



PRODUCT GUIDE



Assumption Life

ASSUMPTION LIFE FLEXOPTIONS

Assumption Life Life Insurance	
Features	<ul style="list-style-type: none"> • Decreasing term life insurance with option of adding critical illness insurance and disability insurance. • No proof of loan is required for life insurance and critical illness insurance. • Simplified issue for life insurance coverage of \$200,000 or less as well as for disability insurance coverage of \$1,500 or less (all answers to medical and lifestyle questions must be in the negative). • Available as a policy only. • Available as an individual policy or a joint first-to-die policy on two insureds. • Available for smokers and non-smokers. • Premiums are level, guaranteed and payable for the duration of the policy.
Policy Duration	10, 15, 20 or 25 years
Annual Fees	\$40
Issue Ages	18 to 65 years
Minimum Coverage	\$50,000
Maximum Coverage	<ul style="list-style-type: none"> • \$200,000 for a 10-year term policy • \$500,000 for a 15-, 20- or 25-year policy
Banding	<ul style="list-style-type: none"> • \$50,000 to \$200,000 • Over \$200,000
Beneficiary	The owner of the policy names the beneficiary.
Conversion	<ul style="list-style-type: none"> • The FlexOptions life insurance policy may be converted to a permanent life insurance policy approved by Assumption Life, without proof of insurability, for the sum insured when the option is exercised. • A joint life insurance policy may be converted to a joint permanent life insurance policy for the sum insured when the option is exercised. It may also be converted into two individual permanent life insurance policies, in which case each policy will be for half of the sum insured when the option is exercised. • No conversion is allowed before the FlexOptions policy's first anniversary. • When the insured (or one of the insureds on a joint policy) reaches 49 years and 6 months of age, conversion without proof of insurability is limited to 50% of the sum insured specified above at the time the option is exercised. • The conversion option terminates 5 years before the end of the policy or on the policy anniversary nearest to the insured's 65th birthday, whichever comes first.
Joint Policy	<ul style="list-style-type: none"> • Premium = 85% P1 + 85% P2 + annual fee; P1 and P2 represent the individual premium for each insured. • The 85% of the premium per \$1,000 must be rounded off to the nearest cent (¢). • Following the first death, the surviving spouse can convert the policy into a permanent insurance policy within 45 days. Conversion conditions apply. • A second death benefit will be paid if the surviving insured dies within 45 days of the first death provided that the surviving insured is less than 64 years and 6 months of age.
<i>For additional information concerning the product, its limitations and exclusions, please refer to the contract.</i>	

Schedule of Decreasing Sum Insured

Year	Duration			
	10 years \$	15 years \$	20 years \$	25 years \$
1	1,000	1,000	1,000	1,000
2	931	964	979	987
3	857	924	955	972
4	777	882	930	957
5	691	836	903	940
6	597	786	874	921
7	500	732	842	902
8	500	674	808	880
9	500	611	770	857
10	500	543	730	832
11	0	469	687	805
12	0	389	640	776
13	0	303	589	744
14	0	210	534	710
15	0	109	474	673
16	0	0	410	633
17	0	0	340	589
18	0	0	265	542
19	0	0	183	492
20	0	0	95	437
21	0	0	0	378
22	0	0	0	313
23	0	0	0	244
24	0	0	0	169
25	0	0	0	88

The insurance coverage decrease is based on a mortgage loan with an 8% annual interest rate.

Assumption Life Critical Illness Insurance

Features	<ul style="list-style-type: none"> • Provides a lump-sum payment if the insured suffers from a covered critical illness. • The critical illness insurance is only available if the insured also chooses the life insurance option; both must be issued at the same time. • The insurance amount decreases at the same rate as the life insurance. • As soon as a claim is paid under the critical illness insurance coverage, the life insurance death benefit is reduced by the amount paid. The critical illness rider and all other riders attached to the FlexOptions policy terminate. • If the reduction reduces the death benefit to zero (\$0.00), the policy and all riders attached to it terminate. • The benefit is payable to the insured.
Covered Illnesses	<ul style="list-style-type: none"> • Myocardial infarction (heart attack) • Cerebrovascular accident (stroke) • Kidney failure • Major organ transplant • Cancer, except for the following exclusions: <ul style="list-style-type: none"> ▪ Early prostate cancer (T1N0M0 or equivalent staging) ▪ Premalignant lesions, benign tumours or polyps ▪ Any tumour in the presence of any human immune deficiency virus (HIV) ▪ Any skin cancer other than invasive malignant melanoma into the dermis or lodged in the deeper area of the dermis, at more than 1.0 mm ▪ Non invasive cancer in situ <p><i>The waiting period in case of cancer is three (3) months.</i></p>
Issue Ages	18 to 55 years
Minimum Coverage	\$50,000
Maximum Coverage	\$500,000 without exceeding the initial life insurance coverage.
Joint Policy	<ul style="list-style-type: none"> • The critical illness insurance is available only if the two insureds under the joint plan choose this option. • Premium = P1 + P2; P1 and P2 represent the individual premium for each insured. • Only one payment will be made even if both insureds suffer from a covered critical illness. However, if both insureds are diagnosed with a covered critical illness within an interval of 45 days or less, we shall pay the sum insured to each insured. • If an insured is diagnosed with a critical illness and within 45 days or less the other insured who is less than 64 years and 6 months of age dies, the death benefit payable under the policy will not be reduced by the amount paid under this rider provided that the deceased insured has not submitted a claim under this rider.
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Assumption Life Disability Insurance (Disability Income)

Features	<ul style="list-style-type: none"> • Provides for the payment of a monthly income if the insured becomes disabled before the policy anniversary nearest to the insured's 60th birthday (see definition of disability). • The waiting period to receive a first payment is 90 days; however, the payment is retroactive to the 61st day of disability. • Payments will be made for a maximum of 24 months for one cause of disability. • Payment amount will be equal to the sum of all regular monthly loan payments, as set out in the contract, specified on the application at the time the application is signed, without exceeding the prescribed maximum. • The disability insurance is only available if the insured also chooses the life insurance option, and both must be issued at the same time. • Benefit payable to the insured.
Definition of Disability	<p>Total disability means a condition resulting from an illness, an injury or a nervous disorder that prevents the insured from performing his regular duties in regard to:</p> <ul style="list-style-type: none"> (a) the occupation in which he was engaged immediately before the date he became totally disabled; or (b) his principal occupation; or (c) any occupation at which the insured worked at least 20 hours per week for at least 8 weeks during the 12 months immediately preceding his total disability.
Issue Ages	18 to 55 years
Minimum Sum Insured	\$300
Maximum Sum Insured	1% of the initial amount of life insurance or of the voluntarily reduced amount of life insurance, without exceeding \$3,000.
Eligibility	<ul style="list-style-type: none"> • When a claim is made, the insured must give proof confirming that the loan on which the disability benefit is based existed at the time the FlexOptions application is signed. • No payments shall be made if the disability occurs within 6 months of the effective date of the insurance and the cause of this disability was diagnosed during the 6 months immediately preceding the effective date of the insurance. <p><i>Additional eligibility requirements apply to maintain the disability benefits. Please refer to the contract.</i></p>
Eligible Loans for Disability Income	<ul style="list-style-type: none"> • Real estate mortgage loans in effect or deferred at the time FlexOptions application is signed. The deferred loan's expected start date is set at no later than 6 months after the application is signed. • Personal loans, whether for leases, purchases or purchase/buy-back of any goods. • Withdrawals from a Registered Retirement Savings Plan (RRSP) made through the Canada Revenue Agency's Home Buyer's Plan (HBP) before the date of signature on the FlexOptions application. • All loans must have a remaining period of at least 5 years at the date of signature on the FlexOptions application. • For the 15-, 20- and 25-year term FlexOptions policy, the initial amortization period of the loan (duration of the loan) must be at least 15 years. • Lines of credit and all other financial obligations of the insured for which the amount of debt or the debt reimbursement period are variable or unascertained are not eligible for the disability insurance.

Assumption Life Disability Insurance (Disability Income) - continued

Maximum Payments in Case of Disability	<p>The monthly disability income payments are equal to the lesser of:</p> <ul style="list-style-type: none"> • The amount of disability coverage specified in the policy description; • 1% of the initial FlexOptions life insurance amount in force at issue date, without taking into consideration the decreasing factor • the sum of the monthly regular payments of all loans specified on the FlexOptions application, owed to and required by the creditors to cover the principal and interest only of all active loans at the date of total disability. Penalty fees, interest bonuses, deductions for property tax payments, insurance premiums and any other amount added to the loan payments are excluded.
Termination of the Disability Income Payments	<p>Payment of the disability income benefit terminates on the first of the following:</p> <ul style="list-style-type: none"> • the policy termination date; • the date on which the insured ceases to be totally disabled; • upon the insured's death; • after the 24th monthly payment for the same cause of disability; • once all loans on which the disability benefit was based at the time the FlexOptions application is signed are completely reimbursed; • the date on which the insured refuses to submit, for no justifiable motive, to medical examinations or treatments prescribed by a doctor.
Termination of the Disability Income Rider	<p>The disability income rider terminates on the first of the following:</p> <ul style="list-style-type: none"> • when Assumption Life receives written notice to terminate the rider; • when Assumption Life has made 48 monthly disability income payments, even if it concerns a joint policy; • on the policy anniversary nearest to the insured's 60th birthday; • once all loans on which the disability income benefit was based at the time the FlexOptions application is signed are completely reimbursed; • the date on which the insured is released from his obligations under all loans; • on the expiration date of the disability rider specified on page 3 of the contract; • on the date that coincides with the 25th anniversary of the disability rider. <p><i>Please note that if an insured starts receiving his disability benefits at age 59, he will receive the maximum 24 monthly payments until he reaches 61 years of age, as long as he remains eligible according to the conditions in the contract and the policy remains in force.</i></p>
Joint Policy	<ul style="list-style-type: none"> • The disability insurance is available only if the two insureds under the joint plan choose this option. • Premium = P1 + P2; P1 and P2 represent the individual premium for each insured. • Only one monthly income will be paid should both insureds become disabled.

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