

SUMMARY OF INSURANCE PRODUCT

Loan Insurance for Investment Funds

Group insurance contract 70011

Group Life and Disability Insurance

**Insurer:**

Industrial Alliance Insurance
and Financial Services Inc.
PO Box 790, Station B
Montreal, QC H3B 3K6
Phone: 1-800-361-6002
Fax: 1-514-499-3773

Distributor:

Name: _____
Address: _____
City: _____
Phone: _____

Customer service:

Valeo Plus Group Inc.
Phone: 1-844-893-7376
Email: pret@valeo.plus

Client number of the insurer with the
Autorité des marchés financiers: 2000447410
Website of the Autorité des marchés financiers: lautorite.qc.ca

What is the purpose of this document?

**It is provided to help you decide if this insurance meets your needs and if you would like to procure it.
It does not constitute an insurance contract.**

Coverage offered

Life insurance	Upon your death , we will pay: <ul style="list-style-type: none">• The insured proportion of the loan balance immediately before your death; and• The insured proportion of the single insurance premium, if it has been added to your loan.
Disability insurance	In the event of your disability , we will pay the insured proportion of the required monthly payments. Disability insurance coverage for a moratorium loan is only available if the moratorium period is: <ul style="list-style-type: none">• Equal to the term of the loan; or• Equal to or less than 40% of the term of the loan.

Proportion of insurance offered

When applying to the insurance, you can choose one of the following three options, depending on the insurance coverage

	Option 1	Option 2	Option 3
	You and all insureds are covered for 100% of the balance.	You and all insureds are covered in a proportion of the balance equal to 100% divided by the number of insureds.	You and all insureds are covered at a percentage of the balance between 25% and 100%.
Life insurance	X	X	X
Disability insurance	X	X	<i>Option 3 is not available for the Disability Insurance coverage.</i>

Up to 5 people can be insured for the same loan.

Other conditions and exclusions may apply

- They are summarized in this document.
- They are described in full in the certificate of insurance that will be given to you if you enrol to this insurance. You may consult the certificate of insurance specimen by visiting:
https://ia.ca/-/media/files/ia/formulaires/asscoll/en/certificate_loan_insurance_for_investment_funds_70011.pdf

Summary of the main conditions

Maximum amount payable

Life insurance	<p>The sum of all life insurance benefits cannot exceed:</p> <ul style="list-style-type: none"> For a conventional or moratorium loan: the balance of the loan; For all loans of the same person: \$500,000.
Disability insurance	<p>The amount of the monthly benefit cannot exceed:</p> <ul style="list-style-type: none"> The amount of the monthly payment initially planned for the loan; \$4,000 for all insured loans; <p>The number of monthly benefits is limited to 60 per person for the same loan.</p>

Who is eligible for this insurance?

Persons eligible to the insurance are:

- When the loan is granted to an individual: the borrower, the co-borrower and the guarantor*.
- When the loan is granted to a company: the shareholder holding more than 10% of the company's shares and the company's senior executives.

In addition, each eligible person must, at the time of enrolment:

- For life insurance**, be between the ages of 18 and 64 inclusively.
- For disability insurance**, be between the ages of 18 and 59 inclusively and perform at least 20 hours of gainful work per week or be able to perform at least 20 hours of gainful work per week.

* Disability insurance coverage is not available for sureties.

When can you sign up for this insurance?

You can apply for this insurance before or within the first 60 days following the disbursement of your loan.

How much does it cost?

The cost of the insurance will be indicated on the insurance premium calculation sheet attached to the application for insurance. It depends on the proportion of insurance chosen based on the amount of the loan and its monthly payments, the term of the loan and its amortization period, the number of insured persons, their age and the insurance coverage chosen.

When does coverage begin?

- If the total of your insured loans is less than \$250,000 and your health declaration does not require any analysis on our part, you will be covered as soon as you sign the insurance application form.
- If the total of your insured loans is \$250,000 or more, or if your health declaration requires an analysis on our part, we will contact you to complete a health questionnaire. You will then be covered at the time we accept your application for insurance. However, if, following our analysis, we refuse your application, no insurance will be granted and the cost of the insurance will be reimbursed.

To benefit from the Disability Insurance

- You will be considered disabled if your condition prevents you from performing each of the usual duties of your regular occupation or, if you are unemployed and your condition prevents you from performing the normal activities of a person your age.
- No benefits will be paid for the first 30 days of disability. Please refer to the specimen certificate for all applicable conditions.

If you change your mind

- This insurance is optional, and you may cancel it at any time by communicating with your distributor.
- If you cancel within the first 20 days, we will refund the full cost of the insurance.
- If you cancel after the first 20 days, a portion of the cost of insurance less any benefits paid, if any, will be refunded, calculated according to the following formula:

$$\frac{A \times (A + 1) \times C}{B \times (B + 1)}$$

Where: A = Number of months remaining on your loan, B = Initial term of the loan in months and C = Cost of your insurance

For example, if the cost of insurance is \$1,000 for a 48-month loan and you cancel after 12 months, the repayment will be \$566.

To submit a claim: 1-800-361-6002

- In case of death or disability, you or your loved ones will have to call us within 6 months following the event;
- We may ask for supporting documents;
- We will then render our decision within 30 days for a death claim and within 60 days for a disability claim.

In case of dispute

- If your claim is denied, you will have 1 year to contest it in writing;
- You may consult our complaint policy or file a complaint by visiting: <https://ia.ca/corporate/complaint/file-complaint>

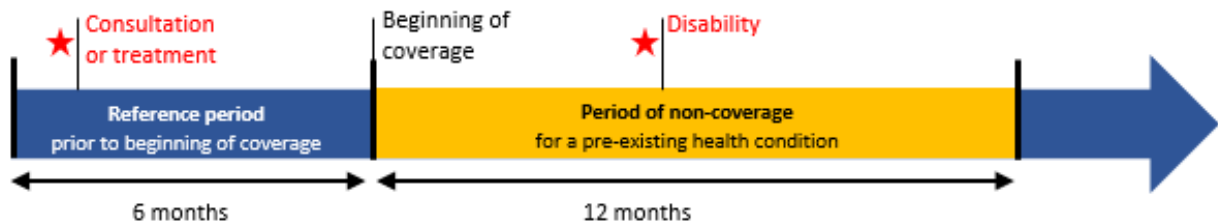
What is not covered by this insurance

Claims related to certain circumstances

- Suicide and some self-inflicted injuries;
- War or any act or war, piracy or terrorism, criminal act, public commotion, riot or insurrection;
- Care, surgery or treatment for cosmetic purposes, except when medically required and resulting directly from an illness or accident;
- Alcoholism or drug addiction, if these conditions are not treated in closed cure.

Claims related to a pre-existing health condition

- As illustrated below, you are not covered for a disability that occurs within the first year of coverage and is due to an illness or injury for which you consulted or were treated during the 6 months prior to the beginning of coverage.



False statement

- Any false statement on your part may result in the cancellation of this insurance or in your claim being denied.

The purpose of this fact sheet is to inform you of your rights.
It does not relieve the insurer or the distributor of their obligations to you.

LET'S TALK INSURANCE!

Name of distributor: _____

Name of insurer: **Industrial Alliance Insurance and Financial Services Inc.**

Name of insurance product: **Loan Insurance for Investment Funds**



IT'S YOUR CHOICE

You are never required to purchase insurance:

- that is offered by your distributor;
- from a person who is assigned to you; or
- to obtain a better interest rate or any other benefit.

Even if you are required to be insured, **you do not have to** purchase the insurance that is being offered. **You can choose** your insurance product and your insurer.



HOW TO CHOOSE

To choose the insurance product that's right for you, we recommend that you read the summary that describes the insurance product and that must be provided to you.



DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration.
The distributor **must** tell you when the remuneration exceeds 30% of that amount.



RIGHT TO CANCEL

The Act allows you to rescind an insurance contract, **at no cost**, within 10 days after the purchase of your insurance. However, the insurer may grant you a longer period of time. After that time, fees may apply if you cancel the insurance. **Ask** your distributor about the period of time granted to cancel it **at no cost**.

If the cost of the insurance is added to the financing amount and you cancel the insurance, your monthly financing payments might not change. Instead, the refund could be used **to shorten the financing period**. **Ask your distributor for details**.

The Autorité des marchés financiers can provide you with unbiased, objective information.
Visit www.lautorite.qc.ca or call the AMF at 1-877-525-0337.

Reserved for use by the insurer:

SCHEDULE 4

(s. 26)

NOTICE OF FREE CHOICE OF INSURER AND REPRESENTATIVE

Section 443 of the Act respecting the distribution of financial products and services (chapter D-9.2)

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES GIVES YOU IMPORTANT RIGHTS

· You are required to purchase insurance coverage described below in order to secure the repayment of a loan.

· However, you are free to purchase this insurance from the insurer and representative of your choice. **You can thus obtain the required insurance in 3 different ways:**

(1) By purchasing the insurance offered to you;

If you choose this option, you benefit from the application of section 441 of the Act which allows you to rescind an insurance contract that you signed at the time of signing another contract, without penalty, within 10 days of its signature. However, you must then purchase another equivalent insurance to the satisfaction of the creditor who may not refuse without reasonable cause.

(2) By purchasing other insurance that is equivalent to the insurance required, to the satisfaction of the creditor who may not refuse without reasonable cause.

(3) By demonstrating that you already have insurance that is equivalent to the insurance required, to the satisfaction of the creditor who may not refuse without reasonable cause.

You may change insurer or representative at any time, provided that you maintain during the term of the loan agreement an insurance equivalent to the insurance required to the satisfaction of the creditor who may not refuse without reasonable cause. You cannot be required to choose or keep an insurance contract with a particular insurer, nor can you be refused credit or have your loan called in for this reason.

To rescind your insurance, you may use the section hereunder entitled “Notice of rescission of an insurance contract.” For further information, contact the Autorité des marchés financiers at 1-877-525-0337 or visit www.lautorite.qc.ca.

DESCRIPTION OF THE REQUIRED COVERAGE

(section completed by the distributor)

To secure the repayment of your loan, we have required that you purchase:

☐ damage insurance: _____

in an amount of: \$ _____

(coverage)

(particulars)

☐ insurance of persons of the following type: _____

(life, disability, other)

in an amount of: \$ _____

(coverage)

(particulars)

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To:

(name of insurer)

(address of insurer)

Date: _____ (date of sending of notice)

Pursuant to section 441 of the Act respecting the distribution of financial products and services, I hereby rescind insurance contract no.: _____ (number of contract, if indicated)

Entered into on: _____ (date of signature of contract)

In : _____ (place of signature of contract)

(name of client)

(signature of client)