

# Platinum Protection Whole Life Policy

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## OTHER ATTACHED DOCUMENTS

### RIDERS

### APPLICATIONS

## A. Definitions

In this **Policy**, unless otherwise indicated:

- a) **Acceptance Date** means the actual date on which the **Application** is approved by **Assumption Life**, as indicated in the **Policy Specifications**.
- b) **Age** means the age of the **Insured** on their birthday nearest the **Date of Issue** of the **Policy** or of any attached **Rider**, as applicable, as indicated in the **Policy Specifications**.
- c) **Amount Due** means any premium due and unpaid on the **Contract**.
- d) **Application** means any insurance application attached to the **Contract**.
- e) **Assumption Life**, “we”, “us” and “our” refer to Assumption Mutual Life Insurance Company.
- f) **Attained Age** means the sum of (i) the **Age**; and (ii) the number of complete years of insurance from the **Date of Issue** of the **Policy** or **Rider**, as applicable.
- g) **Beneficiary** means the person or persons to whom the death benefit is payable and who have been so designated in the **Application** or will be so designated at a later date as provided for in the **Policy** or **Rider**, as applicable.
- h) **Contract** means this **Policy**, together with all **Riders**, amendments, **Policy Specifications** and **Applications** attached to it.
- i) **Date of Issue** means the effective date of the **Policy** or **Rider**, as applicable, as indicated in the **Policy Specifications**.
- j) **Equivalent Attained Age** means the sum of (i) the **Equivalent Age** at the **Date of Issue** of a **Joint Policy** and (ii) the number of complete years of insurance from the **Date of Issue** of a **Joint Policy**.
- k) **Equivalent Age** means a single **Age** calculated for all **Insureds** under a **Joint Policy**, at its **Date of Issue**, as determined according to actuarial calculations based on the **Age**, sex and smoking status of each **Insured** and as indicated in the **Policy Specifications**.
- l) **Extreme Disability** means the **Insured** is affected by a medical condition that renders them in a state of total and irrecoverable disability, without reasonable expectancy of recovery as determined by a **Physician**, and that as a result of such disability the **Insured** cannot perform four out of the following six activities of daily living:
  - 1) **Bathing** means washing with or without the aid of assistive devices in a bathtub or shower, including getting in and out of the bathtub or shower, or by sponge bath. Bathing doesn't include the ability to reach and wash the back or feet.
  - 2) **Dressing** means putting on, taking off, fastening and unfastening, with or without the aid of assistive devices: clothing, and medically necessary braces or artificial limbs. An **Insured** is not functionally dependent for dressing if reasonable alterations to or changes in the clothing the **Insured** usually wears would let the **Insured** dress themselves without substantial physical assistance.
  - 3) **Toileting** means getting to and from and on and off the toilet, with or without the aid of assistive devices, and performing associated personal hygiene.
  - 4) **Transferring** means moving into or out of a bed, chair or wheelchair, with or without the aid of assistive devices.
  - 5) **Feeding** means consuming food or drink that has been prepared and served, with or without the use assistive utensils.
  - 6) **Continence** means the ability to control either bladder or bowel functions, or maintain a reasonable level of personal hygiene (including caring for catheter or colostomy bag) when not able to control bowel or bladder functions.
- m) **Head Office** means **Assumption Life's** offices at 770 Main Street, P.O. Box 160, Moncton, New Brunswick E1C 8L1 or any other address **Assumption Life** may provide in writing to the **Owner** as its head office or principal place of business. You may contact the **Head Office** by telephone during normal business hours at 506-853-6040 or 1-800-455-7337.
- n) **Immediate Family** means the spouse, child, brother, sister, parent, grandparent or grandchild of the **Insured** or the **Owner** and the child, brother, sister or parent of the **Insured's** spouse or the **Owner's** spouse.

- o) **Insured** means the person insured under the **Policy** or **Rider**, as applicable, and designated as such in the **Policy Specifications**.
- p) **Joint Policy** means a policy issued on the life of more than one **Insured**, as indicated in the **Policy Specifications**. A Joint Policy can either be a Joint First-To-Die Policy ("**JFTD Joint Policy**") or a Joint Last-To-Die Policy ("**JLTD Joint Policy**"), as indicated in the **Policy Specifications**.
- q) **Loan** means a loan granted to the **Owner** by **Assumption Life** or an automatic premium loan to pay a premium due under the nonforfeiture option when there is a **Net Cash Value** available on the **Contract**.
- r) **Net Cash Value** means the sum of the guaranteed cash value of the **Policy** or **Rider**, as applicable, minus any **Amount Due**.
- s) **Owner** means any person designated as such in the **Application** or subsequently designated in accordance with the provisions of the **Contract**. "**You**" and "**your**" refer to the **Owner**.
- t) **Physician** means an individual who holds a valid license from the College of Physicians and Surgeons from the province or territory within which the individual is practicing in Canada or a valid license in the United States to practice medicine and treat illnesses and injuries and who practices under the terms of that license. **Physician** does not include the **Insured**, the **Owner**, a person who is a member of the **Insured's** or the **Owner's Immediate Family** or an individual who holds any other health-related license or degree.
- u) **Policy** means this policy, excluding any attached **Rider** and **Applications**.
- v) **Policy Anniversary** means the anniversary of the **Date of Issue** of the **Policy**. **Policy** years are calculated from the **Date of Issue** of the **Policy**.
- w) **Policy Specifications** means the information pertaining to the Policy and to any attached Rider, as applicable, indicated in the pages of the **Contract** entitled *Policy Specifications*.
- x) **Principal Residence** means the last known address of the **Insured**.
- y) **Rider** means any document identified as "Rider" that provides for additional life insurance or benefits applied for by the **Owner** and that we issue and approve. A **Rider** is an integral part of the **Policy** only when indicated in the **Policy Specifications**. **Rider** also means any amendment or exclusion identified as "Rider" that we issue and approve and that is accepted by the **Owner**, and by the **Insured**, if applicable.
- z) **Rider Anniversary** means the anniversary of the **Date of Issue** of a **Rider**. **Rider** years are calculated from the **Date of Issue** of such **Rider**.
- aa) **Sound Mind** means the state of mind of the **Insured** who is not prevented from forming intent due to the influence of narcotics, drugs, medication or alcohol, or of any psychological, nervous or medical disorder or state.
- bb) **Sum Insured** means the amount of life insurance under the **Policy** or **Rider**, as applicable, payable as set out in the Death Benefit section, as indicated in the **Policy Specifications** and as modified pursuant to the **Policy** or **Rider**, as applicable.

## B. General Provisions

### B.1 Contract

The Contract is comprised of the Policy and of any attached Riders, amendments and copies of Applications. If the Contract lapses and is subsequently reinstated, the written notice of reinstatement becomes an integral part of the Contract.

### B.2 Amendment

**Assumption Life** will not be bound by any agreement, promise, application, representation or understanding that is not expressly contained in the **Contract**. Only **Assumption Life's** President and Chief Executive Officer is authorized to amend the **Contract** and its terms and conditions, and only then, in writing. No broker, agent or other representative is authorized to modify any of the provisions of the **Contract**.

### B.3 Method of Premium Payment

Premiums are payable at our **Head Office** on an annual, semi-annual, quarterly or monthly basis, subject to our administrative rules. The first premium is due on the **Date of Issue**. Each subsequent premium is due at the end of the period covered by the previous premium.

You may, at any time, request that the method of premium payment indicated in the **Policy Specifications** be changed, subject to our administrative rules.

### B.4 Contract Premiums

The annual premiums of the **Policy** and of any attached **Rider**, as applicable, are indicated in the **Policy Specifications** and are guaranteed, unless otherwise indicated in the **Contract**. The said annual premiums are guaranteed for the term specified and are subject to section "Automatic Renewal" of the **Policy**. If the **Policy** or any attached **Rider**, as applicable, terminates, the annual premiums payable under the **Contract** will be reduced accordingly.

### B.5 Premium Payment Period

Premiums of the **Policy** and any **Rider**, as applicable, are payable until the dates indicated in the **Policy Specifications**, subject to the Automatic Renewal section.

### B.6 Automatic Paid-Up Insurance

At the end of the **Policy's** premium payment period, the **Policy's Sum Insured** will be fully paid-up until death of

- a) the **Insured**, if this is not a Joint Policy;
- b) the first **Insured** to die, if this is a JFTD Joint Policy, or;
- c) the last **Insured** to die, if this is a JLTD Joint Policy;

if all applicable premiums have been paid.

### B.7 Currency and Place of Payment

Amounts to be paid by or to us will be in Canadian dollars. Premiums payable under the **Contract** must be remitted to our **Head Office**.

### B.8 Effective Date Of Policy

The **Policy** takes effect on the latest of the following dates:

- a) the **Acceptance Date**;
- b) the **Date of Issue**; or
- c) the date the **Insured** signs an amendment or restriction to the **Application** at our request, provided that on that date:
  - a) the first premium has been paid during the lifetime of the **Insured**, or of all **Insureds** under a **Joint Policy**; and
  - b) no change has occurred with respect to the insurability of the **Insured**, or of all **Insureds** under a **Joint Policy**, since the signing of the **Application**; and
  - c) any information or answer provided in the **Application** remains complete and true.

### B.9 Grace Period

Except for the payment of the first premium, a grace period of 30 days is granted for premium payment. The **Contract** remains in force during this grace period, subject to any other cause of termination or cancellation. If the **Insured** dies during the grace period, the amount of any outstanding premium will be deducted from the death benefit payable.

## B.10 Nonforfeiture Option

Unless otherwise requested by you by written notice before the end of the grace period provided for in the **Policy** or **Rider**, as applicable, we will take at the end of the grace period, from the **Net Cash Value** of your **Contract**, if applicable, an automatic premium loan to pay the premium due. The **Loan** bears interest from the end of the grace period and as provided in the **Policy's** or **Rider's**, as applicable, "Cash Values and Loans" section. If the available **Net Cash Value** is not sufficient to pay the premium due according to the method of premium payment, the portion of the premium equal to the available **Net Cash Value** will be paid. The **Contract** will remain in force only for the pro-rated part of the premium payment period covered by that part of the premium paid by the **Loan**.

## B.11 Lapse

Subject to the grace period provided for in the **Policy** or **Rider**, as applicable, the **Contract** lapses and our obligations hereunder automatically cease if premiums remain unpaid after the grace period.

## B.12 Reinstatement

The **Policy** and any attached **Rider** may be reinstated upon fulfillment of all of the following conditions:

- a) You request reinstatement in writing within three years following their lapse.
- b) Satisfactory proof of insurability is provided to us by all **Insureds** and for any insured child, as applicable.
- c) You pay all outstanding premiums with interest at a rate permitted by law and compounded annually.
- d) We have not received written notice requesting termination of the **Policy** or **Riders**.

## B.13 Assignment

You may assign the **Contract** by written notice filed at our **Head Office**. The assignment, however, will not have any effect on measures taken by us before receiving such notice. We assume no liability with respect to the validity of such assignment.

## B.14 Beneficiary

Unless the **Beneficiary** has been designated irrevocably, and subject to any legal restrictions, you may, during the **Insured's** lifetime, change the **Beneficiary** by way of a written notice sent to our **Head Office**. The change will take effect on the date the notice is signed, whether the **Insured** is living or not on the date such notice is received. However, the change will not have any effect on any measures taken by us before receiving such notice. We assume no liability with respect to the validity of the change of beneficiary.

Consent from the irrevocable **Beneficiary** is required when you submit a request for a change of beneficiary or when you dispose of your rights under the **Contract**.

## B.15 If No Designated Beneficiary

Should there be no designated **Beneficiary** upon the death of the **Insured**:

- a) you, as Owner, become the Beneficiary, or
- b) if you are both the Insured and the sole Owner, your estate will become the Beneficiary unless otherwise indicated, or
- c) if there are multiple **Owners** and one of you is the **Insured**, the remaining surviving **Owner(s)** will become the **Beneficiary(ies)**, unless otherwise indicated.

## B.16 Owner

Subject to any legal restrictions, you may change the **Owner** of the **Contract** by written notice, during the **Insured's** lifetime. The change will take effect on the date the notice is signed, whether the **Insured** is living or not on the date such notice is received. However, the change will not have any effect on any measures taken by us before receiving such notice. We assume no responsibility with respect to the validity of the change of owner.

In the event of multiple **Owners**: the remaining living **Owner(s)** shall automatically become sole **Owner(s)** of the **Contract** on the death of an **Owner**, unless otherwise specified.

## B.17 Exclusions and Reductions

### Incontestability

This **Policy** shall be voidable, at our option, within two consecutive years from the later of:

- a) The **Acceptance Date**; and
- b) The last reinstatement date of the **Policy**

if false or inaccurate statements were made by the **Insured** or **Owner** in an **Application** or if they failed to inform us of all material facts with respect to this **Policy**.

In such an event, we will reimburse premiums paid under this **Policy** since the later of the above dates to the **Owner**. No death benefit shall be payable.

### Fraud

In the event of fraud by an **Owner** or an **Insured**, including fraud regarding the use of tobacco, nicotine, marijuana mixed with nicotine or e-cigarettes by an **Insured**, this **Policy** shall be automatically void. No premiums will be reimbursed or death benefit payable.

### Misstatement of Age or Sex

In the event the **Age** or sex of an **Insured** is misstated, we will change the death benefit to the amount that would have been payable had the **Insured's** sex or **Age** been correctly stated at the issuance of the **Policy** and the premiums remained unchanged. If the **Age** of the **Insured** was outside the applicable age limits for this **Policy** on the **Date of Issue**, this **Policy** will be deemed void, subject to any legal restrictions.

### Suicide

If an **Insured**, whether of **Sound Mind** or not at the time, commits suicide within two years from the later of:

- a) The **Acceptance Date**; and
- b) The last reinstatement date of the **Policy**,

the death benefit payable with respect to such death shall be reduced to sum of the premiums paid under this **Policy** since the later of the above dates.

## B.18 Claims

All claims must be submitted in writing and received at our **Head Office** within 12 months following the event for which a benefit is claimed. For additional information regarding our claim procedures or to request the relevant forms, you may contact us by telephone at 506-853-6040 or 1-800-455-7337. You may also contact us by mail at the following address: **Assumption Life**, 770 Main Street / P.O. Box 160, Moncton NB, E1C 8L1, by fax at 1-855-230-2500 or by e-mail at: [claims@assumption.ca](mailto:claims@assumption.ca).

## B.19 Appeal

Anyone claiming to be entitled to a benefit and disagreeing with a refusal to pay a claim, may ask for a review within 30 days from the date of the decision by sending us a written request and attaching any new supporting document.

A review will be undertaken and we will advise this person of our decision within 60 days of receiving the written request accompanied by any new supporting document.

## B.20 Limitation of Actions

An action or proceeding against us for the recovery of a claim under the **Contract** shall not be initiated more than one year after the date the benefit became payable or would have become payable if a valid claim had been presented.

For a **Contract** issued in British Columbia or Alberta, every action or proceeding for the recovery of insurance money payable under the **Contract** is absolutely barred unless commenced within the time set out in the *Insurance Act*, RSBC 2012, c 1 or the *Insurance Act*, RSA 2000, c I-3, respectively.

For a **Contract** issued in Ontario, every action or proceeding against an insurer for the recovery of insurance money payable under the **Contract** is prescribed by the time frame set out in the *Limitations Act, 2002*, SO 2002, c 24, Sched B.

## B.21 Non-Participating Policy

The **Policy** is non-participating; therefore, no dividends are payable on the **Policy**.

## B.22 Change from Smoker to Non-Smoker Premium Class

If the **Policy** or any attached **Rider**, as applicable, was issued under the smoker premium class, you may, at any time, as applicable, ask for a change to non-smoker premium class upon presentation of satisfactory proof as required by us.

## B.23 Notice and Correspondence

Any notice or correspondence to be delivered will be sent to your last known mailing address or to the last known e-mail address that you have provided. Any postal or e-mail communication sent to you will be deemed received seven days after it has been sent.

Any notice that you must (or wish to) give us may be delivered by mail, messenger, fax, or any form of electronic transmission. Certain restrictions apply when sending any form that needs to be signed in your own handwriting. All communication with us will be deemed received on the date of receipt at our **Head Office**.

## B.24 Access to Personal Information

Any claim under the terms of the **Policy** or of any **Rider**, as applicable, must be submitted in writing and supported by the appropriate documents. We reserve the right to request any information that we deem appropriate in support of said claim.

At the time of processing a claim, personal information concerning the **Insured**, including medical information on the **Insured's** state of health, will be required.

No amount will be paid in the event that the **Insured** or the **Insured's** estate, legal guardian, or personal representative refuses to consent to the disclosure of personal information pertaining to the **Insured** that we deem necessary for claim processing purposes.

## B.25 Right to Cancel Contract at No Charge

You have 10 days following receipt of your **Contract** to review it and cancel it, without incurring any fees or penalty, provided that we receive a written notice to that effect at our **Head Office** within the time indicated. Upon receipt of your cancellation notice within the time indicated, we will reimburse the full amount of premiums paid on the canceled **Policy** and any attached **Rider**, as applicable. Your **Policy** and any attached **Rider**, as applicable, will be considered null and void as of the **Date of Issue**, and no benefits will be payable for the canceled **Contract**.



## B.26 Termination by the Owner

You may, at any time, terminate this **Contract** with a written notice to cancel by sending it to us by mail at our **Head Office**. Any premium paid after the termination date indicated in the notice or the date the notice is received, whichever is later, shall be reimbursed.

## B.27 Compliance with the Law

Any provision of the **Contract** that, on the **Date of Issue**, does not comply with the applicable legislation in the province or territory in which the **Contract** was issued will be amended so as to meet the minimum requirements of that legislation.

# C. Death Benefit

## C.1 Benefit

Subject to the terms set out in this benefit and the Exclusions and Reductions section of the General Provisions, a death benefit equal to the **Sum Insured** is payable to the **Beneficiary** upon the death of:

- a) the **Insured**, if this is not a **Joint Policy**;
- b) the first **Insured**, if this is a **JFTD Joint Policy**, or;
- c) the last **Insured** to die, if this is a **JLTD Joint Policy**.

Any **Amount Due** on the date of the death of the **Insured** for which a death benefit is paid shall be deducted from the death benefit.

## C.2 Simultaneous Death – Joint First-To-Die Policy

If both **Insureds** under a **JFTD Joint Policy** die within 24 hours of each other, a simultaneous death is deemed to have occurred.

In such a situation, if at least one of the **Insureds** had not reached age 70 on their date of death, a death benefit equal to the **Sum Insured** will be payable to the **Beneficiary** of each of the **Insureds**, for a total death benefit equal to twice the **Sum Insured**.

If both **Insureds** had reached age 70 on their date of death, a death benefit equal to half of the **Sum Insured** will be payable to the **Beneficiary** of each of the **Insureds**, for a total death benefit equal to the **Sum Insured**.

In the event of a simultaneous death, the death benefits payable will each be reduced by half of the **Amount Due** on the date of the death of the **Insureds**.

If an **Insured** who dies in a simultaneous death is the **Beneficiary** of the other **Insured**, their interest in the death benefit is vested in their estate unless otherwise provided in the last valid beneficiary designation.

## C.3 Entitlement to Benefit

For this death benefit to be paid, the following documentation must be provided to us:

- a) satisfactory proof that the death of the **Insured** occurred while the **Policy** or **Rider**, as applicable, was in force;
- b) a **Physician's** statement confirming the cause and circumstances of death of the **Insured**;
- c) satisfactory proof of the **Age** of the **Insured**, or both **Insureds** in the case of a **Joint Policy**; and
- d) satisfactory proof of the claimant's right to this death benefit.

## C.4 Examination, Obtaining Medical Information and Autopsy

We reserve the right to request additional medical information from any **Physician** or medical institution that may have provided treatment to the **Insured**, or to require an autopsy on the body of the deceased **Insured**, subject to the limitations of the law. In the event of refusal or failure to provide the evidence requested, we will not be bound to pay any amount claimed.

## C.5 Settlement Options

The death benefit may be paid by cheque or by direct deposit in a lump sum, left on deposit with interest, used to purchase an immediate annuity or a variable deferred annuity, or settled in any other manner prescribed by law and which we have approved.

## D. Cash Values and Loans

### D.1 Guaranteed Cash value

A guaranteed cash value is available on the **Policy** from the fifth **Policy Anniversary**. The guaranteed cash value is not payable upon the death of:

- a) the **Insured**, if this is not a **Joint Policy**;
- b) the first **Insured** to die, if this is a **JFTD Joint Policy**, or;
- c) the last **Insured** to die, if this is a **JLTD Joint Policy**.

The guaranteed cash values of the **Policy** are as indicated in the Table of Values attached to the **Contract**.

### D.2 Net Cash Value

**Net Cash Value** means the sum of the guaranteed cash value of the **Policy** and of any **Rider**, if applicable, minus any **Amount Due** on the **Contract**.

### D.3 Cash Value Options

#### Option A - Cash Surrender

Upon written notice, you may surrender the **Contract** for its **Net Cash Value**. If the **Contract** is so surrendered, our payment of the **Net Cash Value** will constitute the final discharge of the **Contract**, and our responsibility under it ends automatically on the date on which we receive the written notice.

We may delay payment of the **Net Cash Value** for no more than six months.

Any surrender is subject to applicable tax laws. Administrative fees are applicable.

#### Option B - Reduced Paid-Up Insurance

If you cease the **Contract's** premium payments while there are still **Policy** premiums payable and a guaranteed cash value is available on the **Policy**, you may continue the **Policy** as reduced paid-up insurance. An automatic premium loan will be taken from the **Net Cash Value** to pay the premium due on the **Contract**, if applicable, before proceeding with this option.

The guaranteed cash value of the **Policy** minus the portion of any outstanding **Loan** that applies to the **Policy** on the date your written notice for reduced paid-up insurance is received, or on the date requested in your notice should this date be later, will be applied as a net single premium to purchase a reduced amount of paid-up insurance until death of:

- a) the **Insured**, if this is not a **Joint Policy**;
- b) the first **Insured** to die, if this is a **JFTD Joint Policy**, or;
- c) the last **Insured** to die, if this is a **JLTD Joint Policy**.

The net single premium is determined on the date your written notice is received, or on the date requested in your notice should this date be later, according to the premium rate, the **Attained Age** of the **Insured**, or **Equivalent Attained Age** of the **Insureds** under a **Joint Policy**, and the number of days since the last **Policy Anniversary**. The **Policy's Sum Insured**, and therefore the death benefit, will be modified and reduced accordingly.

If a **Rider** for which the premiums are still payable is attached to the **Policy** and a guaranteed cash value is available on the **Rider**, the **Rider** will also be continued as reduced paid-up insurance. The guaranteed cash value of the **Rider**, minus the portion of any outstanding **Loan** that applies to the **Rider** on the date your written notice for reduced paid-up insurance is received, or the date requested in your notice should this date be later, will be applied as a net single premium to purchase a reduced amount of paid-up insurance until death of the **Insured** under such rider. The net single premium is determined on the date written notice is received, or the date requested in your notice should this date be later, according to the premium rate, the **Attained Age** of the **Insured**, and the number of days since the last **Rider Anniversary**. The **Sum Insured** under the **Rider**, and therefore the death benefit will be modified and reduced accordingly.

The portion of any **Amount Due** of the **Policy** or a **Rider**, as applicable, is established in proportion to their respective guaranteed cash value and the total guaranteed cash values of the **Contract**.

If you exercise this reduced paid-up insurance option:

- a) The death benefit will be equal to the amount of reduced paid-up insurance, not to the **Sum Insured**;
- b) If a **Rider** is an integral part of the **Policy** and no guaranteed cash value is available with respect to that **Rider**, that **Rider** will terminate; and
- c) The extreme disability benefit (if applicable) and the transportation benefit will terminate.

#### Cash Surrender of Reduced Paid-Up Insurance

You may surrender the reduced paid-up insurance at any time. We will then pay you a cash value equal to the net single premium of the **Policy** or **Rider**, as applicable, minus any outstanding **Loan** on the **Contract**. The net single premium is determined on the date your written notice is received according to the premium rate, the **Attained Age** of the **Insured**, or the **Equivalent Attained Age** of the **Insureds** in case of a **Joint Policy**, and the number of days since the last **Policy Anniversary** or **Rider Anniversary**, as applicable.

## D.4 Loans

You may obtain a **Loan** against the **Net Cash Value** upon written request. Any request for a **Loan** may be deferred for up to six months. We may, however, retain any amount necessary to avoid termination of the **Contract** within the next 12 months.

If there are no outstanding **Loans** on the **Contract** at the time of your request, the **Loan** will bear interest at **Assumption Life's** applicable interest rate as of the date your request is received. If a **Loan** is outstanding at the time of your request, the new **Loan** will bear interest at the same rate as the existing **Loan**, except automatic premium loans.

If there are no automatic premium loans on the **Contract** at the time an automatic premium loan is made, such automatic premium loan will bear interest at **Assumption Life's** applicable interest rate as of the date the automatic premium loan is made. If an automatic premium loan is outstanding at the time an automatic premium loan is made, the new automatic premium loan will bear interest at the same rate as the existing automatic premium loan.

On each **Policy Anniversary**, the interest rate on all outstanding **Loans** under the **Contract**, including automatic premium loans, will be adjusted to **Assumption Life's** applicable interest rate as of that date. Any unpaid interest accrued up to and including the **Policy Anniversary** will be added their respective **Loans** on such date and will bear interest from that moment.

The amount of any outstanding **Loan** (including accrued and unpaid interest) constitutes a debt toward us and must be paid upon surrender of the **Contract** or upon the death of the **Insured** or deducted from any amount payable by us, at any time.

When there is a guaranteed cash value on the **Policy**, part of the outstanding **Loan** (including accrued and unpaid interest), equal to the fraction represented by the guaranteed cash value of the **Policy** divided by the sum of the guaranteed cash values on the **Contract**, shall be deducted from the death benefit otherwise payable upon the death of:

- a) the **Insured**, if this is not a **Joint Policy**;
- b) the first **Insured** to die, if this is a **JFTD Joint Policy**, or;
- c) the last **Insured** to die, if this is a **JLTD Joint Policy**.

We may however deduct additional amounts from the death benefit, up to and including the entire outstanding **Loan** (including accrued and unpaid interest) if necessary to avoid termination of the **Contract** within the next 12 months.

When death results in the termination of the **Contract**, all outstanding **Loans** (including accrued and unpaid interest) are deducted from the death benefit otherwise payable.

## E. Joint First-To-Die Policy

The following provisions apply if this is a **JFTD Joint Policy**.

### E.1 Term Life Insurance on Surviving Insured

If the death of the first **Insured** to die occurs before the surviving **Insured's** 70<sup>th</sup> birthday, term life insurance equal to the death benefit of the **Joint Policy** on the date of the first death will be continued on the surviving **Insured** for a maximum period of 90 days from the date of the first death. Such term life insurance terminates automatically at the end of the 90-day period or when the conversion right provided in the section hereafter is exercised, whichever comes first.

This term life insurance on the surviving **Insured** has the same beneficiary designation as the one in force on the surviving **Insured** on the date of the first death, unless otherwise specified in a written notice received from the **Owner**.

### E.2 Conversion of Term Life Insurance on Surviving Insured

The surviving **Insured** may convert their term life insurance, without proof of insurability, to a permanent life insurance policy offered by us for this conversion, provided that the application for conversion along with the first premium payment are received at our **Head Office** before the end of the term life insurance.

The new policy resulting from this conversion is subject to the following conditions and limitations:

- a) The amount of life insurance of the new policy is equal to or less than the amount of the term life insurance on the surviving **Insured** and is within the minimum and maximum amounts approved by us for the new policy.
- b) The premium of the new policy is based on the sex and **Age** of the surviving **Insured** as of the **Date of Issue** of the new policy, in accordance with the premium rate set for a regular risk and applicable on such **Date of Issue**.
- c) The premium class, smoker or non-smoker, which applied on an individual basis to the surviving **Insured** on the **Joint Policy**, applies to the new policy if this premium class is available at that time.
- d) If the surviving **Insured** was subject to an extra premium on the **Joint Policy**, an equivalent increase in premiums applies to the new policy.
- e) If there was an exclusion **Rider** on the surviving **Insured** on the **Joint Policy**, a similar exclusion rider applies to the new policy.

Satisfactory proof of insurability will be required for the addition of any **Rider** to the new policy and will be subject to our approval.

### E.3 Split of Joint Policy to Individual Policies

Provided the **Attained Age** of the elder of the **Insureds** is then less than 70 and no premiums are due and unpaid, this **Joint Policy** may be split by the **Owner**, without proof of insurability, to individual policies of the same product on each of the **Insureds**. This split is made with the same **Date of Issue** and term as the **Joint Policy** and with the sex, **Age**, premium class and risk that would have been applicable to each of the **Insureds** if the **Policy** had been an individual one on this **Date of Issue**.

If the split occurs in connection with:

- a) The legal separation or divorce of the two **Insureds**;
- b) The dissolution of the business on whose behalf the coverage had been issued or of whom the two **Insureds** were employees, shareholders or officers and had subscribed this insurance in case of the death or departure of either of them from the business; or
- c) The amendment of tax laws in a way that materially affects the reasons for which such joint life insurance coverage was subscribed,

the **Sum Insured** under each individual policy resulting from the split must be equal or less than the **Sum Insured** under the **Joint Policy** on the date the split is made.

In all other circumstances, the **Sum Insured** of each individual policy resulting from the split must be equal to or less than half the **Sum Insured** under the **Joint Policy** on the date the split is made.

If this **Joint Policy** is changed to an individual policy on the life of only one of the **Insureds**, any insurance on the other **Insured** is terminated.

We reserve the right to set the adjustment basis for such change. Administrative fees are applicable.

## F. Joint Last-to-Die Policy

The following provisions apply if this is a **JLTD Joint Policy**.

The death benefit is only payable upon the last death. Premiums for this coverage are payable until the last death.

### F.1 Split from Joint Policy to Individual Policies

In case of any of the following circumstances:

- a) legal separation or divorce of the two **Insureds**;
- b) dissolution of the business on whose behalf the coverage had been issued or of whom the two **Insureds** were employees, shareholders or officers and had subscribed this insurance in case of the death or departure of either of them from the business; or
- c) where the tax laws are amended in a way that materially affects the reasons for which such last-to-die joint life insurance coverage was subscribed;

providing that no premiums are due and unpaid, and as long as the **Attained Age** of the elder of the **Insureds** is then less than 70, the **Owner** may split this **JLTD Joint Policy**, without proof of insurability, to individual policies of the same product. This split is made with the same **Date of Issue** as the **Joint Policy** and with the sex, **Age**, premium class and risk that would have been applicable to the **Insured** for whom the individual policy is requested on this **Date of Issue**. The **Sum Insured** of the individual policy may be equal to or less than half the **Sum Insured** under the **Joint Policy** on the date the split is made.

If this **Joint Policy** is changed to an individual policy on the life of only one of the **Insureds**, any insurance on the other **Insured** is terminated.

We reserve the right to set the adjustment basis for such change. Administrative fees are applicable.

## G. Extreme Disability Benefit

### G.1 Benefit

The **Owner** may, by making a request as set out herein,

- a) before the **Policy Anniversary** or **Rider Anniversary**, as applicable, nearest the **Insured's** 60<sup>th</sup> birthday, obtain an extreme disability benefit equal to 50% of the **Sum Insured**, up to a maximum of \$250,000; or
- b) between the **Policy Anniversaries** or **Rider Anniversaries**, as applicable, nearest the **Insured's** 60<sup>th</sup> and 70<sup>th</sup> birthday, respectively, obtain an extreme disability benefit equal to 50% of the **Sum Insured**, up to a maximum of \$125,000,

if the **Insured** is in a state of **Extreme Disability**, as determined by a **Physician**, and this benefit was in force at the onset of the **Extreme Disability**.

Any **Amount Due** on the date of disbursement of this benefit will be deducted from the amount payable.

The **Sum Insured** will be reduced by the amount paid under this benefit.

Even if the **Sum Insured** is reduced following payment of this extreme disability benefit, the **Policy's** or **Rider's** premium remains calculated on the initial **Sum Insured** and is payable in the same manner and frequency.

### G.2 Entitlement To Benefit

This benefit may be paid after the **Insured** has been in a state of **Extreme Disability** for a period of six consecutive months from the onset of **Extreme Disability**. This benefit may only be paid once.

No extreme disability benefit will be paid unless we receive written proof of the **Insured's Extreme Disability**. Written proof includes a properly completed claim form and a **Physician's** statement satisfactory to us. We reserve the right to request additional medical information from any **Physician** or institution that may have provided treatment to the **Insured**. We may require, at our own expense, an additional examination by a **Physician** of our choice. If there is a discrepancy between medical opinions, the opinion of our **Physician** will prevail. In the event of refusal or failure to provide the proofs requested, we will not be bound to pay any amount claimed for this benefit.

### G.3 Exclusions and Reductions

The extreme disability benefit is not available if this is a **JLTD Joint Policy**.

No extreme disability benefit will be paid if the **Insured's Extreme Disability** results directly or indirectly from any of the following, whether or not the **Insured** or the **Owner**, as applicable, is of **Sound Mind** at the time:

- a) a self-inflicted injury;
- b) an attempted suicide;
- c) the commission or attempted commission of a criminal act by the **Insured**; or
- d) the **Owner's** intentional act.

No extreme disability benefit is payable if this **Policy** or **Rider**, as applicable, was issued as a result of the exercise by the **Owner** of a term exchange option or a conversion privilege and that (a) an extreme disability benefit was paid pursuant to the prior policy or rider, as applicable, or (b) the prior policy or rider, as applicable, did not provide for an extreme disability benefit identical to this benefit.

If the **Insured** has been the object of an extreme disability benefit pursuant to another policy or rider issued by **Assumption Life** (whether or not such policy or rider is attached to this **Contract**), the maximum amount of the extreme disability benefit payable under this **Policy** or **Rider**, as applicable, is reduced by the amount of already paid in respect of such **Insured**. The total amount of the extreme disability benefits paid by **Assumption Life** on all policies and riders it has issued with respect to one **Insured** cannot exceed the amount set out above.

If an extreme disability benefit is paid with respect to an **Insured** who is insured under more than one policy or rider issued by **Assumption Life** that provide for this extreme disability benefit (whether or not such policies or riders are attached to this **Contract**), the amount of the extreme disability benefit paid will be allocated amongst the policies and riders providing for this benefit in proportion to their **Sum Insured**.

## H. Transportation Benefit

### H.1 Benefit

The transportation benefit is equal to the cost of transporting the **Insured's** body or remains to his **Principal Residence**, under normal transportation methods, and will be paid to the **Beneficiary** if:

- a) the **Insured**, if this is not a Joint Policy;
  - b) the first **Insured** to die, if this is a JFTD Joint Policy, or;
  - c) the last **Insured** to die, if this is a JLTD Joint Policy
- dies more than 200 kilometers from their **Principal Residence**.

The person making the claim must provide proof satisfactory to us of the expenses incurred in the preparation of the **Insured's** body for burial and the transportation of the **Insured's** body to the place of burial. Subject to the Exclusions and Reductions section, we will reimburse the expenses we deem reasonable and necessary up to a maximum equal to the lesser of (a) two dollars per kilometer between the **Insured's** place of death and their **Principal Residence**, and (b) \$2,000, per **Contract**.

### H.2 Exclusions and Reductions

The cost of a casket or an urn is not an admissible expense under this benefit.

No transportation benefit is payable if the **Insured's** death occurs on or before the date that is two years after the later of:

- a) The **Date of Issue** of this **Policy** or **Rider**, as applicable.
- b) The last date of reinstatement of the **Contract**.

The transportation benefit is not applicable to this **Policy** or **Rider**, as applicable, if it was issued as a result of the exercise by the **Owner** of a term exchange option or a conversion privilege and that the prior policy or rider, as applicable, did not provide for a transportation benefit identical to this benefit.

## I. Policy Termination

The **Policy** terminates on the earliest of the following dates:

- a) the date of death of:
  - (1) the **Insured**, if this is not a **Joint Policy**;
  - (2) the first **Insured** to die, if this is a **JFTD Joint Policy**, or;
  - (3) the last **Insured** to die, if this is a **JLTD Joint Policy**;
- b) the end of the grace period if any premium due under the **Contract** remains unpaid.
- c) the later of the date we receive your written notice requesting termination of the **Policy** and the date of termination requested in your notice;
- d) the date on which the **Net Cash Value** is less than or equal to zero;

Notwithstanding the preceding, upon the death of the **Insured** under the **Policy**, if a life insurance **Rider** is an integral part of the **Contract** and the **Insured** under the **Rider** is not the same person as the **Insured** under the **Policy**, the **Contract** remains in force for the **Insured** under the life insurance **Rider**.