment. Provincial taxes are added where applicable.

Your monthly payment does not increase as you get older and stays the same for the life of the mortgage as long as the mortgage is not refinanced or does not increase.

The cost of joint coverage is calculated by multiplying the total life premium for both insureds by 0.80.

	Life		Disability
	Monthly premium rates per \$1,000 of Your <i>Insured Mortgage</i> are:		Monthly premium rates per \$100 of Your <i>Insured Monthly Mortgage Payment</i> are:
Age	Non-Smoker	Smoker	
18 – 30	\$0.08	\$0.13	\$1.40
31 – 35	\$0.12	\$0.19	\$1.78
36 – 40	\$0.18	\$0.29	\$2.25
41 – 45	\$0.27	\$0.43	\$2.85
46 – 50	\$0.39	\$0.62	\$3.40
51 – 55	\$0.50	\$0.80	\$4.35
56 – 60	\$0.69	\$1.10	\$5.55
61 – 64	\$0.90	\$1.44	\$6.40
Joint	0.80 x (Total Life Premium of all Insured's)		N/A

Portability

If you transfer your mortgage to another property, your Canada Life insurance coverage will be transferred and premiums will not be impacted.

You will need to reapply for insurance if you refinance or increase your mortgage and premiums will be calculated based on your age at the time you apply for the additional funds to be covered. If your new application is approved, a second certificate will be issued to you.

Where Nesto is the mortgage lender, coverage is not portable to another lender if you transfer your mortgage.

In Québec, with respect to this policy, Nesto is the mortgage lender.

Making and appealing a claim

To make a claim

Contact Canada Life by calling toll-free: **1-800-380-4572**.

Procedure and time limits: You must notify and provide Canada Life with proof of loss as soon as reasonably possible. Life claim forms must be received within three years from the date of death. Disability claims must be received within 90 days from the day the disability started.

Canada Life will let you know about 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.

To appeal a claim decision

Write to:

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

Email: creditor_info@canadalife.com
Fax: **416-552-6557**

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

Visit canadalife.com > [Customer satisfaction](#) > [Customer complaints](#)

This site will take you through the complaint process and give you 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 lautorite.qc.ca.

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To : _____
The Canada Life Assurance Company (“Canada Life”) (name of insurer)
Creditor Insurance (address of insurer)
330 University Ave.
Toronto, ON M5G 1R8
Fax: 416-552-6657

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 contracts no.: _____
(number of contract, if indicated)

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

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

In: _____
(place of signature of contract)

In: _____
(place of signature of contract)

name of client

name of client

X _____
signature of client (authorized signor 1)

X _____
signature of client (authorized signor 2)