

Contract Sample – SOLO Disability Income

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SAMPLE

GENERAL PROVISIONS

1. CONTRACT

This policy, including the Policy Schedule, the attached tables and riders, and the application, constitutes the entire contract between the parties.

2. DEFINITIONS

Certain terms used in the description of all the coverages under this contract are defined below. However, some coverages also include their own specific definitions. If there are 2 definitions for the same term, the definition in the specific coverage will prevail over the one in these GENERAL PROVISIONS.

Benefit: Amount payable under a coverage, in accordance with the provisions of this contract.

Company: Desjardins Financial Security Life Assurance Company, also referred to as "Desjardins Insurance."

Counter-offer: Change that the Company offers to make to the application that was submitted by the policyowner.

Coverage anniversary: Each coverage anniversary falls on the date that marks the start of a coverage year.

Coverage year: Each 1-year period that follows the initial date of a coverage. The coverage year is used to determine the termination date of a coverage and financial items such as the premium and guaranteed values, if applicable. It can also be used to establish the exercise of certain rights provided for in a coverage.

Current occupation: Paid occupation held by the insured person immediately before they become disabled, even if it is not the same occupation they held at the time the contract was issued.

Disability (disabled): State of total, partial or residual disability, as applicable, of the insured person, as defined in the provisions of each coverage to which these states apply.

Effective date of a coverage: See the **EFFECTIVE DATE OF A COVERAGE** provision.

Initial date: Indicated in the Policy Schedule, the initial date of a coverage determines the start of a coverage year and each coverage anniversary thereafter.

The initial date does not determine the effective date of a coverage.

Insurability: A person's insurability refers to information that may influence the Company's decision to issue a coverage, such as the person's health status, lifestyle habits (e.g., use of tobacco, travels, hazardous sports), and occupation.

Insured person: The person covered under this contract and for whom the Company may pay a benefit. The name of this person is indicated in the Policy Schedule.

Monthly benefit: Indicated in the Policy Schedule, the monthly benefit is used to determine the monthly benefit payment in the event of the insured person's disability.

Occupation: Any paid work performed by the insured person.

Physician: Any person, other than the insured person, who is legally authorized to practise medicine and who practises in the area of expertise specific to the illness or accident giving rise to a benefit. Also, the physician must not live with the insured person or be a family member or an associate of the insured person.

Policyowner: The owner of the insurance contract signed with the Company. The name of the policyowner is indicated in the Policy Schedule.

Regular occupation: Equivalent to "current occupation."

Replacement occupation: An occupation for which the insured person is reasonably qualified and that could provide a minimum of 60% of the annual income they were earning immediately prior to becoming disabled.

To determine the type of replacement occupation the insured person could hold, the Company will consider their training, experience and education. However, the Company will not consider the availability of such an occupation in the area where the insured person resides.

Waiting period: The period of time, whether continuous or cumulative, that determines when benefit payments will begin in the event of the insured person's disability. The waiting period is indicated in the Policy Schedule.

3. EFFECTIVE DATE OF A COVERAGE

a. If the premium payment information was provided to the Company when the insurance application was signed

1) When the Conditional disability insurance agreement does not apply and:

- a) **The Company approves the application submitted by the policyowner without making any changes**
The effective date of the coverage is **the date the application is approved** by the Company.
- b) **The Company denies the application and makes a counter-offer to the policyowner**
The effective date of the coverage is **the date the policyowner signs the counter-offer**.
- c) **The policyowner declines the Company's counter-offer and requests a change**
The effective date of the coverage is **the date the Company approves the requested change**.

Important: When deciding whether to approve or deny the insurance application, the Company may consider any illness that occurs between:

- the date on which the application is signed; and
- the date on which the insured person will have answered all the insurability questions and undergone all required examinations and/or tests.

2) When the Conditional disability insurance agreement applies and all the conditions stipulated therein are met:

The effective date of the coverage is the date indicated in the Conditional disability insurance agreement.

b. If the premium payment information was not provided to the Company when the insurance application was signed

1) When the Company approves the application submitted by the policyowner without making any changes

The effective date of the coverage is **the date the Company approves the application** or **the date the premium payment information is given to the Company**, whichever is later, provided the following condition is met:

- a) The insured person's insurability must not have changed between:
 - the date the application is signed; and
 - the date the Company approves the application.

This condition is met if the insured person has already informed the Company of the change and the Company has taken it into account.

2) When the Company denies the application and makes a counter-offer to the policyowner

The effective date of the coverage is **the date the policyowner signs the counter-offer**, provided the following condition is met:

- a) The insured person's insurability must not have changed between:
 - the date the application is signed; and
 - the date the policyowner signs the counter-offer.

This condition is met if the insured person has already informed the Company of the change and the Company has taken it into account.

3) When the policyowner declines the Company's counter-offer and requests a change

The effective date of the coverage is **the date the Company approves the requested change**, provided the following condition is met:

- a) The insured person's insurability must not have changed between:
 - the date the application is signed; and
 - the date the Company approves the requested change.

This condition is met if the insured person has already informed the Company of the change and the Company has taken it into account.

4. AGE

- a. The insured person's age is the age at their nearest birthday, determined on the initial date of a coverage. It is indicated in the Policy Schedule.
- b. The attained age of the insured person is equal to the age of the insured person plus the number of completed coverage years for a given coverage.
- c. **Incorrect age**

If the insured person's date of birth is incorrect, the Company will compare the premiums it has received with the premiums it should have normally received and will adjust the monthly benefit proportionally.

The Company makes the adjustments on the earlier of the following dates:

- 1) the date the Company is advised of the incorrect date of birth; or
- 2) the date the illness or accident giving rise to a benefit occurs.

5. INCONTESTABILITY (statements by the policyowner and insured person)

If the policyowner or insured person has omitted to provide information when applying for a coverage, or if the information they provided is inaccurate or incomplete, the Company may cancel this coverage or deny a claim.

a. In cases of fraud

The Company may, at any time, cancel a coverage or deny a claim if it proves that the policyowner or insured person fraudulently omitted to provide information when applying for a coverage or fraudulently provided inaccurate or incomplete information.

b. In cases not involving fraud

- 1) **If the Company learns of the omitted, inaccurate or incomplete information within 2 years of the effective date of a coverage (or its most recent reinstatement)**

The Company may cancel this coverage or deny a claim.

- 2) **If the Company learns of the omitted, inaccurate or incomplete information more than 2 years after the effective date of a coverage (or its most recent reinstatement)**

The Company may cancel this coverage or deny a claim if the covered disability occurred in the 2 years following the effective date of the coverage (or its most recent reinstatement).

Otherwise, the Company must prove that fraud has occurred to cancel a coverage or deny a claim.

Application of the 2-year incontestability period when a coverage is replaced or changed

- When a new coverage replaces part or all of a coverage previously issued by the Company and the insured person **does not have to answer** insurability questions or undergo tests or examinations when applying for the new coverage, the 2-year incontestability period for the new coverage applies as of the effective date of the previously issued coverage (or its most recent reinstatement).
- When a new coverage replaces part or all of a coverage previously issued by the Company and the insured person **has to answer** insurability questions or undergo tests or examinations when applying for the new coverage, the 2-year incontestability period applies to the new coverage as of its effective date (or its most recent reinstatement).
- When a change is made to an existing coverage and the insured person **has to answer** insurability questions or undergo tests or examinations (e.g., change in rate for non-smoker status), the 2-year incontestability period applies as of the date the change takes effect.

This provision does not apply if inaccurate information has been provided on the insured person's age. If this is the case, the Company applies paragraph "c." of the **AGE** provision.

6. PREMIUM PAYMENT AND GRACE PERIOD

The Company must receive the premium due by the due dates indicated below and according to the payment frequency chosen by the policyowner.

a. 30-day grace period

For any coverage that takes effect according to the **EFFECTIVE DATE OF A COVERAGE** provision, the Company grants a 30-day grace period for the payment of each premium due.

Example: If a premium payment is due August 1, the policyowner has until August 31 inclusive to make the payment.

1) First premium payment

The Company collects the first premium in the days after the application is processed.

If the transaction cannot be processed (e.g., due to insufficient funds, reaching a credit limit or inaccurate premium payment information), the Company informs the policyowner and applies the grace period as of the date on which the transaction could not be processed.

2) Payment of subsequent premiums

The Company collects subsequent premiums on the due date indicated in the Policy Schedule (or in a premium table, if applicable).

If the transaction cannot be processed (e.g., due to insufficient funds, reaching a credit limit or inaccurate premium payment information), the Company informs the policyowner and applies the grace period as of the date on which the transaction could not be processed.

b. Unpaid premium at the end of the grace period

If the premium due for a coverage is not paid at the end of the grace period and there is no automatic premium loan provision in the contract, the coverage lapses.

When a coverage lapses, it may be reinstated within a certain period, according to the conditions indicated in the **REINSTATEMENT** provision.

c. Coverage of the insured person during the grace period

The insured person is covered during the grace period. If a disability that gives rise to a benefit occurs during the grace period, the Company will deduct the premium due from the benefit payable.

d. Failure to provide payment information for the first premium

The Company may cancel a contract that never took effect and for which the payment information for the first premium was not provided. The cancellation will apply as of the date indicated on the letter sent to the policyowner informing them of the situation.

7. REINSTATEMENT

If the policyowner asks to end a coverage, reinstatement is not possible.

If the Company ends a coverage because the premium due has not been paid after the end of the grace period, reinstatement is possible.

a. Reinstatement of a coverage within 30 days after the end of the grace period

The Company agrees to reinstate a coverage if all of the following conditions are met within 30 days after the end of the grace period:

- 1) The policyowner must have made the request to the Company in writing.
- 2) The Company must have received the unpaid premium due.
- 3) No disability must have occurred during this period.

b. Reinstatement of a coverage between the 31st day and the 90th day after the end of the grace period

The Company agrees to reinstate a coverage if all of the following conditions are met within 90 days after the end of the grace period:

- 1) The policyowner must have made the request to the Company in writing.
- 2) The Company must have received the unpaid premiums due with interest.
- 3) The insured person must answer the required insurability questions, undergo all required tests and/or examinations and meet all the insurability and underwriting requirements applicable at the Company at that time.

8. CLAIMS

Claims must be submitted to the Company within 30 days of the date of the illness or accident that could give rise to the payment of a benefit.

The Company may require information, proof or documentation deemed necessary to review the claim. The person submitting the claim must provide this information, proof or documentation to the Company within 90 days of the claim date.

If the person does not submit the claim or the requested information, proof or documentation within the above time constraints, it does not mean that the claim will be denied. However, the person will have to prove that they were unable to act within these time constraints. The requested documents will then have to be submitted to the Company within 12 months of the date of the illness or accident that gave rise to the claim.

If the Company receives a claim more than 12 months after the onset of the insured person's disability, it will consider the insured person's disability to have started 12 months prior to the date it received the claim.

During the waiting period and the benefit period, the Company may, as often as it deems necessary, require satisfactory proof of the continuation of the insured person's disability and have them examined by a physician, at its expense. The Company will select the physician and only pay their professional fees. The Company also reserves the right to review the financial information of the insured person as often as it deems it reasonable to do so.

If a person does not submit the proof needed to justify the continuation of the insured person's disability within the specified time constraints, the Company will consider the insured person to no longer be disabled and will end the payment of benefits.

For the month during which the disability ends, if required, the Company will adjust the benefit according to the number of days of disability. The Company will divide the benefit by 30 and multiply the result by the number of days the insured person was disabled during that month (maximum of 30 days).

9. WAIVER OF PREMIUMS

This contract includes a waiver of premiums in the event of the insured person's disability. If the insured person remains disabled at the end of the waiting period, no premium is to be paid as long as monthly benefit payments are being made.

10. CURRENCY

All amounts indicated in the contract are in Canadian currency.

11. MODIFICATION

This contract may be modified upon written request from the policyowner only if the Company approves this request in writing. This approval must be signed by one of its officers.

12. ASSIGNMENT

The Company's approval is required to change the policyowner on this contract. The Company may approve or deny a request to change the policyowner or set conditions for its approval.

SOLO DISABILITY INCOME – T65

1. PURPOSE OF THIS COVERAGE

This coverage provides a monthly benefit payment in the event the insured person becomes totally disabled further to an illness or accident.

Subject to the provisions of this coverage, the Company will begin making monthly benefit payments to the insured person if they remain totally disabled after the waiting period.

The amount of the monthly benefit payment is specified in the **BENEFITS PAYABLE** provision.

2. PREMIUMS

The premiums for this coverage are "level." For the duration of this coverage, no annual increase will be made to premiums due to an increase in the insured person's age.

However, premiums **are not guaranteed**. The Company reserves the right to modify premiums while the contract is in force, provided any such modification applies to a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.

The Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. DEFINITIONS

The GENERAL PROVISIONS include definitions of certain terms that apply to this coverage. The definitions shown below apply specifically to this coverage.

Accident: any bodily injury certified by a physician that results directly from a sudden and unforeseen external cause, independently of any illness or other cause.

If the insured person becomes disabled after 90 days following the accident, the accident will be considered an illness.

The accident must occur while this coverage is in effect.

Annual income: total income that the insured person receives for their work (including wages, professional fees, bonuses, pay or commissions), **less** any employment expenses that are deductible from income under the Income Tax Act of Canada but before income taxes are deducted.

If the insured person is a business owner or partner, holds at least a 20% stake in the company and actively participates in its operations, their annual income includes any share of the business income attributable to them before taxes, **less** any deductible business expenses.

Annual income is the income declared on the tax slips for the year in question. This income excludes:

- pension income, interest, dividends from any source and any other investment income;
- rental income, capital gains, royalties, licence fees and support payments; and
- any deferred compensation and any other income that is not directly received in exchange for services rendered.

Average monthly income: the higher of the following:

- the insured person's annual income earned in the last full calendar year prior to the onset of their disability, divided by 12; and
- the insured person's average annual income in the 3 most profitable years out of the last 5 calendar years prior to the onset of their disability, divided by 12.

Beneficiary: a person designated by the policyowner in the application, or in the most recent document confirming a change of beneficiary after the initial date of this coverage, to receive the death benefit under the **DEATH BENEFIT** provision.

Benefit period: see the **BENEFIT PERIOD** provision.

Continuing medical care: treatment that is medically necessary for the insured person due to their disability. This treatment must be directly related to the cause of the disability and be applied in accordance with current medical standards.

The insured person must need this care on a continuous basis to recover. The care must also be given or recommended by a physician and be subject to regular follow-ups.

The Company reserves the right to waive the requirements relating to the care of a physician on receipt of a written statement deemed satisfactory that shows that additional care from the physician would not be of any benefit to the insured person.

Disability (disabled): state of total disability of the insured person.

Day surgery: surgery performed in a hospital for which the insured person is discharged on the same day as the surgery. Day surgery is surgery that does not require hospitalization.

Full-time occupation: the regular performance of gainful employment:

- 30 hours or more a week for at least 35 weeks a year; or
- 24 to 29 hours a week for at least 40 weeks a year.

Hospital: a facility recognized as a short-term care hospital in accordance with the laws of the insured person's province of residence, excluding that facility's long-term care unit, where people are seen for the purpose of:

- preventive care;
- medical diagnosis;
- medical treatment.

The following facilities, however, are not considered to be hospitals, even if they are part of a hospital or associated with one:

- a residential or extended care centre;
- a rehabilitation centre;
- a private practice or private clinic;
- an infirmary where a religious or teaching institution receives members of its staff or its students.

Hospitalization: a stay of at least 18 consecutive hours in a hospital as an in-patient assigned to a bed (ward or room). Hospitalization must result from an illness or an accident.

Illness: a deterioration in health or a bodily disorder certified by a physician. Organ donations and related complications are also considered to be illnesses, subject to the **ORGAN DONATION** provision.

The illness must occur while this coverage is in effect.

Occupation class: the occupation class is used to define the underwriting classes related to the insured person's occupation. It is indicated in the Policy Schedule.

The occupation class is guaranteed. Therefore, if the insured person changes occupations after the initial date of this coverage, resulting in a higher occupational risk, the premium will be calculated based on the occupation class determined on the initial date of this coverage or the date it is reinstated.

Selected monthly benefit: corresponds to the monthly benefit indicated in the Policy Schedule. This amount is used to determine the monthly benefit payment in the event of the insured person's total disability. See the **BENEFITS PAYABLE** provision.

Total disability: see the **TOTAL DISABILITY** provision.

Totally disabled: equivalent to "total disability."

Waiting period: see the **WAITING PERIOD** provision.

4. TOTAL DISABILITY

The insured person is considered totally disabled if their situation meets the criteria below, subject to the **PRESUMPTION OF TOTAL DISABILITY** provision.

a. For an **insured person who held an occupation** immediately prior to the onset of their disability

During the waiting period and the first 24 months of the benefit period, the insured person is considered totally disabled further to an illness or accident if:

- they are totally unable to perform the main duties of their current occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

After the first 24 months of the benefit period, the insured person is considered totally disabled further to an illness or accident if:

- they are unable to hold a replacement occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

b. For an **insured person who did not hold an occupation or who was on maternity or parental leave** immediately prior to the onset of their disability

The insured person is considered totally disabled further to an illness or accident if:

- they are unable to hold a replacement occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

5. BENEFITS PAYABLE

The Company will periodically establish the amount of the monthly benefit payable to the insured person, first by applying coordination of benefits and then by applying integration of benefits, according to paragraphs "a" and "b" below.

a. **Coordination of benefits**

If the total of any benefits indicated in items 1), 2), 3) and 4) below payable on the date on which the Company establishes the amount of the monthly benefit payment exceeds 90% of the insured person's average monthly income, the Company will subtract the excess amount from the total of the selected monthly benefits indicated in the Policy Schedule that are payable.

- 1) Any selected monthly benefits indicated in the Policy Schedule for this SOLO DISABILITY INCOME coverage.
- 2) Any other monthly benefits payable to the insured person under an individual disability coverage issued by the Company or another company, except for any disability benefits payable under a credit insurance plan.
- 3) Any other monthly disability benefits payable to the insured person under a group insurance plan issued by the Company or another company, except for any disability benefits payable under a credit insurance plan.
- 4) Any salary continuance benefit or severance pay.

b. **Integration of benefits**

- 1) The Company will take the total of the selected monthly benefits indicated in the Policy Schedule that are payable on the date on which the Company establishes the amount of the monthly benefit payment, or the reduced amount of the selected monthly benefit obtained from the previous paragraph if that amount is lower, and subtract from that amount any benefits that the insured person is or may be entitled to receive under any government plans, such as:

- any benefits payable under any workers' compensation legislation;
- any benefits payable under any occupational disease legislation;
- any benefits payable under any automobile insurance legislation;
- any benefits payable under the Act Respecting the Québec Pension Plan, except for retirement pensions, survivor benefits and benefits paid to a disabled contributor's children;
- any benefits payable under the Canada Pension Plan Act, except for retirement pensions, survivor benefits and benefits paid to a disabled contributor's children;
- any benefits payable by any other government board or agency or under any law, except for sickness benefits payable under the Employment Insurance Act; or
- any maternity or parental benefits payable under the Québec Parental Insurance Plan, the Employment Insurance Act or any other government plans or programs.

The result of these calculations is the amount of the monthly benefit payment payable under this coverage.

However, in the first 36 months of the benefit period, the total amount of benefits payable to the person insured under this SOLO DISABILITY INCOME coverage and under any other individual disability insurance coverage issued by the Company (except for any disability benefit payable under a credit insurance plan) will never be less than the lowest of the following:

- \$1,200;

or

- the total of the selected monthly benefits indicated in the Policy Schedule that are payable on the date on which the Company establishes the amount of the monthly benefit payment.

- 2) If lump-sum or retroactive payments are payable to the insured person under any government plans, the insured person must reimburse the Company for any amounts that would not have been payable by the Company.
- 3) Furthermore, if the insured person fails or refuses to avail themselves of their entitlements under any government plans, the Company will assess the amount of the benefits the insured person would have been entitled to receive and reserves the right to reduce the amount of their monthly benefit payment accordingly.
- 4) The Company may, subject to the insured person's consent if required by law, obtain from any person or communicate to any person any information that is required to apply this provision or that could facilitate the payment of benefits under this coverage.
- 5) Even if the monthly benefit payable to the insured person is less than the selected monthly benefit indicated in the Policy Schedule, the Company will not make any reimbursements in this regard.

6. DEATH BENEFIT

If the insured person dies and was disabled at the time of their death and had been receiving monthly benefit payments under this coverage, the Company will pay an amount of insurance equal to 5 times the selected monthly benefit indicated in the Policy Schedule to the designated beneficiary.

7. WAITING PERIOD

The waiting period is the period during which the insured person must be disabled before the Company will begin making the monthly benefit payments provided for under this coverage. The waiting period applicable to a disability resulting from an illness or accident or the waiting period applicable following a hospitalization or day surgery is indicated in the Policy Schedule.

Multiple disability periods of 7 or more consecutive days attributable to the same cause may be added together to count toward any waiting period of 30 days or more. However, disability periods added together in this manner cannot be separated by more than:

- 6 months, if the insured person's occupation class is A, B or 2A; or
- 12 months, if the insured person's occupation class is 3A or 4A.

If a partial disability coverage is attached to this coverage and the insured person satisfies the conditions to receive partial disability benefits, the days counted toward the partial disability waiting period are considered in the calculation of the days needed to satisfy the total disability waiting period.

8. BENEFIT PERIOD

- a. The benefit period is the maximum period during which monthly benefit payments are made to the insured person further to a disability resulting from a same cause, subject to the **CONCURRENT DISABILITY** provision. The benefit period is indicated in the Policy Schedule.
- b. If the benefit period starts after the insured person has reached the attained age of 63, but before they have reached the attained age of 65, the Company may continue making monthly benefit payments after the expiry date of this coverage. The Company will then terminate monthly benefit payments on the earliest of the following dates:
 - the date it has made a total of 24 total, partial and/or residual disability benefit payments; or
 - the date the insured person ceases to be disabled.

9. RECURRENT DISABILITY

If, after a disability, the insured person becomes disabled again due to the same cause or a related cause, the Company will consider the new disability to be a recurrence if it occurs:

- within 6 months of the end of the first disability, if the insured person's occupation class is A, B or 2A; or
- within 12 months of the end of the first disability, if the insured person's occupation class is 3A or 4A.

In such a case, no new waiting period applies and the insured person will receive benefits for a period not exceeding the number of months remaining in the benefit period applicable to the first disability.

10. CONCURRENT DISABILITY

If, in the course of a period during which the insured person is receiving benefits, a second disability occurs further to a different cause unrelated to the first cause, the Company will not double the amount of the benefit payment.

If the first disability ends **before** the insured person has received benefits for the number of months in the benefit period, the insured person will be entitled to benefits for the second disability after again satisfying the applicable waiting period. The insured person will then receive benefits for the second disability for a period not exceeding the number of months remaining in the benefit period applicable to the first disability.

The waiting period for the second disability will begin as soon as the insured person becomes disabled as a result of the second cause.

11. PRESUMPTION OF TOTAL DISABILITY

If, further to an illness or accident, the insured person suffers the loss of 2 limbs or 1 sense, as described below, they will be presumed to be totally disabled, whether or not they hold an occupation or are receiving continuing medical care, subject to the **BENEFITS PAYABLE** and **LIMITATIONS** provisions.

"Loss" means the total and irreversible loss of:

- a. the use of 1 hand;
- b. the use of 1 foot;
- c. 1 hand and the wrist joint further to an amputation;
- d. 1 foot and the ankle joint further to an amputation;
- e. vision in both eyes (visual acuity of 20/200 or less, or a field of vision of less than 20 degrees);
- f. speech, attributable to a bodily injury or a physical illness lasting at least 6 consecutive months;
- g. hearing in both ears, with an auditory threshold of over 90 decibels.

12. ORGAN DONATION

If the insured person becomes totally disabled further to an organ donation performed more than 6 months after the effective date of this coverage, the insured person may be considered totally disabled further to an illness and benefits may be paid to them under this coverage.

13. REHABILITATION

If the insured person receives the monthly benefit payment provided for under this coverage, the Company may cover the cost of services related to a rehabilitation program if these services:

- enable the insured person to return to work sooner; and
- are not already covered under another program or service.

Furthermore, the rehabilitation program must be approved in writing by the Company before the insured person participates in it.

14. HOSPITALIZATION

If the insured person has to be hospitalized further to an illness or accident or undergo day surgery, the Company will begin making monthly benefit payments after the waiting period indicated in the Policy Schedule, subject to the **BENEFITS PAYABLE** and **LIMITATIONS** provisions.

15. EXCHANGE PRIVILEGE

- a. Before the insured person reaches the attained age of 60 and until the end of the 7th coverage year, this coverage may be exchanged for an eligible disability coverage designated by the Company ("new coverage") without medical evidence of insurability. A written request must be submitted to the Company in the 60 days leading up to the anniversary of the coverage.

The Company will then issue a new contract for the new coverage. The exchange will take effect on the coverage anniversary that follows the date of the exchange request and will be made:

- based on the insured person's age as indicated in the Policy Schedule;
- based on the occupation class indicated in the Policy Schedule; and
- in accordance with the conditions, limitations and rates that apply to the new coverage at the time the exchange request is submitted to the Company.

b. **The following conditions and limitations apply to the exchange privilege:**

- 1) This coverage must be in force on the coverage anniversary that follows the date of the exchange request.
- 2) The insured person must hold a full-time occupation on the coverage anniversary that follows the date of the exchange request.
- 3) The insured person must not be disabled on the coverage anniversary that follows the date of the exchange request.
- 4) Financial evidence of insurability deemed satisfactory by the Company must be provided.
- 5) The exchange can only be requested once. All or a portion of the coverage may be exchanged. If this coverage was issued further to an exchange of another coverage, this coverage is not eligible for this exchange privilege.
- 6) The Company reserves the right to exclude certain options or coverages offered under the new coverage if they were not offered under this coverage.
- 7) Any extra premiums and exclusions that apply to this coverage will also apply to the new coverage.
- 8) The waiting period for the new coverage must be equal to or longer than the one under this coverage.
- 9) The benefit period and the selected monthly benefit for the new coverage must be equal to or less than those under this coverage.
- 10) In the event of a partial exchange, the total of the selected monthly benefit for this coverage after the exchange and the selected monthly benefit for the new coverage cannot exceed the amount of the selected monthly benefit of this coverage prior to the exchange.

16. EXTENSION PRIVILEGE

- a. When the insured person reaches the attained age of 65, this coverage will terminate. However, if the policyowner submits a written request to the Company in the 60 days leading up to the expiry date of this coverage, indicated in the Policy Schedule, they can extend this coverage in the form of a 5-year term disability coverage whose premiums may increase annually ("extended coverage") without having to provide medical evidence of insurability. This extended coverage will terminate when the insured person reaches the attained age of 70.

This extended coverage will be established based on the attained age of the insured person and in accordance with the Company's rates and conditions in effect at that time, provided the following requirements are met:

- 1) This coverage must be in force when the insured person reaches the attained age of 65.
- 2) The insured person must hold a full-time occupation when they reach the attained age of 65.
- 3) The insured person must not be disabled when they reach the attained age of 65.

b. **The following conditions and limitations apply to the extension privilege:**

- 1) The minimum waiting period in the event of illness, accident, hospitalization and day surgery must be 30 days;
- 2) The maximum benefit period must be 24 months;
- 3) The selected monthly benefit must be the lowest of:
 - \$2,000;
 - or**
 - 50% of the selected monthly benefit for this coverage.
- 4) Any options and coverages attached to this coverage will not be attached to the extended coverage.
- 5) Any extra premiums and exclusions applicable to this coverage will also apply to the extended coverage.
- 6) The Company reserves the right to modify certain provisions of this coverage based on what is applicable at the time the extended coverage is issued.

17. TERMINATION OF BENEFIT PAYMENTS

Benefit payments will end on the earliest of the following dates:

- a. the date the insured person ceases to be disabled;
- b. the date the deadline is exceeded for the Company to receive the necessary evidence justifying the continuation of the insured person's disability according to the **CLAIMS** provision of the **GENERAL PROVISIONS**.
- c. the date the benefit period ends, subject to the **BENEFITS PAYABLE, LIMITATIONS** and **BENEFIT PERIOD** provisions; or
- d. the date this coverage ends, as defined in the **TERMINATION** provision.

18. LIMITATIONS

a. General limitation applicable to benefits

If benefits in case of total, partial or residual disability are payable to the insured person further to the same cause, the Company will limit the duration of benefit payments to the benefit period in case of total disability.

b. Limitations applicable in case of termination of employment

1) If the insured person:

- **did not hold an occupation for 12 months or less** immediately prior to the onset of their disability; or
- **was on maternity or parental leave for 70 weeks or less** immediately prior to the onset of their disability:
 - a) The Company will adjust the waiting period to 90 days, if the one under this coverage is shorter. This limit also applies in case of hospitalization and day surgery.
 - b) The Company will not pay any benefit if the disability results from one of the following disorders or from related treatment or complications:
 - stress;
 - anxiety;
 - depression;
 - neurosis;
 - psychosis;
 - adjustment disorder;
 - fibromyalgia or any chronic pain syndrome;
 - chronic fatigue syndrome;
 - personality disorder;
 - attention deficit disorder;
 - any other emotional or psychiatric disorder.

2) Entitlement to benefits under this coverage will be suspended on the date the insured person:

- **has not held an occupation for more than 12 months;** or
- **has been on maternity or parental leave for more than 70 weeks.**

No benefits will be payable for a total, partial or residual disability that begins while the insured person is in any of these situations.

In such a case, entitlement to benefits under this coverage will be re-established once the policyowner can prove, to the satisfaction of the Company, that the insured person again holds a full-time occupation, on the condition that premium payments for this coverage were never interrupted.

19. EXCLUSIONS

No benefit will be paid under this coverage in the following situations.

- a. If disability results directly or indirectly from self-inflicted injuries or a suicide attempt, whether the insured person is sane or not.
- b. If disability results directly or indirectly from a war, whether war is declared or not, a riot or a revolution, whether or not the insured person took part.
- c. If disability occurs while the operations of the business for which the insured person works have been suspended due to a strike or lock-out. If disability persists once the business's operations resume or stop indefinitely, the benefit under this coverage may be paid.
- d. During any period where the insured person is imprisoned or when disability results either directly or indirectly from the insured person's participation in any criminal act or related act.
- e. If disability results directly or indirectly from the insured person driving a motor vehicle while under the influence of drugs or with a blood alcohol level equal to or greater than 80 mg of alcohol per 100 ml of blood.
- f. If disability results directly or indirectly from the illegal or illicit use of any drug, or the abusive or repeated use of alcohol or marijuana.
- g. If disability results directly or indirectly from the insured person's participation in a flight or attempted flight in any form of aircraft as a member of the crew or is performing a duty or taking part in any training whatsoever related to this flight or attempted flight.
- h. If disability results directly or indirectly from the insured person's participation in a race, competition or speed contest in a motor vehicle as an amateur or professional on approved raceways or elsewhere.

- i. If disability results directly or indirectly from treatments or care received for cosmetic purposes.
- j. If disability results from pregnancy, childbirth or natural or induced termination of pregnancy.
However, any disability that results from complications due to pregnancy, childbirth or natural or induced termination of pregnancy is covered.
- k. If disability results directly or indirectly from the insured person's participation in a sporting activity for which they are paid.
- l. During a period during which the insured person is being compensated for a leave of absence, as agreed to with their employer.
- m. During a period during which the insured person ceases temporarily to work, as agreed to with their employer.
- n. If disability results directly or indirectly from an illness that occurs in the 6 months that follow the effective date of this coverage if this coverage was issued as the result of a future insurability option.
- o. If disability results directly or indirectly from one of the following disorders or from related treatment or complications, while the insured person does not hold an occupation or is on maternity or parental leave:
 - stress;
 - anxiety;
 - depression;
 - neurosis;
 - psychosis;
 - adjustment disorder;
 - fibromyalgia or any chronic pain syndrome;
 - chronic fatigue syndrome;
 - personality disorder;
 - attention deficit disorder;
 - any other emotional or psychiatric disorder.

20. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule, subject to paragraph "b" of the **BENEFIT PERIOD** provision;
- b. the date the extension privilege under this coverage is exercised;
- c. the date the exchange privilege under this coverage is exercised for a full exchange;
- d. the date the grace period expires and premiums remain unpaid;
- e. the date the Company receives a written request from the policyowner to terminate the coverage, subject to paragraph "b" of the **BENEFIT PERIOD** provision;
- f. the date the insured person reaches the attained age of 65, subject to the **BENEFIT PERIOD** provision;
- g. the date on which the insured person retires; or
- h. the date of death of the insured person.

SOLO DISABILITY INCOME – T10

1. PURPOSE OF THIS COVERAGE

This coverage provides a monthly benefit payment in the event the insured person becomes totally disabled further to an illness or accident.

Subject to the provisions of this coverage, the Company will begin making monthly benefit payments to the insured person if they remain totally disabled after the waiting period.

The amount of the monthly benefit payment is specified in the **BENEFITS PAYABLE** provision.

2. PREMIUMS

The initial annual premium payable for this coverage is indicated in the Policy Schedule.

Subsequent premiums will vary based on the following:

- At the start of each 10-year period, the Company **will increase** premiums based on the attained age of the insured person at that time.
- At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage. In all cases, the Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. DEFINITIONS

The GENERAL PROVISIONS include definitions of certain terms that apply to this coverage. The definitions shown below apply specifically to this coverage.

Accident: any bodily injury certified by a physician that results directly from a sudden and unforeseen external cause, independently of any illness or other cause.

If the insured person becomes disabled after 90 days following the accident, the accident will be considered an illness.

The accident must occur while this coverage is in effect.

Annual income: total income that the insured person receives for their work (including wages, professional fees, bonuses, pay or commissions), **less** any employment expenses that are deductible from income under the Income Tax Act of Canada but before income taxes are deducted.

If the insured person is a business owner or partner, holds at least a 20% stake in the company and actively participates in its operations, their annual income includes any share of the business income attributable to them before taxes, **less** any deductible business expenses.

Annual income is the income declared on the tax slips for the year in question. This income excludes:

- pension income, interest, dividends from any source and any other investment income;
- rental income, capital gains, royalties, licence fees and support payments; and
- any deferred compensation and any other income that is not directly received in exchange for services rendered.

Average monthly income: the higher of the following:

- the insured person's annual income earned in the last full calendar year prior to the onset of their disability, divided by 12; and
- the insured person's average annual income in the 3 most profitable years out of the last 5 calendar years prior to the onset of their disability, divided by 12.

Beneficiary: a person designated by the policyowner in the application, or in the most recent document confirming a change of beneficiary after the initial date of this coverage, to receive the death benefit under the **DEATH BENEFIT** provision.

Benefit period: see the **BENEFIT PERIOD** provision.

Continuing medical care: treatment that is medically necessary for the insured person due to their disability. This treatment must be directly related to the cause of the disability and be applied in accordance with current medical standards.

The insured person must need this care on a continuous basis to recover. The care must also be given or recommended by a physician and be subject to regular follow-ups.

The Company reserves the right to waive the requirements relating to the care of a physician on receipt of a written statement deemed satisfactory that shows that additional care from the physician would not be of any benefit to the insured person.

Disability (disabled): state of total disability of the insured person.

Day surgery: surgery performed in a hospital for which the insured person is discharged on the same day as the surgery. Day surgery is surgery that does not require hospitalization.

Full-time occupation: the regular performance of gainful employment:

- 30 hours or more a week for at least 35 weeks a year; or
- 24 to 29 hours a week for at least 40 weeks a year.

Hospital: a facility recognized as a short-term care hospital in accordance with the laws of the insured person's province of residence, excluding that facility's long-term care unit, where people are seen for the purpose of:

- preventive care;
- medical diagnosis;
- medical treatment.

The following facilities, however, are not considered to be hospitals, even if they are part of a hospital or associated with one:

- a residential or extended care centre;
- a rehabilitation centre;
- a private practice or private clinic;
- an infirmary where a religious or teaching institution receives members of its staff or its students.

Hospitalization: a stay of at least 18 consecutive hours in a hospital as an in-patient assigned to a bed (ward or room). Hospitalization must result from an illness or an accident.

Illness: a deterioration in health or a bodily disorder certified by a physician. Organ donations and related complications are also considered to be illnesses, subject to the **ORGAN DONATION** provision.

The illness must occur while this coverage is in effect.

Occupation class: the occupation class is used to define the underwriting classes related to the insured person's occupation. It is indicated in the Policy Schedule.

The occupation class is guaranteed. Therefore, if the insured person changes occupations after the initial date of this coverage, resulting in a higher occupational risk, the premium will be calculated based on the occupation class determined on the initial date of this coverage or the date it is reinstated.

Selected monthly benefit: corresponds to the monthly benefit indicated in the Policy Schedule. This amount is used to determine the monthly benefit payment in the event of the insured person's total disability. See the **BENEFITS PAYABLE** provision.

Total disability: see the **TOTAL DISABILITY** provision.

Totally disabled: equivalent to "total disability."

Waiting period: see the **WAITING PERIOD** provision.

4. TOTAL DISABILITY

The insured person is considered totally disabled if their situation meets the criteria below, subject to the **PRESUMPTION OF TOTAL DISABILITY** provision.

a. For an **insured person who held an occupation** immediately prior to the onset of their disability

During the waiting period and the first 24 months of the benefit period, the insured person is considered totally disabled further to an illness or accident if:

- they are totally unable to perform the main duties of their current occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

After the first 24 months of the benefit period, the insured person is considered totally disabled further to an illness or accident if:

- they are unable to hold a replacement occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

b. For an **insured person who did not hold an occupation or who was on maternity or parental leave** immediately prior to the onset of their disability

The insured person is considered totally disabled further to an illness or accident if:

- they are unable to hold a replacement occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

5. BENEFITS PAYABLE

The Company will periodically establish the amount of the monthly benefit payable to the insured person, first by applying coordination of benefits and then by applying integration of benefits, according to paragraphs "a" and "b" below.

a. **Coordination of benefits**

If the total of any benefits indicated in items 1), 2), 3) and 4) below payable on the date on which the Company establishes the amount of the monthly benefit payment exceeds 90% of the insured person's average monthly income, the Company will subtract the excess amount from the total of the selected monthly benefits indicated in the Policy Schedule that are payable.

- 1) Any selected monthly benefits indicated in the Policy Schedule for this SOLO DISABILITY INCOME coverage.
- 2) Any other monthly benefits payable to the insured person under an individual disability coverage issued by the Company or another company, except for any disability benefits payable under a credit insurance plan.
- 3) Any other monthly disability benefits payable to the insured person under a group insurance plan issued by the Company or another company, except for any disability benefits payable under a credit insurance plan.
- 4) Any salary continuance benefit or severance pay.

b. **Integration of benefits**

- 1) The Company will take the total of the selected monthly benefits indicated in the Policy Schedule that are payable on the date on which the Company establishes the amount of the monthly benefit payment, or the reduced amount of the selected monthly benefit obtained from the previous paragraph if that amount is lower, and subtract from that amount any benefits that the insured person is or may be entitled to receive under any government plans, such as:
 - any benefits payable under any workers' compensation legislation;
 - any benefits payable under any occupational disease legislation;
 - any benefits payable under any automobile insurance legislation;
 - any benefits payable under the Act Respecting the Québec Pension Plan, except for retirement pensions, survivor benefits and benefits paid to a disabled contributor's children;
 - any benefits payable under the Canada Pension Plan Act, except for retirement pensions, survivor benefits and benefits paid to a disabled contributor's children;
 - any benefits payable by any other government board or agency or under any law, except for sickness benefits payable under the Employment Insurance Act; or
 - any maternity or parental benefits payable under the Québec Parental Insurance Plan, the Employment Insurance Act or any other government plans or programs.

The result of these calculations is the amount of the monthly benefit payment payable under this coverage.

However, in the first 36 months of the benefit period, the total amount of benefits payable to the person insured under this SOLO DISABILITY INCOME coverage and under any other individual disability insurance coverage issued by the Company (except for any disability benefit payable under a credit insurance plan) will never be less than the lowest of the following:

- \$1,200;
 - or**
 - the total of the selected monthly benefits indicated in the Policy Schedule that are payable on the date on which the Company establishes the amount of the monthly benefit payment.
- 2) If lump-sum or retroactive payments are payable to the insured person under any government plans, the insured person must reimburse the Company for any amounts that would not have been payable by the Company.
 - 3) Furthermore, if the insured person fails or refuses to avail themselves of their entitlements under any government plans, the Company will assess the amount of the benefits the insured person would have been entitled to receive and reserves the right to reduce the amount of their monthly benefit payment accordingly.
 - 4) The Company may, subject to the insured person's consent if required by law, obtain from any person or communicate to any person any information that is required to apply this provision or that could facilitate the payment of benefits under this coverage.
 - 5) Even if the monthly benefit payable to the insured person is less than the selected monthly benefit indicated in the Policy Schedule, the Company will not make any reimbursements in this regard.

6. DEATH BENEFIT

If the insured person dies and was disabled at the time of their death and had been receiving monthly benefit payments under this coverage, the Company will pay an amount of insurance equal to 5 times the selected monthly benefit indicated in the Policy Schedule to the designated beneficiary.

7. WAITING PERIOD

The waiting period is the period during which the insured person must be disabled before the Company will begin making the monthly benefit payments provided for under this coverage. The waiting period applicable to a disability resulting from an illness or accident or the waiting period applicable following a hospitalization or day surgery is indicated in the Policy Schedule.

Multiple disability periods of 7 or more consecutive days attributable to the same cause may be added together to count toward any waiting period of 30 days or more. However, disability periods added together in this manner cannot be separated by more than:

- 6 months, if the insured person's occupation class is A, B or 2A; or
- 12 months, if the insured person's occupation class is 3A or 4A.

If a partial disability coverage is attached to this coverage and the insured person satisfies the conditions to receive partial disability benefits, the days counted toward the partial disability waiting period are considered in the calculation of the days needed to satisfy the total disability waiting period.

8. BENEFIT PERIOD

- a. The benefit period is the maximum period during which monthly benefit payments are made to the insured person further to a disability resulting from a same cause, subject to the **CONCURRENT DISABILITY** provision. The benefit period is indicated in the Policy Schedule.
- b. If the benefit period starts after the insured person has reached the attained age of 63, but before they have reached the attained age of 65, the Company may continue making monthly benefit payments after the expiry date of this coverage. The Company will then terminate monthly benefit payments on the earliest of the following dates:
 - the date it has made a total of 24 total, partial and/or residual disability benefit payments; or
 - the date the insured person ceases to be disabled.

9. RECURRENT DISABILITY

If, after a disability, the insured person becomes disabled again due to the same cause or a related cause, the Company will consider the new disability to be a recurrence if it occurs:

- within 6 months of the end of the first disability, if the insured person's occupation class is A, B or 2A; or
- within 12 months of the end of the first disability, if the insured person's occupation class is 3A or 4A.

In such a case, no new waiting period applies and the insured person will receive benefits for a period not exceeding the number of months remaining in the benefit period applicable to the first disability.

10. CONCURRENT DISABILITY

If, in the course of a period during which the insured person is receiving benefits, a second disability occurs further to a different cause unrelated to the first cause, the Company will not double the amount of the benefit payment.

If the first disability ends **before** the insured person has received benefits for the number of months in the benefit period, the insured person will be entitled to benefits for the second disability after again satisfying the applicable waiting period. The insured person will then receive benefits for the second disability for a period not exceeding the number of months remaining in the benefit period applicable to the first disability.

The waiting period for the second disability will begin as soon as the insured person becomes disabled as a result of the second cause.

11. PRESUMPTION OF TOTAL DISABILITY

If, further to an illness or accident, the insured person suffers the loss of 2 limbs or 1 sense, as described below, they will be presumed to be totally disabled, whether or not they hold an occupation or are receiving continuing medical care, subject to the **BENEFITS PAYABLE** and **LIMITATIONS** provisions.

"Loss" means the total and irreversible loss of:

- a. the use of 1 hand;
- b. the use of 1 foot;
- c. 1 hand and the wrist joint further to an amputation;
- d. 1 foot and the ankle joint further to an amputation;
- e. vision in both eyes (visual acuity of 20/200 or less, or a field of vision of less than 20 degrees);
- f. speech, attributable to a bodily injury or a physical illness lasting at least 6 consecutive months;
- g. hearing in both ears, with an auditory threshold of over 90 decibels.

12. ORGAN DONATION

If the insured person becomes totally disabled further to an organ donation performed more than 6 months after the effective date of this coverage, the insured person may be considered totally disabled further to an illness and benefits may be paid to them under this coverage.

13. REHABILITATION

If the insured person receives the monthly benefit payment provided for under this coverage, the Company may cover the cost of services related to a rehabilitation program if these services:

- enable the insured person to return to work sooner; and
- are not already covered under another program or service.

Furthermore, the rehabilitation program must be approved in writing by the Company before the insured person participates in it.

14. HOSPITALIZATION

If the insured person has to be hospitalized further to an illness or accident or undergo day surgery, the Company will begin making monthly benefit payments after the waiting period indicated in the Policy Schedule, subject to the **BENEFITS PAYABLE** and **LIMITATIONS** provisions.

15. EXCHANGE PRIVILEGE

- a. Before the insured person reaches the attained age of 60 and until the end of the 7th coverage year, this coverage may be exchanged for an eligible disability coverage designated by the Company ("new coverage") without medical evidence of insurability. A written request must be submitted to the Company in the 60 days leading up to the anniversary of the coverage.

The Company will then issue a new contract for the new coverage. The exchange will take effect on the coverage anniversary that follows the date of the exchange request and will be made:

- based on the insured person's age as indicated in the Policy Schedule;
- based on the occupation class indicated in the Policy Schedule; and
- in accordance with the conditions, limitations and rates that apply to the new coverage at the time the exchange request is submitted to the Company.

b. **The following conditions and limitations apply to the exchange privilege:**

- 1) This coverage must be in force on the coverage anniversary that follows the date of the exchange request.
- 2) The insured person must hold a full-time occupation on the coverage anniversary that follows the date of the exchange request.
- 3) The insured person must not be disabled on the coverage anniversary that follows the date of the exchange request.
- 4) Financial evidence of insurability deemed satisfactory by the Company must be provided.
- 5) The exchange can only be requested once. All or a portion of the coverage may be exchanged. If this coverage was issued further to an exchange of another coverage, this coverage is not eligible for this exchange privilege.
- 6) The Company reserves the right to exclude certain options or coverages offered under the new coverage if they were not offered under this coverage.
- 7) Any extra premiums and exclusions that apply to this coverage will also apply to the new coverage.
- 8) The waiting period for the new coverage must be equal to or longer than the one under this coverage.
- 9) The benefit period and the selected monthly benefit for the new coverage must be equal to or less than those under this coverage.
- 10) In the event of a partial exchange, the total of the selected monthly benefit for this coverage after the exchange and the selected monthly benefit for the new coverage cannot exceed the amount of the selected monthly benefit of this coverage prior to the exchange.

16. EXTENSION PRIVILEGE

- a. When the insured person reaches the attained age of 65, this coverage will terminate. However, if the policyowner submits a written request to the Company in the 60 days leading up to the expiry date of this coverage, indicated in the Policy Schedule, they can extend this coverage in the form of a 5-year term disability coverage whose premiums may increase annually ("extended coverage") without having to provide medical evidence of insurability. This extended coverage will terminate when the insured person reaches the attained age of 70.

This extended coverage will be established based on the attained age of the insured person and in accordance with the Company's rates and conditions in effect at that time, provided the following requirements are met:

- 1) This coverage must be in force when the insured person reaches the attained age of 65.
- 2) The insured person must hold a full-time occupation when they reach the attained age of 65.
- 3) The insured person must not be disabled when they reach the attained age of 65.

b. **The following conditions and limitations apply to the extension privilege:**

- 1) The minimum waiting period in the event of illness, accident, hospitalization and day surgery must be 30 days;
- 2) The maximum benefit period must be 24 months;
- 3) The selected monthly benefit must be the lowest of:
 - \$2,000;
 - or**
 - 50% of the selected monthly benefit for this coverage.
- 4) Any options and coverages attached to this coverage will not be attached to the extended coverage.
- 5) Any extra premiums and exclusions applicable to this coverage will also apply to the extended coverage.
- 6) The Company reserves the right to modify certain provisions of this coverage based on what is applicable at the time the extended coverage is issued.

17. TERMINATION OF BENEFIT PAYMENTS

Benefit payments will end on the earliest of the following dates:

- a. the date the insured person ceases to be disabled;
- b. the date the deadline is exceeded for the Company to receive the necessary evidence justifying the continuation of the insured person's disability according to the **CLAIMS** provision of the GENERAL PROVISIONS.
- c. the date the benefit period ends, subject to the **BENEFITS PAYABLE, LIMITATIONS** and **BENEFIT PERIOD** provisions; or
- d. the date this coverage ends, as defined in the **TERMINATION** provision.

18. LIMITATIONS

a. General limitation applicable to benefits

If benefits in case of total, partial or residual disability are payable to the insured person further to the same cause, the Company will limit the duration of benefit payments to the benefit period in case of total disability.

b. Limitations applicable in case of termination of employment

1) If the insured person:

- **did not hold an occupation for 12 months or less** immediately prior to the onset of their disability; or
- **was on maternity or parental leave for 70 weeks or less** immediately prior to the onset of their disability:
 - a) The Company will adjust the waiting period to 90 days, if the one under this coverage is shorter. This limit also applies in case of hospitalization and day surgery.
 - b) The Company will not pay any benefit if the disability results from one of the following disorders or from related treatment or complications:
 - stress;
 - anxiety;
 - depression;
 - neurosis;
 - psychosis;
 - adjustment disorder;
 - fibromyalgia or any chronic pain syndrome;
 - chronic fatigue syndrome;
 - personality disorder;
 - attention deficit disorder;
 - any other emotional or psychiatric disorder.

2) Entitlement to benefits under this coverage will be suspended on the date the insured person:

- **has not held an occupation for more than 12 months;** or
- **has been on maternity or parental leave for more than 70 weeks.**

No benefits will be payable for a total, partial or residual disability that begins while the insured person is in any of these situations.

In such a case, entitlement to benefits under this coverage will be re-established once the policyowner can prove, to the satisfaction of the Company, that the insured person again holds a full-time occupation, on the condition that premium payments for this coverage were never interrupted.

19. EXCLUSIONS

No benefit will be paid under this coverage in the following situations.

- a. If disability results directly or indirectly from self-inflicted injuries or a suicide attempt, whether the insured person is sane or not.
- b. If disability results directly or indirectly from a war, whether war is declared or not, a riot or a revolution, whether or not the insured person took part.
- c. If disability occurs while the operations of the business for which the insured person works have been suspended due to a strike or lock-out. If disability persists once the business's operations resume or stop indefinitely, the benefit under this coverage may be paid.
- d. During any period where the insured person is imprisoned or when disability results either directly or indirectly from the insured person's participation in any criminal act or related act.
- e. If disability results directly or indirectly from the insured person driving a motor vehicle while under the influence of drugs or with a blood alcohol level equal to or greater than 80 mg of alcohol per 100 ml of blood.
- f. If disability results directly or indirectly directly from the illegal or illicit use of any drug, or the abusive or repeated use of alcohol or marijuana.
- g. If disability results directly or indirectly from the insured person's participation in a flight or attempted flight in any form of aircraft as a member of the crew or is performing a duty or taking part in any training whatsoever related to this flight or attempted flight.

- h. If disability results directly or indirectly from the insured person's participation in a race, competition or speed contest in a motor vehicle as an amateur or professional on approved raceways or elsewhere.
- i. If disability results directly or indirectly from treatments or care received for cosmetic purposes.
- j. If disability results from pregnancy, childbirth or natural or induced termination of pregnancy.
However, any disability that results from complications due to pregnancy, childbirth or natural or induced termination of pregnancy is covered.
- k. If disability results directly or indirectly from the insured person's participation in a sporting activity for which they are paid.
- l. During a period during which the insured person is being compensated for a leave of absence, as agreed to with their employer.
- m. During a period during which the insured person ceases temporarily to work, as agreed to with their employer.
- n. If disability results directly or indirectly from an illness that occurs in the 6 months that follow the effective date of this coverage if this coverage was issued as the result of a future insurability option.
- o. If disability results directly or indirectly from one of the following disorders or from related treatment or complications, while the insured person does not hold an occupation or is on maternity or parental leave:
 - stress;
 - anxiety;
 - depression;
 - neurosis;
 - psychosis;
 - adjustment disorder;
 - fibromyalgia or any chronic pain syndrome;
 - chronic fatigue syndrome;
 - personality disorder;
 - attention deficit disorder;
 - any other emotional or psychiatric disorder.

20. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule, subject to paragraph "b" of the **BENEFIT PERIOD** provision;
- b. the date the extension privilege under this coverage is exercised;
- c. the date the exchange privilege under this coverage is exercised for a full exchange;
- d. the date the grace period expires and premiums remain unpaid;
- e. the date the Company receives a written request from the policyowner to terminate the coverage, subject to paragraph "b" of the **BENEFIT PERIOD** provision;
- f. the date the insured person reaches the attained age of 65, subject to the **BENEFIT PERIOD** provision;
- g. the date on which the insured person retires; or
- h. the date of death of the insured person.

PARTIAL DISABILITY

1. PURPOSE OF THIS COVERAGE

This coverage provides a monthly benefit payment in the event the insured person becomes partially disabled further to an illness or accident.

Subject to the provisions of this coverage, the Company will begin making monthly benefit payments to the insured person if they remain partially disabled after the waiting period.

The amount of the monthly benefit payment is specified in the **BENEFIT PAYABLE** provision.

2. PREMIUMS

The initial annual premium payable for this coverage is indicated in the Policy Schedule.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T65 coverage:**

Subsequent premiums **will not be increased** due to an increase in the insured person's attained age for the duration of this coverage.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T10 coverage:**

Subsequent premiums **will be increased** at the start of each 10-year period based on the attained age of the insured person at that time.

At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.

In all cases, the Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. DEFINITIONS

Certain terms used in this coverage are defined in the GENERAL PROVISIONS or in the SOLO DISABILITY INCOME coverage to which it is attached. If there are 2 definitions for the same term, the definition in this specific coverage will prevail over the one in the GENERAL PROVISIONS and the SOLO DISABILITY INCOME coverage. The definition shown below applies specifically to this coverage.

Disability (disabled): state of partial disability of the insured person.

4. PARTIAL DISABILITY

- a. For an **insured person who held an occupation** immediately prior to the onset of their partial disability or before becoming totally disabled

The insured person is considered partially disabled further to an illness or accident if:

- they are not totally disabled;
- they are receiving continuing medical care; **and**
- they are unable to perform at least one of the main duties of their current occupation; or
- they are unable to work at least 50% of the time usually dedicated to their current occupation.

- b. For an **insured person who did not hold an occupation or who was on maternity or parental leave** immediately prior to the onset of their partial disability or before becoming totally disabled

The insured person is considered partially disabled further to an illness or accident if:

- they are not totally disabled;
- they are receiving continuing medical care; **and**
- they are unable to work at least 50% of the time usually dedicated to a replacement occupation.

5. BENEFITS PAYABLE

The monthly benefit payment for the partial disability of the insured person corresponds to 50% of the monthly benefit that the Company would pay if they were totally disabled.

The calculation of the monthly benefit payable in the event of total disability is specified in the **BENEFITS PAYABLE** provision of the SOLO DISABILITY INCOME coverage to which this coverage is attached.

6. WAITING PERIOD

The waiting period is the period during which the insured person must be disabled before the Company will begin making the monthly benefit payments provided for under this coverage. The waiting period that applies to a disability resulting from an illness or accident is indicated in the Policy Schedule.

Multiple disability periods of 7 or more consecutive days attributable to the same cause may be added together to count toward any waiting period of 30 days or more. However, disability periods added together in this manner cannot be separated by more than:

- 6 months, if the insured person's occupation class is A, B or 2A; or
- 12 months, if the insured person's occupation class is 3A or 4A.

For a same illness or accident, a total disability claim may be submitted to the Company before a partial disability claim is submitted. In such a case, the days counted toward the total disability waiting period and the days during which the insured person received total disability benefits are used to calculate the days needed to satisfy the partial disability waiting period.

7. BENEFIT PERIOD

- a. The benefit period is the maximum period during which monthly benefit payments are made to the insured person further to a disability resulting from a same cause, subject to the **CONCURRENT DISABILITY** provision.
- b. **For partial disability, the benefit period is limited to 6 or 12 months**, depending on the insured person's occupation class, which is indicated in the Policy Schedule.
- c. If total or partial disability benefit payments for a given cause begin after the insured person has reached the attained age of 63, but before they have reached the attained age of 65, the Company may continue making monthly benefit payments after the expiry date of this coverage. The Company will then terminate monthly benefit payments on the earliest of the following dates:
 - 1) the date it has made all of the partial disability benefit payments in the benefit period indicated in the Policy Schedule;
 - 2) the date it has made a total of 24 total and/or partial disability benefit payments; **or**
 - 3) the date the insured person ceases to be disabled.

8. RECURRENT DISABILITY

If, after a disability, the insured person becomes disabled again due to the same cause or a related cause, the Company will consider the new disability to be a recurrence if it occurs:

- within 6 months of the end of the first disability, if the insured person's occupation class is A, B or 2A; or
- within 12 months of the end of the first disability, if the insured person's occupation class is 3A or 4A.

In such a case, no new waiting period applies and the insured person will receive benefits for a period not exceeding the number of months remaining in the benefit period applicable to the first disability.

9. CONCURRENT DISABILITY

If, in the course of a period during which the insured person is receiving benefits, a second disability occurs further to a different cause unrelated to the first cause, the Company will not double the amount of the benefit payment.

If the first disability ends **before** the insured person has received benefits for the number of months in the benefit period, the insured person will be entitled to benefits for the second disability after again satisfying the applicable waiting period. The insured person will then receive benefits for the second disability for a period not exceeding the number of months remaining in the benefit period applicable to the first disability.

The waiting period for the second disability will begin as soon as the insured person becomes disabled as a result of the second cause.

10. REHABILITATION

If the insured person receives the monthly benefit payment provided for under this coverage, the Company may cover the cost of services related to a rehabilitation program if these services:

- enable the insured person to return to work sooner; and
- are not already covered under another program or service.

Furthermore, the rehabilitation program must be approved in writing by the Company before the insured person participates in it.

11. TERMINATION OF BENEFIT PAYMENTS

Benefit payments will end on the earliest of the following dates:

- a. the date the insured person ceases to be disabled;
- b. the date the deadline is exceeded for the Company to receive the necessary evidence justifying the continuation of the insured person's disability according to the **CLAIMS** provision of the GENERAL PROVISIONS;
- c. the date the benefit period ends, subject to the **BENEFITS PAYABLE, LIMITATIONS** and **BENEFIT PERIOD** provisions; or
- d. the date this coverage terminates, as defined in the **TERMINATION** provision.

12. LIMITATIONS

a. General limitation applicable to benefits

If benefits in case of total or partial disability are payable to the insured person further to the same cause, the Company will limit the duration of benefit payments to the total disability benefit period.

b. Limitations applicable in case of termination of employment

1) If the insured person:

- **did not hold an occupation for 60 days or less** immediately prior to the onset of their partial disability or before becoming totally disabled; or
- **was on maternity or parental leave for 60 days or less** immediately prior to the onset of their partial disability or before becoming totally disabled:
 - a) The Company will adjust the waiting period to 90 days, if the one under this coverage is shorter.
 - b) The Company will pay no benefit if the disability results from one of the following disorders or from related treatment or complications:
 - stress;
 - anxiety;
 - depression;
 - neurosis;
 - psychosis
 - adjustment disorder;
 - fibromyalgia or any chronic pain syndrome;
 - chronic fatigue syndrome;
 - personality disorder;
 - attention deficit disorder; or
 - any other emotional or psychiatric disorder.

2) If the **insured person did not hold an occupation for more than 60 days** or **was on maternity or parental leave for more than 60 days** immediately prior to the onset of their partial disability or prior to becoming totally disabled, no partial disability benefit will be payable under this coverage.

13. EXCLUSIONS

The exclusions of the SOLO DISABILITY INCOME coverage to which this coverage is attached apply if the insured person becomes partially disabled.

14. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule, subject to paragraph "c" of the **BENEFIT PERIOD** provision;
- b. the date the insured person reaches the attained age of 65, subject to paragraph "c" of the **BENEFIT PERIOD** provision;
- c. the date the Company receives a written request from the policyowner to terminate this coverage; or
- d. the expiry date of the SOLO DISABILITY INCOME coverage to which this coverage is attached.

SAMPLE

RESIDUAL DISABILITY

1. PURPOSE OF THIS COVERAGE

This coverage provides a monthly benefit payment in the event the insured person becomes residually disabled further to a total disability.

Subject to the provisions of this coverage, the Company will begin making monthly benefit payments to the insured person if they remain residually disabled after the waiting period.

The amount of the monthly benefit payment is specified in the **BENEFIT PAYABLE** provision.

2. PREMIUMS

The initial annual premium payable for this coverage is indicated in the Policy Schedule.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T65 coverage:**

Subsequent premiums **will not be increased** due to an increase in the insured person's attained age for the duration of this coverage.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T10 coverage:**

Subsequent premiums **will be increased** at the start of each 10-year period based on the attained age of the insured person at that time.

At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.

In all cases, the Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. DEFINITIONS

Certain terms used in this coverage are defined in the GENERAL PROVISIONS or in the SOLO DISABILITY INCOME coverage to which it is attached. If there are 2 definitions for the same term, the definition in this specific coverage will prevail over the one in the GENERAL PROVISIONS and the SOLO DISABILITY INCOME coverage. The definitions shown below apply specifically to this coverage.

Loss of income: difference between the annual income earned by the insured person immediately prior to the onset of their total disability and the annual income they earn after they return to work. The loss of income must be solely attributable to a decline in the insured person's functional capacities as a result of their total disability.

If the **insured person did not hold an occupation or was on maternity or parental leave for 60 days or less** at the start of their total disability and:

- they return to work to perform their former occupation, the loss of income is calculated by taking the annual income they earned immediately prior to the onset of their total disability; or
- they perform a different occupation from the one they performed previously, the loss of income is calculated based on the annual income of a person who is not totally disabled and performs the same occupation.

Percentage of loss of income: loss of income divided by the annual income earned by the insured person immediately prior to the onset of their total disability.

4. RESIDUAL DISABILITY

The insured person may receive residual disability benefits if:

- a. they are not totally disabled;
- b. they are engaged in an occupation;
- c. their percentage of loss of income is at least 20%; and
- d. they are receiving continuing medical care.

5. BENEFITS PAYABLE

The Company will make a monthly benefit payment to the insured person to cover the loss of income they incur, up to the amount of the monthly benefit payment that the Company would make if they were totally disabled.

The calculation of the monthly benefit payable in the event of total disability is specified in the **BENEFITS PAYABLE** provision of the SOLO DISABILITY INCOME coverage to which this coverage is attached.

6. WAITING PERIOD

The waiting period is the period during which the insured person must be totally disabled before the Company will begin making the monthly benefit payments provided for under this coverage. The waiting period applicable to residual disabilities resulting from an illness or accident is indicated in the Policy Schedule.

Multiple total disability periods of 7 or more consecutive days attributable to the same cause may be added together to count toward any waiting period of 30 days or more. However, disability periods added together in this manner cannot be separated by more than:

- 6 months, if the insured person's occupation class is A, B or 2A; or
- 12 months, if the insured person's occupation class is 3A or 4A.

If the insured person received total disability benefits before being entitled to residual disability benefits further to a same cause, the days counted toward the total disability waiting period and the days during which they received total disability benefits are used to calculate the days needed to satisfy the residual disability waiting period.

7. BENEFIT PERIOD

- a. The benefit period is the maximum period during which monthly benefit payments are made to the insured person further to a residual disability resulting from a same cause, subject to the **CONCURRENT DISABILITY** provision. The benefit period is indicated in the Policy Schedule.
- b. If the first total or residual disability benefit payment for a given cause is made after the insured person has reached the attained age of 63, but before they have reached the attained age of 65, the Company may continue making monthly benefit payments after the expiry date of this coverage. The Company will then terminate monthly benefit payments on the earliest of the following dates:
 - 1) the date it has made a total of 24 total and/or residual disability benefit payments; or
 - 2) the date the insured person ceases to be disabled.

8. RECURRENT DISABILITY

If, after a residual disability, the insured person becomes eligible again for residual disability benefits for the same cause or a related cause, the Company will consider the new residual disability to be a recurrence if it occurs:

- within 6 months of the end of the first disability, if the insured person's occupation class is A, B or 2A; or
- within 12 months of the end of the first disability, if the insured person's occupation class is 3A or 4A.

In such a case, no new waiting period applies and the insured person will receive benefits for a period not exceeding the number of months remaining in the benefit period applicable to the first residual disability.

9. CONCURRENT DISABILITY

If, in the course of a period during which the insured person is receiving benefits, a second total disability occurs further to a different cause unrelated to the first cause, the Company will not double the amount of the benefit payment.

If the first total or residual disability ends **before** the insured person has received benefits for the number of months in the benefit period, the insured person will be entitled to benefits for the second residual disability after again satisfying the applicable waiting period. The insured person will then receive benefits for the second residual disability for a period not exceeding the number of months remaining in the benefit period applicable to the first total or residual disability.

The waiting period for the second residual disability will begin as soon as the insured person becomes totally disabled as a result of the second cause.

10. PRESUMPTION OF TOTAL DISABILITY

If, further to an illness or accident, the insured person suffers the loss of 2 limbs or 1 sense, as described below, they will be presumed to be totally disabled, whether or not they hold an occupation or are receiving continuing medical care, subject to the **BENEFITS PAYABLE** and **LIMITATIONS** provisions.

"Loss" means the total and irreversible loss of:

- a. the use of 1 hand;
- b. the use of 1 foot;
- c. 1 hand and the wrist joint further to an amputation;
- d. 1 foot and the ankle joint further to an amputation;
- e. vision in both eyes (visual acuity of 20/200 or less or a field of vision of less than 20 degrees);
- f. speech, attributable to a bodily injury or a physical illness lasting at least 6 consecutive months;
- g. hearing in both ears, with an auditory threshold of over 90 decibels.

11. REHABILITATION

If the insured person receives the monthly benefit payment provided for under this coverage, the Company may cover the cost of services related to a rehabilitation program if these services:

- enable the insured person to return to work sooner; and
- are not already covered under another program or service.

Furthermore, the rehabilitation program must be approved in writing by the Company before the insured person participates in it.

12. TERMINATION OF BENEFIT PAYMENTS

Benefit payments will end on the earliest of the following dates:

- a. the date the insured person ceases to be residually disabled;
- b. the date the deadline is exceeded for the Company to receive the necessary evidence justifying the continuation of the insured person's residual disability according to the **CLAIMS** provision of the **GENERAL PROVISIONS**;
- c. the date the benefit period ends, subject to the **BENEFITS PAYABLE, LIMITATIONS** and **BENEFIT PERIOD** provisions; or
- d. the date this coverage terminates, as defined in the **TERMINATION** provision.

13. LIMITATIONS

a. General limitation applicable to benefits

If benefits in case of total or residual disability are payable to the insured person further to the same cause, the Company will limit the duration of benefit payments to the benefit period in case of total disability.

b. Limitations applicable in case of termination of employment

1) If the insured person:

- **did not hold an occupation for 60 days or less** immediately prior to the onset of their total disability; or
- **was on maternity or parental leave for 60 days or less** immediately prior to the onset of their total disability:
 - a) The Company will adjust the waiting period to 90 days, if the one under this coverage is shorter.
 - b) The Company will not pay any benefit if the disability results from one of the following disorders or from related treatment or complications:
 - stress;
 - anxiety;
 - depression;
 - neurosis;
 - psychosis;
 - adjustment disorder;
 - fibromyalgia or any chronic pain syndrome;
 - chronic fatigue syndrome;
 - personality disorder;
 - attention deficit disorder;
 - any other emotional or psychiatric disorder.

2) If the **insured person did not hold an occupation for more than 60 days** or **was on maternity or parental leave for more than 60 days** immediately prior to the onset of their total disability, no residual disability benefit will be payable under this coverage.

14. EXCLUSIONS

The exclusions of the SOLO DISABILITY INCOME coverage to which this coverage is attached apply if the insured person becomes residually disabled.

15. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule, subject to paragraph "b" of the **BENEFIT PERIOD** provision;
- b. the date the insured person reaches the attained age of 65, subject to paragraph "b" of the **BENEFIT PERIOD** provision;
- c. the date the Company receives a written request from the policyowner to terminate this coverage; or
- d. the expiry date of the SOLO DISABILITY INCOME coverage to which this coverage is attached.

COST OF LIVING

1. PURPOSE OF THIS COVERAGE

This coverage provides for the indexation of the monthly benefit payments for total or residual disability provided for under this contract. Indexation is based on the Consumer Price Index (CPI) and requires no evidence of insurability to be submitted to the Company. Indexation applies:

- a. if the insured person's total or residual disability persists after the first 12 monthly benefit payments;
- b. as of the 13th such benefit payment, and every 12 months thereafter. Indexation is calculated based on the annualized CPI increase as at the August 31st that precedes the date the Company makes the 13th monthly benefit payment, subject to a maximum annual indexation of 5%. Indexation applies for as long as the Company pays disability benefits to the insured person, up to the end of the benefit period.

When the insured person's disability ends, the monthly benefit payments stop, and the indexation no longer applies, except in the case of a recurrent disability.

2. PREMIUMS

The initial annual premium for this coverage is indicated in the Policy Schedule.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T65 coverage:**
Subsequent premiums **will not be increased** due to the insured person's attained age for the full duration of this coverage.
- **If this coverage is attached to a SOLO DISABILITY INCOME – T10 coverage:**
Subsequent premiums **will be increased** at the beginning of each 10-year period based on the insured person's attained age at that time.

At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.

In all cases, the Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule;
- b. the date the Company receives a written request from the policyowner to terminate this coverage; or
- c. the date the last SOLO DISABILITY INCOME coverage in this contract terminates.

FUTURE INSURABILITY OPTION

1. PURPOSE OF THIS COVERAGE

This coverage allows for the addition of a selected monthly benefit whose waiting period and benefit period are indicated in the Policy Schedule under this coverage. This addition may be made without medical evidence of insurability, provided the following conditions are satisfied.

- a. The request to add a selected monthly benefit must be submitted in writing by the policyowner to the Company during an option period.
- b. This coverage must be in force when the request is submitted.
- c. The policyowner must submit financial evidence deemed satisfactory by the Company to determine whether the insured person's annual income at the time of the request justifies the addition of a monthly benefit.
- d. The insured person must not be disabled when the added selected monthly benefit takes effect.

2. PREMIUMS

The initial annual premium payable for this coverage is indicated in the Policy Schedule.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T65 coverage:**

Subsequent premiums **will not be increased** due to an increase in the insured person's attained age for the duration of this coverage.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T10 coverage:**

Subsequent premiums **will be increased** at the start of each 10-year period based on the attained age of the insured person at that time.

At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.

In all cases, the Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. DEFINITIONS

Certain terms used in this coverage are defined in the GENERAL PROVISIONS or in the SOLO DISABILITY INCOME coverage to which it is attached. If there are 2 definitions for the same term, the definition in this specific coverage will prevail over the one in the GENERAL PROVISIONS and the SOLO DISABILITY INCOME coverage. The definition shown below applies specifically to this coverage.

Option period: period that starts 60 days prior to a coverage anniversary and ends on the coverage anniversary.

4. FUTURE INSURABILITY OPTION

a. The following conditions apply to future insurability options:

- 1) While this coverage is in force, the policyowner can exercise the future insurability option 5 times.
However, if the SOLO DISABILITY INCOME coverage to which this coverage is attached was issued as a result of an exchange, that number will be reduced by the number of options that were exercised prior to the exchange, if applicable.
- 2) The selected monthly benefit amount that is added:
 - must be justified by the insured person's annual income, according to the Company's criteria;
 - must be at least \$100; and
 - must not represent more than 20% of the initial amount of insurance shown in the Policy Schedule for this coverage. Even if the amount of the newly added selected monthly benefit represents less than 20% of the initial amount, no portion of the selected monthly benefit can be deferred to a subsequent option period.
- 3) When a future insurability option is exercised, it automatically results in the addition of a new SOLO DISABILITY INCOME coverage that includes all the coverages and riders of this contract.
- 4) A future insurability option cannot be deferred, even if the insured person is disabled.
- 5) The last option period occurs prior to the coverage anniversary on which the insured person's attained age is 55.

b. Once a future insurability option is exercised, the following conditions apply:

- 1) The new SOLO DISABILITY INCOME coverage takes effect on the anniversary of this coverage on which the option period ends.
However, if the insured person becomes disabled further to an illness in the 6 months that follow the effective date of a SOLO DISABILITY INCOME coverage that is issued as the result of a future insurability option, no monthly benefit payments will be made for that disability.
- 2) The premium for the new SOLO DISABILITY INCOME coverage is calculated based on the attained age and initial risk class of the insured person and the rates in effect at the Company when the option is exercised.
- 3) The incontestability provision applies to the new SOLO DISABILITY INCOME coverage as of the date this coverage takes effect or is reinstated, if applicable.

5. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule;
- b. the date the 5th future insurability option is exercised under this coverage;
- c. the date the Company receives a written request from the policyowner to terminate this coverage; or
- d. the date the last SOLO DISABILITY INCOME coverage in this contract terminates.

REGULAR OCCUPATION PERIOD EXTENDER

1. PURPOSE OF THIS COVERAGE

The **TOTAL DISABILITY** provision of this coverage amends the **TOTAL DISABILITY** provision of the SOLO DISABILITY INCOME coverage to which this coverage is attached.

2. PREMIUMS

The initial annual premium for this coverage is indicated in the Policy Schedule.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T65 coverage:**
Subsequent premiums will not be increased due to the insured person's attained age for the full duration of this coverage.
- **If this coverage is attached to a SOLO DISABILITY INCOME – T10 coverage:**
Subsequent premiums **will be increased** at the beginning of each 10-year period based on the insured person's attained age at that time.

At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.

In all cases, the Company will send written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.

Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

3. DEFINITIONS

Certain terms used in this coverage are defined in the GENERAL PROVISIONS or in the SOLO DISABILITY INCOME coverage to which it is attached.

4. TOTAL DISABILITY

The insured person is considered totally disabled if their situation meets the criteria below.

a. If the **REGULAR OCCUPATION PERIOD EXTENDER** indicated in the Policy Schedule is **"5 years"**

- 1) For an **insured person who held an occupation** immediately prior to the onset of their disability
During the waiting period and the first 5 years of the benefit period, the insured person is considered totally disabled further to an illness or accident if:
 - they are totally unable to perform the main duties of their current occupation;
 - they are not engaged in any other gainful activity; and
 - they are receiving continuing medical care.**After the first 5 years of the benefit period**, the insured person is considered totally disabled further to an illness or accident if:
 - they are unable to hold a replacement occupation;
 - they are not engaged in any other gainful activity; and
 - they are receiving continuing medical care.
- 2) For an **insured person who did not hold an occupation or who was on maternity or parental leave** immediately prior to the onset of their disability
The insured person is considered totally disabled further to an illness or accident if:
 - they are unable to hold a replacement occupation;
 - they are not engaged in any other gainful activity; and
 - they are receiving continuing medical care.

b. If the REGULAR OCCUPATION PERIOD EXTENDER indicated in the Policy Schedule is "To age 65"

1) For an **insured person who held an occupation** immediately prior to the onset of their disability

During the waiting period and until the insured person reaches the attained age of 65, the insured person is considered totally disabled further to an illness or accident if:

- they are totally unable to perform the main duties of their current occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

2) For an **insured person who did not hold an occupation or who was on maternity or parental leave** immediately prior to the onset of their disability

The insured person is considered totally disabled further to an illness or accident if:

- they are unable to hold a replacement occupation;
- they are not engaged in any other gainful activity; and
- they are receiving continuing medical care.

5. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule;
- b. the date the Company receives a written request from the policyowner to terminate this coverage; or
- c. the expiry date of the SOLO DISABILITY INCOME coverage to which this coverage is attached.

RETURN OF PREMIUMS ON CANCELLATION

1. PURPOSE OF THIS COVERAGE

This coverage allows the insured person to request the full surrender of this contract, resulting in a refund payment and terminating the contract in full.

The amount of the refund is specified in the **REFUND PAYABLE** provision.

2. DEFINITIONS

Certain terms used in this coverage are defined in the GENERAL PROVISIONS or in the SOLO DISABILITY INCOME coverage to which it is attached. If there are 2 definitions for the same term, the definition in this specific coverage will prevail over the one in the GENERAL PROVISIONS and the SOLO DISABILITY INCOME coverage. The definitions shown below apply specifically to this coverage.

Eligible premiums paid: premiums paid for all coverages that have the same initial date as this coverage, including any extra premiums and excluding any premiums that have been waived and any premiums paid for the FUTURE INSURABILITY OPTION coverage, if applicable.

3. PREMIUMS

The initial annual premium for this coverage is indicated in the Policy Schedule.

- **If this coverage is attached to a SOLO DISABILITY INCOME – T65 coverage:**
Subsequent premiums **will not be increased** due to the insured person's attained age for the full duration of this coverage.
- **If this coverage is attached to a SOLO DISABILITY INCOME – T10 coverage:**
Subsequent premiums **will be increased** at the beginning of each 10-year period based on to the insured person's attained age at that time.
At any time, the Company **may modify** premiums for a group of insured persons with similar features. In such a case, the Company will modify the premiums for this coverage based on the insured person's age on the initial date of this coverage.
In all cases, the Company will send a written notice to the policyowner to inform them of any premium change at least 30 days prior to the anniversary of this coverage.
Annual premiums are payable until the expiry date of this coverage, which is indicated in the Policy Schedule.

4. REFUND PAYABLE

If a surrender is requested on one of the dates indicated in the **SURRENDER** provision of this coverage, the refund payment corresponds to 50% of the eligible premiums paid, less the total of all benefits received under this contract by the insured person.

In case of early surrender, the reimbursement percentage of eligible premiums paid will be reduced as provided for in the **EARLY SURRENDER** provision.

5. SURRENDER

A surrender request can be submitted on the latest of the following dates:

- a. the date the insured person reaches the attained age of 55;
- b. the date the last coverage added to this contract has been in force for 10 years.

Any surrender request must be submitted in writing to the Company in the 60 days preceding the surrender date. If the insured person is disabled when a surrender request is submitted, the refund will be paid once the monthly benefit payments have ended.

If no surrender request is submitted before the insured person reaches the attained age of 65, the surrender will be carried out automatically on the latest of the following dates:

- the date the insured person reaches the attained age of 65; or
- the date the Company ceases monthly benefit payments, if payment continues after the date the insured person reaches the attained age of 65.

The payment of a refund following a surrender request will terminate this contract.

6. EARLY SURRENDER

A request for early surrender can be submitted to the Company as of the date the insured person reaches the attained age of 60, and on each coverage anniversary thereafter for any coverage with the same initial date as this coverage.

When the insured person's attained age is 60, the refund payment corresponds to 25% of the eligible premiums paid, less the total of all benefits received under this contract by the insured person. This percentage increases by 5% on each subsequent coverage anniversary.

An early surrender request must be submitted in writing to the Company in the 60 days preceding the coverage anniversary of a coverage with the same initial date as this coverage.

The payment of a refund following an early surrender request will terminate this contract.

7. PREMIUM REDUCTION BEFORE THE 10TH ANNIVERSARY OF THIS COVERAGE

A request to change the contract may be submitted to the Company before the 10th anniversary of this coverage. If this change results in a decrease of the premium amount, the refund paid in case of surrender will then be less than what would have been paid if the premium had not been reduced.

In case of surrender, the Company will recalculate the sum of the eligible premiums paid by considering that the new premium amount had been paid since the initial date of the coverage.

8. TERMINATION

This coverage will terminate on the earliest of the following dates:

- a. the expiry date of this coverage, as indicated in the Policy Schedule;
- b. the date the Company receives a written request from the policyowner to terminate this coverage;
- c. the date the Company pays a refund following a surrender of this contract; or
- d. the date the last SOLO DISABILITY INCOME coverage in this contract terminates.

AGRICULTURAL PRODUCER RIDER

This rider amends the **DEFINITIONS** provision of the SOLO DISABILITY INCOME coverage to which it is attached.

- The definitions of "agricultural product" and "recognized agricultural producer" indicated below have been added to this provision.
- The definition of "annual income" of this provision is replaced by the definition indicated below.

This rider comes into effect on the initial date of the SOLO DISABILITY INCOME coverage to which it is attached.

1. DEFINITIONS

Certain terms used in this rider are defined in the GENERAL PROVISIONS or in the SOLO DISABILITY INCOME coverage to which it is attached.

Agricultural product:

- any agricultural, horticultural, avicultural, livestock or forest product, in its raw state or partly or wholly processed by or for the recognized agricultural producer; or
- any beverage or food product derived therefrom; or
- any aquaculture product.

Annual income: total income that the insured person receives for their work (including wages, professional fees, bonuses, pay or commissions), **less** any employment expenses that are deductible from income under the Income Tax Act of Canada but before income taxes are deducted.

If the insured person is a business owner or partner, holds at least a 20% stake in the company and actively participates in its operations, their annual income includes any share of the business income attributable to them, before taxes and **less** any deductible business expenses.

Annual income is the income declared on the tax slips for the year in question and is equal to the sum of:

- a. the salary that the insured person draws from their farm operation and that is accounted for as an operating expense in the income statement of the farm operation;
- b. pre-tax net operating income, which is obtained by subtracting operating expenses from business income; and
- c. the amortization indicated in the income statement and tax returns of the farm operation.

For annual income calculation purposes, the share that the recognized agricultural producer holds in the farm operation must be taken into consideration. Net operating income and amortization amounts must therefore reflect the stake held by the recognized agricultural producer in the farm operation.

Annual income excludes:

- pension income, interest, dividends from any source and other investment income;
- rental income, capital gains, royalties, licence fees and support payments;
- any deferred compensation and other income that is not directly received in exchange for services rendered.

Recognized agricultural producer: a person:

- engaged in the production of an agricultural product;
- whose share in the farm operation is at least 20%;
- whose agricultural product(s) is (are) not consumed entirely by themselves and the members of their family;
and
- whose farm production intended for marketing has an annual value of at least \$5,000.

This definition does not include persons who exploit the forest, unless they only exploit the wooded portion of their farm.

2. TERMINATION

This rider will terminate on the earliest of the following dates:

- a. the expiry date of the SOLO DISABILITY INCOME coverage to which it is attached; or
- b. 1 year after the date the insured person ceases to be considered a recognized agricultural producer.

STATUTORY CONDITIONS

The following statutory conditions are provided in accordance with the laws governing the contract's "health" and "accident" coverages.

1. THE CONTRACT

The application, this policy, any document attached to this policy when issued, and any amendment to the contract agreed upon in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

Waiver

The insurer shall be deemed not to have waived any condition of this contract, either in whole or in part, unless the waiver is clearly expressed in writing signed by the insurer.

Copy of application

The insurer shall, upon request, furnish to the insured or to a claimant under the contract a copy of the application.

2. MATERIAL FACTS

No statement made by the insured or person insured at the time of application for this contract shall be used in defence of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

3. NOTICE AND PROOF OF CLAIM

- a. The insured or a person insured, or a beneficiary entitled to make a claim, or the agent of any of them, shall:
 - 1) give written notice of claim to the insurer:
 - a) by delivery thereof, or by sending it by registered mail to the head office or chief agency of the insurer in the Province; or
 - b) by delivery thereof to an authorized agent of the insurer in the Province;
not later than 30 days from the date a claim arises under the contract on account of an accident, sickness or disability;
 - 2) within 90 days from the date a claim arises under the contract on account of an accident, sickness or disability, furnish to the insurer such proof as is reasonably possible in the circumstances of the happening of the accident or the commencement of the sickness or disability, and the loss occasioned thereby, the right of the claimant to receive payment, his or her age, and the age of the beneficiary if relevant; and
 - 3) if so required by the insurer, furnish a satisfactory certificate as to the cause or nature of the accident, sickness or disability for which claim may be made under the contract and as to the duration of such sickness or disability.

b. Failure to give notice or proof

Failure to give notice of claim or furnish proof of claim within the time prescribed by this statutory condition does not invalidate the claim if:

- 1) the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident or the date a claim arises under the contract on account of sickness or disability if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed; or
- 2) in the case of the death of the person insured, if a declaration of presumption of death is necessary, the notice or proof is given or furnished no later than one year after the date a court makes the declaration.

4. INSURER TO FURNISH FORMS FOR PROOF OF CLAIM

The insurer shall furnish forms for proof of claim within 15 days after receiving notice of claim, but where the claimant has not received the forms within that time the claimant may submit his or her proof of claim in the form of a written statement of the cause or nature of the accident, sickness or disability giving rise to the claim and of the extent of the loss.

5. RIGHTS OF EXAMINATION

As a condition precedent to recovery of insurance money under this contract:

- a. the claimant shall afford to the insurer an opportunity to examine the person of the person insured when and so often as it reasonably requires while the claim hereunder is pending; and
- b. in the case of death of the person insured, the insurer may require an autopsy subject to any law of the applicable jurisdiction relating to autopsies.

6. WHEN MONEY PAYABLE OTHER THAN FOR LOSS OF TIME

All money payable under this contract shall be paid by the insurer within 60 days after it has received proof of claim.

7. WHEN LOSS OF TIME BENEFITS PAYABLE

The initial benefits for loss of time shall be paid by the insurer within 30 days after it has received proof of claim, and payment shall be made thereafter in accordance with the terms of the contract but not less frequently than once in each succeeding 60 days while the insurer remains liable for the payments if the person insured when required to do so furnishes before payment proof of continuing disability.

8. LIMITATIONS OF ACTIONS

An action or proceeding against the insurer for the recovery of a claim under this contract shall not be commenced more than one year or two, depending on the period in effect in the province in which the contract was concluded, after the date the insurance money became payable or would have become payable if it had been a valid claim.