

“HOMEFREE” MORTGAGE LIFE CERTIFICATE OF INSURANCE

INSURED BORROWER(S):

- 1.
- 2.

EFFECTIVE DATE OF INSURANCE:

The Great-West Life Assurance Company (Great-West Life) hereby certifies that the above named insured borrower(s) have elected the optional HomeFree Mortgage Life Insurance and are insured in accordance with and subject to the terms of Group Policy No. 134555GL issued by Great-West Life to Investors Group Inc. and its affiliates (the Creditor).

ELIGIBILITY FOR INSURANCE

You are eligible to apply for insurance only if:

- 1) You are the insured borrower, co-borrow or guarantor of the first insured mortgage loan;
- 2) You are between 18 and 64 years of age; **AND**
- 3) You are a Canadian resident.

EFFECTIVE DATE OF INSURANCE

Your insurance begins on the later:

- 1) The date the applicant and co-applicant, if applicable, signed the HomeFree Mortgage Life Insurance Application;
- 2) The date Great-West Life approves the application for HomeFree Mortgage Life Insurance; **OR**
- 3) The date the insured mortgage loan has been advanced and made available for use.

LIFE INSURANCE BENEFIT

Upon receipt of proof of death of an insured borrower, Great-West Life shall pay to the Creditor the following:

- 1) If the insured mortgage loan is \$500,000 or less at the effective date of insurance, the unpaid balance of the loan (plus accrued interest from the date of death to a maximum of 60 days); **OR**
- 2) If the insured mortgage loan is in excess of \$500,000, meaning the unpaid balance is less than the insured mortgage loan at the effective date of insurance (due to the maximum amount of insurance), the death benefit will be determined by dividing the unpaid balance of the insured mortgage loan at the effective date of insurance and then multiplying that number by the unpaid balance of the insured mortgage loan at the date of death (plus accrued interest from the date of death to a maximum of 60 days). For example, you were insured for \$500,000 on a \$750,000 insured mortgage loan, and at the date of death the unpaid balance is \$300,000, then the death benefit is \$200,000 (plus accrued interest from the date of death to a maximum of 60 days)

$$\$500,000/\$750,000 = 0.66 \times \$300,000 = \$200,000$$
- 3) Any debit balance accumulated for the payment of realty taxes; **AND**
- 4) Interest reinvestment charges and discharge fees, if any.

AMOUNT OF INSURANCE

- 1) In no event shall the amount of insurance exceed \$500,000 for any one insured mortgage loan or any one insured borrower. There is no limit to the number of loans which can be insured.
- 2) Life insurance benefits may become payable in respect of any one insured borrower or any one insured mortgage loan, but in the event of such occurrence, all such benefits combined shall not exceed the amount of insurance defined above.
- 3) In respect of an insured mortgage loan granted to joint insured borrowers, each such insured borrower may be insured for up to \$500,000, however, Great-West Life shall pay no more than \$500,000 in benefits in respect of any one insured mortgage loan. Once the maximum benefit has been paid, no further insurance is available in respect of such insured mortgage loan.

PRIOR COVERAGE RECOGNITION

If you renegotiate your previously insured mortgage loan you may be eligible for prior coverage recognition. If approved, the insurer will provide coverage for the amount equal to the unpaid balance on your prior insured mortgage loan at the time your coverage terminated. You are eligible for prior coverage recognition if: you re-apply for HomeFree Mortgage Life insurance within 30 days of your previous coverage terminating; **AND** you are 64 years of age or less; **AND** your new application is declined for health reasons. For example, your unpaid balance on your prior insured mortgage loan is \$50,000. You reapply for coverage on your newly renegotiated insured mortgage loan with an unpaid balance of \$200,000. Your application is declined due to health reasons. In this example, Great-West Life will insure 25% of the new unpaid balance at the time of claim. [$\$50,000/\$200,000 \times 100 = 25\%$]

Premiums will be based on: the age and smoking status at time of new application; **AND** the unpaid balance of your prior insured mortgage loan at the time it was terminated.

INSURANCE PREMIUMS

The monthly premium rate is based on the following:

- The amount of the insured mortgage loan;
- The age and smoking status of the insured borrower(s); **AND**
- Provincial sales tax (where applicable).

For example, an applicant who is a non-smoker, age 35, with an insured mortgage loan of \$100,000, the premium is $\$0.11 \times \$100,000 \div 1,000 = \$11.00$, plus provincial tax, if any.

Monthly premium rates per \$1,000 of an insured mortgage loan				
Age	Smoker		Non-Smoker	
	Single	Joint	Single	Joint
Under 30	\$0.11	\$0.15	\$0.05	\$0.07
30 - 34	\$0.14	\$0.20	\$0.07	\$0.10
35 - 39	\$0.24	\$0.34	\$0.11	\$0.15
40 - 44	\$0.38	\$0.53	\$0.18	\$0.25
45 - 49	\$0.60	\$0.84	\$0.29	\$0.41
50 - 54	\$0.88	\$1.23	\$0.43	\$0.60
55 - 59	\$1.12	\$1.57	\$0.54	\$0.76
60 - 64	\$1.34	\$1.88	\$0.63	\$0.88

†Add provincial sales tax, where applicable.

Where more than one insured borrower is applying for insurance on the same insured mortgage loan, the premium rate applied is that corresponding to the older insured borrower.

A non-smoker is considered to be a person who has not smoked any cigarettes during the 12 months immediately preceding the effective date of insurance.

Your life insurance premiums will remain unchanged for a period of 10 years. At the end of each 10 year period, your premium will be recalculated based on the age and smoking/non-smoking status of the older insured borrower and the insured portion of the insured mortgage loan at that time. The insurance premium rates are subject to change every 10 years.

DISCOUNTED PREMIUM:

Where the applicant is an employee or representative of the Creditor or a client who has invested in one of the Creditor's products under a rate subsidized mortgage plan to acquire a new home, a 5% discount on the above premium rates shall be applied.

CONFIRMATION OF INSURANCE

Your completed insurance application form is your confirmation of insurance and it is automatically approved if:

- You answered "No" to all the health questions on the application and your total life insurance coverage under the policy does not exceed \$300,000. Otherwise, you must submit your application to Great-West Life for medical underwriting. Great-West Life will advise you in writing if your insurance is approved or declined, within 30 days of receiving all the information required to make a decision. The approval letter is your proof of insurance.

EXCLUSIONS, RESTRICTIONS OR REDUCTIONS IN INSURANCE

No death benefit will be paid if:

Misstatement on the Insurance Application:

If any statement or answer provided by you on the application or health questionnaire is incomplete or false.

Suicide:

If death is a result of suicide, (whether you are aware or not aware of the result of your actions, regardless of your state of mind), within 2 years of the effective date of insurance or within 2 years of an increased amount of Insurance.

Simultaneous Deaths:

In the event of simultaneous deaths of joint-insured borrowers, only one death benefit will be paid.

Maximum Amount of Insurance:

In no event will the death benefit on any one insured mortgage loan or for any one person exceed \$500,000.

Joint Borrowers:

Where more than one eligible insured borrower is insured on the same insured mortgage loan, each co-insured borrower may become insured for the full amount of the insured mortgage loan. However, Great-West Life will pay an amount which is the lesser of the amount of the insured mortgage loan and \$500,000.

Misstatement of Age:

If the age of the insured borrower has been misstated and would have not been insured under this policy had his true age been stated, a full refund shall be remitted to the insured borrower and no benefit shall be payable.

Incontestability:

Any statement, other than a fraudulent statement, made by an insured Borrower relating to his insurability under the policy may be used to contest the validity of his insurance for the first two years that the initial insurance, or any increase in insurance, is in force during his lifetime. Any fraudulent statement may be used to contest the validity of insurance at any time.

TERMINATION OF INSURANCE

Insurance in respect of each insured borrower shall automatically terminate on the earliest of the following dates:

- 1) the date the insured mortgage loan is fully repaid;
- 2) upon receipt of signed written notice that you wish to cancel the insurance coverage;
- 3) the insured borrower's 70th birthday;
- 4) the date the indebtedness is transferred to another creditor or assumed by another debtor;
- 5) 30 days after the due date of any monthly premium toward which the insured borrower has failed to make the required payment;
- 6) the date the unpaid balance of the mortgage loan has been paid in full by Great-West Life to the Creditor;
- 7) the date the insured mortgage loan is renegotiated (renegotiation means that the original amortization period is extended or the original insured mortgage loan is increased; or
- 8) the date the Group Policy terminates.

CLAIM PROCEDURES

Upon death of the insured borrower(s), notify the Investors Group Mortgage Servicing Centre immediately at 1 800 328-6488 (or in Quebec, please call 1 800 565-2035) or fax notice to 1 888 686-3996 -. The Investors Group Mortgage Servicing Centre will complete a claim form and send an 'Attending Physician's Declaration' to the executor of the estate for completion. Notice of claim must be given to Great-West Life within **60 days** of the date of death. Failure to give such notice within **60 days** of the date of death of the insured borrower will not invalidate nor reduce the claim if it is shown that it was not reasonably possible to give the notice within such time and that notice was given as soon as reasonably possible. In such case, all proof must be given no later than **1 year** from the date of death, or **3 years** from date of death in Quebec.

CANCELLATION OF INSURANCE

You may cancel your insurance at any time by written request. Your insurance will be cancelled on the latest of these dates: the date specified in your written request, or the date your written 'Notice of Rescission' is received (Quebec only). If you cancel your insurance within 30 days from the effective date of insurance, you will receive a full refund of any premiums paid after deduction of paid benefits, and the insurance coverage will be deemed never to have been in force, if applicable. Cancellations requested after the 30-day period will not receive a premium. Outside Quebec, send your written request to: Investors Group Mortgage Servicing Centre, 447 Portage Avenue, Winnipeg MB R3B 3H5. In Quebec, send your written request to: Investors Group Mortgage Servicing Centre, 2001 Robert-Bourassa Boulevard, Suite 1900, Montreal QC H3A 2A6.

IMPORTANT INFORMATION

- 1) This certificate of insurance (the Certificate) contains important information and should be kept in a safe place.
- 2) Information about the insurance evidenced by this Certificate may be obtained from The Great-West Life Assurance Company at the address referenced in this Certificate. Great-West Life may require prompt payment of a service fee for the provision of copies of documents.
- 3) Any information about the application for HomeFree Mortgage Life Insurance may be obtained by contacting Great-West Life at the toll free telephone number 1 800 665-1972.
- 4) Insurance premium rates are subject to change every 10 years.
- 5) Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act (for actions or proceedings governed by the laws of Alberta and British Columbia), The Insurance Act (for actions or proceedings governed by the laws of Manitoba), the *Limitations Act, 2002* (for actions or proceedings governed by the laws of Ontario), or in other applicable legislation. For those actions or proceedings governed by the laws of Quebec, the prescriptive period is set out in the Quebec Civil Code.
- 6) Any provisions of Group Insurance Policy No. 134555GL issued by Great-West Life to the Creditor apply to the insurance described in this Certificate whether mentioned in this Certificate or not.
- 7) Coverage may be reinstated, if lapsed, within 12 months of the original effective date subject to approval by Great-West Life of the applicant's statement of good health.

GREAT-WEST LIFE COMPLAINTS PROCESS

To obtain information about how to make a complaint and Great-West Life's complaints handling process, please call 1-800-380-4572.

PRIVACY

At Great-West Life, we recognize and respect the importance of privacy. When you apply for coverage, we establish a confidential file that contains your personal information. This file is kept in the offices of Great-West Life or the offices of an organization authorized by Great-West Life. You may exercise certain rights of access and rectification with respect to the personal information in your file by sending a request in writing to Great-West Life. Great-West Life may use service providers located within or outside Canada. We limit access to personal information in your file to Great-West Life staff or persons authorized by Great-West Life who require it to perform their duties, to persons to whom you have granted access, and to persons authorized by law. Your personal information may be subject to disclosure to those authorized under applicable law within or outside Canada. We collect, use and disclose the personal information to administer the plan, including investigating and assessing claims, and creating and maintaining records concerning our relationship. Great-West Life or its reinsurers may also release information to other life insurance companies to whom you apply for life or health insurance, or to whom you submit a claim for benefits. The company will not, however, reveal to another company the action taken on the basis of your current request for insurance. For a copy of our Privacy Guidelines, or if you have questions about our personal information policies and practices (including with respect to service providers), write to Great-West Life's Chief Compliance Officer at chief.compliance.officer@gwl.ca, or refer to www.greatwestlife.com.