

IMPORTANT MORTGAGE PROTECTION INFORMATION

Buying a home is likely one of the single largest purchases you will make in your lifetime. It is also an investment in your family's financial future – an investment that needs to be protected.

Prepare for life's complications – plan ahead!

It's the unexpected events in life that can cause you the most stress. Did you know that **65% of Canadians** would have trouble covering their living expenses, including the mortgage, for more than a few months if the primary wage earner died?*

What would your family do if something unfortunate happened to you and they were left to make the mortgage payments on their own?

Mortgage Protection Plan insurance provides a quick and easy solution.

Mortgage Protection Plan® (MPP) insurance is optional life and disability insurance coverage, insured by The Manufacturers Life Insurance Company ("Manulife"). It can protect your investment while helping secure your family's financial well-being in the event of your death or disability.

MPP insurance offers flexible premium payment options that allow you to pay your premium in smaller installments. Look at the quote section on your application form for your initial premium payment frequency. You can change your premium payment frequency by calling 1-866-677-4366.

Every eligible applicant is approved for some kind of coverage.

You won't be denied coverage regardless of your health. You are eligible to apply if you're a Canadian resident between 18 and 64 years old and are a borrower, co-borrower or guarantor on a residential mortgage, up to \$1,000,000, arranged by a mortgage broker who offers MPP insurance. Even if you don't qualify for full life and/or disability coverage, you can receive accidental death for 50% of the full life premium, and/or accidental disability insurance for 60% of the full disability premium.

Applying is easy, plus you have the option of immediate protection.

Your coverage can begin the minute the insurer receives your application and premium payment information. Or you have the option to delay the coverage start date to match with your mortgage funding date. If you want to delay coverage, check the box, "I want to delay my coverage start date to match the funding date" on your application.

One phone call may be all it takes to complete your application.

When you apply for MPP insurance, you may be asked some questions about your health on your application and/or via a medical interview over the phone.

Your answers will determine if medical tests are required, which would be completed at a mutually convenient time. Based on those tests, coverage level and premium will then be determined. If your insurance is to start immediately, you will continue to be covered while we complete the medical review of your file. You'll receive confirmation of your coverage by mail.

Valuable Features

When you make a life or disability claim, the coverage offered through MPP insurance can help see you through these challenging times. We are able to provide you with valuable extra benefits like the Life Bridge Benefit and the Disability Bonus Payment described on page 2.

Coverage is portable with your mortgage.

You will not lose your coverage (or have to re-qualify) no matter how many times you change homes or lenders in the future, and premiums (based on your original mortgage amount and amortization period) don't increase with changes in your health or because you get older.

Blend and extend your coverage

You may apply for additional insurance to cover a **significant change**¹ to your mortgage, if you are eligible.

If you have MPP insurance and are applying for additional insurance, it's important to tick "I have MPP insurance on this debt and am applying for additional life and/or disability insurance" on your application. This will tell us that you're applying for an increase in coverage.

The additional coverage will work as follows:

- If you already have life coverage with us, and are applying for additional life coverage now, your initial life insurance benefit under the new certificate will equal your new refinanced debt minus your initial life insurance amount on your existing certificate.
- If you already have disability coverage with us, and you are applying for additional disability now, your initial disability benefit under the new certificate will equal your new mortgage payment amount minus the initial mortgage payment amount on your existing certificate.

The additional coverage premium will be calculated using your age at that time and the rates then available. You'll keep your existing coverage at your existing rates, and the payment frequency for your existing insurance will change to match your new frequency, if different. The combined insurance may not cover your full debt or payment. Please see your certificate for details.

The Manufacturers Life Insurance Company

* Source: LIMRA, Life Insurance Ownership 2013 Household Trends.

¹ **Significant change** means more funds are advanced under your mortgage after the beginning of the Certificate, or your mortgage amortization period is altered so that the mortgage won't end at the same time as the initial amortization period would have ended.

Mortgage Protection Plan® (MPP) insurance provides two important product options for mortgage protection.

Creditor Life Insurance and Total Disability Insurance can help protect your mortgage not just in the event of death, but also if a serious accident or illness leaves you unable to work.

Life Insurance	Total Disability Insurance
<p style="text-align: center;">Benefits</p> <p>The life insurance benefit will equal the mortgage balance owing if: you have a traditional mortgage, you buy enough life insurance to cover your mortgage, and you don't make a significant change¹ to your mortgage. Traditional mortgages go down steadily as you regularly pay off principal and interest; therefore, your life insurance benefit goes down over time.</p> <p>Alternatively, if you don't have a traditional mortgage (e.g. you have a line of credit), or aren't fully insured, or you've made a significant change to your mortgage, then your life insurance may not cover the whole mortgage debt. Instead, the benefit covers your debt up to the amount that would have been owed under a traditional mortgage that started the day you bought the life insurance and had a mortgage amount equal to your life insurance on that day. See your Certificate for calculation details.</p>	<p style="text-align: center;">Benefits</p> <p>The disability benefit amount we pay is based on your mortgage payment at the time of claim, if you have a traditional mortgage** and don't make a significant change¹ to it. If you have joint coverage, your benefit is 50% of that amount; if you have single coverage, your benefit is 100% of that amount.</p> <p>We can pay this amount to your lender each month if you are totally disabled² for at least 60 days. No benefit is paid for this 60-day qualification period or during any regular seasonal layoff, if you're seasonally employed.</p> <p>**If you have a non-traditional mortgage, your disability benefit equals your Initial Mortgage Payment. In that case, or if you make a significant mortgage change and your monthly mortgage payment changes after you apply for insurance, or if there are two borrowers, then your disability insurance benefit may be less than your actual monthly payment.</p>
<p style="text-align: center;">Maximum Coverage</p> <p>Manulife will insure up to \$1 million per person under all MPP insurance and CSP insurance³ combined.</p> <p>In addition, Maximum Coverage is subject to the Overall Benefit Maximums on the next page.</p>	<p style="text-align: center;">Maximum Coverage</p> <p>Manulife will insure up to \$10,000 per month per person under all MPP insurance and CSP³ insurance combined, for a maximum of 24 months.</p> <p>In addition, Maximum Coverage is subject to the Overall Benefit Maximums on the next page.</p>
<p style="text-align: center;">When does my life insurance end?</p> <p>Whichever happens first:</p> <ul style="list-style-type: none"> □ Your 70th birthday □ The date on which you pay off your mortgage □ The end of the initial amortization period □ The date on which you decide to cancel your protection □ The date insurance premiums are 31 days overdue □ The date on which a life insurance benefit becomes payable □ The date your Certificate becomes void due to misrepresentation 	<p style="text-align: center;">When does my disability insurance end?</p> <p>Whichever happens first:</p> <ul style="list-style-type: none"> □ Your 65th birthday □ The date on which you pay off your mortgage □ The end of the initial amortization period □ The date on which you decide to cancel your protection □ The date insurance premiums are 31 days overdue □ The date your Certificate becomes void due to misrepresentation <p>NOTE: All disability benefits end when your disability insurance ends.</p>
<p style="text-align: center;">Life Bridge Benefit</p> <p>As soon as we receive a completed life insurance claim form and the supporting documentation requested (including evidence that the insured person died by accident if they have accidental death coverage), we will start to pay the Life Bridge Benefit to your lender.⁴</p>	<p style="text-align: center;">Disability Bonus Payment</p> <p>We'll make one extra disability benefit payment after you get back on your feet, unless you've already received the maximum number of payments.</p>
<p style="text-align: center;">General Exclusions</p> <p>Your insurance benefit will not be paid if death or disability is associated with:</p> <ol style="list-style-type: none"> (1) suicide, attempted suicide or self-inflicted injury within 2 years of the coverage start date; (2) committing or provoking a criminal offence including assault or driving while impaired (whether or not you are charged); (3) any act of war or insurrection, unless you are a member of the Canadian Armed Forces or Canadian Forces Reserve; (4) alcohol abuse or drug use that is not in strict accordance with a Physician's prescription; (5) any other exclusion outlined in your Certificate. <p><i>If you only qualify for Accidental Death coverage, for benefits to be payable the death must be caused solely and directly by an accident while the coverage is in force and the death must happen within 1 year of the accident.</i></p>	<p style="text-align: center;">Additional Disability Exclusions</p> <p>Your insurance benefit will not be paid if disability is associated with:</p> <ol style="list-style-type: none"> (1) any exclusions listed under General Exclusions; (2) normal pregnancy or childbirth; (3) cosmetic or elective surgery; or (4) a pre-existing condition which results in your disability at any time before the first anniversary from the date coverage starts. <p>"Pre-existing condition" means any medical condition for which you consulted a Physician or for which you received treatment in the 12 months prior to the date coverage starts.</p> <p><i>If you only qualify for Accidental Disability coverage, for benefits to be payable the disability must be caused solely and directly by an accident while the coverage is in force and the disability must start within 1 year of the accident.</i></p>

To make a claim: The claimant can call 1-866-677-4366 and be provided with the claim forms to be completed.

² If you work at least 20 hours per week for at least 40 weeks in the 12 months before you become disabled, or if you are seasonally employed and work at least 20 hours per week for 13 consecutive weeks in that period, then you are **totally disabled** if you can't perform the essential duties of your normal job due to illness or injury. Otherwise, you are **totally disabled** if you can't do at least 2 of the following activities of daily living without another person's help: dressing; eating; getting out of bed; toileting; walking.

³ CSP insurance means Credit Security Plan insurance, an optional creditor group insurance product insured by Manulife and offered by lenders, that is issued on or after December 1, 2016.

⁴ If you have a traditional mortgage and your life insurance covers the whole debt, the benefit will equal your monthly mortgage payment. Otherwise, the benefit may be lower.

*Please don't leave your mortgage unprotected
and your family's home at risk.*

Ask your mortgage broker for an MPP insurance application and apply today!

About Us

"We", "us" or "our" in this brochure means The Manufacturers Life Insurance Company ("Manulife"). MPP insurance is offered by Credit Security Insurance Agency Inc. ("CSIA"), insured by Manulife and administered and managed by Benesure Canada Inc. ("Benesure"). **The Plan is offered under Policy Number GC329, GC327-D.**

Please Check Your Coverage

When we receive your application, you will be sent a copy of your Certificate of Insurance ("Certificate"). The Certificate sets out the terms of your insurance coverage, and may include a notice of conditional coverage. We encourage you to read this document carefully. If you are not approved for the coverage you have requested you will be notified. If you provide incomplete or inaccurate information including information about your health or smoking status, then your insurance may be void and no benefits may be paid for any reason. If you were not eligible to apply, then your insurance will be void.

Changes to Your Mortgage

It is important to tell us when there are changes to your mortgage as this may impact your coverage. If you pay off your mortgage and do not replace it with a new one, then your coverage ends and you must notify us so we stop collecting premiums. If you make a significant change to your mortgage, you will not be insured for the full amount you owe. You can apply for an increase in coverage to address changes to your mortgage. New terms and conditions may apply to the new insurance coverage.

Overall Benefit Maximum

We will never pay more than the debt owing. If more than one person is insured with respect to your debt and two or more die or are totally disabled at the same time, the total share of benefit shall never exceed the Maximum Coverage described on the previous page. If your application for new MPP insurance coverage would exceed this maximum, your new MPP insurance coverage will be reduced so the maximum isn't exceeded, and any excess premiums will be refunded.

This brochure is a summary, not a contract.

This brochure is designed to outline the benefits for which you may be eligible and does not create any contractual or other rights. All of your rights and benefits will be governed solely by the Certificate we issue to you and the Group Policy issued to your mortgage broker.

Role of your mortgage broker

Your mortgage broker is not a licensed life insurance agent. Your mortgage broker's role is to have you complete the preprinted application form ("Application"). You may wish to speak to a licensed agent; if you need advice about this product, please contact one at the phone number below. For other insurance advice, you can consult a licensed agent of your choice. Your mortgage broker is the group policyholder for this MPP insurance coverage, and receives remuneration for providing administrative duties, such as providing you with this insurance information. Third party administrators acting on behalf of your mortgage broker, such as Broker Support Centre Inc., may also receive remuneration for providing administrative duties.

Privacy & confidentiality notice

The specific and detailed information requested on the application form and in the telephone interview(s) is required to process the MPP insurance application. We may need more information to assess your application, and may get it from you or from other sources. When you sign an application, you agree that we and our service providers can collect, use

and disclose your personal information as described in detail in the privacy policy on the Manulife website. You agree that Manulife and our service providers can use this information to process waivers, to assess your application, to administer your insurance coverage including any claims, to collect premiums when they are due, for statistical analysis and to communicate with you regarding your insurance or related financial products and services. You also agree that Manulife can share information about your insurance with your mortgage broker and the lender who loaned the money that this insurance relates to, and their service providers. You agree that they and their service providers can use this information to assist you with any questions about the insurance, including about claims, and for statistical analysis and regulatory oversight. Your mortgage broker and lender and their service providers may also use it to communicate with you about financial services that may interest you, such as additional insurance coverage that may be available in future. Your consent to the use of your personal information to offer you products and services is optional and if you wish to discontinue such use, you may write to us at: Privacy Officer, Manulife, P.O. Box 1602, Del. Stn 500-4-A, Waterloo, ON N2J 4C6. You acknowledge that, if you do not agree that your information may be used for the purposes stated above, other than communicating with you about other financial services that may interest you, then it may not be possible to accept your application. To protect the confidentiality of your information, we will establish a "financial services file" from which this information will be used for the purposes described above. Access to this file will be restricted to Manulife employees, our mandataries, service providers, administrators and agents who are responsible for the assessment of risk (underwriting), marketing and administration of insurance, and the investigation of claims, and to any other person you authorize or as authorized by law. These people, organizations, and service providers may be in jurisdictions outside Canada, and subject to the laws of those foreign jurisdictions. Your file is secured in our offices. You may ask to review the personal information it contains and make corrections by writing to Manulife.

Pre-authorized debit agreement ("PAD") for personal premium payments

By signing the Application, you confirm being an owner of the account for which you have provided a void cheque, and authorize premiums for any insurance purchased from us or our agents to be collected without further notification to you before payments commence. Premium payments and collection dates will be confirmed in the Coverage Summary sent with your Certificate of Insurance, can commence as early as the day after your Application is submitted. **You waive the right to receive further notice of the amount and date of each automatic withdrawal from your account, including withdrawals for all coverage subject to Blend and extend.** If your bank or financial institution does not honour an automatic premium withdrawal the first time it is presented for payment, we will attempt to withdraw that payment again within 30 days. We reserve the right to ask for an alternate method of payment if your payment is not honoured. All one-time or automatic withdrawals from your bank account will be treated as personal withdrawals as defined by the Canadian Payments Association in Rule H-1. You can cancel your payment authorization at any time by written notice to us. You understand that cancelling this PAD agreement may result in a loss of insurance coverage unless we receive another form of payment. You have certain recourse rights if any debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on your recourse rights or your right to cancel, or to obtain a sample cancellation form, you may contact your financial institution or visit www.payments.ca.

Accessible formats and communication supports are available upon request.

Visit Manulife.com/accessibility for more information.

If you have any questions, call today:

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