

## Sun Par Protector

Policy number: LI-1234,567-8

Owner: John Doe

SAMPLE

*The following policy wording is provided solely for your convenience and reference. It is incomplete and reflects only some of the general provisions that may be found in some of our insurance policies. We periodically make changes to policy wording and therefore this incomplete sample may not duplicate the wording of any actual issued policy. It is not to be construed or interpreted in any manner as a contract or an offer to contract. The actual policy issued to any given client will govern that relationship.*

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SAMPLE

## Policy particulars

In this document, *you* and *your* mean the owner of this policy. *We, us, our,* and *the company* mean Sun Life Assurance Company of Canada.

Your policy is issued and underwritten by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies.

It's important that you read your entire policy carefully. It sets out the benefits payable and has exclusions and limitations. To help you understand insurance terms, refer to the explanations described under the heading, *Insurance terms*.

### Sun Par Protector

This is a permanent participating life insurance policy that provides protection for the entire lifetime of the insured person. On each policy anniversary, we may credit a dividend to your policy. We determine the amount of any dividend. Any additional benefits, except Plus premium benefit, are not participating and are not eligible to receive dividends.

Your policy number is:

LI-1234,567-8

Your policy date is:

September 17, 2012

Owner:

John Doe  
born on January 5, 1956

Insured person:

Mary Doe  
born on March 5, 1995  
age at policy date: XX

Beneficiary:

is named on your application, unless you make a change in writing to us.

**Principal insurance death benefit:**

\$XXX,XXX on Mary Doe

**Dividend option:**

Enhanced insurance  
\$XXX,XXX lifetime guarantee  
The last date to convert the term insurance portion is  
September 17, XXXX.

### Additional benefits:

**Plus premium benefit:**

The scheduled payment amount for the Plus premium benefit is \$XXX.XX monthly.

(insured person age 0-17)

**Total disability benefit:**

Date this benefit begins:

on Mary Doe

September 17, XXXX

Date this benefit ends:

September 17, XXXX



## E12001A

### **If you change your mind within 10 days**

You may send us a written request to cancel your policy within:

- 10 days of receiving it from us, or
- 60 days after the policy is issued, whichever date is earlier.

You are considered to have received your policy 5 days after it's mailed from our office, or on the date your advisor delivers it to you.

When we receive your written request we'll refund any amount paid. This is called rescission.

Your decision to cancel your policy is your personal right. When we receive your request to cancel it, all of our obligations and liabilities under this policy end immediately. The cancellation is binding on you and any person entitled to make a claim under this policy, whether their entitlement is revocable or irrevocable.

To cancel your policy, send your request in writing to:

Sun Life Assurance Company of Canada  
227 King Street South  
PO Box 1601, Stn. Waterloo  
Waterloo ON Canada N2J 4C5

## E12003A

### **Contesting the policy**

The incontestability provisions set out in the provincial or territorial insurance legislation applicable to this policy apply.

#### *Limit on contesting*

We cannot challenge the validity of the policy after it has been in effect continuously for two years from the later of the date it took effect and the date it was last reinstated. If the policy is amended to increase or change a benefit or improve a rating, we cannot challenge the validity of the amendment after it has been in effect continuously for two years from the later of the date the amendment took effect and the date the policy was last reinstated.

#### *Exception to the limit on contesting*

We can challenge the validity of the policy or an amendment at any time in cases of fraud or cases involving a disability benefit.

## E10010A

### Death benefit

We pay the death benefit to the beneficiary if the insured person dies while this policy is in effect. The amount we pay is determined as of the date the insured person died. This amount is:

- the principal insurance death benefit shown on the *Policy particulars* page
- **plus** any insurance purchased by dividends
- **plus** any dividends on deposit
- **plus** any balance in the withdrawable premium fund
- **minus** any indebtedness on the date the insured person dies.

For the purposes of your policy, indebtedness means the total of any premiums that you owe us plus any loan, including accrued interest.

This policy ends on the date the insured person dies.

#### **When we will not pay the death benefit (exclusions and reductions of coverage)**

We will not pay the death benefit if the insured person dies before reaching the age of 15 days.

We will not pay the death benefit, if the insured person takes their own life, while sane or insane, within 2 years of the later of:

- the date the application for this policy was signed
- the policy date, or
- the most recent date your policy was put back into effect, if your policy has been reinstated.

The policy ends on the date the insured person dies and instead of paying the death benefit, we will pay to the beneficiary:

- all the premiums you paid. If your policy has been put back into effect, we'll refund the premiums you paid since the most recent date the policy was reinstated.
- **plus** any balance in the withdrawable premium fund
- **minus** any indebtedness on the date the insured person dies.

#### *If this policy is a replacement of insurance*

If the death benefit is the result of a replacement of life insurance that was issued by us, we determine the amount payable for the part that is a replacement based on the effective date or dates of your previous insurance and any additional benefits.

## E10011A

### Making a claim for the death benefit

To make a claim, first contact us at the toll free phone number shown at the beginning of this policy. We will then send you the appropriate form to be completed. The person making the claim must complete the form and give us the information we need to assess the claim, including proof that the insured person died while this policy was in effect.

The form and information must be sent to this address:

Life Claims Services  
Sun Life Assurance Company of Canada  
227 King St. S.  
PO Box 1601, Stn. Waterloo  
Waterloo ON Canada N2J 4C5

Physicians may charge a fee to complete certain forms. The person making the claim is responsible for any fees for this information.

Before we pay any death benefit, the age of the insured person must be verified. If the age given on the application is incorrect, we adjust the amount we pay to reflect the insured person's correct age.

E10012A

## **Dividend options**

This is a participating policy. On each policy anniversary, while your policy is in effect, we may credit a dividend to your policy. We determine the amount of any dividend.

We apply any dividend credited according to the option you chose in your application for this policy. The dividend options are:

### **1) Paid-up additional insurance**

Additional permanent life insurance is purchased with any dividend we credit to your policy. We determine the amount of insurance that may be purchased based on the same evidence of insurability used to determine premiums for this policy.

This additional insurance is also eligible for dividends which will be used to purchase more paid-up additional insurance. You may cancel this additional insurance at any time and receive its cash value. We determine the cash value on the date we receive your request or any later date you indicate in your request.

If you apply to change from paid-up additional insurance to another dividend option, any existing paid-up additional insurance stays in effect unless you tell us otherwise. This insurance continues to be eligible for dividends which will be applied according to the dividend option in effect at the time we credit any dividend to your policy.

If you apply to change your dividend option to paid-up additional insurance, you will need to give us new evidence of insurability that we consider satisfactory.

### **2) Annual premium reduction**

This option is only available if you are paying premiums on an annual basis. Any dividend we credit is used to reduce the premium for the next policy year. If the amount of the dividend exceeds the next year's premium, we transfer the excess to the withdrawable premium fund.

### **3) Dividends on deposit**

Any dividend we credit earns interest daily at a rate we determine and that rate may change from time to time. The interest is compounded annually. You may withdraw all or part of these dividends at any time.

### **4) Cash payment**

Each year on the policy anniversary date, any dividend we credit is paid to you.

### **5) Enhanced insurance**

This dividend option allows you to choose an available enhanced insurance amount and guaranteed period. Dividends are used to buy a combination of yearly term insurance and paid-up additional insurance.

You may not change to this dividend option after the policy date. If your policy has the enhanced insurance dividend option, it is described below.

## Enhanced insurance

The enhanced insurance amount you chose is shown at the beginning of your policy under the heading, *Policy particulars*.

In the first policy year, we automatically provide yearly term insurance equal to the enhanced insurance amount at no additional cost to you.

On each policy anniversary, any dividend we credit is used to purchase a combination that we determine of yearly term insurance and paid-up additional insurance. This combined amount of insurance is equal to the enhanced insurance amount you chose. Any existing paid-up additional insurance we purchase is added to any existing paid-up additional insurance.

If and when the enhanced insurance consists entirely of paid-up additional insurance, your dividend option automatically changes to paid-up additional insurance which means we will use any subsequent dividends to purchase paid-up additional insurance.

When the dividend is not enough to pay for the yearly term insurance, we will reduce the existing paid-up additional insurance to create sufficient cash value to purchase the yearly term insurance required to maintain the enhanced insurance amount you chose.

If the cash value of the paid-up additional insurance combined with the dividend is not enough to purchase yearly term insurance equal to the enhanced insurance amount, the enhanced insurance amount will not be reduced.

If we tell you that a reduction to the enhanced insurance amount will be required, you may make Plus premium benefit payments sufficient to prevent the reduction from occurring; to do this, new evidence of insurability is not required.

You may not cancel any paid-up additional insurance while this dividend option is in effect.

### **If you apply to change to another dividend option**

If we approve your application to change from enhanced insurance to another dividend option, the yearly term insurance portion of the enhanced insurance is cancelled. Any existing paid-up additional insurance stays in effect unless you tell us otherwise. The paid-up additional insurance continues to be eligible for dividends which will be applied according to the dividend option in effect at the time we credit any dividend to your policy.

### **Conversion of the yearly term insurance portion of the enhanced insurance**

While the enhanced insurance includes yearly term insurance, you may convert the yearly term insurance portion to a permanent life insurance policy on the life of the insured person, without giving us new evidence of insurability.

When all of the yearly term insurance is converted, your dividend option automatically changes to paid-up additional insurance which means we will use any subsequent dividends to purchase paid-up additional insurance.

You must send us an application before the last date to convert as shown on the *Policy particulars* page. Your application must be in a form acceptable to us and satisfy our rules. If we approve your application, the yearly term insurance ends on the date the new policy takes effect.



### *The new permanent life insurance*

We determine the type of new policy you may convert to and the terms and conditions of that policy. The new policy we offer to you will:

- be determined by the information about the insured person in the application for this policy
- depend on our rules about the age of the insured person and the amount of insurance
- have a death benefit that is not greater than the amount of the yearly term insurance amount on the date the new application is signed, and
- not include any additional benefits that are in this policy.

If the insured person was younger than 17 on the effective date of this policy, the new policy will include additional premiums for smoking, unless the insured person gives us evidence of insurability and qualifies as a non-smoker.

### *If the insured person is disabled*

If this policy includes a *Total disability benefit* on the insured person, you cannot convert this insurance while the insured person is disabled.

### *Paying for the new policy*

The premium for the new policy will be based on:

- the same evidence of insurability we used to determine the premium for this policy
- the rates we charge for the new insurance at the time you apply for the new policy, and
- the age of the insured person when you apply for the new policy.

The first payment for the new policy must be included with the application.

### *When the yearly term insurance portion ends*

This insurance automatically ends on the earliest of the date:

- you apply to convert all your yearly term insurance
- you apply to change to a different dividend option
- the enhanced insurance amount consists entirely of paid-up additional insurance
- you apply to change your policy to reduced paid-up life insurance, or
- this policy ends.

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## **Paying for your policy**

### **Premiums for this policy**

We will provide you with the benefits described in this policy if you pay all premiums by the due date. Payment must be made to Sun Life Assurance Company of Canada. The premium schedule in this policy describes your premium guarantees. We reserve the right to refuse cash payments.

If you do not pay a premium when it's due, we will deduct the amount due as follows:

- if there's money in the withdrawable premium fund, we will withdraw the amount owed from this fund
- any remaining unpaid premium still owing 31 days after the due date, including any scheduled Plus premium benefit payment, will be paid by automatic premium loan if there is sufficient net cash value in your policy.

### **Withdrawable premium fund**

If you send us more than you owe to keep the policy in effect, we will hold the excess amount in the withdrawable premium fund. We may set a maximum amount that you can have in the fund. You may use this fund to pay premiums at any time.

The amount in your premium fund will earn interest daily. The interest is compounded annually. We set the interest rate each day based on short-term interest rates. Interest earned on your premium fund is taxable.

You may withdraw money from your premium fund at any time subject to our minimum withdrawal rules.

We may charge a fee for these withdrawals and we determine the amount of any fee that we charge.

### **Automatic premium loan**

The automatic premium loan is initiated by us and is only available to pay unpaid premiums. The amount of the automatic premium loan cannot be more than the net cash value of your policy.

We charge interest on the loan each day. The interest is compounded annually. This means the interest accumulates and we add it to the balance of the loan at the end of the policy year. We set the interest rate at the time the loan is taken and notify you of the interest rate charged on the loan. At each policy anniversary, we change the interest rate charged on the loan to the rate we would charge on new loans on your policy at that time, whether a new loan is taken or not.

If the amount of your loan, including interest, becomes greater than the net cash value, your policy will end 31 days later unless we receive a payment within that period. We set the minimum amount of this payment.

You may repay your loan at any time.

### **If premiums are not paid (lapse)**

If the amount you are required to pay is still not paid within 31 days after it is due, your policy will end. If your policy ends this way, it is called lapse.

If at any time the indebtedness on your policy is greater than the net cash value, you will need to make a payment to keep your policy in effect. We will tell you the amount you need to pay and the date by which you need to make the payment.

### **Putting your policy back into effect (reinstatement)**

If your policy ended because it lapsed, you may apply to have it put back into effect if the insured person is alive. This process is called reinstatement.

If you want to put your policy back into effect, you must:

- apply within 2 years of the policy ending
- give us new evidence of insurability that we consider satisfactory, and
- make a payment equal to the reinstatement charge set by us.

If we don't approve your application, we'll refund the amount you paid when you applied to put your policy back into effect.

### **Borrowing money from your policy (policy loan)**

You may borrow money against your policy. The maximum loan value is:

- the total of the guaranteed cash value
- **plus** any cash value of paid-up additional insurance
- **plus** any dividends on deposit
- **minus** interest for 1 year at our current loan interest rate on the total of the guaranteed cash value, any cash value of paid-up additional insurance and any dividends on deposit
- **minus** any existing indebtedness.

We set the minimum amount you can borrow.

We charge interest on the loan each day. The interest is compounded annually. This means the interest accumulates and we add it to the balance of the loan at the end of the policy year. We set the interest rate at the time the loan is taken and notify you of the interest rate charged on the loan. At each policy anniversary, we change the interest rate charged on the loan to the rate we would charge on new loans on your policy at that time, whether a new loan is taken or not.

We may charge a fee when you borrow money against your policy and we determine the amount of any fee we charge.

You may repay your policy loan at any time.

#### E10015A

### **Maintaining your policy's tax-exempt status**

According to current Canadian tax law, your policy's cash value is not taxed if it is below the tax-exempt limit. This limit changes annually on the policy anniversary.

At each policy anniversary, we will compare your policy's net cash value to the tax-exempt limit. If the net cash value exceeds the tax-exempt limit, we will reduce it to the tax-exempt limit. We do this by applying any excess to:

- reduce any outstanding policy loans, and
- any remaining amount will be applied to the withdrawable premium fund.

We may take the excess amount from all or part of any Plus premium benefit payments that have been made in that policy year. If this is not enough or if the Plus premium benefit is not in effect, we may reduce the amount of paid-up additional insurance so that the net cash value is below the tax-exempt limit.

#### E10016A

### **Applying for non-smoker classification on the insured person**

On the policy anniversary nearest the insured person's 18<sup>th</sup> birthday, we will classify them as a smoker. If this person is a non-smoker at that time, you may apply to have them classified as a non-smoker.

*If applying before the policy anniversary nearest age 19*

If you apply between the policy anniversary nearest the insured person's 17<sup>th</sup> birthday and the policy anniversary nearest their 19<sup>th</sup> birthday, we require a non-smoker declaration signed by the insured person and you.

*If applying on or after the policy anniversary nearest the 19<sup>th</sup> birthday*

If you apply on or after the policy anniversary nearest the insured person's 19<sup>th</sup> birthday, we require new evidence of insurability on the insured person. The application must be signed by the insured person and you.

If we approve your application, the insured person will be classified as a non-smoker and both your premiums and guaranteed cash values will be reduced beginning on the policy anniversary nearest the insured person's 18<sup>th</sup> birthday or the date we approve your application if you apply after this date. We determine the lower premium and lower Guaranteed cash value according to the rate that was in effect for a non-smoker of the same sex and age of the insured person on the policy date.

E10018A

### **Your right to change this policy to reduced paid-up life insurance**

While premiums are payable, you may request that your insurance coverage change to reduced paid-up life insurance. Once the policy is changed, premiums are no longer payable. You may not make this change if the policy would become non-exempt for income tax purposes or does not meet our minimums for reduced paid-up life insurance.

If we approve your request, we change your policy to reduced paid-up life insurance on the date we receive your written request or on any later date you indicate in your request. We will use the net cash value to determine the reduced paid-up principal insurance death benefit.

The reduced paid-up life insurance may be eligible for dividends. The enhanced insurance dividend option and annual premium reduction dividend option are not available if your policy is changed to reduced paid-up life insurance. If your dividend option is either of these, we will change the dividend option to paid-up additional insurance.

When your policy is changed to reduced paid-up life insurance:

- any additional benefits end, and
- money may not be put into the withdrawable premium fund.

E10019A

### **Your right to cancel this policy**

You may cancel your policy at any time. Your policy will end on the date we receive your request or any later date you indicate in your request. All of our obligations and liabilities under this policy end on that date. The cancellation is binding on you and any beneficiaries you've named, whether the beneficiaries are revocable or irrevocable.

To cancel your policy, send your request in writing to:

Sun Life Assurance Company of Canada  
227 King St. S.  
PO Box 1601, Stn. Waterloo  
Waterloo ON N2J 4C5

If you cancel your policy within the first 10 days of receiving it from us, we will treat this as a rescission. This is described earlier in your policy under the heading, *If you change your mind within 10 days*.

If you cancel your policy after the 10<sup>th</sup> day of receiving it from us, we'll refund the net cash value plus any balance in the withdrawable premium fund.

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### **Other information about your policy**

#### **Information about our contract with you**

Once your policy is in effect, the following documents make up our entire contract with you:

- your application for insurance, including any evidence of insurability, and
- this policy, including any amendments.

All of our obligations to you are contained in the documents described above. Any other document or oral statement does not form part of this contract. This policy or any part of this policy may not be amended or waived except by a written amendment signed by two authorized signing officers of the company.

### **Time limit for recovery of insurance money**

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act or the provincial or territorial legislation that applies to this policy.

### **Currency of this policy**

All amounts of money referred to in this policy are in Canadian dollars.

### **Transferring your policy (assignment)**

You may be able to transfer your rights under this policy to someone else by assigning the policy. We are not responsible for ensuring that the assignment of your policy is legally valid. If you transfer this policy, send a notice of the assignment to:

Sun Life Assurance Company of Canada  
227 King St. S.  
PO Box 1601, Stn. Waterloo  
Waterloo ON Canada N2J 4C5

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## **Insurance terms**

The following explanations describe insurance terms that may or may not apply to this policy.

### **Age**

“Age” means age at the policy date which is the person’s age on their birthday nearest to the policy date.

### **Beneficiary**

The person or persons you name in writing to receive the death benefit.

### **Benefits**

We offer a variety of insurance coverages. Some, such as the principal insurance, are standard features of your policy and are included automatically. Additional benefits may be available. An example of an additional benefit is the *Total disability benefit*.

### **Contingent owner**

The person or persons you name in writing to take ownership of this policy, if you die before the insured person.

*What happens if no contingent owner is named when a policy owner dies?*

- If there is only one policy owner at the time of death, then the policy owner's estate becomes the new policy owner.
- If there are two or more policy owners at the time of death, then the deceased policy owner's estate along with the surviving policy owner(s) own the policy.

### **Evidence of insurability**

This may include medical, financial, lifestyle, and family medical history information and other personal history information needed to approve your application for life insurance.

### **Guaranteed cash value**

The guaranteed cash value is an amount we determine when your policy is issued as shown earlier in the *Guaranteed cash value schedule*. It is part of the amount that we pay to you if you cancel this policy.

## **Indebtedness**

Indebtedness means the total of any premiums that you owe us, plus any loan, including accrued interest.

## **Net cash value**

The net cash value is:

- the guaranteed cash value
- **plus** the cash value of any paid-up additional insurance
- **plus** the cash value of any dividends on deposit
- **plus** any Plus premium benefit payments made since the last policy anniversary, if included in your policy
- **minus** any indebtedness.

## **Participating policy**

Life insurance involves the transfer of risk from an individual to a life insurance company. With participating insurance, a portion of the risk is shared among the policy owners and the company. We call it “participating insurance” (or “par insurance”) because the policy owner participates in the risk along with the insurance company. We determine annually, at our sole discretion, if there will be a dividend and the amount of any dividend. Any additional benefits, except Plus premium benefit, are not participating and are not eligible to receive dividends.

## **Permanent insurance**

A type of insurance that provides protection for the entire lifetime of the insured person.

## **Policy anniversary**

The month and day every year that is the same as your policy date.

## **Policy date**

The policy date is the start date of your insurance policy. This date is shown at the beginning of your policy under the heading, *Policy particulars*.

## **Premium**

The amount paid by a customer to purchase or maintain an insurance policy.

## **Term insurance**

A type of insurance that provides protection for a limited number of years.

## Additional benefits

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### Plus premium benefit

The Plus premium benefit allows you to make scheduled payments (monthly or annually) or a single payment to purchase paid-up additional insurance in addition to that purchased by policy dividends. The purchase occurs on the policy anniversary following the date the payment was made and we credit interest at a rate set by us. We may change the rate from time to time. If you are making monthly Plus premium benefit payments, we convert the monthly payment to an equivalent annual amount to determine how much insurance will be purchased.

If you selected to make a single Plus premium benefit payment on your application for this policy, you may not make another single payment unless you apply in writing. You may apply if this benefit is still available and your dividend option is paid-up additional insurance or enhanced insurance. If you apply, you must provide evidence of insurability on the insured person that we consider satisfactory. Any payment amount must also meet our minimum and maximum limits for Plus premium benefit payments.

If your dividend option is enhanced insurance, then the paid-up additional insurance purchased by dividends and Plus premium benefit payments is part of the enhanced insurance amount. The enhanced insurance dividend option is described earlier.

#### Changing the Plus premium payment amount

While premiums for this policy are still payable, you may apply to increase the Plus premium benefit payment amount by providing evidence of insurability on the insured person that we consider satisfactory. Any increase will be subject to our maximum limit. You may apply to decrease the Plus premium benefit payment amount subject to our minimum limit.

#### Stopping and restarting scheduled payments

If you want to stop making scheduled Plus premium benefit payments, you must notify us in writing. Within 2 years of the date you stopped, you may apply to resume making payments subject to our approval. After 2 years, the Plus premium benefit ends. You may apply to put the Plus premium benefit into effect if available at the time you apply, provided the dividend option is paid-up additional insurance or enhanced insurance. If you apply, you must provide evidence of insurability on the insured person that we consider satisfactory. Any payment amount must also meet our minimum and maximum limits for Plus premium benefit payments.

#### If we are waiving premiums

If we are waiving premiums for this policy, we will stop any Plus premium benefit payments while we are waiving premiums. When premiums are no longer waived and still payable, Plus premium benefit payments restart.

#### When the death benefit is payable

When the insured person dies and the death benefit is payable, if the dividend option is:

- paid-up additional insurance, we'll use any Plus premium benefit payments made since the last policy anniversary to purchase paid-up additional insurance.
- enhanced insurance, we'll pay any Plus premium benefit payments made since the last policy anniversary to the beneficiary as part of the death benefit.

If the dividend option is paid-up additional insurance, we will not pay the paid-up additional insurance amount purchased by Plus premium benefit payments if the insured person takes their own life, while sane or insane, within 2 years of the most recent date the Plus premium benefit was put into effect. Instead, we will pay to the beneficiary the Plus premium benefit payments made from the most recent date the Plus premium benefit was put into effect.

**When Plus premium benefit payments end**

Scheduled Plus premium benefit payments automatically end on the earliest of:

- the date you tell us in writing to cancel them
- two years after the date you stopped making Plus premium benefit payments
- the date the dividend option changes from paid-up additional insurance or enhanced insurance to any other dividend option
- the date premiums are no longer payable for this policy
- the date the insured person dies, or
- the date this policy ends.

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## Total disability benefit

The insured person, the start date and end date for this benefit are shown at the beginning of your policy under the heading, *Policy particulars*. The date this benefit begins is the policy anniversary nearest the insured person's 21<sup>st</sup> birthday. The end date for this benefit is the policy anniversary nearest the insured person's 60<sup>th</sup> birthday.

If the insured person becomes disabled after the date this benefit begins as described below, and the disability continues for more than 6 consecutive months, they may qualify for this benefit. If they qualify, you don't have to pay premiums for the duration of their disability. We call this waiving premiums.

If you had been making Plus premium benefit payments, we stop them when we are waiving premiums.

### Qualifying for this benefit

#### *Unable to perform own occupation*

We consider the insured person to be disabled if, as a result of injury or disease, they are completely unable, during the first 2 years following the date of their disability, to carry on the essential duties of their own occupation.

#### *Unable to perform any occupation*

After the first 2 years, we consider the insured person to be disabled if they are unable, as a result of injury or disease, to perform any occupation, for remuneration or profit, within their education, training or experience.

In determining whether or not the insured person is able to perform any occupation, we do not take into account whether a suitable occupation is actually available. In addition, we do not consider whether a suitable occupation would provide a level of remuneration comparable to the one the insured person had before becoming disabled.

#### *Disabled while unemployed*

If the disability begins while the insured person is unemployed or is not engaged in any occupation for remuneration or profit, this benefit will only be available if the insured person is unable, as a result of injury or disease, to perform the duties of any occupation for remuneration or profit within their education, training or experience.

#### *Disabled while a student*

If the insured person is a student at the time they become disabled, we consider them to be disabled if they are unable as a result of injury or disease to:

- attend or participate as a student in an education program during the entire time they are disabled, or
- perform any occupation for remuneration or profit within their education, training or experience and during the entire time they are disabled.

### When we will not waive premiums (exclusions and reductions of coverage)

We will not waive premiums if the insured person's disability begins:

- before the date the *Total disability benefit* began
- after the end date of the *Total disability benefit*.

We will not waive premiums if the disability is directly or indirectly caused by or associated with the insured person operating a vehicle while their blood alcohol level is more than 80 milligrams of alcohol per 100 milliliters of blood. A vehicle includes any form of ground, air or marine transportation that can be put into motion by any means, including muscular power. We do not take into account whether or not the vehicle is in motion.

We will not waive premiums if the disability is directly or indirectly caused by or associated with the insured person:

- committing or attempting to commit a criminal offence
- attempting to take their own life, while sane or insane
- causing themselves bodily injury, while sane or insane
- taking any drug, unless the drug was taken as prescribed by a licensed medical practitioner
- inhaling or ingesting any poisonous substance, whether voluntarily or otherwise
- inhaling any type of gas, whether voluntarily or otherwise.

We will not waive premiums if the insured person's disability is directly or indirectly caused by or associated with civil disorder or war, whether declared or not.

We do not consider the insured person to be disabled unless:

- they are under the active, continuous and medically appropriate care of a physician, or other health care practitioner acceptable to us, and
- they are following the treatment prescribed and any other recommendations made by a physician or health care practitioner.

### **Making a claim for this benefit**

To make a claim for this benefit, contact us at the toll free phone number shown at the beginning of this policy for the appropriate form.

Before we approve the claim, the age of the insured person must be verified.

We must receive proof of the disability:

- while the insured person is alive
- beginning after the date this benefit began and before the end date for this benefit
- after the insured person's disability continued for more than 6 consecutive months, and
- within 1 year of the date the disability began.

We'll consider a late claim exception if we receive proof of disability no later than 1 year following the end date of this benefit. If we receive proof of the disability more than 1 year after it starts and the insured person qualifies for this benefit, we consider the disability to have started 1 year before we received the proof. This means that we will only waive premiums starting from 1 year before we received the proof, regardless of when the disability actually started.

You must pay any cost associated with supplying proof of the disability.

We may also require the insured person to authorize us to gather and use additional information from other insurers or government agencies.

### **When we waive premiums**

You must continue to pay your premiums until we notify you that we've waived them. At that time, we waive the premiums from the month the insured person's disability started.

If you had been making Plus premium benefit payments, we stop them when we are waiving premiums. When premiums are no longer waived, Plus premium benefit payments restart.

If any premium is paid and later waived, and there is no outstanding automatic premium loan, we credit the same amount to the withdrawable premium fund. If an automatic premium loan was used to pay premiums and the premiums were later waived, we will reduce the loan by the amount waived.

### **How to continue to qualify for this benefit**

We continue to waive premiums as long as the insured person:

- continues to be disabled
- is under the continuous care of a physician
- follows a prescribed treatment program for the disability, and
- makes reasonable efforts to use any appropriate rehabilitation program.

From time to time, we will ask for proof, that we consider satisfactory, that the insured person is still disabled. You must pay any cost associated with supplying this proof.

We may require the insured person to be examined by any health care practitioners that we appoint. These may be licensed physicians, physiotherapists, occupational therapists, psychiatrists, psychologists or others. We pay for the cost of these examinations.

The physicians, specialists or health care practitioners who provide information to us may not be the owner of this policy, any person insured under this policy, anyone entitled to make a claim under this policy, or any relative or business associate of these people.

We may also require the insured person to authorize us to gather and use information from other insurers or government agencies.

#### *Continuation of a previous disability claim*

You may apply to have premiums waived without having to wait another 6 months if there is a continuation of a previous disability claim. We consider the disability to be a continuation of the previous one if:

- premiums had been waived
- the disabled insured person recovers from their disability and then becomes disabled again from the same cause within 6 months from the date we stopped waiving premiums, and
- the insured person is disabled as described under the heading, *Qualifying for this benefit*.

We waive the premiums from the date the disability started again.

### **When we stop waiving premiums**

We stop waiving premiums on the date the insured person:

- is no longer disabled
- takes part in any occupation for remuneration or profit
- takes part in any educational program as a student without our approval
- fails to submit any required proof of disability
- refuses to attend any examinations or rehabilitation programs without a valid medical reason, or
- fails to meet any other requirements to have the premiums waived.

### **When your policy may be put back into effect (reinstatement) if it ended while the insured person was disabled**

We will not put your policy back into effect if you cancelled it. However, if your policy ended for any other reason while the insured person was disabled, you may apply to have it put back into effect, without giving us new evidence of insurability. This process is called reinstatement.

We will put your policy back into effect if:

- it ended while the insured person was disabled
- the disability started after the policy anniversary nearest the insured person's 21<sup>st</sup> birthday
- the disability continued for more than 6 consecutive months from the date the disability started, and
- the disability started before the end date of this benefit.

If you want to put your policy back into effect, you must:

- apply while the insured person is alive
- apply within 1 year of the policy ending, and
- give us proof, that we consider satisfactory, of the disability and the length of time the insured person was disabled.

If we don't approve your application, we refund any amount you paid when you applied to put your policy back into effect.

**When this benefit ends**

This benefit automatically ends on the earliest of:

- the date the insured person for this benefit dies
- the date this benefit ends, shown at the beginning of your policy under the heading, *Policy particulars*, or
- the date this policy ends.

SAMPLE