

SAMPLE CERTIFICATE OF INSURANCE
CREDITOR INSURANCE FOR ATB RESIDENTIAL MORTGAGE CUSTOMERS
THIS IS A SAMPLE CERTIFICATE AND DOES NOT CONSTITUTE INSURANCE COVERAGE.

Group Policy 57897 ("the Policy") is issued and underwritten by Sun Life Assurance Company of Canada ("Sun Life"), 227 King Street S., P.O. Box 638, Stn Waterloo, Waterloo, ON N2J 4B8, to Alberta Treasury Branches ("ATB"). Each applicant ("you") is insured for the Creditor Insurance identified on your Application for Insurance ("Application"), subject to the terms and conditions of the Application and this Certificate of Insurance ("Certificate"). Your Application and this Certificate form part of the Policy. If you have any questions, you may call Sun Life at 1-877-271-8713. Sun Life Assurance Company of Canada is a member of the Sun Life Financial group of companies.

This Certificate outlines the terms and conditions for life, accidental dismemberment and disability insurance coverage available on ATB residential mortgages ("Mortgage"). This Certificate includes information on all insurance coverage available under Group Policy 57897, including those that you may not have selected.

Who is eligible

You are eligible to apply for **life and accidental dismemberment ("Life and AD")** insurance if:

- you are a borrower, co-borrower or guarantor of a Mortgage,
- you are at least 18 and not yet 75 years of age on the date you apply for insurance, **and**
- you are a resident of Canada.

You are eligible to apply for **disability** insurance if:

- you are a borrower, co-borrower or guarantor of a Mortgage,
- you are at least 18 and not yet 65 years of age on the date you apply for insurance,
- you are a resident of Canada,
- you are actively working at least 20 hours per week (if you are a seasonal worker, you must be capable of performing your regular duties for at least 20 hours per week),
- you are insured, or have applied, for Life and AD, **and**
- you are not receiving disability benefits from any source.

When is your insurance effective

Your insurance is effective on the **latest** of:

- the date your Application is completed and signed, provided it is received by ATB,
- the date your insurance is approved in writing by Sun Life, **and**
- the date any portion of the committed Mortgage is advanced to you.

Before your insurance is approved

If you die as a result of an Accident (Accident means a violent, sudden and unexpected action originating from an outside source) before a decision has been made by Sun Life regarding your Application, Sun Life will pay ATB upon approval of a claim, the benefit amount Sun Life would have paid if your insurance had been approved provided:

- your death occurs within 120 days from the date you completed the Application,
- the signed Application is received by ATB before the Accident, **and**
- a portion of the committed Mortgage has been advanced to you.

How your premium is calculated

Your premium is calculated using the rate table included in this section. Your age for premium calculation is determined on the date you complete the Application. The rate for your age is applied to your initial insured Mortgage principal balance for Life and AD. For disability, the rate for your age is applied to your monthly insured Mortgage payment.

Example:

Life and AD

age of borrower = 36, initial insured Mortgage principal balance = \$165,000,
monthly premium = $\$0.16 \times \$165,000 \div 1,000 = \$26.40$.

Example:

Disability

age of borrower = 36, monthly insured Mortgage payment = \$900,
monthly premium = $\$2.59 \times \$900 \div 100 = \$23.31$

Your premium will remain the same until the earliest of:

- the date your Mortgage renews,
- the date the Insurance Information as set out in your Application is changed,
- the date your insurance terminates, and
- the date the rate table is changed.

Your Life and AD premium will be recalculated based on your age and the outstanding insured Mortgage principal balance on your Mortgage renewal date.

Your disability premium will be recalculated based on your age and the monthly insured Mortgage payment on your Mortgage renewal date.

Premiums are payable monthly and in arrears on the first day of each month.

If there is a change in the rate table, ATB will provide you with 30 days written notice of such change.

Rate Table					
Age	LIFE and AD		Age	DISABILITY	
	Monthly rate per \$1,000 of initial insured Mortgage principal balance			Monthly rate per \$100 of monthly insured Mortgage payment	
Under 30	\$.07	If there is more than one person insured under the Mortgage, the rate for each person is discounted by 15%.	Under 30	\$1.59	If there is more than one person insured under the Mortgage, the rate for each person is discounted by 15%.
30 – 34	\$.12		30 – 34	\$1.99	
35 – 39	\$.16		35 – 39	\$2.59	
40 – 44	\$.23		40 – 44	\$3.69	
45 – 49	\$.37		45 – 49	\$4.75	
50 – 54	\$.50		50 – 54	\$5.60	
55 – 59	\$.65		55 – 59	\$6.90	
60 – 64	\$1.10		60 – 64	\$9.60	
65 – 69	\$1.70		65 – 69	-	
70 – 74	\$2.90		70 – 74	-	

Any applicable taxes will be added to your premium.

Recognition of prior coverage

If you refinance or replace an existing insured Mortgage under the Policy or under Policy 51014, your existing insurance terminates and you must complete a new insurance Application. If you are declined for insurance due to health reasons, you may be eligible for recognition of prior coverage under your new Application. If Sun Life approves your recognition of prior coverage, the Insurance Amount, as set out in your Application will be limited and will be determined as a percentage of the Insurance Amount that you applied for.

For Life and AD insurance, the percentage will be determined by dividing the outstanding insured Mortgage principal balance of your previous Mortgage on the day before it is refinanced or replaced, by the Mortgage principal balance of your new Mortgage. The percentage will not exceed 100%.

For disability insurance, the percentage will be determined by dividing the monthly insured Mortgage payment of your previous Mortgage on the day before it is refinanced or replaced, by the monthly Mortgage payment of your new Mortgage. The percentage will not exceed 100%.

The Policy has maximums that apply to each insured Mortgage

For **Life and AD** combined, the maximum insured Mortgage principal balance is \$600,000 regardless of the number of people insured. If there is, or has been, a claim paid to ATB for any person insured under the Mortgage, the amount of that claim will be deducted from the maximum to determine the amount of insurance.

For disability, the maximum monthly insured Mortgage payment is \$4,500 regardless of the number of people insured. If there is more than one claim under the Mortgage in any given month, the combined maximum disability benefit payment is \$4,500 for that month. There is also a maximum payment period of 24 months for disability payments under this Certificate.

In no case will Sun Life pay more than the maximums stated above.

The Policy has an aggregate maximum

If you have insurance on any other ATB loans or lines of credit under the Policy or under Policy 51014, the maximum amount that Sun Life will pay will not exceed the aggregate limit. The aggregate limits are:

- \$2,000,000 of Life and AD insurance.
- \$4,500 per month for disability insurance.

What Accident means

Accident means a violent, sudden and unexpected action originating from an outside source.

What Disabled means

Disabled means you are:

- prevented by bodily injury, disease, mental infirmity, sickness, including complications due to pregnancy and any related medical conditions from performing the material and substantial duties of your own occupation which you held before you became disabled,
- under the active and continuous care of a licensed physician or health practitioner approved by Sun Life, and
- not engaged in any occupation or employment for wage or profit.

What is the amount of insurance

You can select the amount of insurance, up to the maximum set out in this Certificate, in multiples of 25% up to 100%.

For Life and AD insurance, the outstanding insured Mortgage principal balance is the outstanding Mortgage principal balance multiplied by the Percentage of Insurance set out in your Application, or the percentage approved as outlined in "Recognition of prior coverage", up to the maximums listed in this Certificate. In no event will Sun Life pay more than the outstanding Mortgage principal balance regardless of the number of people insured.

For disability insurance, the monthly insured Mortgage payment is the monthly Mortgage payment multiplied by the Percentage of Insurance set out in your Application, or the percentage approved as outlined in "Recognition of prior coverage", up to the maximums listed in this Certificate. If your regularly scheduled Mortgage payments are not on a monthly basis, the monthly equivalent amount will be used to determine the insured monthly Mortgage payment. In no event will Sun Life pay more than the monthly Mortgage payment (or equivalent) in any given month regardless of the number of people insured.

Life

If you die, a life benefit is paid if your claim is approved by Sun Life. The life benefit amount is the outstanding insured Mortgage principal balance on the date of death to the maximum of \$600,000, plus:

- up to a maximum of six months' accrued interest on the benefit amount from the date of death to the date the claim is paid, and
- the discharge fee and any early payout penalties on your Mortgage which may result from the payment of the claim.

Accidental dismemberment

If you suffer a Loss as a result of an Accident, an AD benefit is paid if your claim is approved by Sun Life and if:

- the Accident directly results in a permanent, total and irrecoverable loss specified in the "Table of Losses"; and
- the Loss occurs within one year of the Accident.

The accidental dismemberment benefit amount is the percentage outlined in the "Table of Losses" applied to the outstanding insured Mortgage principal balance on the date of the Accident to the maximum of \$600,000, plus:

- up to a maximum of six months' accrued interest on the benefit amount from the date of Accident to the date the claim is paid, and
- the discharge fee and any early payout penalties on your Mortgage which may result from the payment of the claim.

TABLE OF LOSSES

Description of Loss	Benefit Amount	Loss	With reference to the joints in this table, "above" means towards the body, "below" means away from the body
Loss or Loss of use of:	Percentage of outstanding insured Mortgage principal balance	Loss of hand	severance at or above the wrist joint
Both hands or both feet or sight in both eyes	100%	Loss of foot	severance at or above the ankle joint
One hand and one foot	100%	Loss of arm	severance at or above the elbow joint
One hand or one foot and sight in one eye	100%	Loss of leg	severance at or above the knee joint
Speech and hearing in both ears	100%	Loss of finger or thumb	severance at or above the first interphalangeal joint
Both legs, both arms or both hands	100%	Loss of sight	total and irrecoverable loss of sight which must have continued for 12 months
One arm or one leg	75%	Loss of speech or hearing	must be total and irrecoverable and must have continued for 12 months
One hand or one foot or sight in one eye	50%	Loss means a Description of Loss as set out in the "Table of Losses" and includes Loss of Use. Loss of Use is the permanent, total and irrecoverable loss of ability to perform the normal daily activities of living. Loss of Use must be beyond correction by surgical or other means. The Loss of Use must occur within one year of the Accident and must be continuous for one year.	
Speech or hearing in both ears	50%		
Thumb and index finger on the same hand	25%		
Four fingers of one hand	25%		

If you suffer more than one Loss as a result of one Accident, Sun Life will only pay the largest percentage of benefit amount specified in the "Table of Losses".

If a severed part is surgically reattached, regardless of the use regained, 50% of the benefit amount will be paid. The balance of the benefit amount is payable if the reattachment fails and the reattached part is removed within one year of the reattachment.

Disability

If you become Disabled as defined in this Certificate, a monthly disability benefit payment will be paid if your claim is approved by Sun Life.

Your disability benefit payment is the monthly insured Mortgage payment on the date you became Disabled to the maximum of \$4,500 per month.

There is a maximum of 24 months of benefit payments under this Certificate after which your disability insurance terminates under the Policy.

When the benefit is payable

Life and Accidental Dismemberment

When your claim is approved by Sun Life, the benefit as described in "What is the amount of insurance" will be paid to ATB and applied as a credit to your Mortgage balance.

Disability

When your claim is approved by Sun Life, the benefit as described in "What is the amount of insurance" will be paid to ATB and credited to your account. You are responsible for any portion of your regularly scheduled Mortgage payment not covered by the benefit. The benefit is paid once you satisfy a 30 day qualifying period. Qualifying period means the period of continuous disability beginning on the date you become Disabled and ending on the date you qualify for benefits. During the qualifying period you may work up to a total of 2 days and the qualifying period will not be extended by the amount of time worked. If you work more than 2 days, you will have to re-satisfy the entire 30 day period.

The benefit is paid monthly and in arrears. The benefit payment will be issued on the last day of each month. If you return to work or recover part way through a month, a partial monthly payment will be issued on the last day of that month.

When the benefit is not paid

No benefit will be paid for a **life** claim if:

- you were not eligible for insurance when you applied, or
- you take your own life, while sane or insane if you have had this insurance for less than 2 years.

If there is, or has been, a claim paid to ATB for any person insured under the Mortgage, your life benefit payment may be reduced in part or in its entirety as outlined in "The Policy has maximums that apply to each insured Mortgage" and "What is the amount of insurance".

No benefit will be paid for an **accidental dismemberment** claim if:

- you were not eligible for insurance when you applied,
- your Loss occurs as a result of self inflicted injuries or attempted suicide, while sane or insane,
- your Loss occurs from events directly or indirectly relating to, arising from or following your participation or attempted participation in a criminal offence,
- your Loss occurs from events directly or indirectly relating to, arising from or following your impairment by alcohol while your blood alcohol concentration is higher than the legal limit or by illegal or illicit drugs, regardless of whether your Loss arises or results from your impairment,
- your Loss occurs as a result of war or civil disorder, whether declared or undeclared, unless you are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve, or
- your Loss occurs more than one year following the date of the Accident.

If there is, or has been, a claim paid to ATB for any person insured under the Mortgage, your AD benefit payment may be reduced in part or in its entirety as outlined in "The Policy has maximums that apply to each insured Mortgage" and "What is the amount of insurance".

No benefit will be paid for a **disability** claim if:

- you were not eligible for insurance when you applied,
- you are not under the active and continuous care of a licensed physician or health practitioner approved by Sun Life,
- you are not following the recommended treatment prescribed by the licensed physician or health practitioner approved by Sun Life,
- you are Disabled as a result of war or civil disorder, whether declared or undeclared, unless you are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve,
- you are Disabled as a result of drug or alcohol use, unless confined in a hospital or participating in a rehabilitation program approved by Sun Life,
- you are Disabled from events directly or indirectly relating to, arising from or following your participation or attempted participation in a criminal offence,
- you are Disabled from events directly or indirectly relating to, arising from or following your impairment by alcohol while your blood alcohol concentration is higher than the legal limit or by illegal or illicit drugs, regardless of whether your disability arises or results from your impairment,
- you are Disabled as a result of self inflicted injuries or attempted suicide, while sane or insane,
- you are confined in a prison or similar institution, or
- you are Disabled as a result of elective cosmetic or experimental surgery or treatment.

If there is more than one claim under the Mortgage in any given month, your monthly disability benefit payment may be reduced in part or in its entirety as outlined in "The Policy has maximums that apply to each insured Mortgage" and "What is the amount of insurance".

What if your disability recurs

After the qualifying period is completed, interrupted periods of disability will be treated as a continuation of the same disability if:

- your disability recurs within 21 consecutive days,
- your disability lasts for at least 5 consecutive days, and
- your disability is due to the same or related injury or illness.

When the disability benefit payment stops

Benefit payments will stop if:

- you have received 24 months of benefit payments under this Certificate,
- your Mortgage has been paid in full,
- you return to work to your own occupation or you recover,
- you participate in any occupation for remuneration or profit,
- you participate in any educational program or training unless approved by Sun Life,
- you do not provide proof of continuing disability satisfactory to Sun Life,
- you are no longer Disabled, as described under "What Disabled means",
- you are not under the active and continuous care of a licensed physician or health practitioner approved by Sun Life,
- you are not following the recommended treatment prescribed by the licensed physician or health practitioner approved by Sun Life,
- you reach age 65,
- you refuse to submit to a medical examination by a licensed physician or other health practitioner selected by Sun Life,
- you are no longer a borrower, co-borrower, or guarantor on the Mortgage, or
- you die.

When your insurance terminates

The insurance on your Mortgage ends on the **earliest** of:

- the date ATB receives your written notice to cancel your insurance,
- the date you are no longer a borrower, co-borrower, or guarantor on your Mortgage,
- the date the Policy is terminated,
- the date the Mortgage has been refinanced, paid in full or assumed by another borrower,
- the date your monthly premium is 90 days overdue,
- the date of your death,
- the date you have received 24 months of disability benefit payments under this Certificate (for disability insurance),
- the date the combined maximum Insurance Amount for Life and AD is paid to any person insured under the Mortgage,
- the date you reach age 75 (for Life and AD insurance), and
- the date you reach age 65 (for disability insurance).

What you should know about making a claim

An insurance claim package is available from any branch of ATB. You will need to have the forms completed and submit them to Sun Life according to the instructions in the claim package.

A claim should be made as soon as possible:

- Life insurance claims must be made within one year from the date of death.
- Accidental dismemberment claims must be made within one year from the date of the Loss.
- Disability claims must be made within 120 days from the date you became Disabled.

While your claim is being processed, you are required to continue your insurance premium payments and your regularly scheduled Mortgage payments.

Any required proof relating to a claim is at the expense of the claimant.

Important information

You have 30 days from the date your insurance begins to cancel at no cost to you, and all premiums paid will be refunded by ATB. If at any time you wish to cancel your insurance, please contact any branch of ATB for instructions.

Any concealment, misrepresentation or false declaration concerning your Application or any claim may result in your insurance being void.

If you have misstated your age on your Application and your true age would have rendered you ineligible for the insurance, liability under the Policy will be limited to a refund of premiums paid and your insurance will be voided.

Sun Life and ATB together reserve the right to change the terms of this Certificate at any time with 30 days advance written notice to you.