

Advisor Administrative Guide

Inforce business



beneva

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This Guide applies to inforce business only. It includes the main administrative rules at Beneva Inc.

It provides a summary of the documents required to process a transaction for all **Beneva products as well as former SSQ products**. The guide has been divided into several sections for ease of reference.

We invite you to consult the Table of Contents to quickly find the section you're looking for.

Lastly, this Guide will help us achieve operational uniformity, thus ensuring quality service and compliance with recognized sound business practices.

1. Contact us

Partner Services	Toll-free: 1 877 707-7372 Opening hours: Monday to Friday from 8:30 am to 4:30 pm
Fax	Toll-free: 1 866 582-6672 Phone: 514 282-6672
Email	contratsenvigreur@beneva.ca
Website	beneva.ca
Administrative address (where to send administrative documents)	Beneva Inc. Individual insurance, Inforce business 1225 rue Saint-Charles Ouest, bureau 200 Longueuil QC J4K 0B9
Sales Office	
Quebec	Toll-free: 1 888 292-8483 Fax: 1 866 559-6871 Email: ventes.assinv@beneva.ca
Ontario, Western and Atlantic Canada	Toll-free: 1 888 429-2543 Fax: 416 928-8515 Email: sales.insinv@beneva.ca

2. Consent required - Miscellaneous transactions

Transaction	Consent required			
	Beneficiary irrevocable minor	Beneficiary irrevocable adult	Creditor	Trustee in bankruptcy
Cancellation of a policy	Note 1	Note 4 and Note 7	Note 8	Note 10
Cancellation of a policy or benefit following internal replacement	Note 1	Note 4 and Note 7	Note 9	Note 10
Cancellation of an additional benefit (AD&D, WPDI, WPDID, disability income benefit)	Note 1	Note 4 and Note 7	Note 8	Note 10
Cancellation of a main coverage	Note 1	Note 4 and Note 7	Note 8	Note 10
Policy loan	Note 1	Note 4 and Note 7	Note 8	Note 10
Transfer of a policy (policyholder change)	Note 1	Note 4 and Note 7	None	Note 10
Transfer of coverage - Division	Note 1	Note 4 and Note 7	None	Note 10
Change of beneficiary - Life insurance	Note 1	Note 4 and Note 7	Note 8	Note 11
Change of beneficiary - Critical Illness	Note 1	Note 4 and Note 7	Note 8	Note 11
Dissociation - Joint to individual	Note 1	Note 4 and Note 7	Note 8	Note 10
Exchange of life insurance	Note 3	Note 6 and Note 7	Note 9	Note 11
Reduced-paid-up	Note 1	Note 4 and Note 7	Note 8	Note 10
Reduction of face amount	Note 1	Note 4 and Note 7	Note 8	Note 10
Reduction of an additional benefit (ADD, disability benefit)	Note 1	Note 4 and Note 7	Note 8	Note 10
Conversion of Critical Illness Insurance	N/A	N/A	Note 9	Note 11
Conversion of life insurance	Note 3	Note 6 and Note 7	Note 9	Note 11

2. Required consents - Miscellaneous transactions (cont'd)

Irrevocable minor beneficiary

Note 1: Irrevocable minor beneficiaries cannot consent to a change or a transaction at any time.

Note 2: Irrevocable minor beneficiaries cannot consent to a change or a transaction on coverage with Return of Premiums.

Note 3: Irrevocable minor beneficiaries cannot give consent when the policyholder wishes to designate a different beneficiary in the new application or cancel the non-converted portion.

Irrevocable adult beneficiary

Note 4: The consent of irrevocable adult beneficiaries is required.

Note 5: The consent of irrevocable adult beneficiaries is required for policies with Return of Premiums.

Consent is not required for other coverage.

Note 6: The consent of irrevocable adult beneficiaries is required if the policyholder wishes to designate a different beneficiary for the new application or cancel the non-converted portion.

Note 7: If the beneficiary is divorced from the policyholder, the divorce papers may modify the beneficiary designation and thereby allow the change without his or her consent.

- Documents required if the divorce was decreed before June 1, 1986:
 - Interim divorce decree
 - Absolute divorce decree

Documents required if the divorce was decreed on or after June 1, 1986.

- Agreement for corollary relief
- Divorce decree
- Divorce certificate

Creditor (bank, institution, individual)

Note 8: Ask the policyholder if the creditor still has an interest in the policy:

- If so, obtain the creditor's consent.
- If not, provide the release from assignment or release form.

Note 9: Ask the policyholder if the creditor still has an interest in the policy:

- If so:
 - provide a release from assignment or release form for the old policy.
 - Provide a legal assignment for the new policy.
- If not:
 - provide the release from assignment or release form.

Trustee in bankruptcy

Note 10: Ask the policyholder if they have been released:

- If so, provide a copy of the release documents.
- If not, the transaction cannot be processed.

Note 11: Ask the policyholder if they have been released:

- If so, provide a copy of the release documents.
- If not, provide written authorization from the trustee.

3. Access to change and application forms

Beneva.ca site:

- Advisors section - Individual Insurance and Investment - Documentation Centre

4. Paramedical companies/providers

General guidelines	
MGA's responsibility (sometimes delegated to the advisor)	<ul style="list-style-type: none">• Order the basic requirements according to the grid (by age and amount) from a supplier (previously authorized by Beneva). Beneva does not cover the cost of requirements that are not mandatory (e.g.: a paramedical questionnaire ordered when not required).• Inform the client of the actions that will be taken by the paramedical organization (to prepare for them).• Advise the client to attend appointments in order to avoid additional costs.• Order the underwriter's additional requirements from the supplier.• Follow up on orders placed with the paramedical organization.
Beneva's responsibility	<ul style="list-style-type: none">• Cover the cost of mandatory requirements.• Order and follow up on the following:<ul style="list-style-type: none">- Physician's report- Investigation report- Driving record report* <p>* In Alberta: the client has to order this report (different rules in this province).</p>
Main paramedical organizations	<ul style="list-style-type: none">• Dynacare Insurance Solutions• Exam One• GHS (Global Health Solutions)• First Financial Underwriting

5. Reinsurance

General guidelines	
Definition	<ul style="list-style-type: none"> This involves Beneva (the ceding company) ceding part of the risk to a specialist company (the reinsurer).
Automatic reinsurance	<ul style="list-style-type: none"> Beneva assesses the risk according to the standards accepted by the reinsurer, and cedes the portion of the risk (by treaty) to the reinsurer without having to approve each file; the reinsurer assumes that Beneva adheres to the highest selection standards and administrative best practices. The file must be submitted to the reinsurer for approval when the risk exceeds the parameters set for automatic processing. Regular checks and balances are carried out by the reinsurer.
Optional reinsurance	<p>For a more favourable decision or due to the treaty:</p> <ul style="list-style-type: none"> Beneva uses optional reinsurance when the underwriter wants a more favourable outcome than what is dictated by the underwriting standards in force. Underwriters will only submit an application for optional reinsurance when they believe the chances of obtaining a more favourable decision for the client are good. The application will then be submitted to various reinsurers for a quote. The risk is ceded to the reinsurer who submits the best offer. Beneva uses optional reinsurance when the amount or rating exceeds the standards by treaty.
Withdrawal of an offer	<ul style="list-style-type: none"> When an unfavourable decision situation was not submitted for optional reinsurance (in order to obtain a more favourable decision), and the advisor requests it, the underwriter's initial offer is withdrawn. The decision by the reinsurer who submits the best offer will be the final one, even if the outcome is less favourable than the initial offer proposed by the underwriter.

6. Expiry date of Declarations and medical requirements

Medical declarations and requirements	Expiration date
Insurance Application declarations	<ul style="list-style-type: none"> Valid for twelve (12) months After three (3) months, a Declaration of Insurability signed by the insured and the policyowner is required. Note that all new insurance must be accompanied by a new insurance application (an application from a previous policy cannot be used).
Paramedical	<ul style="list-style-type: none"> Valid for twelve (12) months After three (3) months, a Declaration of Insurability signed by the insured and the policyowner is required.
Tele-interview	<ul style="list-style-type: none"> Valid for twelve (12) months After three (3) months, a Declaration of Insurability signed by the insured person and the owner is required.
Urine analysis	<ul style="list-style-type: none"> Valid for twelve (12) months
Blood profile	<ul style="list-style-type: none"> Valid for twelve (12) months
Electrocardiogram	<ul style="list-style-type: none"> Valid for twelve (12) months
Reinstatement form	<ul style="list-style-type: none"> Valid for six (6) months After three (3) months, a Declaration of Insurability signed by the insured and the policyowner is required.

- Medical evidence is valid for a maximum period of twelve (12) months until age 69, and for a maximum period of six (6) months after age 70. After three (3) months, a Declaration of Insurability signed by the insured person and the owner is required.
- The twelve (12)-month period is calculated from the date on which the declaration is signed or the requirement is completed. The requirement must be valid on the date the coverage takes effect or the review is approved. In order to determine whether the requirement must be ordered when sending a request for change, be sure to allow additional time for analysis of the application by underwriting as well as the receipt of *Settling requirements, inforce business*, if applicable.

Important: An underwriter may request a new medical declaration or medical requirement at any time.

7. Ratings, exclusions and deferred cases

Ratings and exclusions	
Ratings	<ul style="list-style-type: none"> The policy/coverage is automatically issued. The rating is displayed in the coverage description in UnderwritingPro (Life Suite) in the following fields: "Rating in percentage, reason for rating, rated age or permanent fixed rating".
Exclusions	<ul style="list-style-type: none"> The policy/coverage is automatically issued. "With exclusion" will be displayed in the "Details of Decision" field in the coverage description in UnderwritingPro (Life Suite).
Deferred cases	
Definition	<ul style="list-style-type: none"> A deferred case occurs when an application is denied. "Deferred" will be displayed in the "Details of Decision" field in the coverage description in UnderwritingPro (Life Suite).
Three coverage situations that can be deferred by underwriting	<ol style="list-style-type: none"> A condition that could satisfy underwriting standards within the next twelve (12) months (maximum). A medical analysis requested by the insured person's physician that was carried out within the last twelve (12) months. A medical analysis suggested by the underwriter.
The same deferred coverage situations when results are known and application and requirements are still valid	<ul style="list-style-type: none"> The advisor can forward the information to Underwriting along with the policy number. The entire application will be reviewed. In the event that the application is accepted by the underwriter, the coverage can be implemented before the application and requirements expire.
The same deferred coverage situations when results are known but the application or requirements are no longer valid, or when the coverage cannot be implemented before the expiration date.	<ul style="list-style-type: none"> A new application and new requirements are required.

8. Settling requirements

General guidelines	
Deadline	<ul style="list-style-type: none"> All settling requirements must be received within forty-five (45) days of the mailing date. This period may be shorter depending on the expiration dates of the declarations/requirements received. The deadline is indicated on the <i>Inforce Business Settling Requirements</i> that accompanies the policy/rider as well as in the "Issue and Implementation Requirements" screen in Ingenium.
Premiums required	<ul style="list-style-type: none"> Premiums must be paid on the date coverage is issued. This means that it is possible that more than one premium can be collected upon receipt of settling requirements or within a short period of time thereafter.
Effective date policy/coverage (start of coverage)	<ul style="list-style-type: none"> When an 'Amendment to the Application' or 'Declaration of Insurability' is part of the settling requirements, the effective date of the policy cannot be earlier than the date on which the document is signed. When an 'Amendment to the Application' or 'Declaration of Insurability' is not part of the settling requirements, the effective date of the policy will be the date the requirements are received by Beneva.
Modification or new information received	<ul style="list-style-type: none"> All new information received and all changes will be subject to a new insurability analysis before issue.
File closure	<ul style="list-style-type: none"> When all requirements are not received by the deadline, the underwriter's offer ceases to be valid and the file is closed without notice.
Settlement requirements received after closure	<ul style="list-style-type: none"> We cannot proceed with implementation without analysis. <ul style="list-style-type: none"> If we maintain our offer: at least a Declaration of Insurability will be required. If we do not maintain our offer: the underwriter will require a new application with updated declarations and, in some cases, new medical requirements. The underwriter will then conduct a new study of the file and their final decision may be different. <p>To avoid delays, you must respect the deadline indicated on the Settling Requirements form attached to the policy/rider.</p>

9. Transaction fees

Transaction	With fee	No fee
Addition of insured, Traditional		●
Addition of benefit, Traditional		●
Addition of benefit, Universal Life		●
Revision of rating/revision of exclusion/revision of class		●
Change to non-smoker rates, Traditional		●
Change to non-smoker rates, Universal Life	\$25	
Change to cost of insurance, Universal Life	\$25	
Change to the death benefit option, Universal Life	\$25	
Change to Face amount adjustment, Universal Life		●
Reinstatement, Traditional		●
Reinstatement, Universal Life	\$25	
Deletion (insured person or benefit)		●
Reduction of face amount		●
Conversion		●
Exchange program		●
Division	\$25 - Traditional \$50 - Universal Life Applicable fees for each insured person who withdraws from an existing policy.	
Joint to individual	\$50	
Increase of face amount without evidence of insurability		●
Adding a child: Child Plus rider/Children's Endorsement rider		●
Duplicate policy	\$25	
Policy surrender		●
Advance (loan)		●
Partial surrender, Whole Life		●
Partial withdrawal, Universal Life	\$25	
Reduced paid-up insurance		●
Returned payment (NSF)	\$25	
Banking information change		●
Billed premium change (Universal Life)		●
Policyowner change		●
Beneficiary change		●
Name change		●
Assignment of the contract		●
Revoking cession of the contract		●

10. Required signature(s) by transaction/change

Transaction	Advisor	Current owner (see table)	New owner (see table)	Irrevocable beneficiary (see table)	Mortgage Transferee signature Or retrocession	Bankruptcy Person authorized by the trustee Or discharge judgement	Insured who requests the change	Payer
Addition of an insured, Traditional	•	•					•	
Addition of a benefit, Traditional							•	
Change to non-smoker rates	•	•					•	
Revision: rating/exclusion/class	•	•					•	
Addition of a benefit, UL	•	•					•	
Change in cost of insurance cost, UL	•	•						
Change in death-benefit option, UL		•		•				
Change in face amount adjustment, UL		•						
Reinstatement, Traditional		•					•	
Reinstatement, UL		•					•	
Deletion (insured person or benefit)		•		•	•	•		
Reduction of face amount		•		•	•	•		
Conversion same face amount	•	•			•	•		
Conversion reduced face amount	•	•		•	•	•		
Exchange	•	•			•	•		
Division	•	•		•	•	•		
Joint to individual	•	•		•	•	•		
Increase of face amount without evidence of insurability	•	•						
Adding a child under Child rider/Adding a child under Children's Endorsement rider		•						
Duplicate policy		•						
Surrender		•		•	•	•		
Advance (loan)		•		•	•	•		
Partial surrender, Whole Life		•		•	•	•		
Partial withdrawal, Universal Life		•		•	•	•		
Reduced paid-up coverage		•		•	•	•		
Change to bank information/ method of payment								•
Change in billed premium (UL)		•						
Change of owner		•	•	•	•	•		
Change of beneficiary		•		•	•	•		
Change of name		•						
Assignment of the contract		•						
Revoking cession of the contract								
Verification of the existence (identity) of corporation and other entities	•	•						

10. Signature(s) required by transaction/change (cont'd)

10.1 Signature(s) and document(s) required – former and new owner(s)

Requirements for former and new owner(s) - Owner is a corporation, trust, general partnership or non-profit organization		
Entity	Signatures required	Documents required
Corporation (legal entities)	Authorized signatories must sign <ul style="list-style-type: none"> • president; • secretary of the board of directors or <ul style="list-style-type: none"> • proxyholder. 	<ul style="list-style-type: none"> • Corporate search. • Resolution when the structure is complex: <ul style="list-style-type: none"> - more than two shareholders and/or directors; - the company is owned by another company or entity; - the persons who signed do not appear in the corporate search as authorized persons.
Trust	<ul style="list-style-type: none"> • Trustees authorized under the trust deed. 	<ul style="list-style-type: none"> • Trust deed
General partnership (S.E.N.C.) (Société en nom collectif)	<ul style="list-style-type: none"> • Persons authorized according to the resolution. 	<ul style="list-style-type: none"> • The resolution.
Non-profit organizations	<ul style="list-style-type: none"> • Persons authorized according to the resolution. 	<ul style="list-style-type: none"> • The resolution.

10.2 General guidelines for irrevocable beneficiaries

General guidelines for irrevocable beneficiaries	
Divorce (Quebec)	<ul style="list-style-type: none"> • In Quebec, a divorce decree renders the irrevocable beneficiary designation null and void, unless otherwise specified in the divorce decree. If the irrevocable beneficiary's signature cannot be obtained, the divorce decree, including the accessory measures, are required.
Irrevocable beneficiary is deceased	<ul style="list-style-type: none"> • A copy of the death certificate is required.
Irrevocable beneficiary is a minor child	<ul style="list-style-type: none"> • The parent cannot sign; a court order is required.

11. Form(s) required by transaction

Transaction	Form required	Letter duly signed with instructions accepted	Copy accepted	
Addition of an insured person/benefit	Application	No	Yes	
Revision of rating/revision of exclusion/revision of class	Application	No	Yes	
Change to non-smoker rates	Request for change to non-smoker rates form (FIND0284A)	No	Yes	
Reinstatement	Reinstatement form (FIND0117A)	No	Yes	
Division	<i>Policy change without evidence of insurability (FIND0116A) and Application (FIND0035A)</i>	No	Yes	
Joint to individual		No	Yes	
Conversion		No	Yes	
Exchange		No	Yes	
Change in cost of insurance cost, UL		Yes	Yes	
Change in death-benefit option, UL		Yes	Yes	
Change in face amount adjustment, UL		Yes	Yes	
Change in billed premium, UL		Yes	Yes	
Deletion (insured person or benefit)		Yes	Yes	
Reduction of face amount		Yes	Yes	
Increase in insured capital without evidence of insurability		No	Yes	
Surrender		Request for cash value, cash advance or partial withdrawal (FIND0208A)	Yes	Yes
Advance (loan)			Yes	Yes
Partial surrender, Whole Life			Yes	Yes
Partial withdrawal, Universal Life	Yes		Yes	
Reduced paid-up coverage	Yes	Yes		
Fund transfer	Universal Life investment instructions (FIND0156A)	Yes	Yes	
Future deposits, single deposits		Yes	Yes	
Change of bank account	Cheque specimen and pre-authorized debits form (FIND0168A), if applicable	No	Yes	
Change of owner(s)	Change of owner(s) (FIND0206A)	No	Yes	
Change of beneficiary(s)	Change of beneficiary(s) (FIND0205A)	No	Yes	
Change of name	Declaration of change of name (FIND0204A)	Yes	Yes	
Assignment of contract	Contract mortgage (FIND0072A)	No	Yes	
Revoking cession of the contract	Retrocession of a policy (FIND0203A)	No	Yes	
Duplicates of policy	Declaration of loss of policy (FIND0207A)	Yes	Yes	

12. Effective date of change

General guidelines	
Change with underwriting	<ul style="list-style-type: none"> The change will take effect on the premium due date (calendar date) closest to the underwriting approval date. <p>However, the effective date of change cannot be prior to the date on which the request (form) is signed.</p> <p>If the earliest date is before the request signature date (form), the effective date of the change will be on the next date, except in the case of age conservation (see section 17 - Backdating).</p>
Change without underwriting	<ul style="list-style-type: none"> The change will take effect on the premium due date (calendar date) following the date of receipt of the duly completed, dated and signed request (form).

13. Change to non-smoker rates/Revision of rating – Revision of exclusion/ Revision of the class (12 months after issue only):

General guidelines	
Change to non-smoker rates	<ul style="list-style-type: none"> A urine test may be required for a <i>Request for change to non-smoker rates</i> (FIND0284A).
Change to non-smoker rates Revision of rating – Revision of exclusion and Revision of the class	<ul style="list-style-type: none"> For a <i>Request for change to non-smoker rates</i>(FIND0284A), <i>Request for revision of rating – Revision of exclusion or Revision of the class</i> (FIND0035A), in certain cases, a pricing rider may be requested for a question or other information missing on the application. This duly signed and dated pricing rider must be returned and approved by Underwriting before the change is applied.
Revision of exclusion or revision of the class	For any <i>Request for revision of exclusion or Revision of the class</i> (FIND0035A), a request can only be submitted twelve (12) months after issue.

14. Addition allowed by product/insurance concept

Addition allowed by product/insurance concept																
Product	Universal Life	Term 10/Term 20	Term 10 indexed	Term 70	Term Plus	Disability rider/Term/Plus Loan Insurance	Whole Life 20/Whole Life 100/Term 100	Critical Illness	ROP/only with addition Critical Illness	Critical Illness rider* with addition of life coverage	Child Plus rider (linked to LIFE coverage)	Children's Endorsement rider (linked to CI coverage)	WP	Fracture with addition of LIFE coverage	ADD with addition of LIFE coverage	General guidelines
Universal Life (January 2017 tax rules)	FS	N/A	N/A	N/A	FS	N/A	N/A	FS	FS	FS	FS	FS	FS	FS	FS	The multi-life concept is no longer available. Addition for the same insured person only.
UL Protection	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
UL Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
PACTE I and II	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Traditional policy with multi-life concept (excludes changeable premiums)	N/A	N/A	N/A	N/A	FS	FS	FS	FS	FS	FS	FS	FS	FS	FS	FS	The multi-life concept does not refer to multiple insured lives issued at the time a policy is taken out, but instead refers to a type of policy that allows the addition of one or more insured persons at a later date. Joint coverage on an individual policy allowed/individual coverage on a joint policy allowed.
Policy with changeable premiums (permanent)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Termflex	N/A	N/A	N/A	N/A	N/A	N/A	N/A	FS	N/A	N/A	FS	N/A	N/A	N/A	N/A	An increase of face amount without evidence of insurability is allowed, as stipulated in the policy provisions.
Hypotoit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	An increase of face amount without evidence of insurability is allowed, as stipulated in the policy provisions. This increase can be made on the insurance policy anniversary date only.

Key

FS: Allowed without policy fees

N/A: Not available

14. Addition allowed by product/insurance concept (cont'd)

Addition allowed by product/insurance concept																
Product	Universal Life	Term 10/Term 20	Term 10 indexed	Term 70	Term Plus	Disability rider/Term/Plus Loan Insurance	Whole Life 20/Whole Life 100/ Term 100	Critical Illness	ROP/only with addition Critical Illness	Critical Illness rider* with addition of life coverage	Child Plus rider (linked to LIFE coverage)	Children's Endorsement rider (linked to CI coverage)	WP	Fracture with addition of LIFE coverage	ADD with addition of LIFE coverage	General guidelines
Loan Insurance	N/A	N/A	N/A	N/A	FS	FS	FS	FS	FS	FS	FS	FS	FS	FS	FS	An increase of face amount without evidence of insurability is allowed, as stipulated in the policy provisions.
Term Plus	N/A	N/A	N/A	N/A	FS	FS	FS	FS	FS	FS	FS	FS	FS	FS	FS	An increase of face amount without evidence of insurability is allowed, as stipulated in the policy provisions.

Key

FS: Allowed without policy fees

N/A: Not available

15. Addition of an insured person/Addition of a benefit

Addition of an insured person/Addition of a benefit	
General guidelines	<ul style="list-style-type: none"> • No administrative fees apply to make the change. • Include an illustration with the application (not mandatory, but recommended). • If a coverage or insured person is replaced, a notice of replacement is required, according to the rules of each province. • If the new benefit is Whole Life or Universal Life, the social insurance number (SIN) is required for changes involving tax slips.
Tax rules	<ul style="list-style-type: none"> • For any addition to or increase in a life policy or addition of an insured person with evidence of insurability, the policy will be governed by the new tax rules (2017). • Note that the Child rider is considered to be an additional benefit and not a life insurance benefit.
Adding a joint coverage	<ul style="list-style-type: none"> • When adding a joint benefit to a policy with individual coverage and a policy fee of \$60 or \$75, no fee will be applied to the addition. However, when the individual coverage lapses or terminates, the policy fee will be transferred to the joint coverage.
Waiver of premiums	<ul style="list-style-type: none"> • If the policy includes a waiver of premium when an insured person is added, the insured person on file who is covered under the waiver of premium must provide new evidence of insurability by submitting a new application. This is permitted when the insured person covered by the waiver of premium is under age 55. • If the insured person who has a waiver of premium is over 55 and wishes to keep the waiver of premium on their existing policy, the addition of the insured person must be made on a new policy and the original policy will remain as is. • If the insured person who has a waiver of premium is declined by Underwriting for the waiver of premium portion, the addition of the insured person must be made on a new policy and the original policy will remain as is. If the client wishes to add an insured person to an existing policy, the waiver of premium benefit must be cancelled.
Universal Life	<ul style="list-style-type: none"> • Only when the premium payment obligation has been met can the additional premium be deducted from the accumulation fund. Otherwise, the additional premium must be paid.
Critical Illness rider 20K, Accidental Death and Dismemberment (AD&D) and Benefit in case of fracture	<ul style="list-style-type: none"> • To add one of these additional benefits, the request must be made when underwriting a new insured person or benefit for a life product through the <i>application</i> (FIND0035A). • One <i>Critical Illness</i> and <i>fracture rider</i> is permitted per insured person.

16. Temporary insurance agreement

General guidelines	
Eligibility for Temporary insurance agreement	<ul style="list-style-type: none"> • Temporary insurance agreement is offered for the addition of an insured person .
Premium	<p>The premium for the addition must be sent with the <i>application</i> (FIND0035A) and is payable by:</p> <ul style="list-style-type: none"> • Cheque: cashable on the date the application was signed. • Pre-authorized debit: available for annual and monthly payments. Complete a <i>pre-authorized debit</i> form (FIND0168A), including a cheque specimen. <p>Payment must clear upon receipt, no exceptions, otherwise the temporary insurance agreement will not be in force.</p>
When the temporary insurance agreement is not applicable due to eligibility criteria not satisfied	<ul style="list-style-type: none"> • The premium payment is cashed and will serve to activate the coverage as it is approved and the settling requirements are received. • The premium is not returned to the client. • No letter is sent to the client.
When the temporary insurance agreement is refused during the underwriting process	<ul style="list-style-type: none"> • The premium payment is retained and will serve to activate the coverage as it is approved and the settling requirements are received. • A letter is sent to the policyholder notifying them of the end of the temporary insurance agreement.
When the temporary insurance agreement automatically terminates 90 days after the signature date of the application	<ul style="list-style-type: none"> • The premium payment is retained and will serve to activate the coverage as it is approved and the settling requirements are received. • No letter is sent to the client.
When the temporary insurance agreement terminates automatically on the date a counter-offer is presented to the advisor, i.e. the client is accepted, but the policy cannot be settled immediately (settling requirements are needed).	<ul style="list-style-type: none"> • The premium payment is retained and will serve to activate the coverage once the settling requirements are received. • No letter is sent to the client.

17. Adding a child under the Child Plus rider benefit

General guidelines	
Child rider benefit issued in 1993 and after	<p>Automatic newborn protection</p> <p>This benefit allows all children born after its implementation to be added without additional premium, evidence of insurability or application to the Company.</p> <p>A child born while this benefit is in effect and who is the child of the owner, or of the owner and their spouse, is automatically an insured person under the Child Plus rider benefit as of the latest of the following dates:</p> <ul style="list-style-type: none"> • the fifteenth (15th) day following their birth; • the date of final discharge from hospital.
Child rider benefit issued before 1993	<p>Automatic coverage without evidence of insurability for newborns</p> <p>This benefit allows the addition of all children born after the addition of this benefit as of the fifteenth day following their birth if they are not still hospitalized' however, the request must be submitted to the Company before the age of six (6) months.</p> <p>Adding a child over six (6) months of age</p> <p>To add a child over six (6) months of age, evidence of insurability is required.</p> <ul style="list-style-type: none"> • Complete the Child rider/Children's Endorsement rider section of the <i>application</i> (FIND0035A). • New coverage for each child will be created and an additional premium will be required. • The child's maximum age is seventeen (17) years. • If waiver of premium coverage exists, evidence of insurability is required for this insured person.

18. Internal cancellation and replacement

General guidelines	
Issue date	<ul style="list-style-type: none"> • The policy is issued on the day closest to when the policy is approved by Underwriting. • To maintain continuity of insurance, the issue date of the new coverage and the cancellation date of the replaced coverage will have the same processing date.
Automatic backdating	<ul style="list-style-type: none"> • Solely in order to reduce age, when coverage is issued it is automatically backdated up to a maximum of thirty (30) days from the issue date. <p>Note: The issue date cannot be earlier than the premium due date of the replaced policy.</p>
Redating	<ul style="list-style-type: none"> • No redating is possible in the case of cancellations and replacements.
Signatures	<ul style="list-style-type: none"> • The signatures of all owners of the replaced policy are required. <ul style="list-style-type: none"> – When an owner's signature is missing, a letter signed by that owner will be required. • When an owner and/or irrevocable beneficiary of a replaced policy is not the owner and/or irrevocable beneficiary of the new policy, and one of the signatures is missing, a cancellation letter will be required.
Notice of replacement	<ul style="list-style-type: none"> • Each province has specific rules on prior notices of replacement. In all cases, the signatures of all owners of the replaced policy are required.
Replacing a Term Plus coverage	<ul style="list-style-type: none"> • When replacing Term Plus coverage, the disability rider and Critical Illness rider, if applicable, must also be cancelled and replaced.
Premium credit	<ul style="list-style-type: none"> • When there is a premium credit on a replaced policy, it will automatically be transferred in the new policy.

19. Redating coverage to the current date

Basic principle

Redating coverage to the current date is available only when adding an insured person or a benefit.

General guidelines

- Only one application allowed (one reissue).
- The product must still be available at the new coverage date.
- Coverage is never issued with a future date.
- No postdated cheque will be accepted.

WITH or WITHOUT changes

Return of amendment WITHOUT changes

Redating prerequisites:

- No temporary insurance agreement was in force when the insured was accepted by Underwriting.
- Not an internal replacement.
- The coverage is not yet in force.
- The application must be received by the deadline indicated in the *Settling requirements, inforce business* form.
- Settling requirements must be received by the deadline indicated (check the due date on the form accompanying the policy);
 - If a signed amendment (or Declaration of Insurability) is part of the settling requirements received, coverage will be issued on the calendar day prior to the date on which the amendment (or Declaration of Insurability) is signed. **Note that we cannot date coverage after the date of signature of the rider (or Declaration of Insurability).**
 - If no amendment (or Declaration of Insurability) has been issued initially, coverage will be issued on the day following the date of underwriting approval, provided the new date is within the time limit.

Return of amendment WITH changes

Redating prerequisites:

- No immediate term insurance was in force when the insured was accepted by Underwriting.
- The coverage is not yet in force;
- The application must be received by the deadline indicated in the *Settling requirements, inforce business* form.
- Settling requirements must be received by the deadline indicated on the form accompanying the policy.

To avoid an amendment, we suggest that the request be dated and signed by both the insured and the owner. If a cheque or pre-authorized debit accompanies the request, a quick issue can follow on the next calendar day following approval of Underwriting.

Important: Some changes require Underwriting and/or the reinsurer to take action (e.g. change of amount, change of product, etc.). In such a case, the processing time begins on the date of return to the inforce business sector.

20. Backdating coverage to save age

Basic principle

Backdating coverage is permitted to reduce the insured's age for premium calculation purposes only. Backdating is only available for the addition of an insured or a benefit.

General guidelines		
Automatic backdating	<ul style="list-style-type: none"> In order to save age, when coverage is issued it is automatically backdated up to a maximum of thirty (30) days from the issue date. 	
Eligibility criteria	<ul style="list-style-type: none"> The product has to be available on the new requested date; Not an internal replacement; The customer had to be eligible for the product when the application is signed; All premiums must be paid on the new issue date. 	
Maximum backdating date allowed, by product		
Product	New issue date following backdating	General guidelines
Permanent Life Insurance section C1 of the application (FIND0035A)	<ul style="list-style-type: none"> Maximum six (6) months before the original issue date 	<ul style="list-style-type: none"> Following backdating, when a Critical Illness rider is requested at the same time as the addition of a benefit or an insured person, a rider will be included with the coverage.
Term Life Insurance section C2 of the application (FIND0035A)	<ul style="list-style-type: none"> Maximum six (6) months before the original issue date 	<ul style="list-style-type: none"> Following backdating, when a Critical Illness rider is requested at the same time as the addition of a benefit or an insured person, a rider will be included with the coverage.
Critical Illness Insurance section C3 of the application (FIND0035A)	<ul style="list-style-type: none"> Maximum thirty (30) days before the original issue date 	<ul style="list-style-type: none"> Following backdating, a rider is included with the coverage.

21. Coverage change retroactive to the issue date

Basic principle

Change of coverage, such as changing a product or insured capital, retroactive to the issue date is available only when adding an insured or a benefit.

General guidelines		
Coverage status	Prerequisites	General guidelines
Coverage not inforce	<ul style="list-style-type: none"> The application must be received by the deadline indicated in the <i>Settling requirements, inforce business form</i>. To avoid a rider, we suggest that the application be dated and signed by both the insured and the owner. If a cheque or pre-authorized debit accompanies the request, a quick issue can follow. 	<ul style="list-style-type: none"> Only one application allowed (one reissue). If changes are again required after the reissue (application for a third (3rd) change), a new <i>application</i> (FIND0035A) will be required to confirm the client's choices.
Coverage inforce	<ul style="list-style-type: none"> Policy is returned within thirty (30) calendar days of the issue date. <p>Note: After the thirty (30) day deadline following the issue date of the policy, all policy changes will be made on the next premium due date (monthly anniversary).</p>	<ul style="list-style-type: none"> Some changes require Underwriting and/or the reinsurer to take action (e.g. change of amount, change of product, etc.). In such a case, the processing time begins on the date of return to the Inforce business sector.

22. Client's right of examination: new policy/inforce coverage

General guidelines	
Our practice (based on the text in our policy)	<ul style="list-style-type: none"> The owner is given a period of ten (10) calendar days from the delivery date to review the policy/special provisions of an addition. During this period, the owner may terminate the policy/coverage by sending written notice to that effect along with the policy. As long as the notice is received by the deadline, all premiums paid will be refunded.
Determining the delivery date	<ol style="list-style-type: none"> If the policy/coverage takes effect without settling requirements: Thirty (30) calendar days from the mailing date of the policy (information in Ingenium) When the policy/coverage was put into effect following receipt of the settling requirements: Ten (10) calendar days from the date of signing the amendment (date of signature confirms delivery date). If there is no amendment, the date appearing on any other document (e.g. date on the cheque) will be considered the policy delivery date. <p>Beyond these deadlines, there is no right of examination. The cancellation, redating or request for change will be processed in accordance with the procedures in force at the time.</p> <p>Note: When the policy/coverage is not yet in force and a change is requested, refer to the previous page's Change of Coverage Retroactive to Issue Date section.</p>

23. Reinstatement

Conditions for a reinstatement request	
Deadline to request a reinstatement	<ul style="list-style-type: none"> The request is submitted within two (2) years of the date of termination of the policy for non-payment of premium. The <i>reinstatement</i> form (FIND0117A) is required and can be completed by the client or advisor.
Payment required	<ul style="list-style-type: none"> Full payment of overdue premiums is required from the last premium paid to the reinstatement date. Payment methods include cheque, pre-authorized debit or online payment. If there is a bank return marked 'insufficient funds' on file, a fee of \$25 or \$50, as the case may be, must also be paid.
Evidence of insurability	<ul style="list-style-type: none"> Within sixty (60) days of the premium due date, upon receipt of premiums owing, the policy is reinstated without evidence of insurability. After the sixty (60) day period has expired, evidence of insurability is required from all persons who wish to reinstate their coverage. If the policy has more than two insureds, a second <i>Reinstatement</i> form (FIND0117A) must be completed. <p>In some permanent policies with an issue date of more than five (5) years, the reinstatement period without evidence of insurability is ninety (90) days. This information is available in the policy provisions.</p>
Situation when reinstatement is not possible	<ul style="list-style-type: none"> the reduced paid-up option has been exercised; the cash surrender value has been paid to the owner; an automatic premium advance has occurred; an advance was paid to the owner and the advance and interest exceed the cash value; a cancellation request on a product with no cash value has been requested.
Underwriting amendment required for underwriting process	<ul style="list-style-type: none"> In some cases, an underwriting amendment may be required for a question or other information missing from the reinstatement form. An underwriting amendment may also be required when the reinstatement application is accepted with a rating or smoker status (when the insured person was originally a non-smoker), as the client must consent to this change and to the new premium. This duly signed and dated document must be returned and approved by Underwriting before applying the reinstatement.

General guidelines for a reinstatement

Incontestability and suicide clauses	<ul style="list-style-type: none"> Provisions of the incontestability and suicide clauses resume for a period of two (2) years from the date of reinstatement.
Reinstatement request and deletion request of an insured person are submitted at the same time	<ul style="list-style-type: none"> The deletion of an insured person will be retroactive to the lapse date.
Reinstatement request with revision of rating are submitted at the same time	<ul style="list-style-type: none"> Premium arrears with additional premium must be paid until accepted by Underwriting. The new premium without additional premium/reduction of additional premium will be applied on the next premium due date (next calendar day) following the date of underwriting approval.
Reinstatement request is accepted with additional premium (no additional premium originally)	<ul style="list-style-type: none"> Premium arrears without additional premium must be paid until acceptance of underwriting. The new premium with additional premium will be applied on the next premium due date (next calendar day) following the date of underwriting approval.
Reinstatement request with a change to non-smoker rates	<ul style="list-style-type: none"> Premium arrears at the smoker rate must be paid up to the date of underwriting approval. The new premium at the non-smoker rates will be applied on the next premium due date (next calendar day) following underwriting approval date.
Reinstatement request is approved at smoker rates (non-smoker rates originally)	<ul style="list-style-type: none"> Premium arrears at the non-smoker rates must be paid up to the date of underwriting approval. The new premium at the smoker rate will be applied on the next premium due date (next calendar day) following the underwriting approval date.
Reinstatement request and Reduction in face amount are submitted at the same time	<ul style="list-style-type: none"> Premium arrears are required and must cover one (1) month's premium* at the initial face amount (before the reduction) since the insured person was covered during the thirty (30) day grace period. Subsequent premiums must be paid with the premium corresponding to the new face amount. <p>* If the payment method is annual, 1/12 of the premium is required and no adjustment factor (.09) will be applied.</p>

24. Forwarding information to a physician/another insurer

General guidelines

Disclosing test results to the client's physician	<p>If insurance is denied based on the results of the tests ordered:</p> <ul style="list-style-type: none"> We automatically send the test results to the client's physician. Allow five (5) business days following the underwriter's decision. We send the results by fax when a physician's contact details are available. <p>If the risk is rated (unless highly confidential content):</p> <ul style="list-style-type: none"> An email request from the advisor/MGA will suffice since an authorization is already in the application. Allow five (5) business days from receipt of the request. We send the results by mail when a physician's contact details are available.
Disclosing the reason to the client's physician (rating or refusal)	<ul style="list-style-type: none"> Written authorization from the client (signed and dated) is required. Allow five (5) business days from receipt of the request. A confirmation will be sent in UnderwritingPro (Life Suite) (e.g.: letter from the underwriter to the physician). In order to reduce the risk of misinterpretation, the information is always given directly to the client's physician, not the client.
Transmitting documents to another insurer	<ul style="list-style-type: none"> The other insurer must provide us with the client's authorization to do so. We will forward any information we have on file on the date the request is received. Important: Please note that if certain requirements are still pending, we will advise the other insurer to submit a new application at a later date. Allow five (5) business days from receipt of the request.
Requesting documents from another insurer	<ul style="list-style-type: none"> In general, we cannot use the documents obtained as part of an insurance application with another insurer, as content varies. Note that we have no control over the receipt of requirements requested from another insurer.

25. Deletion of an insured, a benefit or additional benefit

General guidelines	
Request for change	<ul style="list-style-type: none"> This change can be made by the policyowner (advisor intervention not required).
Request for deletion is received directly from the client	<ul style="list-style-type: none"> A notice will be sent to the agency and a period of conservation.
The primary insured person's benefit is cancelled	<ul style="list-style-type: none"> Policy fees will be transferred to the next inforce coverage (same insured person or another insured).
Mailing an amendment	<ul style="list-style-type: none"> An amendment is always sent to the owner or the agency, as the case may be.
The policy includes a loan	<ul style="list-style-type: none"> Term coverage: <ul style="list-style-type: none"> We can proceed without repaying the loan. Whole Life coverage (coverage surrender): <ul style="list-style-type: none"> If the loan is less than the cash value of this benefit, we can proceed and the client will receive the difference. If the loan is greater than the cash value of the coverage to cancel, we can proceed, however, no cheque will be issued to the client as the cash value amount will be applied as a partial repayment of the advance.
Critical Illness Insurance is cancelled	<ul style="list-style-type: none"> The Children's Endorsement rider will be cancelled when no other Critical Illness coverage is in force on the policy.
Life insurance benefit is cancelled	<ul style="list-style-type: none"> The Child rider and fracture benefit will be cancelled when no other life coverage is in force on the policy.
Loan Insurance or Term Plus is deleted	<ul style="list-style-type: none"> The disability rider will be cancelled as this rider is directly linked to the life insurance coverage and cannot stay in the contract alone.
Additional benefit (Accidental Death & Dismemberment, Critical Illness rider, ROP or monthly indemnity)	<ul style="list-style-type: none"> When additional coverage such as accidental death & dismemberment (ADD), Critical Illness rider, return of premium (ROP) or monthly indemnity is linked to coverage that will be cancelled, the additional coverage will also be cancelled.
Annual payment: Premium refund	<ul style="list-style-type: none"> The prorated annual premium will be reimbursed from the next calendar day following the date of receipt of the duly completed request. If the annual premium has not been paid and the deletion request is received after the due date (anniversary date). 1/12 of the original annual premium, based on the number of unpaid months, is required prior to deletion (insured was covered with the original coverage during this period) and 11/12 of the balance of the new annual premium, after the change. If the annual premium was paid: the deletion will take place on the calendar day following receipt of the request and a refund cheque will be sent to the client.
Monthly payment	<ul style="list-style-type: none"> When the deletion request is received before the premium due date and the monthly premium has already been removed from the client's account, a premium credit will be applied to future premiums. When the deletion request is received and the premium has not been paid, the premium before the deletion is required since the insured was covered during the thirty (30) day grace period. Subsequent premiums must be paid with the premium corresponding to the new face amount.
Universal Life	<ul style="list-style-type: none"> When an insured person is removed from a Universal Life policy, the costs of the primary insured person are transferred to the subsequent Universal Life coverage. If no subsequent Universal Life coverage exists, the Universal Life policy will be terminated and the Traditional coverage that remains in force will be issued on a new policy with the primary insured person's fees (based on the original version of the benefit being transferred).

26. Reduction in face amount

General guidelines	
Request for change	<ul style="list-style-type: none"> This change can be made by the policyowner (advisor intervention not required).
Request for reduction in face amount is received directly from the client	<ul style="list-style-type: none"> A notice will be sent to the agency and a period of ten (10) calendar days will be granted for conservation.
Minimum face amount	<ul style="list-style-type: none"> The minimum face amount allowed for a reduction must be respected (consult the product guide).
Benefit to be reduced includes an indexation	<ul style="list-style-type: none"> When the reduced benefit includes indexation, it will be automatically cancelled.
Policy includes a loan	<ul style="list-style-type: none"> Term benefit: <ul style="list-style-type: none"> We can proceed without repaying the loan. Whole life benefit (reduced coverage) <ul style="list-style-type: none"> If the loan is less than the cash surrender value of the coverage that will be reduced, we can proceed and the client will receive the difference. If the loan is greater than the cash surrender value of the coverage that will be reduced, we can proceed, however no cheque will be issued to the client as the amount of the cash value amount will be applied as a partial repayment of the advance.
An indemnity is linked to the reduced coverage	<ul style="list-style-type: none"> The amount of the indemnity must not exceed 1.5% of the new face amount.
Annual payment: Premium refund	<ul style="list-style-type: none"> The prorated annual premium will be reimbursed from the next calendar day following the date of receipt of the duly completed request. If the annual premium has not been paid and the reduction request is received after the due date (anniversary date). 1/12 of the original annual premium, based on the number of unpaid months, is required prior to the reduction (insured person was covered with the original coverage during this period) and 11/12 of the balance of the new annual premium, after the change. If the annual premium was paid: the reduction will take place on the calendar day following receipt of the request and a refund cheque will be sent to the client.
Monthly payment	<ul style="list-style-type: none"> When the reduction request is received before the premium due date and the monthly premium has already been removed from the client's account, a premium credit will be applied to future premiums. When the reduction request is received and the premium has not been paid, the premium before the reduction is required as the insured person was covered during the thirty (30) day grace period. Subsequent premiums must be paid with the premium corresponding to the new face amount.

26.1 Universal Life General guidelines

Surrender charges may apply when there is a reduction in face amount on a Universal Life policy.

Refer to the table below.

Surrender charges: reduction in face amount on Universal Life	
Product	Partial surrender charges
Universal Life Insurance	<ul style="list-style-type: none"> YRT cost of insurance Partial surrender charges apply during the first five (5) years of the coverage. Surrender charges will be determined with the new minimum premium, multiplied by a surrender factor. Note: Partial surrender charges are deducted from the accumulation fund. T100 insurance cost No fees.
UL Protection	<ul style="list-style-type: none"> No reduction is allowed during the first five (5) years of the coverage. Therefore, available from the 6th year of the policy, free of charge.
UL Investment	<ul style="list-style-type: none"> Partial surrender charges apply during the first five (5) years of the coverage. Surrender charges will be determined with the new minimum premium, multiplied by a surrender factor. Note: Partial surrender charges are deducted from the accumulation fund.
PACTE I and II	<ul style="list-style-type: none"> No fees.
Bastion	<ul style="list-style-type: none"> No fees.

27. Conversion

General guidelines	
3 types of conversion possible	<ol style="list-style-type: none"> 1. Conversion of term coverage to a permanent product. 2. Conversion of a Critical Illness Insurance plan to a level Critical Illness product. 3. Conversion of an insured person from the Child rider to a permanent product.
4 conversion options	<ul style="list-style-type: none"> • Total conversion on the existing policy • Total conversion on a new policy • Partial conversion on the existing policy* • Partial conversion on a new policy* <p>* During a partial conversion, the client has the option to keep or cancel the face amount difference on the term policy.</p>
Effective date	<ul style="list-style-type: none"> • The change will be made on the premium due date nearest the receipt of the request.
Owner(s) of a new policy	<ul style="list-style-type: none"> • If the conversion is requested on a new policy, the owner will be the same by default. However, when the owner of a new policy is not the same, refer to the situation below for the requirements needed to make the change. These forms are required in addition to the <i>Policy change without evidence of insurability form (FIND0116A)</i>. <ul style="list-style-type: none"> - When the conversion is for a single insured person and the initial policy remains in force: A new application is required in order to confirm the new owner(s), address of the owner(s), verification of the identify of the owner(s), verification of the identification of the payer of premiums (if different), the beneficiary(ies) and information about the premium payment. - If the conversion is for the entire policy: A change of owner form is required (mention of 'conversion' in the policy number section). If the payor of premiums is different than in the original policy, submit a <i>Pre-authorized debits form (FIND0168A)</i> and a cheque specimen. <p>Note: We also accept an application in order to confirm the new owner(s), address of the owner(s), verification of the identify of the owner(s), verification of the identification of the payor of premiums (if different), the beneficiary(ies) and information about the premium payment.</p>
Suicide and incontestability clauses	<ul style="list-style-type: none"> • Regarding the suicide and incontestability clauses, the effective date of the new coverage remains the original effective date of the old policy and/or coverage (policy date). • However, if a reinstatement has been carried out on the file being converted, the effective date is the date of acceptance by Underwriting of the last reinstatement carried out on the file.
Premiums required for a conversion	<ul style="list-style-type: none"> • When the premium payment frequency is annual or semi-annual: the difference in premium must be paid by cheque, online payment or bank withdrawal (<i>Pre-authorized debits form (FIND0168A)</i> and a cheque specimen are required). • When the premium payment frequency is monthly: the difference in premium may be deducted from the same bank account associated with the policy number or from a new bank account (<i>Pre-authorized debits form (FIND0168A)</i> and attach a cheque specimen).

27. Conversion (cont'd)

27.1 Conversion of term coverage

General guidelines	
Conversion of individual term coverage	<ul style="list-style-type: none"> • Conversion of individual term coverage (or a policy) is allowed to an individual permanent product such as a T100, Whole Life or Universal Life for an equal or lower death benefit. • If a conversion to a new policy and additional benefit (Child rider, ADD, monthly indemnity, fracture, etc.) is in force on the original policy, the additional benefit will be automatically cancelled. <p>Note: We cannot keep a policy in force when the only benefit is a additional benefit.</p>
Tax rules	<ul style="list-style-type: none"> • For a conversion from term insurance to permanent insurance, the policy will be governed by the new tax rules (2017).
Conversion of Joint first to die term coverage	<ul style="list-style-type: none"> • Conversion of joint term coverage is allowed to: an individual permanent product for each insured person for a maximum of 50% of the face amount per insured person. • Conversion from Joint first to die to Joint first to die or Joint last to die must be submitted to Actuarial before approval. Joint last to die to Joint last to die, a validation must be made with Beneva if a quote is required.
Increase in face amount requested	<ul style="list-style-type: none"> • A new application with evidence of insurability is required. • Additional separate coverage will be added to the policy at the premium due date (next calendar day), following the date of approval by Underwriting.
New policy New coverage	<ul style="list-style-type: none"> • The new policy/new coverage will be issued at the attained age with the rates and products in force at the time of conversion, according to the same risk class and smoker/non-smoker status of the insured person at the time they took out their term insurance.
Conversion expiry date	<ul style="list-style-type: none"> • Refer to Ingenium for the conversion expiry date. Menu: Advisor access/<i>Information about the policy/Coverage description link/Additional coverage information section/see Conversion expiry date column.</i>
Waiver of premium	<ul style="list-style-type: none"> • The waiver of premiums benefit is not a convertible benefit. • If the client who holds the waiver of premium benefit wishes to keep it, they must provide new evidence of insurability by submitting a new application.
Critical Illness rider \$20,000	<ul style="list-style-type: none"> • When the Critical Illness rider \$20,000 is attached to the term benefit that will be converted, the client has the option of maintaining the rider in force following conversion, under the continuation privilege.
Whole Life and Universal Life Universal Life only	<ul style="list-style-type: none"> • The social insurance number (SIN) is required for changes that require tax slips to be issued. • The Conversion to Universal Life insurance section on the <i>Policy change without evidence of insurability</i> form (FIND0116A) must be completed for Universal Life product specifics, such as cost of insurance, type of death benefit, new billing premium, investment options and percentage split. The face amount adjustment option will be 'no increase' by default. • A signed illustration is required. • The financial security advisor/representative must complete the section on <i>Third party determination</i> (FRA1861A) and if applicable, identify the third party on the <i>Policy change without evidence of insurability</i> form (FIND0116A), in accordance with the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i> and its regulations.

27. Conversion (cont'd)

27.2 Conversion of a Critical Illness benefit

General guidelines	
Conversion of a Critical Illness coverage	<ul style="list-style-type: none"> Conversion of a Critical Illness coverage (or a policy) is allowed to a level Critical Illness benefit for an equal or lesser face amount.
Increase in face amount requested	<ul style="list-style-type: none"> A new application with evidence of insurability is required. Additional distinct coverage will be added to the policy at the premium due date (next calendar day), following the date of approval by Underwriting.
New policy New coverage	<ul style="list-style-type: none"> The new policy/new coverage will be issued at the attained age according to the same risk class and smoker/non-smoker status of the insured person at the time they took out Critical Illness coverage. Conversion will always be made in the same category as the initial product (e.g.: from Enriched to Enriched). Conversion will always be made in the same generation (version) of the initial product (e.g.: May 2010 version to 2010 version).
Conversion expiry date	<ul style="list-style-type: none"> Refer to Ingenium for the conversion expiry date. <p>Menu: Advisor access/Information about the policy/Coverage description link/Additional coverage information section/see conversion expiry date column.</p>
Waiver of premium	<ul style="list-style-type: none"> An insured person may convert the <i>Waiver of premium in case of disability</i> benefit (FIND0016A), provided they are not declared disabled at the time of the conversion request. Complete section B-2 of the form (FIND0116A).
ROP on death	The ROP death benefit cannot be added at the time of conversion even with evidence of insurability. However, if the benefit is in force, it will be retained on the existing or new policy, unless otherwise indicated.
ROP at expiry ROP on cancellation or at expiry	<ul style="list-style-type: none"> The ROP benefit on expiry or ROP on cancellation or at expiry may be added at the time of conversion. If these benefits are in force, they will be retained unless otherwise indicated.
Children's Endorsement rider	<ul style="list-style-type: none"> No evidence of insurability is required to keep the Children's Endorsement rider.

27.3 Conversion of an insured under the Child rider

General guidelines	
Issue of the new benefit	<ul style="list-style-type: none"> Conversion of coverage is on the same policy or on a new policy to a permanent product.
Maximum sum insured	<ul style="list-style-type: none"> The insured person is eligible for five (5) times the face amount with a maximum of \$50,000 or \$100,000, depending on the version of the coverage.
Conversion expiry date	<ul style="list-style-type: none"> The request must be made before the earliest of: <ul style="list-style-type: none"> the policy anniversary date nearest the insured person's 25th birthday; the day the insured person gets married; the termination date of the coverage.
Rates	<ul style="list-style-type: none"> Conversion is always made at the smoker rate. If the client wants non-smoker rates, a new <i>application</i> (FIND0035A) with evidence of insurability is required. Refer to the <i>Changes requiring evidence of insurability</i> section, under <i>Change to non-smoker rates</i>.
Extreme disability benefit (EDB)	<ul style="list-style-type: none"> The extreme disability benefit (EDB) is not available for conversion of the Child rider.

27. Conversion (cont'd)

27.4 Rules for conversion with age conservation

General guidelines																			
Total conversion with age conservation	<ul style="list-style-type: none"> • The change will be made on the premium due date (day) closest to the date of receipt of the request. • A conversion with age conservation will be done on request only (submit an illustration with saved age). • Life insurance: backdating maximum six (6) months. • Critical Illness Insurance: backdating maximum thirty (30) days. 																		
Example of total conversion with age conservation	<table border="1"> <thead> <tr> <th colspan="2">Example of total conversion with age conservation:</th> </tr> </thead> <tbody> <tr> <td>Effective date of conversion prior to age conservation request</td> <td>April 15</td> </tr> <tr> <td>Effective date requested for age conservation</td> <td>January 15</td> </tr> <tr> <td>Premiums required for the new coverage issued on January 15</td> <td>January, February, March and April</td> </tr> <tr> <td>Premiums collected on the former benefit to be credited to the new benefit.</td> <td>January, February, March and April</td> </tr> </tbody> </table>	Example of total conversion with age conservation:		Effective date of conversion prior to age conservation request	April 15	Effective date requested for age conservation	January 15	Premiums required for the new coverage issued on January 15	January, February, March and April	Premiums collected on the former benefit to be credited to the new benefit.	January, February, March and April								
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Conversion with age conservation AND face amount reduction	<table border="1"> <thead> <tr> <th colspan="2">Example of conversion with age conservation AND reduction:</th> </tr> </thead> <tbody> <tr> <td>Originally scheduled effective date of conversion and reduction</td> <td>April 15</td> </tr> <tr> <td>Effective date requested for age conservation</td> <td>January 15</td> </tr> <tr> <td>Original face amount</td> <td>\$200,000</td> </tr> <tr> <td>New face amount</td> <td>\$50,000</td> </tr> <tr> <td>Premium required for the new benefit with reduced face amount of \$50,000 issued on January 15</td> <td>January, February, March and April</td> </tr> <tr> <td>Premiums credited under the benefit equal to reduced face amount of \$50,000</td> <td>January, February, March and April</td> </tr> <tr> <td>Premiums retained on \$150,000 difference in face amount since January</td> <td>January, February, March and April</td> </tr> <tr> <td></td> <td><i>Note: The insured person was covered for \$200,000 until April 15</i></td> </tr> </tbody> </table>	Example of conversion with age conservation AND reduction:		Originally scheduled effective date of conversion and reduction	April 15	Effective date requested for age conservation	January 15	Original face amount	\$200,000	New face amount	\$50,000	Premium required for the new benefit with reduced face amount of \$50,000 issued on January 15	January, February, March and April	Premiums credited under the benefit equal to reduced face amount of \$50,000	January, February, March and April	Premiums retained on \$150,000 difference in face amount since January	January, February, March and April		<i>Note: The insured person was covered for \$200,000 until April 15</i>
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28. Exchange program for Term 10 coverage

Basic principle

The exchange program makes it possible to exchange a Term 10 benefit for a Term 20 or Term 70 benefit at the insured person's attained age with the rates in effect at the time of exchange, without evidence of insurability.

Term 10 benefit exchange program criteria	
Available period	<ul style="list-style-type: none"> • Available for Term 10 coverage purchased on or after January 1, 2011. • Available as of the 1st anniversary and before the 5th anniversary of Term 10 coverage.
Exchange options	<ul style="list-style-type: none"> • Term 10 to Term 20 (individual coverage, multi-life and joint). • Term 10 to Term 70 (individual coverage and multi-life only). <p><i>Standard, privileged and rating cases are eligible.</i></p>
Maximum issue age	<ul style="list-style-type: none"> • Term 20: Age 65 • Term 70: Age 60 <p><i>Age to nearest birthday.</i></p> <p><i>Backdating to save age is not allowed with this program.</i></p>
Insurance amount	<ul style="list-style-type: none"> • The new insurance amount cannot exceed the amount of insurance of the original coverage, unless an application with evidence of insurability is submitted. <ul style="list-style-type: none"> - Increase in amount of insurance: the excess amount will be treated as an addition, under separate coverage. - Decrease in amount of insurance: a partial exchange is accepted; however, no Term 10 coverage can remain in force. Therefore, the T10 coverage will be reduced and the difference will be cancelled or converted. <p><i>The new insurance amount must respect the minimum amount allowed for the Term 20 or Term 70 product.</i></p>
Rates	<ul style="list-style-type: none"> • Rates are based on the insured person's attained age at the time of the exchange and depending on the risk class of the initial coverage (all ratings or exclusions continue to apply with the new coverage). • Renewal rates will be those of the new term insurance coverage.
Additional benefits	<ul style="list-style-type: none"> • The exchange will be made on the existing policy and the additional benefits will be retained (without evidence of insurability), unless otherwise indicated. <ul style="list-style-type: none"> - Critical Illness rider (\$20,000) - Waiver of premiums in the event of total disability - Child Plus rider - Total disability rider (options with guarantee and without guarantee) - Accidental death and dismemberment - Benefit in case of fracture
New coverage provisions	<ul style="list-style-type: none"> • The date of the new policy and/or benefit will be equal to the cancellation date of the old policy and/or guarantee. • The new coverage will keep the conversion to permanent coverage option.
Suicide and incontestability clauses	Provisions of the incontestability and suicide clauses apply from the effective date of Term 10 coverage or the last date of reinstatement or change to Term 10 coverage and will not be extended.
Exclusions and limitations	<ul style="list-style-type: none"> • The Term 10 coverage with indexation privilege is excluded from the exchange program. • The Term Plus 10 coverage is excluded from the exchange program.

29. Exchange program for Term Plus fixed benefit

Basic principle

The exchange program allows you to exchange a Term Plus fixed benefit only for a Term Plus fixed benefit for a longer term.

Term Plus fixed benefit exchange program criteria	
Eligibility period	<ul style="list-style-type: none"> • Available for Term Plus fixed coverage purchased from the October 2019 version. • Available as of the first (1st) anniversary and before the fifth (5th) anniversary of Term Plus coverage.
Exchange options	<ul style="list-style-type: none"> • Term Plus 10 to T15, T20, T25, T30, T35, T40 • Term Plus 15 to T20, T25, T30, T35, T40 • Term Plus 20 to T25, T30, T35, T40 • Term Plus 25 to T30, T35, T40 • Term Plus 30 to T35, T40 • Term Plus 35 to T40 <p>Standard, privileged and rating cases are eligible.</p>
Maximum enrolment age	<ul style="list-style-type: none"> • The standard maximum enrolment age for each term applies. • Backdating to save age is not allowed with this program. • Age to nearest anniversary.
Amount of insurance	<ul style="list-style-type: none"> • The new amount of insurance cannot exceed the amount of insurance of the original coverage, unless an application with evidence of insurability is submitted. <p>Increase in amount of insurance: the excess amount will be treated as an addition, under separate coverage.</p> <p>Decrease in amount of insurance: a partial exchange is accepted, however, no Term Plus coverage can remain in force. Therefore, the initial coverage will be reduced and the difference will be cancelled.</p> <p>The new amount of insurance must respect the minimum amount allowed for the product.</p>
Rates	<ul style="list-style-type: none"> • Rates are based on the insured's attained age at the time of the exchange and depending on the risk class of the initial coverage (all ratings or exclusions continue to apply with the new coverage). • If the face amount of the new Term Plus benefit is less than \$2,000,001 for 18 to 50 year olds, there is no risk class. • Renewal rates will be those of the new term insurance coverage.
Additional benefits	<ul style="list-style-type: none"> • The following additional benefits, if issued with the initial coverage, can be retained with the new coverage without evidence of insurability: <ul style="list-style-type: none"> - total disability rider (options with guarantee and without guarantee); - Critical Illness rider (\$20,000, three (3) of the most common illnesses); - waiver of premiums in the event of total disability; - Child plus rider (life insurance for dependent children); - accidental death & dismemberment; - benefit in case of fracture.
New contract provisions	<ul style="list-style-type: none"> • Provisions of the incontestability and suicide clauses apply from the effective date of Term Plus initial coverage or the last date of reinstatement or change to Term Plus coverage. These provisions will not be extended due to the exchange. • The new coverage retains the right of conversion to permanent life insurance.
Exclusions and limitations	<p>In the case of total disability covered by a waiver of premium, the exchange option is not offered.</p> <ul style="list-style-type: none"> • Exchanges are not allowed on the Term Plus product with decreasing amount of insurance. Available on individual, multi-life and joint 1st to die policies. • Term Plus riders purchased with the Universal Life product are excluded from the exchange program. • Partial exchanges are not allowed. In the event of an exchange of a lesser initial amount of insurance, the remaining amount of insurance will lapse or be converted. • The new coverage will contain no other exchange privileges.

30. Division of multi-life or multi-insureds coverage

Basic principle

A split policy makes it possible to keep one or more insured persons on the existing policy and issue a new policy with **with all the coverage of the insured person** who withdrew from the original policy.

Coverage on the new policy will be a carbon copy of the original coverage; same issue date, same premium rate, same product and same issue age. In the case of Universal Life, investment funds will be transferred pro rata to the new policy.

Fees on the new policy will be adjusted for the primary insured person according to the individual policy fees for the benefit at the date of issue of the original policy.

General guidelines for insured person withdrawing from and the insured person remaining on the original policy	
Insured withdrawing from original policy	<ul style="list-style-type: none"> In addition to a <i>Changes to policy not requiring evidence of insurability</i> form (FIND0116A), a new application is required for the insured withdrawing from the policy, without completing the personal and medical history sections. <p>Note: A new application is required in order to confirm the new owner(s), address of the owner(s), identity of the owner(s)/payor of premiums, beneficiary(ies) and information about the premium payment.</p>
Insured remaining on original policy	For the insured person who remains on the original policy, if there is a change of owner(s) and/or designation of beneficiary(ies), payor of premiums, complete the forms required for this purpose.

31. Change from joint to individual

Basic principle

Joint coverage will be replaced by new individual coverage for each insured, **at the attained age** and at the rates in effect at the time of the change.

General guidelines	
Determine if the option is available	<ul style="list-style-type: none"> Refer to the policy clauses to determine if the partner to individual option is available.
Forms	<ul style="list-style-type: none"> In addition to the <i>Change to policy not requiring evidence of insurability</i> (FIND0116A) form, a new application is required for each insured withdrawing from the joint coverage, without completing the personal and medical history sections. <p>Note: A new application is required in order to confirm the new owner(s), address of owner(s), identity of owner(s)/payor of premiums, beneficiary(ies), coverage and information about the premium payment.</p>
Illustration	<ul style="list-style-type: none"> An illustration is not mandatory, but recommended.
New coverage or new policy	<ul style="list-style-type: none"> The premium for the new coverage is calculated according to the Company's rate in force at the attained age on the effective date of the new coverage and the same insured risk class as the current coverage.
Tax rules	<ul style="list-style-type: none"> The new policies will be governed by the new tax rules (2017).
Original joint coverage	<ul style="list-style-type: none"> The original coverage will be cancelled as soon as the new individual coverage is issued. When this privilege is exercised, the joint coverage is cancelled.
New face amount for each insured	<ul style="list-style-type: none"> The face amount for each insured person will be prorated to the total face amount, divided by the number of insured persons. <p>Example:</p> <p>Before: joint coverage: 2 insured persons, \$100,000 face amount</p> <p>After: 1 individual coverage at \$50,000 for each insured person</p>
Additional benefits	Additional benefits, such as waiver of premium and disability rider (monthly indemnity), can be transferred to the new policy at the rates in effect at the time of the change.
Entry into force of the suicide and incontestability clauses	<p>The suicide clause starts again on the original date of the new coverage. For the incontestability clause, the effective date of the new coverage remains the original effective date of the original coverage.</p> <p>However, if a reinstatement was made in the original file, the effective date is the underwriting acceptance date of the last reinstatement made in the file.</p>

32. Increase of face amount without evidence of insurability

Increase without evidence of insurability: Term Plus, Loan Insurance, Termflex, Hypotôit	
General guidelines applicable to all types of increase	<ul style="list-style-type: none"> The amount of increase must be specified for each insured person on the <i>Change to policy not requiring evidence of insurability</i> form (FIND0116A). All relevant documents (e.g. proof of loan) must be included with the request for increase, except Hypotôit. The insured person cannot be disabled on the date of the change. The difference in premium is required, either by cheque when the premium payment frequency is annual or semi-annual, or by pre-authorized debit.
Term Plus or Loan Insurance: increase of face amount	<ul style="list-style-type: none"> This option must be exercised within sixty (60) days of obtaining a new loan or an increase in the existing loan or one of the life events specified in the policy clause. The total of all increases must not exceed the lesser of 25% of the sum insured at policy issue or \$100,000. For all requests, a minimum increase of 25% must represent at least \$5,000.
Term Plus or Loan Insurance: increase in monthly indemnity	<ul style="list-style-type: none"> This option must be exercised at the same time as the increase of face amount for Term Plus or Loan Insurance. The increase in indemnity will then be proportional to the increase granted in life insurance.
TermFlex: increase in insured capital	<ul style="list-style-type: none"> This option must be exercised within sixty (60) days of obtaining a new mortgage or increasing the existing loan. The total of all increases must not exceed the lesser of 25% of the sum insured at the issuance of the policy or \$100,000 or the actual increase of the loan or the amount of the new loan. A document from the financial institution is required confirming the amount of the original residual loan, the amount of the new loan and the date of the new mortgage. The new loan must not be part of a line of credit. <p>Example: calculating the amount eligible for an increase</p> <ul style="list-style-type: none"> initial face amount: \$150,000 remaining balance of initial loan (evidence received): \$120,000 new mortgage loan (evidence received): \$175,000 Maximum increase allowed: \$37,500 (150 X 25%) <p>The client is covered for an amount of \$157,500 (balance remaining of \$120,000 plus maximum increase of \$37,500). A rider with signature will be required.</p>
Hypotoit: monthly indemnity increase	<ul style="list-style-type: none"> This option must only be exercised within thirty (30) days of the policy's anniversary date. The increase granted must not exceed 15% of the monthly indemnity initially provided for in the policy. The total of all increases must not exceed 50% of the monthly indemnity initially provided for in the policy.

33. Universal Life – Change in the cost of insurance

Since September 2016, it is no longer possible to make a cost change with evidence of insurability.

Change to cost of insurance (only available without evidence of insurability)		
Product	Change	Important information
Universal Life	YRT to T100	Only when death benefit is increasing*
UL Protection	not applicable	
UL Investment	YRT to T20-TRA	Only when death benefit is increasing*
	YRT 85/20 to T20-YRT	Only when death benefit is increasing*
	YRT to T100	Only when death benefit is increasing*
PACTE I and II	YRT to T100	No change allowed on indexed policy. Pacte II only: if the policy includes a conversion rider, no changes are allowed.
	Fortify	not applicable

* When the death benefit option is 'level', a change to the 'Increasing' option must be requested at the same time.

Note: The amount of net capital at risk remains the same (initial face amount minus the accumulation fund).

When the cost of insurance changes to T100 on the life of a child, the Critical Illness and guaranteed insurability benefits are automatically cancelled.

General guidelines	
Billed premium	<ul style="list-style-type: none"> Confirmation of the new billing premium is required on the <i>Change to policy not requiring evidence of insurability</i> form (FIND0116A). If no information is indicated, the billing premium will remain unchanged. When the value of the accumulation fund is insufficient to cover the new cost of insurance, the agency will be contacted to obtain the client's consent to increase the premium.
Confirmation	<ul style="list-style-type: none"> When the change is made, a new special provision will be issued with details of the new cost of insurance and billing premium.
Net amount at risk	<ul style="list-style-type: none"> When the cost of insurance is changed, the net amount at risk remains the same. The "net amount at risk" represents the initial amount insured less the accumulation fund.

34. Universal Life - Change in capital adjustment option

General guidelines	
The following changes are allowed (one sole option per policy)	<ul style="list-style-type: none"> Change from the <i>Maximizer</i> option to the <i>Increase</i> option Change from the <i>Increase</i> option to the <i>No increase</i> option Change from the <i>Maximizer</i> option to the <i>No increase</i> option Change from the <i>Increase</i> option and reduced to the <i>No increase</i> option
Effective date	<ul style="list-style-type: none"> The change will be made on the day of receipt of the request.

35. Change in death benefit option (only without evidence of insurability)

Product	Change	Important information
Universal Life	<ul style="list-style-type: none"> From Level to Increasing (YRT cost of insurance only). From Increasing to Level (YRT cost of insurance only). No change possible when the cost of insurance is T100. 	<ul style="list-style-type: none"> When changing from Level to Increasing, face amount will be reduced to the amount at risk*.
UL Protection	<ul style="list-style-type: none"> No change 	<ul style="list-style-type: none"> The only option is Increasing.
UL Investment	<ul style="list-style-type: none"> From Level to Increasing (YRT cost of insurance only). From Increasing to Level (YRT cost of insurance only). No change possible when the cost of insurance is T100 or YRT85/20. 	<ul style="list-style-type: none"> When changing from Level to Increasing, face amount will be reduced to the amount at risk*.
PACTE I and II	<ul style="list-style-type: none"> From Level to Increasing (all costs of insurance). From Increasing to Level (all costs of insurance). 	<ul style="list-style-type: none"> When changing from Level to Increasing, face amount will be reduced to the amount at risk*.
Fortify	<ul style="list-style-type: none"> From Level to Increasing. From Increasing to Level. 	<ul style="list-style-type: none"> When changing from Level to Increasing, face amount will be reduced to the amount at risk*.
Term Plus	<ul style="list-style-type: none"> From Decreasing to Fixed. From Fixed to Decreasing. 	<ul style="list-style-type: none"> Allowed in the first twelve (12) months of the issue date.

* The amount of 'net capital at risk' represents the initial face amount less the accumulation fund.

For example:

Before change:

Level face amount: \$100,000

less fund value: \$25,000

Total net amount at risk: \$75,000

After change:

New face amount \$75,000 with Increasing option (plus accumulation fund).

36. Universal Life - Surrender charges

Product	Surrender charges																												
Universal Life*	<p>YRT cost of insurance: Seven (7) year surrender charge (no charge after the eighth (8th) year). Note: When changing from a YRT to a T100, YRT surrender charges apply. Cost of T100 insurance: no surrender charges.</p> <table border="1"> <thead> <tr> <th>Insurance year</th> <th>Minimum surrender factor</th> <th>Insurance year</th> <th>Minimum surrender factor</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4.00</td> <td>5</td> <td>4.00</td> </tr> <tr> <td>2</td> <td>4.00</td> <td>6</td> <td>3.00</td> </tr> <tr> <td>3</td> <td>6.00</td> <td>7</td> <td>2.00</td> </tr> <tr> <td>4</td> <td>5.00</td> <td>8 or more</td> <td>—</td> </tr> </tbody> </table>	Insurance year	Minimum surrender factor	Insurance year	Minimum surrender factor	1	4.00	5	4.00	2	4.00	6	3.00	3	6.00	7	2.00	4	5.00	8 or more	—								
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4	5.00	8 or more	—																										
UL Protection	No charge																												
UL Investment*	<p>Eight (8) year surrender charge (no charge after the ninth (9th) year) for all types of cost of insurance. The surrender charge is equal to the policy's initial minimum annual premium, or the new minimum annual premium following a reduction in face amount, multiplied by the minimum surrender factor in the table below applicable to the insurance year then in progress.</p> <table border="1"> <thead> <tr> <th>Insurance year</th> <th>Minimum surrender factor</th> <th>Insurance year</th> <th>Minimum surrender factor</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4.00</td> <td>6</td> <td>4.00</td> </tr> <tr> <td>2</td> <td>4.00</td> <td>7</td> <td>2.00</td> </tr> <tr> <td>3</td> <td>6.00</td> <td>8</td> <td>2.00</td> </tr> <tr> <td>4</td> <td>6.00</td> <td>9 or more</td> <td>—</td> </tr> <tr> <td>5</td> <td>4.00</td> <td></td> <td></td> </tr> </tbody> </table>	Insurance year	Minimum surrender factor	Insurance year	Minimum surrender factor	1	4.00	6	4.00	2	4.00	7	2.00	3	6.00	8	2.00	4	6.00	9 or more	—	5	4.00						
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5	4.00																												
PACTE I and II*	<p>Ten (10) year surrender charge (no charge after the eleventh (11th) year) for all types of cost of insurance. The surrender charge is equal to the policy's initial minimum annual premium, multiplied by the minimum surrender factor in the table below applicable to the insurance year then in progress.</p> <table border="1"> <thead> <tr> <th>Insurance year</th> <th>Minimum surrender factor</th> <th>Insurance year</th> <th>Minimum surrender factor</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>1.00</td> <td>7</td> <td>3.50</td> </tr> <tr> <td>2</td> <td>2.00</td> <td>8</td> <td>3.00</td> </tr> <tr> <td>3</td> <td>3.00</td> <td>9</td> <td>2.00</td> </tr> <tr> <td>4</td> <td>3.50</td> <td>10</td> <td>1.00</td> </tr> <tr> <td>5</td> <td>4.00</td> <td>11 or more</td> <td>—</td> </tr> <tr> <td>6</td> <td>4.00</td> <td></td> <td></td> </tr> </tbody> </table>	Insurance year	Minimum surrender factor	Insurance year	Minimum surrender factor	1	1.00	7	3.50	2	2.00	8	3.00	3	3.00	9	2.00	4	3.50	10	1.00	5	4.00	11 or more	—	6	4.00		
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* Universal Life, UL Investment, PACTE 1, PACTE II and Bastion:

If there is an increase in the face amount not related to indexation (at any date), a separate minimum surrender charge will be implemented on the insurance resulting from the increase.

37. Policy surrender (with cash value)

General guidelines	
Surrender request (with cash value)	<ul style="list-style-type: none"> • A surrender request can be sent by the client or advisor. • If the surrender request comes directly from the client, a notice will be sent to the agency and a period of ten (10) calendar days will be granted for conservation.
Premium refund	<ul style="list-style-type: none"> • Annual or semi-annual premium: The refund will be prorated. • Monthly premium: A premium refund will be issued when the surrender request is received before the premium due date and the monthly premium has already been deducted from the customer's account or the electronic transfer has already been sent to the financial institution. <p>Note: After the twelve (12) business day waiting period, if the payment is honoured, the premium will be refunded by a separate mailing.</p>
Reinstatement	<ul style="list-style-type: none"> • Reinstatement of the policy cannot be requested once the cash surrender value has been paid to the owner.
Surrender value transferred to a Beneva Investments and retirement product	<ul style="list-style-type: none"> • If the surrender value is transferred to a Beneva Investments and retirement account: <ul style="list-style-type: none"> - A duly completed transfer form is required. - The cheque will be payable to Beneva Investment. - The cheque and transfer form will be sent to the Investments and retirement sector. • The owners will be sent a confirmation of this transaction.
Tax consequences	<ul style="list-style-type: none"> • Following a policy surrender, a taxable gain (disposition) may result on the policy. • When a transaction generates tax consequences, a T5/Relevé 3 tax slip will be created at the end of the year.

38. Cancellation of policy (without cash value)

General guidelines	
Cancellation request (without cash value)	<ul style="list-style-type: none"> • A cancellation request can be sent by the client or advisor. • If the cancellation request comes directly from the client, a notice will be sent to the agency and a period of ten (10) calendar days will be granted for conservation.
Effective date	<ul style="list-style-type: none"> • Request received from advisor Cancellation will be done on the next calendar day following receipt of the duly completed request. • Request received from client After the retention period has ended, the cancellation will be made on the next calendar day following receipt of the duly completed request.
Premium refund	<ul style="list-style-type: none"> • Annual or semi-annual premium: The prorated annual or semi-annual premium will be refunded on the next calendar day following the date of receipt of the duly completed cancellation request. • Monthly premium: A premium refund will be made when the cancellation request is received before the premium due date and the monthly premium has already been deducted from the client's account or an electronic transfer has already been sent to the financial institution. <p>Note: After the twelve (12) business day waiting period, if the payment is honoured, the premium refund will be sent in a separate mailing.</p>
Reinstatement	<ul style="list-style-type: none"> • The reinstatement of a policy cannot be requested when a cancellation request has been made.

39. Universal Life - Partial withdrawal

General guidelines	
Submitting a partial withdrawal request	<ul style="list-style-type: none"> The owner may withdraw part of a policy's redemption value by submitting a written request and by indicating the amount to be withdrawn and the investment account(s) from which the withdrawal is to be made. The withdrawal amount, transaction fees and market value adjustment are deducted from the value of the investment account(s).
Effective date	<ul style="list-style-type: none"> The effective date of the withdrawal will be the date of receipt at Beneva's head office.
Withdrawal amount	<ul style="list-style-type: none"> A minimum amount of \$500 is required to make a partial withdrawal. The maximum withdrawal amount may not exceed 90% of the policy's cash surrender value.
Order of investment withdrawal (if no instructions from client)	<ol style="list-style-type: none"> Transitory fund, if available Investment accounts, proportionally
Withdrawal from a guaranteed investment account	<ul style="list-style-type: none"> A market value adjustment will occur if the withdrawal is made from a guaranteed investment account.
Partial withdrawal from a level death benefit option	<ul style="list-style-type: none"> Since the value of the policy is used to reduce the net amount at risk, when a partial withdrawal is made, the death benefit will automatically be reduced by the amount of the withdrawal. The new face amount will be confirmed when the cheque is sent.
Partial withdrawal to a Beneva Investments and retirement product	<p>If the surrender value or the partial withdrawal is invested in a Beneva Investments and retirement account:</p> <ul style="list-style-type: none"> A completed transfer form is required. The cheque will be payable to Beneva Investment. The cheque and form will be sent to the Investments and retirement sector. The owner(s) will be sent a confirmation of this transaction.
Tax consequences	<ul style="list-style-type: none"> Following a partial withdrawal, a taxable gain (disposition) may result on the policy. When a transaction generates tax consequences, a T5/Relevé 3 tax slip will be created at the end of the year.

40. Whole Life – Partial surrender

Basic principle

In the event of a partial surrender of Whole Life coverage with cash value, the face amount is reduced and the proportional cash value is paid to the owner(s).

General guidelines	
Premium refund	<ul style="list-style-type: none"> Annual or semi-annual premium: The prorated annual premium will be reimbursed from the next calendar day following the date of receipt of the duly completed request. Monthly premium: a premium refund will be made when the surrender request is received before the premium due date and the monthly premium has already been deducted from the client's account or an electronic transfer has already been sent to the financial institution. <p>Note: After the twelve (12) business day waiting period, if the payment is honoured, the premium refund will be sent in a separate mailing.</p>
Surrender to a Beneva Investments and retirement product	<p>If the redemption value is invested in a Beneva Investments and retirement product:</p> <ul style="list-style-type: none"> A completed transfer form is required. The cheque will be payable to Beneva Investment. The cheque and form will be sent to the Investments and retirement sector. The owner(s) will be sent a confirmation of this transaction The effective date of the partial withdrawal will be the date of receipt of the application at the Beneva office.
Tax consequences	<ul style="list-style-type: none"> Following a partial withdrawal, a taxable gain (disposition) may result on the policy. When a transaction generates a tax impact, a T5/Relevé 3 tax slip will be created at the end of the year.
Reinstatement	<ul style="list-style-type: none"> Reinstatement of the policy cannot be requested once the cash surrender value has been paid to the owner.

41. Policy loan (cash advance)

General guidelines	
Effective date	<ul style="list-style-type: none"> The effective date of the advance (loan) will be the date the cheque is issued.
Minimum loan amount	<ul style="list-style-type: none"> The minimum amount to make an advance is \$500.
Calculating loan amount available	<ul style="list-style-type: none"> The available advance represents 90% of the net cash surrender value. When there is an existing loan on the policy, the calculation method is different; we must retain the existing loan and the accumulated interest of 90% of the gross cash value. <p>Calculation of available advance when there is an existing loan:</p> <p>90% of the gross cash value</p> <p>Less: amount of existing advance</p> <p>Less: accumulated interest</p>
Interest rates	<ul style="list-style-type: none"> The applicable interest rate will be the rate in effect on the date of the advance. The interest rate is guaranteed until the next policy anniversary and is subject to change on each anniversary date. At the policy anniversary, the amount of unpaid accumulated interest is added to the advance and then a new loan amount is determined. When there are two loans in the same policy year, the interest rate of subsequent loans will be the same as the rate on the first loan.
Confirmation	<ul style="list-style-type: none"> A cheque, a rider and a confirmation letter will be issued to the owner(s).
Loan refund	<ul style="list-style-type: none"> When the premiums are paid by pre-authorized debit, an additional amount may be added to reimburse the loan. If the policy status is 'paid-up', this option is not available and a cheque will be required. When a client reimburses the interest on their loan, forms T-2210 and TP-163.1 may be completed and submitted for income tax purposes. These forms do not have to be submitted in the same tax year as the loan.
Death claim	<ul style="list-style-type: none"> In the event of death, the advance (loan) and interest will be deducted from the capital insured.
Tax consequences	<ul style="list-style-type: none"> Following an advance (loan) a taxable gain (disposition) may result on the policy. When a transaction generates tax consequences, a T5/Relevé 3 tax slip will be created at the end of the year.

42. Reduced paid-up coverage

General guidelines	
New face amount and cash value	<ul style="list-style-type: none"> The face amount will be reduced based on the policy provisions. The policy is released from all future premium payments. No value following conversion to reduced paid-up insurance.
Additional benefits	<ul style="list-style-type: none"> All additional benefits are automatically cancelled.
Confirmation	<ul style="list-style-type: none"> A letter and amendment of the policy change will be sent to the owner(s).

43. Universal Life – Transfer of investment account

General guidelines	
Instructions for percentage split	<ul style="list-style-type: none"> Percentage split instructions are determined when the policy is issued. Allocation between accounts must equal 100% of the deposit amount. If you choose more than one account without indicating their allocation percentage, the deposits will be distributed equally between each of the accounts. <p>Important information: When requesting an investment account transfer or one-time deposit, you must confirm the application of future deposits according to the options indicated on the form.</p>
Fund transfer	<ul style="list-style-type: none"> Transfer of accumulated funds from existing account(s) to new account(s). An account transfer can be done by amount or by percentage. The dollar amount or percentage of the existing account(s) to be transferred must equal the dollar amount or percentage of the new account(s). The minimum amount transferred must be the lesser of 10% or \$250 per account.
Lump sum deposit	<ul style="list-style-type: none"> If no instructions are received with the deposit (form or letter), the amount will be deposited according to the distribution of current accounts.
Transitory deposit account change	<ul style="list-style-type: none"> The only transitory account available is the daily interest account.
Effective date	<ul style="list-style-type: none"> The effective date is the date on which the application is received at our offices, duly completed.
Transfer fees	<ul style="list-style-type: none"> Four (4) transfer requests per year may be made at no extra cost. For other requests, a \$25 amount will be required.

44. Grace period

Basic principle

From the premium due date (the date on which the premium is payable), a period of thirty (30) days is granted to make the premium payment. If the insured dies during this period, the customer remains insured and the unpaid premium will be deducted from the face amount.

45. Returned payments

Basic principle

When the premium payment is refused by the client's financial institution, the client is notified in writing.

Traditional policy

Future bank withdrawals are immediately suspended. The owner (or the advisor if they have received their client's approval) must contact customer service to resume bank withdrawals.

Universal Life policy

When the accumulation fund is sufficient and the payment obligation is met, the cost of insurance will continue to be deducted from the accumulation fund.

Bank withdrawals will **not** be interrupted and the returned premium will not be recovered. Therefore, bank withdrawals will continue at the usual billing premium starting the following month.

General guidelines	
Pre-authorized debit returned by financial institution	<ul style="list-style-type: none"> A letter is sent to the client informing them of the situation. The letter will specify: <ul style="list-style-type: none"> – the reason for refusal (NSF, account frozen, account closed, etc.); – the date and withdrawal amount refused; – fees, if applicable; – instructions to resume payments.
Administrative fee	<ul style="list-style-type: none"> An administrative fee of \$25 is payable when the reason for return is 'insufficient funds'. If there is a second bank return for insufficient funds, an administrative fee of \$50 will then be required.
Resuming payments (pre-authorized debit plan)	<ul style="list-style-type: none"> The owner (or the advisor if they have received their client's approval) must contact customer service to regularize the policy. Premiums due and administrative fees, if any, will be collected by a single withdrawal from the client's bank account. Scheduled monthly bank withdrawals will be automatically reinstated.
Date of special withdrawal	<ul style="list-style-type: none"> The one-time bank withdrawal is collected on the Monday following receipt of the authorization (e.g.: for a call received on Tuesday, the single direct debit will be charged to the customer's account on the following Monday).

46. Non-forfeiture option for non-payment of premiums

General guidelines	
Policy without cash value or reduced paid-up option	<ul style="list-style-type: none"> After the thirty (30) day grace period, the insured person(s) is(are) no longer covered.
Permanent policy without cash value with reduced paid-up option	<ul style="list-style-type: none"> After the thirty (30) day grace period, the reduced paid-up option will be automatically applied and the new face amount will be determined according to the policy's paid-up insurance table.
Permanent policy with cash value and with reduced paid-up option	<ul style="list-style-type: none"> After the thirty (30) day grace period, an automatic premium loan with the same terms as cash advances will be made until the available amounts are exhausted. The client may request a reduced paid-up policy with reduced capital and no additional premium, but this is not an automatic option.
Permanent policy with cash value and without reduced paid-up option	<ul style="list-style-type: none"> After the thirty (30) day grace period, an automatic premium loan with the same terms as cash advances will be made until the available amounts are exhausted. The policy is cancelled and becomes null and void when the loan and interest exceed the cash value and there is no coverage with reduced paid-up insurance.
Universal Life with accumulation fund value and payment obligation is not met	<ul style="list-style-type: none"> After the thirty (30) day grace period, the insured person(s) is(are) no longer covered.
Universal Life with accumulation fund value and payment obligation is met	<ul style="list-style-type: none"> When the payment obligation is met and there are values in the accumulation fund, the insurance cost will be deducted from the accumulation fund every month until the available funds are exhausted. An important notice will be generated when the fund is insufficient to pay the monthly insurance cost.

Processing dates for non-forfeiture options may vary depending on the billing cycle.

47. Notice produced for non-payment of premiums

Annual billing	
Type of notice	Issue of the notice
Premium notice: Traditional and Universal Life	Thirty (30) days before anniversary
Reminder notice: Traditional	Fifteen (15) days after premium due date
Important notice: Universal Life <ul style="list-style-type: none"> shortfall in accumulation fund or policy with value and payment obligation is not met 	Friday following shortfall in accumulation fund or payment obligation not met
Notice of lapse: Traditional and Universal Life	Thirty (30) days after premium due date

Monthly billing by pre-authorized bank payment	
Notice/letter	Issue of the notice/letter
Bank returns (account frozen, account closed, NSF)	Upon receipt of information from the client's financial institution.
Lapse letter - Traditional (without value or reduced paid-up option)	Thirty (30) days after the effective date of the billing restriction following the bank return.
Lapse letter - Universal Life <ul style="list-style-type: none"> shortfall in accumulation fund or policy with value and payment obligation is not met 	Thirty (30) days after premium due date.

The above deadlines may vary since billing notices are issued on a weekly basis.

48. Payment frequency/payment types

General guidelines	
Changing payment frequency: available options	<ul style="list-style-type: none"> To annual (direct billing or bank proxy) or monthly (bank proxy). A cheque for outstanding premiums will be issued when changing frequency from annual to monthly.
Payments accepted	<ul style="list-style-type: none"> Cheque: payable to the order of Beneva Inc. Pre-authorized debit: available for annual or monthly payment, the <i>pre-authorized debits</i> form (FIND0168A) including a cheque specimen. Online payment
Payment of \$100,000+	<ul style="list-style-type: none"> In accordance with the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i> and its regulations, the duly completed <i>Identity of Politically Exposed Foreign Persons</i> form (FRA1234A) by the financial security advisor/representative and the policyowner(s) is required before making the deposit. The form is not required for a corporation or other entity.
Exceptional payment	<p>When the client has no other means of paying the premium due to a specific situation.</p> <ul style="list-style-type: none"> Money order <ul style="list-style-type: none"> The <i>Bank/mail money order – Bank draft</i> form (FIND0229A) duly completed and signed by the payor is required before making the deposit. Trust cheque <ul style="list-style-type: none"> The <i>Trust cheque</i> form (FIND0031A) duly completed and signed by the advisor and the client (if cash payment) is required before making the deposit.

49. Change in banking information/withdrawal date

General guidelines	
Making a bank account change	<p>Bank change with same payer</p> <ul style="list-style-type: none"> by telephone: from the owner or payer only by fax or email: include a cheque specimen <p>Bank change with new payer</p> <ul style="list-style-type: none"> by fax or email: include a cheque specimen and <i>Pre-authorized debits</i> form (FIND0168A) duly signed by the new payer(s). <p>Important: The request must be submitted ten (10) business days before the date of next withdrawal in order for the change to be effective at the next withdrawal.</p>
Changing payment day	<ul style="list-style-type: none"> To change the payment date, a call to customer service from the owner (or the advisor if they have received their client's approval) is all it takes to make a change.
Available withdrawal days	<ul style="list-style-type: none"> The available withdrawal days for a monthly premium are between the first (1st) and the twenty-eighth (28th) day of the month. However, if the withdrawal day is after the premium due date (calendar day), the thirty (30) day grace period is reduced. For Universal Life insurance, the withdrawal day must be on or before the policy anniversary date. Indeed, funds must be deposited in the policy before the monthly costs are deducted (e.g.: a policy issued on February 4 cannot have a pre-authorized debit day on February 15.) The pre-authorized debit must be made on either February 1, 2, 3 or 4.

50. Change in Universal Life billed premium

General guidelines	
Make a request	<ul style="list-style-type: none"> We accept requests by telephone, by email or by letter confirming the new billing premium. The request must be submitted ten (10) business days before the date of the next bank withdrawal. There are no administrative fees.

51. Change of name

General guidelines	
Requirements to make a name change	<ul style="list-style-type: none"> To make a name change, we accept the <i>Declaration of name change</i> form (FIND0204A) or a letter signed by the policyowners specifying the name and reason for the change, for example: <ul style="list-style-type: none"> - marriage - separation - divorce - legal name change - legal adoption - error on application (details required) In addition, a copy of a supporting document confirming the name change is required; for example, a driver's licence, birth certificate, passport or health insurance card or any other government-issued document. Exception: If the insured person retakes their maiden name following a separation or divorce, no supporting document is required when the maiden name was indicated in the application.
Change in company name	<ul style="list-style-type: none"> To make a company name change, we accept the <i>Declaration of name change</i> form (FIND0204A) or a letter signed by the policyowner. In addition, a copy of the <i>Declaration of name change</i> form (FIND0204A) is required. <p>In the event of a name change, the <i>change in ownership</i> form is not needed to avoid Tax consequences, if any.</p>

52. Transfer of ownership - Absolute assignment

General guidelines	
Forms	<ul style="list-style-type: none"> To make a change of ownership transfer: – absolute assignment, the <i>Transfer of ownership – Absolute assignment</i> form (FIND0206A) duly completed, dated and signed by the parties concerned is required. We accept a copy of the form by fax or email (with document attached).
Signatures	<ul style="list-style-type: none"> The form must be duly completed and signed by the former and new owner(s). Refer to the <i>Required signatures</i> section for the requirements of current owners, new owners, irrevocable beneficiaries, reinsurers, etc.
Confirmation	<ul style="list-style-type: none"> A duly registered copy of the form will be returned to the owner(s).
Insurable relationship between new owner and insured (not required for subrogated owner)	<ul style="list-style-type: none"> This information is required to make the <i>Transfer of ownership – Absolute assignment</i> (FIND0206A). <p>Note: Relationship to insured (in Quebec, relationship to owner)</p> <p>Personal</p> <ul style="list-style-type: none"> - A person has an insurable interest in their own life and health; - A person has an insurable interest in the life and health of their spouse, descendants and descendants of their spouse, or persons who contribute to their support or education. <p>Business</p> <ul style="list-style-type: none"> - A person has an insurable interest in the life and health of their agents and staff, or of persons whose life and health are of moral or economic interest to them (e.g. a key person or shareholder).
Verification of identify of each new owner	<ul style="list-style-type: none"> For each new owner, the type and number of a piece of government-issued ID with photo is required such as a driver's license, residence card, passport, etc., as well as the jurisdiction (province where the document was issued). <p>Note: In Quebec, it is forbidden to ask for a client's health insurance card but you can accept it if offered to you. In the provinces of Ontario, Manitoba, Nova Scotia or Prince Edward Island, it is forbidden to use a health insurance card for identification purposes.</p>
Revocation of current beneficiary	<ul style="list-style-type: none"> When changing owner(s), the existing beneficiary(ies) is(are) automatically revoked. <p>Note: When the beneficiary is irrevocable, their signature is required.</p> To proceed with a change of beneficiary, the change can be made on the <i>Transfer of ownership – Absolute assignment</i> form (FIND0206A). See the Change of beneficiary section for the procedure.

52. Transfer of ownership – Absolute surrender (cont'd)

General guidelines	
Information on the counterparty required	<ul style="list-style-type: none">• The value of consideration represents the value of the policy when ownership is transferred. When there's a conversion or division, the value of consideration represents the value of the coverage at the time of the transaction. This information is required before making a change in ownership in the following situations only:<ul style="list-style-type: none">– Individual to company– Company to individual– Company to a company (not required when a company merges)
Tax consequences	<ul style="list-style-type: none">• Following a change in ownership, a taxable gain (disposition) may result on the policy when there is a cash value. Therefore, a T5/Relevé 3 tax slip will be produced at the end of the year and sent to the former owner who requested the change. Confirmation of transaction will be sent to the new policyowner.
Universal Life only	<ul style="list-style-type: none">• When the new owner is a corporation or other type of entity, the <i>Confirmation of Existence (identity) of Corporations and Other Entities</i> form (FRA1235A) is required. <p>The following documents are required:</p> <ul style="list-style-type: none">• The <i>Confirmation of Existence (identity) of Corporations and Other Entities</i> form (FRA1235A), duly completed and signed.• Where the ownership structure is complex or includes several shareholders/directors, a copy of the corporate resolution is required to confirm the persons authorized to make the transaction (see details in Section 1 of the form).• A copy of all documents required according to the type of entity (see details on the form: Section 2A for a legal entity/corporation, Section 2B for a trust, or Section 2C for an entity other than a legal entity or trust.) <p>Note: For a legal entity, when the ownership structure is simple (one or two shareholders and/or directors), the provincial corporate search may be used to confirm this information.</p>

53. Change of beneficiary

General guidelines	
Forms	<ul style="list-style-type: none"> To proceed with a change of beneficiary, the <i>Change of beneficiary</i> form (FIND0205A) duly completed, dated and signed by the parties concerned is required. We accept a copy of the form by email (with document attached) or by fax. This change can be made on the <i>Transfer of property – Absolute assignment</i> form (FIND0206A), if done at the same time.
Signatures	<ul style="list-style-type: none"> Refer to the <i>Required signatures</i> section for the requirements of current owners, new owners, irrevocable beneficiaries, reinsurers, etc.
Confirmation	<ul style="list-style-type: none"> A duly registered copy of the form will be returned to the owner(s).
Relationship between new beneficiary and insured/owner	<ul style="list-style-type: none"> Indicate the relationship to the insured (in Quebec, the relationship to the owner)
Percentage allocation	<ul style="list-style-type: none"> If several beneficiaries are named, the percentage breakup for each beneficiary is required. All shares must equal 100%. If no percentage breakup is provided, the amounts payable will be divided into equal shares between eligible surviving beneficiaries.
Designation of beneficiaries	<ul style="list-style-type: none"> A beneficiary designation is revocable unless otherwise indicated. In Quebec, however, if the spouse to whom the owner is married or in a civil union is designated as beneficiary, the designation is irrevocable, unless expressly designated as revocable. When the designated beneficiary is 'according to the will', a copy of the will is not required when changing the beneficiary, but rather when filing a death claim.
Creditor	<ul style="list-style-type: none"> We accept all types of creditor beneficiaries (FTQ, financial institutions, etc.), whether revocable or irrevocable. When the current beneficiary or the new designation is a creditor beneficiary, the usual procedure for a change of beneficiary applies. The creditor beneficiary's signature is therefore not required unless it is irrevocable. Claim (with bankruptcy, mortgage, creditor beneficiary). In the event of a claim, the order of priority is as follows: <ul style="list-style-type: none"> Bankruptcy: Trustee approval is required to proceed; Mortgages: Beneva will request a discharge from the creditor and will issue a cheque to settle the balance of the debt; Creditor beneficiary: if there is a death benefit balance, Beneva will request a discharge from the creditor and will issue a cheque to settle the balance of the debt, if possible. If there is still a death benefit balance, a cheque will be issued to the estate (or to other beneficiaries), as applicable.
Contingent beneficiary (subrogated)	<ul style="list-style-type: none"> When a contingent beneficiary is named, the amounts specified will be payable to the contingent beneficiary on the death of the person insured where the beneficiary predeceases the person insured.

54. Assignment of the contract

General guidelines	
Requirements to proceed	<ul style="list-style-type: none"> To proceed with a contract mortgage, the <i>Assignment of the contract form</i> (FIND0072A) duly completed, signed and dated by the parties concerned is required. We also accept the <i>Contract mortgage</i> form from the financial institution that granted the loan. Note that the financial institution's form will not be signed by Beneva but a written confirmation will be sent to confirm the registration. Proof of loan is not mandatory, but recommended; however, it will be required in the event of death. We accept a copy of the form by email (with document attached) or by fax. Request from reinsurer: for reinsurer information requests, the form will not be signed by Beneva. The requested information will be confirmed in the letter.
Reinsurer	<ul style="list-style-type: none"> The reinsurer's full address is required.
Mortgage amount	<ul style="list-style-type: none"> When there is no amount indicated on the <i>Assignment of the contract form</i> (FIND0072A), we will consider the mortgage is absolute.
General guidelines of a contract mortgage between individuals	<ul style="list-style-type: none"> A letter signed by the parties concerned with a confirmation of repayment terms could be considered as evidence (the letter does not need to be notarized). The reinsurer's full address is required. This evidence is not mandatory, but recommended; however, it will be required in the event of death.
Contract mortgage in favour of a trust	<ul style="list-style-type: none"> When a mortgage is in favour of a trust, the trust deed or an equivalent document (e.g. will) is required to determine who may sign as assignee for the trust.
Contract mortgage in favour of an advisor	<ul style="list-style-type: none"> According to the Code of Ethics of the Chambre de la sécurité financière, an advisor must safeguard their independence at all times and avoid any situation where they would be in conflict of interest. Before making a contract mortgage in favour of an advisor and their business partners, we should ask the advisor to get a letter of approval from the Chambre de la sécurité financière and a confirmation of repayment terms.
Contract mortgage in favour of a creditor	<ul style="list-style-type: none"> The usual procedure for a contract mortgage applies, the reinsurer's signature is therefore required just like the owner's. The creditor beneficiary's signature is not required unless it is irrevocable. Claim (with bankruptcy, mortgage, creditor beneficiary). In the event of a claim, the order of priority is as follows: <ul style="list-style-type: none"> - Bankruptcy: Trustee approval is required to proceed; - Mortgages: Beneva will request a discharge from the creditor and will issue a cheque to settle the balance of the debt; - Creditor beneficiary: if there is a death benefit balance, Beneva will request a discharge from the creditor and will issue a cheque to settle the balance of the debt, if possible. If there is still a death benefit balance, a cheque will be issued to the estate (or to other beneficiaries), as applicable.

56. Revoking cession of the contract

General guidelines	
Requirements to proceed	<ul style="list-style-type: none"> To proceed with revoking cession of the contract (mortgage withdrawal), the <i>Retrocession from the policy form</i> (FIND0203A) duly completed, dated and signed by the parties concerned is required. We accept a copy of the form by email (with document attached) or by fax. We also accept the <i>retrocession</i> form from the financial institution that granted the loan.
Financial institution signature required	<ul style="list-style-type: none"> The full name of the person authorized by the financial institution and their title in block letters, as well as their signature.
Individual signatures required	<ul style="list-style-type: none"> The cessionary's(aries) full name in block letters and signature(s).
Confirmation	<ul style="list-style-type: none"> A duly registered copy of the form will be returned to the reinsurer(s) and owner(s).

The logo for Beneva, featuring the word "beneva" in a white, lowercase, sans-serif font. The background is a solid dark purple with a large, lighter purple, curved graphic element that sweeps across the upper half of the page.

beneva