

**Disability Income
Additional Benefit**



**Fact
Sheet**

Nature of benefit

This additional coverage pays a non-integrated monthly benefit if the insured enters a state of total disability and remains disabled without interruption for at least the duration of the elimination period. If the policyholder is also the insured under this benefit, a reimbursement of the premiums for the policy is available in the event of the policyholder's involuntary loss of employment.

Definition of total disability

The insured will be considered to be in a state of total disability if, following illness or an accident, he or she is under the regular care of a physician and:

- a) For the initial 24 months of total disability, including the elimination period, the insured is unable to carry out the principal duties of the employment held at the onset of total disability or, in the event that the insured is unemployed, the principal duties of the last employment he or she held.
- b) Thereafter, the insured is unable to carry out any gainful employment for which he or she is reasonably suited by education, training or experience, regardless of the availability of any such employment.

During the period of total disability, the insured must not engage in any gainful activity.

Elimination period and retroactive payment

- > The elimination period is 90 days.*
- > The insured must then provide proof of his or her total disability, and payment is issued on acceptance of the claim.
- > If the benefit period selected is two or five years, the payment is retroactive to the end of the first month of total disability. The two months payable (out of three) count for two monthly benefit payments.
- > If the benefit period selected is until expiry, there will be no retroactive payment.

*If the benefit period selected is two or five years and total disability is due to an accident or associated with a hospital stay for a minimum continuous period of 72 hours, or a day surgery, an elimination period of 30 days applies and there will be no retroactive payment.

Coverage period

Depending on the option selected, one of the following:

- > 20 years
- > 25 years
- > 30 years

Maximum period of monthly benefit payments

Monthly benefits are paid for the duration of the period selected:

- > 2 years*
- > 5 years* (not available with Rent Insurance or if more than one loan is insured)
- > Until expiry of coverage under the benefit (only available for mortgage loans/lines of credits for income replacement).

*The insurer pays on a continuous or discontinuous basis** for a maximum period of either two or five years, based on the option selected for each total disability cause. If, after being considered to be in a state of total disability, an insured has held or has been able to hold any gainful occupation, and once again returns to a state of total disability for a reason different from that of any previous disabilities, the insured will again be eligible for monthly benefit payments. **The maximum number of monthly total disability payments for any of an insured's disabilities may not exceed five years (if the two-year option is selected) or seven years (if the five-year option is selected).**

**Refer to the following sections: "Successive periods of total disability resulting from the same cause" and "Successive periods of total disability resulting from different causes."

Example:

Your client purchased a Disability Income benefit with a two-year benefit period. The insured experiences several periods of total disability, as described below. In this case, the payments under the benefit would be paid out as follows:

- > First total disability resulting from an occupational burnout for a period of 30 months.
 - Benefit period: 24 months. Even though benefits have been paid out for the full two-year benefit period, the benefit remains in force, excluding occupational burnout.
 - The insured returns to work and one year later:
- > Second total disability resulting from tendinitis for a period of 12 months.
 - Benefit period: 12 months (12 months banked in the event of a recurrence or 24 months remaining under the contract)
 - The insured returns to work and six months later:
- > Third total disability resulting from back problems for a period of four months.
 - Benefit period: 4 months (20 months banked in the event of a recurrence or 20 months remaining under the contract)
 - The insured returns to work and two months later:
- > Fourth total disability, recurrence of tendinitis for a period of six months
 - Benefit period: 6 months (6 months banked in the event of a recurrence or 14 months remaining under the contract)

The insurer will pay for these four total disabilities, and the policyholder will receive a Disability Income benefit for a cumulative period of 52 months. The contract remains in force because the total benefit payment period is 60 months.

Age at issue

- > 20-year disability benefit: Age 18 to 60 inclusive
- > 25-year disability benefit: Age 18 to 44 inclusive
- > 30-year disability benefit: Age 18 to 39 inclusive
- > Age at nearest birthday

Insurance premiums

- > Rates: Male/female, standard (smoker)/preferred (non-smoker)
- > Premiums are payable until expiry of coverage under the benefit even if the basic product is Limited Premium Payment.
- > No policy fee
- > This benefit is available to companies.

Benefit amount

- **Benefit with no integration:** Financial proofs need to be submitted at subscription no further evidence or justification of income will be required when the claim is filed. Then, the amount of the benefit under the contract will be paid during the term of disability without integration.
- **Benefit with integration:** In the case of Disability income benefit taken in the concept of credit insurance with a two- or five-year benefit period, it's possible to issue the contract without financial proofs against accepting a proposal which contain a **restriction amendment**. This amendment explains that the amount of benefit paid during disability will be determined by the amount of evidence, without exceeding the amount of the benefit under the contract, and could be integrated with other insurance , if any. Here are some examples : If the loan amount at the time of a claim is less than the benefit amount stated in the contract: the delivery of the disability will be equal to the loan amount. If there are no loans in force at least 90 days before the onset of disability or at the time of claim: no benefits will be paid
- **For benefits taken with a restriction amendment,** it is possible to remove this amendment in the first year of issue by providing consistent loan of evidence. The benefit paid in a disability would be equal to the amount specified in the contract.
- For benefit period that continue until the expiry date, in income replacement or support payment or rent insurance cases, the documents are always required when the application is submitted. Consequently, the benefit is guaranteed in the event of a claim, and there is no integration of benefits.

Expiry of benefit

This benefit expires on the earliest of the following dates:

- > The end of a 20-, 25- or 30-year period, depending on the option selected by the insured.
- > Expiry of the principal benefit to which this benefit is attached.
- > The end of the benefit payment period when the maximum number of monthly total disability benefit payments has been reached (for two- and five-year options).
- > The insurance anniversary nearest to the insured's 65th birthday.
- > At death.

Successive periods of total disability due to the same cause

Any successive periods of total disability due to the same cause or to connected causes is considered as the same period of total disability, except when separated by more than three consecutive months during which the insured is not considered to be in a state of total disability.

When successive periods of total disability are considered to be the same period of total disability, as described above, the elimination period does not reapply.

However, the maximum number of monthly benefit payments for any total disability due to the same cause or to connected causes cannot exceed the maximum number of monthly benefit payments for the same total disability cause, i.e. two or five years.

Successive periods of total disability due to different causes

If, after being considered to be in a state of total disability, an insured has held or has been able to hold any gainful occupation, and once again returns to a state of total disability for a reason different from that of any previous total disabilities, the insured will again be eligible for monthly benefit payments. The elimination period reapplies. However, the maximum number of monthly benefit payments for any total disability period for a same insured cannot exceed the maximum number of monthly benefit payments, i.e. five or seven years.

Proof of disability

Proof of disability deemed satisfactory by the insurer must be presented as soon as possible after expiry of the elimination period. However, if such proof is presented later than 12 months following the onset of total disability, the disability is considered only to have begun 12 months prior to the date on which the insurer receives such proof. The insurer may, as often as it deems appropriate, require proof to its satisfaction of continuing total disability and have the insured examined by a physician of its choice.

Assignment of benefit payment form

The Assignment of benefit payment form enables the policyholder to, at the time of a claim, assign payment of the benefit to a third party, such as the insured or a financial institution. If the assignment is made in favour of a financial institution and the benefit amount is greater than the loan amount, the balance will be paid to the policyholder or the insured in accordance with the instructions indicated on the form.

If the policyholder does not complete this form at the time of claim, the disability benefit amount is payable to the policyholder.

If the policyholder is a company, no assignment to a third party may be made. This form cannot be used.

Involuntary Loss of Employment benefit

Reimbursement of total policy premiums is available in the event of the insured's involuntary loss of employment, if the insured is also the policyholder:

- Maximum of \$200 per month
- Maximum of 5 months
- Elimination period of 90 days
- Retroactive 30 days

Definition of loss of employment:

The involuntary loss of a permanent position consisting of at least 30 paid hours per week. The employment must require payment of contributions to the Government of Canada's Employment Insurance plan and entitle the insured to Employment Insurance benefits under the plan.

Furthermore, on the date on which employment is lost, the insured must have been carrying out the duties of this employment full-time for the same employer for at least 12 months. This 12-month period must immediately precede the date of involuntary loss of employment.

The Loss of Employment benefit expires when:

- The Disability Income benefit expires.
- The total reimbursement of premiums or insurance costs made for all policyholders under the contract is equivalent to five monthly premiums of a maximum of \$200 each.

Additional notes

This coverage is not available on all products.

- It is not available for last-to-die policies.

UNDERWRITING PROCEDURE	<ol style="list-style-type: none">1. Check whether the client's profession is insurable.2. Check whether the client meets the employment conditions.3. Check the maximum allowable amount in accordance with the insured amount of the principal benefit.4. Check the maximum allowable amount in accordance with the type of coverage: Loan/Credit, Rent or Income Replacement insurance.
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See clauses for more information about this benefit.

Underwriting standards

CONDITIONS OF EMPLOYMENT	<ul style="list-style-type: none"> > The insured must have permanent employment for at least one year. (Temporary employment is considered on a case-by-case basis.) > 20 hours/week > 9 months or more/year > Insurable annual income of less than \$12,000 (exception: homemaker spouse)
ELIGIBILITY	<ul style="list-style-type: none"> > Minimum: \$250 per month > Maximum: The lesser of <ul style="list-style-type: none"> • \$15/month per \$1,000 of initial insured amount • \$5,000 per month (\$2,000 if the loan is associated with a company) > When the Disability Income benefit is associated with The Provider, the insured amount is the monthly benefit payment under The Provider multiplied by the following factor: The Provider - 15 years: 125; The Provider - 20 years: 150; The Provider - 25 years: 175 > Total maximum at La Capitale: \$5,000 per month per insured. This maximum applies to this benefit, as well as others of the same type offered previously by La Capitale.
PROOF OF LOAN	<ul style="list-style-type: none"> > The loan must be granted by a recognized financial institution. > The document issued by the lending institution must indicate the names of the borrowers, the current date (no more than one year prior to the request for disability benefits), the amount of loan repayments and the balance of the loan or of the line of credit used. > Only borrowers whose name appears on the loan document are eligible for the Disability Income benefit. Exception: If the loan is in a company's name, it is acceptable for the insured to be the policyholder of the disability benefit. Refer to the following page for the standards that apply to corporate policyholders. > Proof of loan mandatory in all cases (please refer to section <i>Benefit amount</i>) Current monthly statement is acceptable in the case of a line of credit.
TYPES OF LOANS COVERED	<p>Residential mortgage loan/line of credit:</p> <ul style="list-style-type: none"> > The insured must be the owner-occupant of the mortgaged residence <p>Commercial loan/line of credit:</p> <ul style="list-style-type: none"> > Building housing a business (available only if the building is occupied by the insured or the insured's company and the income considered results from the occupation carried out at this location) > Residential building/retirement home (owner-occupant) > 4 units or fewer: Coverage possible > 5 or more units: Coverage not available, as income still received despite the insured's disability > 4 residents or fewer: Coverage possible > 5 or more residents: coverage not available, as income still received despite the insured's disability <p>Personal loans: Car, boat, recreational vehicle, renovations, student loan</p> <p>Personal line of credit</p> <p>Agricultural loan</p> <p>Car lease</p> <p>Rental lease</p> <ul style="list-style-type: none"> > Proof of lease is required at issue and must contain the name(s) of the insured(s) <p>Child support or alimony</p> <ul style="list-style-type: none"> > Spouse, spouse with child (children) or children (the youngest child must be 18 years or less) > A copy of the court ordered decision on the payable amount for child support will be required at issue.

Loan/credit insurance	
<p style="text-align: center;"><u>Eligible amount</u></p> <p>Residential mortgage loan/line of credit:</p> <ul style="list-style-type: none"> • Principal + interest + municipal and school taxes • 1% of the current balance of the line of credit + municipal and school taxes <p>> If the loan/line of credit is in the name of both insureds, the full amount may be considered for each insured.</p> <p>Other loans:</p> <ul style="list-style-type: none"> • Principal + interest • Lines of credit: 1% of the current balance of the line of credit used <p>> If one of the "other loans" is in the name of both insureds, the amount is shared by the insureds.</p> <p>Corporate policyholder:</p> <p>> If the loan is in the name of a company, it may be considered in proportion to the shares of each of the owners of the company (subject to a maximum of three owners of the company and 10 employees). The insured must play an active role in the company.</p> <p>Up to \$2,000 per month:</p> <p>Acceptable regardless of insurable monthly income and any other individual benefit or disability insurance in force or pending</p> <p>More than \$2,000 per month:</p> <p>To insure one or more loans for more than \$2,000 per month, please refer to the "Income replacement insurance" section.</p>	<p style="text-align: center;"><u>Benefit period</u></p> <p>> To cover a SINGLE loan:</p> <p>Residential mortgage loan/line of credit:</p> <ul style="list-style-type: none"> • 2 years • 5 years • On expiry <p>Other loan:</p> <ul style="list-style-type: none"> • 2 years • 5 years <p>> To cover MORE THAN one loan: Maximum duration allow on each loan.</p> <p>Example 1: Mortgage loan for \$1,000/month and car loan for \$500/month : Choice between 2 or 5 years</p> <p>Example 2: Two Mortgage loans for \$1,000/month and \$500/month : Choice between 2, 5 years or on expiry.</p> <p>> For a longer benefit period, please refer to the "Income replacement insurance" section.</p>
Rent Insurance	
<p style="text-align: center;"><u>Eligible amount</u></p> <p>Up to \$1,000* per month regardless of insurable monthly income and any other individual benefit or disability insurance in force or pending</p> <p>*If there are two insureds, the maximum eligible amount is a total of \$1,000 for both insureds.</p>	<p style="text-align: center;"><u>Benefit period</u></p> <p>Only one benefit period allowed:</p> <ul style="list-style-type: none"> • 2 years
Support Payments or Child maintenance	
<p style="text-align: center;"><u>Eligible amount</u></p> <p>Up to \$1,500 per month regardless of insurable monthly income and any other individual benefit or disability insurance in force or pending</p>	<p style="text-align: center;"><u>Benefit period</u></p> <ul style="list-style-type: none"> • 2 years • 5 years
Income replacement	
<p style="text-align: center;"><u>Eligible amount</u></p> <p>70% X insurable monthly income, less any other individual benefit or disability insurance in force or pending</p> <p>Proof of income:</p> <p>> Required when the amount applied for is higher than \$2,000</p> <p>> Employee: Copy of pay stub</p> <p>> Self-employed: Copy of last 2 years' tax returns</p>	<p style="text-align: center;"><u>Benefit period</u></p> <ul style="list-style-type: none"> • 2 years • 5 years • Until expiry <p>Note: This option is not available if the policyholder is a company.</p>

INSURABLE MONTHLY INCOME	<p>Employee</p> <ul style="list-style-type: none"> > Gross monthly income, less any income from investments, rent, capital gains, retirement pensions and any other sources.
	<p>Self-employed</p> <ul style="list-style-type: none"> > Net income from the insured's business or professional activities, as declared in the financial results for tax purposes, reduced by any income tax payable > Must have been self-employed for at least two years in the same area of activity
	<p>Farm operators</p> <ul style="list-style-type: none"> > Income considered corresponds to net income increased by 25%; however, a net income of \$0 is not eligible for disability insurance benefits
	<p>Students</p> <ul style="list-style-type: none"> > Gross monthly income for last two years. <ul style="list-style-type: none"> Graduate students (university or technical college): Eligible if working in their area of training, even if the period of employment is under one year and the annual salary is under \$12,000. > Masters and Doctorate students: May be eligible subject to certain conditions (paid research, assistant professor or any other duties), provided they devote more than 20 hours per week, more than nine months per year to such work and the annual salary is more than \$12,000.
	<p>Homemaker spouse - Please note that this occupation is eligible coverage of a residential mortgage loan/line of credit only.</p> <ul style="list-style-type: none"> > Considered based on the lesser of: <ul style="list-style-type: none"> 50% of the benefit amount granted to the wage-earning spouse Benefit of \$1,000/month
<p><i>The Company reserves the right to require proof of income at any time subject to certain conditions.</i></p>	

Addition of Disability Income benefit after issue

This benefit can be appended to the basic plan after issue.

Addition of a personal loan after issue of the mortgage loan:

If the new personal loan and the covered loan \leq \$2,000/month or less:

- If you have a Disability Income benefit in force for a period until expiry:
 - Change the benefit period to five years OR
 - Apply the income replacement insurance standards to maintain the benefit period.
- If you have a two-year or five-year Disability Income benefit in force: The benefit period of two or five years may be maintained.

If the total of the new loan + the covered loan is $>$ \$2,000/month:

- Apply the income replacement insurance standards.

Increase of the same category of loan:

If the increased loan + the covered loan \leq \$2,000/month: The Disability Income benefit may be increased while maintaining the benefit period.

If the increased loan + the covered loan $>$ \$2,000/month: Apply the income replacement insurance standards.

For any other additions or increases to the Disability Income benefit after issue, apply the income replacement insurance standards.

List of occupations eligible for monthly benefits not exceeding 24 months

BUILDING MAINTENANCE	Caretaker not working full time, exterior window cleaner (higher than second floor), supervisor
CONSTRUCTION	Antennae (demolition, erection, repair), dams, bridges (erection, structural inspection, painting), wells (drilling), electric pylons, steel structures, underground, roofing, building relocation, demolition, excavation, steel structure erector, heavy equipment operator, unskilled worker
ELECTRICAL INDUSTRY	Pylon erection and maintenance (steel frame), powerline technician
FISHERIES	Fishers who return to port every evening
HOME-BASED PERSONAL SERVICES (Separate entrance with a visible sign and coming and going of clients)	Hairstyling, aesthetics (excluding manicure), registered massage therapist
MINES, QUARRIES, MINERAL CONCENTRATION AND PURIFICATION	Except blaster or explosives worker
SECURITY (UNARMED)	
STRUCTURAL STEEL ERECTOR	
TREE MAINTENANCE	
TRUCKING	Truck owner (with or without driving) and Non-owner
WASTE/REFUSE REMOVAL	Refuse collector
WOOD INDUSTRY	Individuals living in camps (e.s. : cook, maintenance, wocker)

List of ineligible professions*

*Certain occupations not listed here may also be ineligible for the Disability Income benefit.

ALCOHOL	See "Bar Employees"
ARCADE, CONCESSIONS, AMUSEMENT PARKS	Other than owner
ARMED FORCES	All personnel
ARTIST	Actor, craftsperson, author, singer, stuntman, comedian, composer, speaker, dancer, disc jockey, writer, entertainer, dresser, make-up artist, painter, screenwriter, sculptor
ATHLETICS	See "Sports and Leisure"
AVIATION	Flight attendant, air traffic controller, pilot instructor, commercial pilot, pilot assigned to forest fire control and crop spraying
BAR EMPLOYEES	Bar, club, tavern or any other establishment where the primary business is the sale of alcohol
BOOKING AGENCY	Employees working from home part time
CAMPGROUND	Owner, employee
CHILDCARE	See "Domestic and childcare"
CHIMNEY, BELLTOWER	Erection, maintenance and repair
CIRCUS, RIDES	Employees, circus workers
COLLECTION AGENCY	Employees with duties other than strictly office or supervision work
CORRECTIONAL SERVICES	Correctional officer, primary worker
DIVER AND DIVER HELPER	
DOCKWORKER	See "Marine Industry"
DOMESTIC AND CHILDCARE	All Home-based workers for other than a recognized centre
DRIVER	Limousine, taxi, transportation of explosives or dangerous goods and float logs

EXPLOSIVES, MANUFACTURE, WAREHOUSING AND HANDLING	All factory workers, except clerical workers
EXPLOSIVE WORKER (OR BLASTER)	
FARM	All seasonal workers
FISH MARKET/PACKING PLANT	See "Meat-packing Plant"
GUARD	Forest ranger conducting aerial flights, <u>armed</u> security guard, bodyguard
HORSE RACING	Racing buggy driver, trainer, stable hand, jockey
HUNTER, TRAPPER	
INCINERATION	Other than manager or office employee
LUMBER	See "Wood Industry"
MARINE INDUSTRY	Port: dockworkers and employees other than manager or supervisor Ships, ocean-going or Great Lakes: other than manager or captain
MEAT-PACKING PLANT	Worker other than manager, supervisor and employee
MODEL	
MUSICIAN (IF THE SOLE OCCUPATION)	Other than orchestra conductor, concert musician, theatre, TV studio, member of symphony orchestra
NEWSPAPERS	Correspondent, freelance journalist, newsstand employee
OIL AND NATURAL GAS	Any worker handling explosives, heavy equipment operator, platform worker
PERSONAL SERVICES	Manicurist or any self-employed worker in the personal services industry, who does not have a separate entrance with visible sign and coming and going of clients.
PHYSICAL FITNESS	Other than manager or office employee
POLICE	Member of riot or bomb squad

PRIVATE CASINO (not regulated by the provincial or federal government)	All workers
RACING	See "Sports and Leisure"
RESIDENTIAL HOUSEKEEPING	Self-employed worker with no employees
RETAIL	Individuals working from home or door-to-door
SANDBLASTING	Cleaning of materials other than metal or glass
SEWING	Home-based employees
SPORTS AND LEISURE	Professional athlete, trainer or referee in professional sports Racing (car, boat, motorcycle, bike): driver/rider, mechanic Rodeo: Competitor Ski: Employee of ski centre not open year-round Martial arts: Other than director or office employee
TOXIC PRODUCT MANUFACTURING	Maintenance, day worker, cleaner, firefighter, unskilled worker
VIDEO GAMES	
WASTE/REFUSE REMOVAL	See "Incineration"
WOOD INDUSTRY	Forest worker, log driver, chainsaw operator, logger, skidding operator
ZOO	Animal attendant

Important Notice

In the event of any discrepancy between this fact sheet and the provisions of the contract, the latter will prevail.