

## Credit Insurance Summary

### Group Credit Insurance

Consumer goods

Insurance policy FI-VVR2-VIMG\_SSQ270 (2020-06) - Plan SSQ270

**Insurer:** SSQ, Life Insurance Company Inc.

**Address:** 2525 Laurier Boulevard, Quebec City QC G1V 2L2

**Phone number:** 418-651-7000

Number of licence issued by the Autorité des marchés financiers (AMF): 2000399436

For verification of our status in the AMF's registry, go to: [lautorite.qc.ca](http://lautorite.qc.ca).

Distributor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone number: \_\_\_\_\_

Website: \_\_\_\_\_



**The documents concerning your insurance are important. We recommend that you keep them in a safe place in order to be able to easily refer to them.**

**Your insurance contract includes:**

- your insurance application;
- your insurance certificate;
- the group insurance policy, which is available on request; and
- the confirmation that your insurance is accepted, if a medical questionnaire is required.

## 1. What is the purpose of the group credit insurance summary?

This summary is for you if:

- you sign a loan or lease agreement for a consumer good (herein referred to as a “financing agreement”); and
- you want coverage that ensures the payment of your financed consumer good in the event of death and/or total disability and/or critical illness and/or accidental dismemberment.

This summary highlights the important information of our group credit insurance product and is designed to help you decide if it suits your needs and if you wish to purchase it.

**This is a summary of the group credit insurance product and is not your insurance certificate.** For more information about this insurance, specifically the provisions, limitations and exclusions, please read the group credit insurance certificate model available at:

<https://ssq.ca/en/contract-documents-credit>.

## 2. What is group credit insurance?

Group credit insurance helps to meet your financial obligations under your financing agreement in the event of your death, a total disability, a critical illness or an accidental dismemberment.

Group credit insurance offers 3 coverages sold separately, except for accidental dismemberment, which is automatically included when you purchase life insurance.

You can purchase one or several coverages, based on your needs:

### Coverage 1: Life Insurance (protection in the event of death)\*

In the event of death, we will pay a benefit **to your creditor** for the balance owed on your financing agreement.

- \* Accidental dismemberment insurance coverage is automatically included when you purchase this coverage. Refer to “Coverage 4” section for more information.

Coverage 2: Disability Insurance

In the event of total disability, we will pay monthly benefits **to your creditor** to cover the payments under your financing agreement for the period during which you are totally disabled.

The waiting period and benefit period will vary based on the option selected:

Options	Waiting Period	Benefit Period
Option 1	30 days	Insurance term
Option 2	60 days	Insurance term
Option 3	60 days	24 months*

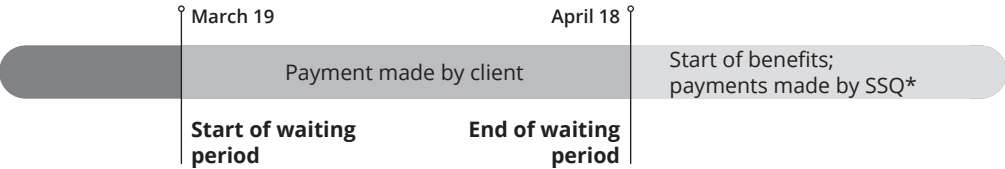
\* The number of benefit payments is limited to this total duration, whether or not the benefits were consecutive, and applies cumulatively to all your total disabilities, if applicable.

The **waiting period** is the period before benefits begin to be paid.



Example:

- Disability start date: March 19
- Waiting period: 30 days



\* Benefits are paid only if your total disability extends beyond the waiting period.

### Coverage 3: Critical Illness Insurance

If you suffer from one of the critical illnesses indicated below, we will pay a benefit **to the creditor** to cover the balance owed under your financing agreement.

#### List of covered critical illnesses\*:

- Blindness
- Cerebrovascular accident
- Coronary artery bypass surgery
- Deafness
- Heart attack
- Kidney failure
- Life-threatening cancer
- Major organ transplant
- Motor neuron disease
- Multiple sclerosis
- Paralysis
- Severe burns

\* **Important:** Refer to **Part 3 - Critical Illness Insurance coverage** of the group credit insurance certificate that you received or the model available on our website for information on the definitions and exclusions associated with each critical illness.

### Coverage 4: Accidental Dismemberment Insurance

We will pay a benefit **to your creditor** to cover the balance owed under your financing agreement if you suffer, as a result of an injury:

- **two losses** among the following:
  - loss of use of a hand
  - loss of use of a foot
  - loss of a hand and wrist joint after amputation
  - loss of a foot and ankle joint after amputation;

**OR**

- **one loss** among the following:
  - loss of vision in both eyes (a visual acuity of 20/200 or less, or field of vision of less than 20 degrees)
  - loss of speech for a period of at least 6 consecutive months
  - loss of hearing in both ears, with a hearing threshold of more than 90 decibels.

By "loss", we mean complete, permanent, incurable and irreversible loss.

### 3. How much does this group credit insurance cost?

The cost of this group credit insurance is based on:

- coverage selected; **and**
- amount of your financing agreement; **and**
- commission paid to the distributor; **and**
- term of insurance.

The cost of this group credit insurance will not change during the term of insurance. It must be paid in full upon purchase. Provincial tax applicable on insurance premiums applies.

### 4. What are the eligibility criteria for this insurance?

To be eligible for group credit insurance, you must satisfy the following conditions:

- be a natural person; **and**
- be a Canadian resident; **and**
- be the lessee(s) (as indicated in the lease agreement) or the borrower(s) (as indicated in the loan agreement) or the surety; **and**
- respect the minimum age, maximum age and maximum insurable amount requirements stipulated in sections J), K) and L) of the Insurance Application.

The term **surety** refers to the person who is contractually committed to assume the payments stipulated in the lease or the loan agreement, in the event the lessee(s) or the borrower(s) is(are) unable to.

In addition to the criteria above, the **following criteria** also apply to the purchase of **critical illness insurance and disability insurance**:

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#### 1 If you are on maternity, paternity or parental leave or pregnant (or breastfeeding) on preventive leave

In the 12 months prior to the start of your leave or preventive leave, you satisfied the **definition of “actively at work” below; and**

Were it not for your leave or preventive leave, you would have been apt to carry out the normal tasks of the occupation you had prior to your leave or preventive leave when you completed the Insurance Application.

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## 2 If you are a seasonal worker

For the **last 24 months**, you have worked in the same industry; **and**

Over the **last 12 months**, you have worked more than **10 consecutive weeks** during which you worked at least **25 hours per week**; **and**

Over the **last 12 months**, you received regular Employment Insurance (EI) benefits or EI fishing benefits; **and**

When completing the Insurance Application, you were apt to carry out the normal tasks of your occupation.

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## 3 If you are self-employed or an entrepreneur

For the **last 12 months**, you satisfied the **definition of “actively at work” below**; **and**

For the **last 12 months**, you have worked for the same company; **and**

Over the **last completed fiscal year**, the annual income of your company is at least **\$10,000, after deduction** of all operating expenses; **and**

When completing the Insurance Application, you were apt to carry out the normal tasks of your occupation.

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## 4 If situations 1 to 3 do not apply to you

For the last 12 months, you satisfied the **definition of “actively at work” below**; **and**

When completing the Insurance Application, you were apt to carry out the normal tasks of your occupation.

### Definition of “actively at work”

Your employment requires you to work a minimum of:

- 25 hours per week; **and**
- 35 weeks (consecutive or not) per year, excluding all periods during which you are not at work (e.g., unpaid leave, sick leave, disability leave).

## **5. What are the limitations and exclusions of this insurance?**

No benefit is payable if the death, total disability, critical illness or accidental dismemberment results directly or indirectly from:

- a pre-existing medical condition (However, this exclusion is voided if the event that is the subject of the claim occurs more than 18 months after the effective date of insurance.); or
- participating in a criminal act or attempting to commit a criminal offence; or
- your operating of a motor vehicle, vessel, aircraft or railway equipment if:
  - your blood alcohol level is 80 mg or higher per 100 ml of blood;
  - the concentration of a drug in your blood is equal to or higher than 5 ng of THC per ml of blood;
  - the concentration of a drug in your blood is equal to or higher than 2.5 ng of THC per ml of blood, combined with a blood alcohol level that is equal to or higher than 50 mg per 100 ml of blood;
  - the presence of any illicit substance in your blood;
  - you are taking medication whose prescription includes a warning against driving a motor vehicle.

### **For life insurance coverage only:**

No benefit is payable if the cause of death results directly or indirectly from suicide and that the death occurs in the two years following the effective date of insurance.

### **For disability insurance coverage only:**

No benefit is payable if the total disability is the direct or indirect result of:

- uncomplicated pregnancy or uncomplicated childbirth; or
- cosmetic or non-medically required surgery; or
- attempted suicide or intentional self-inflicted injury, regardless of your state of mind; or
- chronic or excessive consumption of alcohol or drugs, use of illicit drugs or substances, or misuse of medication obtained with or without a prescription, unless participating in a rehabilitation program that is approved and monitored by a physician.



### **For critical illness insurance coverage only:**

No benefit is payable if the critical illness results directly or indirectly from attempted suicide or intentional self-inflicted injury, regardless of your state of mind.

If you are diagnosed with cancer, no benefit will be payable in the 90 days following the effective date of insurance regardless of whether the cancer is covered by the policy.

Furthermore, no benefit is payable for a critical illness for which you have already been diagnosed prior to the effective date of insurance, even if you are totally recovered or in remission at the time of the effective date of insurance.

This list of exclusions is a summary and not exhaustive. For all the exclusions and limitations related to this insurance product, please consult the group credit insurance certificate model on our website.

## **6. When does temporary insurance apply?**

If you must complete a medical questionnaire after purchasing this insurance, you will be temporarily covered under all insurance coverages you have selected for the period during which we analyze your application based on the same terms and conditions as the group credit insurance certificate and the following maximum insurable amounts:

- for **life insurance** (including accidental dismemberment insurance):
  - \$150,000 if you are between 18 and 55 years of age; or
  - \$125,000 if you are between 56 and 70 years of age
- for **disability insurance**:
  - \$2,500 if you are between 18 and 59 years of age; or
  - \$1,250 if you are between 60 and 64 years of age
- for **critical illness insurance**:
  - \$50,000 if you are between 18 and 60 years of age

This temporary insurance terminates however on the earliest of the following dates:

- the 90<sup>th</sup> day following the date on which you signed the Insurance Application;
- the date on which we accept or deny your Insurance Application.

**Important:** Temporary insurance **does not apply** if you complete the Insurance Application **after** the date on which you signed the financing agreement.

# 7. What you need to know

- **Pre-existing medical conditions**

Your benefit claim could be denied if it is related to a health problem for which you were diagnosed or had symptoms in the 12 months prior to the effective date of insurance, if the event that is the subject of the benefit claim occurs in the 18 months following the effective date of insurance. Refer to the definition of pre-existing medical conditions in **Part 6 - General Provisions** of the group credit insurance certificate model on our website.



**Example:**

Effective date of insurance: September 1, 2020

Sept. 1, 2019      →      Sept. 1, 2020      →      March 1, 2022

Pre-existing medical condition	Insurance in effect
In the 12 months prior to the effective date: <b>Diagnosed or symptomatic</b>	In the 18 months following the effective date: <b>Occurrence of the event that is the subject of a benefit claim</b>

- **If more than one person signed the financing agreement**

- For life, critical illness and accidental dismemberment insurance coverages: No more than one benefit is payable and will be paid according to the order in which the claims are received.
- For disability insurance coverage: The amount of the monthly benefits cannot exceed the payment amount stipulated in the financing agreement.

- **Late payments**

The insurance benefit in no way covers payments in arrears under the financing agreement or any accrued interest thereon.

- **False declarations**

Voluntarily omitting information or providing false information could result in your benefit claim being denied and your insurance coverage being cancelled.

## 8. How to submit a claim

Call 1-877-451-3888 to obtain a benefit claims form.

In addition to the benefit claims form, you will be asked to provide all corroborating documents.

We will examine the benefit claim upon receipt and send a response within 30 days, provided all necessary documents are received.

If we deem the benefits to be payable based on the information provided, we will issue a cheque **payable to the creditor** in the 30 days following receipt of the benefit claim and send you a confirmation of benefit payment.

### Denied claim

If the benefit claim is denied, you can request a review.

To do so, you must:

- explain why you want the claim to be reviewed; and
- append all additional corroborating documents.

## 9. Your right to terminate the insurance

You may terminate your group credit insurance at any time.

You have 20 days after signing your insurance contract to cancel the coverage, without penalty. To do so, you must use the *Notice of rescission of an insurance contract* that was given to you upon signing the Insurance Application.

After this period, you must use the *Notice of termination of an insurance contract* that will be provided by the distributor. In this case, your reimbursement is calculated using one of the two methods below, depending on the creditor.

To find out your reimbursement amount, please call us at 1-877-451-3888.

## Calculation Methods:

### Method 1

Calculated according to **Rule of 78**, reduced by:

- all benefits paid under this insurance, and
- a \$125 termination fee.

OR

### Method 2

Prorated to the number of months during which the insurance was in effect.

**Rule of 78** is a standard mathematical formula used in the industry to calculate the unused portion of a premium.

It is defined as follows:

$(\text{Premium} - \text{Policy fee}) \times ((A - B) \times (A - B + 1)) / (A \times (A + 1))$ , where:

- A = term of insurance (in months)
- B = number of months during which the insurance was in effect.



### Example:

Laurence purchased life insurance coverage

- Premium (cost of insurance): **\$1,000**
- Policy fee: **\$75**
- Term of insurance: **48 months**
- Effective date of insurance: **January 1, 2020**
- Insurance termination date: **July 1, 2021**
- Number of months the insurance was in effect: **18 months**
- Termination fee: **\$125**

Premium reimbursement calculation:

$$(1\,000 - 75) \times \frac{(48 - 18) \times (48 - 18 + 1)}{48 \times (48 + 1)} - 125 = 240.75$$

The amount reimbursed is equal to **\$240.75**.

The reimbursement rules are stipulated in **Section 5 - Premium Reimbursement** of **Part 6 - General Provisions** in the group credit insurance certificate model available on our website.

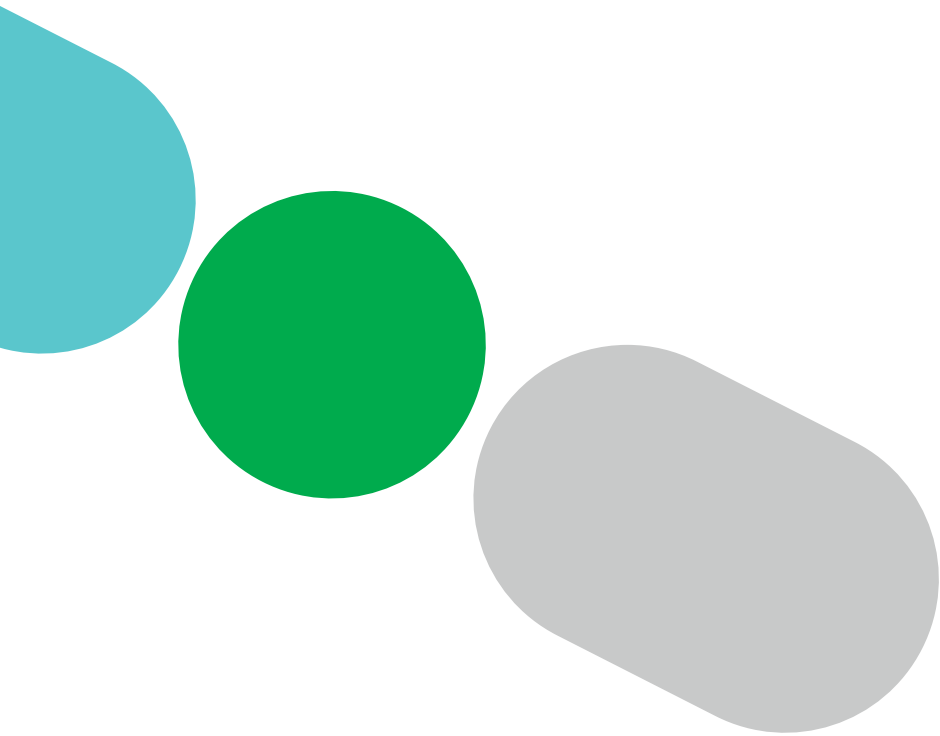
## **10. Do you have a question or a complaint ?**

For more information or to file a complaint, call us at 1-877-451-3888.

You may also file an official complaint with our Complaint Handling Department.  
To find out how, call 1-855-425-0922.

A summary of our complaint handling policy is available here:  
<https://ssq.ca/en/information-customers/complaints>.

You can also contact the Autorité des marchés financiers (AMF).



**SSQ, Life Insurance Company Inc.**

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