

Distribution GUIDE



Credit Balance Insurance – Business is
a group balance insurance product.

Notice from the Autorité des marchés financiers

This guide does not express the opinion of the Autorité des marchés financiers regarding the quality of the product offered. The Insurer is solely responsible for any discrepancies between the wording of the guide and the policy.



Desjardins
Financial Security®

200, rue des Commandeurs
Lévis (Québec) G6V 6R2
1-866-838-7572
Fax: 418-833-6546
www.desjardins.ca

The following documents are important, since they are confirmation of your insurance:

- this Distribution Guide;
- the Insurance Certificate that confirms your enrolment in the Credit Balance Insurance – Business product.

This guide is intended for information purposes. It is not your insurance policy. Refer to your insurance policy for all of the terms and conditions. You may consult the policy at the head office of the *contract holder* during business hours. You can also obtain a copy at your expense.

The insurance contract consists of:

- the policy, including any appendices;
- the Insurance Certificate;
- the application for insurance;
- any *riders*.

For **more information** on Credit Balance Insurance – Business, please contact the personnel of Desjardins Financial Security Life Assurance Company at 1-866-838-7572.

This is the Credit Balance Insurance – Business Distribution Guide in accordance with the *Act Respecting the Distribution of Financial Products and Services*.

The terms defined in this guide appear in *italics*.
The definitions are shown on pages 7 to 11.

The masculine gender is used for the sake of
readability.

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INTRODUCTION

■ What is the purpose of the Distribution Guide?

The Distribution Guide provides all the essential information you need to know about Credit Balance Insurance – Business.

When an insurance representative is not available, it will help answer your questions and show you how Credit Balance Insurance – Business can meet your needs.

We encourage you to read this guide closely, in particular pages **21** to **24** that explain the **exclusions, limitations and reduction in coverage**. The **claim** procedure is also explained on pages **26** and **27**.

We also invite you to read your Insurance Certificate and verify the information it contains.

■ Why choose Credit Balance Insurance – Business?

- Because it covers a business owner's *credit account* payments in case of:
 - 1) death;
 - 2) *loss of use or dismemberment*;
 - 3) *disability*; or
 - 4) first diagnosis of a *critical illness*.
- Because it is reasonably priced, tailor-made coverage directly proportional to your account balance.

■ Definitions

All of the terms defined below appear in *italics* in this guide.

Accident: a sudden and unforeseen event due to an external cause and resulting in bodily injury or death. The injury or death must be confirmed by a *physician* and be directly and solely the result of the accident.

Balance: the payment required (excluding any overdue amount and applicable interest) to release the *participant* fully from any financial obligation toward the *contract holder*. The balance corresponds to the total balances of each type of credit offered by the *contract holder* and forming the *credit account*.

Benefit: amount paid by the *Insurer* under the conditions of the contract.

Cancer: presence of a tumour characterized by the uncontrolled growth and spread of malignant cells that invade tissue. For skin cancers, only invasive malignant melanoma into the dermis or deeper are covered. **This definition does not, however, cover the following illnesses:**

- 1) first stage Hodgkin's disease;
- 2) early prostate cancer diagnosed as type T1N0M0 or equivalent staging;
- 3) non-invasive cancer in situ;
- 4) pre-cancerous lesions, benign tumours or polyps;
- 5) bladder cancer (stages 0 and 1);
- 6) tumours associated with HIV (human immunodeficiency virus);
- 7) non-invasive malignant melanoma in the case of skin cancer.

Continuing medical care: care that the *participant* must receive and that is recognized as effective, appropriate and essential in the diagnosis or treatment of a medical condition or injury resulting from an *accident*. This care must be reasonable and customary and be administered or prescribed by a *physician* or, if the *Insurer* deems necessary, by a suitable *health professional*. In

addition, care or treatment must not be limited to examinations or tests and must be administered at the frequency required by the *participant's* condition.

Contract holder: as specified in the Insurance Certificate. The *contract holder* is the company with which you hold a *credit account*.

Credit account: variable credit granted by the *contract holder* to the *credit account holder* and covered by this insurance. The credit account includes all transactions carried out using a *credit card*, as well as those carried out using a *line of credit*, if the *contract holder* has chosen to insure them.

Credit account holder: the individual considered to be the owner of the business in whose name the *credit account* is opened.

Credit card: credit card certified for the purposes of this insurance by the *contract holder* and the *Insurer*. The credit card can be used for the following types of financing:

- 1) *day-to-day transactions*;
- 2) *level-payment financing*;
- 3) *deferred-payment financing*.

Critical illness: *cancer, heart attack, stroke or terminal illness* diagnosed by a *physician*.

Day-to-day transaction: a cash advance or the purchase of goods or services using a *credit card*.

Day-to-day transactions do not include purchases subject to *level-payment financing* or *deferred-payment financing*.

Deferred-payment financing: financing for the purchase of goods or services:

- 1) obtained using a *credit card*; **and**
- 2) for which payment is deferred for a period determined on the date of financing.

Disability: a state of incapacity resulting from an illness or *accident*, which requires *continuing medical care* and which:

- 1) for the first 12 months of disability, totally prevents the *participant* from performing all the usual duties of his main occupation;
- 2) after the first 12 months of disability, totally prevents the *participant* from working in any gainful occupation enabling him to earn at least 60% of his predisability earnings. The *Insurer* does not take into account the availability of such work where the *participant* lives.

The *participant* must have performed at least 25 hours of *remunerative work* per week for the business during each of the 4 weeks immediately preceding the onset of disability.

The illness or injury resulting from an *accident*, as well as the *participant's* state of incapacity, must be confirmed by a *physician*.

Health professional: any health professional who:

- 1) is a member in good standing of his professional corporation or association; and
- 2) practises within the scope of his discipline as prescribed by law.

Heart attack: destruction of a portion of the heart muscle resulting from the blockage of a coronary artery. The diagnosis must be based on both of the following:

- 1) the results of the electrocardiogram must show new changes confirming the diagnosis of acute myocardial infarction;
- 2) the biochemical heart markers must have reached a level that corresponds to a diagnosis of acute myocardial infarction.

Insurer: Desjardins Financial Security Life Assurance Company.

Line of credit: variable credit agreement under which the *contract holder* authorizes a person to borrow in accordance with the stipulated conditions and a predetermined credit limit.

Level-payment financing: financing for the purchase of goods or services **or** financing in the form of a cash loan:

- 1) obtained using a *credit card*; **and**
- 2) repayable in equal consecutive monthly instalments determined on the date of financing.

Loss of use or dismemberment: permanent severance or total and irrecoverable loss of use of:

- 1) sight in one eye;
- 2) one hand, including the wrist joint;
- 3) one foot, including the ankle joint.

Minimum payment: the minimum monthly payment required by the *contract holder* and specified on the *credit account* statement (excluding any overdue amount).

Participant: any person:

- 1) who meets the 4 following eligibility criteria, i.e. who:
 - a) is a business owner;
 - b) holds a *credit account* with the *contract holder*;
 - c) is between the ages of 18 and 64 inclusive at the time of enrolment;
 - d) actively works for his business (minimum 25 hours per week) at the time of enrolment.
- 2) who has enrolled in the Credit Balance Insurance – Business; and
- 3) whose name appears on the Insurance Certificate.

Physician: any person, apart from the *participant* himself, who is licensed and practising medicine in Canada.

Remunerative work: work for which the *participant*:

- 1) receives an income; or
- 2) is compensated as a self-employed worker for the completion of work or provision of services.

Income includes any portion of business income attributable to the *participant*, including salaries, fees, bonuses, wages or commissions.

Rider: document appended to an insurance contract describing and attesting to any amendments made to the contract.

Statement date: date that appears on the monthly *credit account* statement sent to the *credit account holder*.

Stroke: cerebrovascular trauma causing destruction of brain tissue due to hemorrhage, thrombosis or embolism. The stroke must result in either paralysis or an objective measurable neurological deficit that lasts for at least 31 days.

Transient ischemic attacks are, however, not included under this definition.

Sum insured: the “sum insured” is defined in this guide under the heading “What is the sum insured?” on pages 13 and 14 of this guide.

Terminal illness: any illness other than a *cancer*, *heart attack*, or *stroke* diagnosed by a *physician* and that will likely result in the *participant’s* death within the year of the diagnosis.

Treated: see *treatment(s)*.

Treatment(s):

- 1) consultation of a *physician* or other *health professional* or care received from such specialist;
- 2) medical examinations;
- 3) use of medication; or
- 4) hospitalization.

1- PRODUCT DESCRIPTION

a) Purpose of the product

Credit Balance Insurance – Business is a group insurance product that provides credit insurance coverage for your business' *credit account*. Credit Balance Insurance – Business covers business owners who, like you, hold an account with the *contract holder*.

Credit Balance Insurance – Business covers all the types of credit offered by the *contract holder*. Where applicable, it covers the 4 following types of credit:

- 1) *day-to-day transactions*;
- 2) *level-payment financing*;
- 3) *deferred-payment financing*;
- 4) line of credit transactions.

b) Summary of conditions and features

■ Who is eligible?

You are eligible for Credit Balance Insurance – Business if you meet the following criteria:

- 1) you are a business owner;
- 2) you hold a *credit account* with the *contract holder*;
- 3) you are between the ages of 18 and 64 inclusive at the time of enrolment;
- 4) you actively work for your business (minimum 25 hours a week) at the time of enrolment.

The *Insurer* and the *contract holder* reserve the right to decline your application if you do not meet the above criteria.

■ How to enrol?

You can enrol in Credit Balance Insurance – Business by completing the relevant form, at the same time or after you open a *credit account*.

■ Are there any health questions?

You do not have to answer any questions pertaining to your health at the time of enrolment. However, *benefits* may be limited if you have a pre-existing medical condition or injury (see pages 23 and 24 of this guide).

■ What coverage is offered?

Credit Balance Insurance – Business consists of **3 types of coverage**, applicable to all types of credit offered by the *contract holder*:

- 1) **Death or Dismemberment coverage** pays *benefits* if you:
 - a) die from natural causes;
 - b) die accidentally;
 - c) suffer the *loss of use or dismemberment* of one eye, one hand or one foot as a result of an *accident*;
- 2) **Disability coverage** pays *benefits* if you become disabled, in accordance with the terms of the contract;
- 3) **Critical Illness coverage** pays *benefits* if you are diagnosed for the first time with a *critical illness* covered by the contract.

■ What is the sum insured?

The *sum insured* is used to determine the amount of the *benefit* paid if an event covered by the insurance occurs.

Death or Dismemberment coverage:

The *sum insured* is equal to the *balance* on the *statement date*:

- 1) immediately preceding the date of death or the date of the *accident* resulting in *loss of use or dismemberment*; **OR**
- 2) coinciding with the date of death or the date of the *accident* resulting in *loss of use or dismemberment*.

If an *accident* subsequently results in the death of the *participant*, the *Insurer* uses the date of the *accident* to establish the amount of the *sum insured*.

Disability coverage:

The *sum insured* is equal to the *balance* on the *statement date*:

- 1) immediately preceding the *disability* onset-date; **OR**
- 2) coinciding with the *disability* onset-date.

Critical Illness coverage:

The *sum insured* is equal to the *balance* on the *statement date*:

- 1) immediately preceding the date on which the *participant* is first diagnosed with a *critical illness*; **OR**
- 2) coinciding with the date on which the *participant* is first diagnosed with a *critical illness*.

All types of insurance coverage:

The *sum insured* also includes any transactions not shown on the statement, but carried out prior to the *statement date*. These include all *credit card* transactions and all *line of credit* transactions, if the *contract holder* has chosen to insure them. However, the *Insurer* does not take into account transactions carried out after the *statement date* when calculating the *sum insured*.

■ How much is the benefit?

Death or Dismemberment coverage:

- **Death:**
100% of the total *balance* (maximum \$50,000).
- **Accidental death:**
100% of the total *balance* (maximum \$50,000).

If death occurs directly and solely as a result of an *accident*, the *Insurer* will pay an additional amount equal to the *sum insured*. The *participant's* death, however, must occur within 365 days of the *accident*.

- **Loss of use or dismemberment of one hand, one foot or one eye:**

100% of the total *balance* (maximum \$50,000).

The *loss of use or dismemberment* must result directly and solely from an *accident* and occur within 365 days of the *accident*.

The Insurer pays the same benefit even if the participant sustains loss of use or dismemberment of more than one part of the body indicated above.

Only an incident that occurs while the insurance is in effect can give rise to a benefit.

Disability coverage:

The amount of the *benefits* is equal to the *minimum payment* indicated in the *credit account* statement (maximum \$1,000 a month).

The *credit account* statement used is the one immediately preceding or coinciding with the *disability-onset* date.

During the *benefit* period, the *Insurer* will adjust the monthly *benefit* to take account of the *sum insured*.

The *Insurer* agrees to pay 1/30 of the monthly *benefit* for each day of *disability* for which *benefits* are payable under this contract.

In the case of *deferred-payment financing*, if a *minimum payment* becomes payable after the onset of *disability*, it will be covered by the insurance. However, in this case, you must have applied for the *deferred-payment financing* prior to the onset of *disability* to be entitled to *benefits*.

Critical Illness coverage:

The amount of the *benefit* is equal to 100% of the total *balance* (maximum \$50,000).

The *benefit* is payable following the first diagnosis of a *critical illness*. *Critical illness* means:

- 1) *cancer*;
- 2) *heart attack*;
- 3) *stroke*; or
- 4) *terminal illness*.

The *critical illness* must be diagnosed by a *physician*.

When submitting a *benefit* claim, the *participant* or anyone claiming entitlement to benefits must provide the *Insurer* with all *credit account* statements required to calculate the *sum insured*.

■ Can a participant receive more than one benefit at the same time?

While the *Insurer* is paying *disability benefits*, it cannot accept any other *disability* claims for the same *participant*. This condition applies for as long as the monthly *benefit* related to the first claim is being paid.

■ When does the coverage take effect?

You are covered as of the date you enrol in Credit Balance Insurance – Business.

You will receive an Insurance Certificate shortly after enrolling. This certificate attests to the fact that you are covered.

■ What is the maximum coverage?

The maximum *sum insured* under the Credit Balance Insurance – Business for all types of coverage combined is \$50,000 per *participant*.

The total *disability benefits* payable over the life of the contract cannot exceed \$50,000 per *participant*.

The maximum monthly *benefit* under the Credit Balance Insurance – Business for all types of coverage combined is \$1,000 per *participant*.

These maximum amounts apply to all *credit accounts* insured by a single *participant* under the Credit Balance Insurance – Business contract. Where several *credit accounts* are insured, priority will be given to those accounts insured first.

■ When do benefits start?

- **Death or Dismemberment coverage:**

The *Insurer* pays the *benefit* once the claim has been approved.

- **Disability coverage:**

The *Insurer* pays no *benefit* for the first 30 continuous days of *disability*. After this waiting period, the *Insurer* starts paying *benefits* if the *participant* is still disabled, and the *benefit* will apply retroactively to the first day of *disability*.

Successive Periods of Disability

The *Insurer* considers as a single period of *disability* two or more periods of *disability* that are:

- 1) separated by a period of less than 90 days during which time the *insured* was not disabled; **AND**
- 2) caused by the same illness or *accident*.

Under such circumstances, the waiting period applies only once. Total monthly *benefits* paid may not exceed the *sum insured* established during the first period of *disability*.

- **Critical Illness coverage:**

The *Insurer* pays no *benefit* for the first 30 days following the first diagnosis of a *critical illness*. **After this waiting period, the *Insurer* pays the *benefit* if the *participant* is still alive.**

■ When do benefits terminate?

For the Disability coverage, *benefits* terminate when:

- 1) the *participant* is no longer totally disabled;
- 2) the *participant* is performing *remunerative work* or is involved in any form of business activity designed to generate a salary or profit;
- 3) the *participant* is receiving training or has returned to school;
- 4) the *sum insured* (excluding accrued interest) has been paid by the *Insurer*;
- 5) the *contract holder* revokes the rights and privileges it has granted the *participant* in accordance with the variable-credit contract.

■ How is the cost of the insurance calculated?

The premium rate is the same for all *participants* and is not adjusted based on the *benefit* claims of a single *participant*. Under exceptional circumstances, the *Insurer* may change the premium rate, but not without informing the *contract holder* in advance.

The premium is withdrawn every month from your *credit account*. In calculating the amount to be withdrawn, the *Insurer* applies the premium rate to each \$100 increment of the insured *balance*. Where applicable, the *Insurer* adds tax to this amount.

A *participant* who receives *disability benefits* is entitled to a refund of the portion of the premium paid corresponding to the applicable *sum insured*. During such a *benefit* period, the *Insurer* refunds this amount each month to the *contract holder*. The *contract holder* then credits the amount to the *participant's credit account*.

■ Who is the beneficiary of the insurance?

Any *benefits* approved by the *Insurer* are paid in your name to the *contract holder*. The *contract holder* then credits this amount to your *credit account*.

■ Can the Insurer modify the contract?

The *Insurer* can modify the contract by notifying the *contract holder* in writing. Such notice must be sent at least 30 days before the modifications take effect. The *Insurer* and the *contract holder* may also agree to modify the contract.

■ What happens if the contract holder changes some of the conditions?

If the *contract holder* makes changes to variable credit contracts or *credit account* statements that affect the scope of coverage under this contract, the insurance will continue to apply as before. In order for these changes to apply to the Credit Balance Insurance – Business contract, the *Insurer* must add a *rider* to the contract.

■ Specific conditions regarding level and deferred-payment financing

The insurance covers the following types of variable credit, in addition to **day-to-day credit card transactions**, if specified on the *participant's* account statement:

- **level-payment financing;**
- **deferred-payment financing.**

1. When the *contract holder* offers all types of credit mentioned above, the *balance* equals the sum of the following:

- a) the *day-to-day transaction* balance; **PLUS**
- b) the *level-payment financing* balance; **PLUS**
- c) the *deferred-payment financing* balance.

Premiums are calculated based on the total credit account statement balance.

2. The monthly *benefit* in case of *disability* corresponds to the *minimum payments* owing for these types of financing. The total monthly *benefit* is therefore composed of these payments plus the *benefit payable* for *day-to-day transactions*.

3. For pre-existing medical conditions or injuries, the 6-month period (see table on page 23) starts on the date of each financing rather than the effective date of coverage.

Feature specific to deferred-payment financing

In the event of the *participant's* death during the deferment period, the *Insurer* pays a maximum *benefit* equal to the deferred payment *balance*. In addition, the *participant* will not be billed for the premium related to the *balance* during this time. This constitutes additional coverage provided free of charge by the *Insurer*.

CAUTION

■ Exclusions, limitations and reduction in coverage

EXCLUSIONS

IN THE FOLLOWING CIRCUMSTANCES, THE *INSURER* DOES NOT PAY THE AMOUNTS SET OUT IN THE CONTRACT FOR THE COVERAGE MARKED BY AN «X».

A- Death or Dismemberment				
B- Disability				
C- Critical Illness				
A	B	C		
X			1.	If the <i>participant</i> commits suicide within the first two years of coverage. The <i>Insurer</i> then terminates the coverage for all <i>insureds</i> and refunds the premiums paid under this contract.
	X	X	2.	If the condition of the <i>participant</i> occurs as a result of injuries that he inflicts on himself voluntarily, or attempted suicide while he is sane or insane.
	X	X	3.	If the condition of the <i>participant</i> occurs as a result of: <ul style="list-style-type: none"> • a war, whether declared or not; • a riot; • a revolt; • a revolution; or • an act of terrorism.
	X	X	4.	If the condition of the <i>participant</i> occurs as a result of his participation or attempted participation in: <ul style="list-style-type: none"> • a criminal offence; • an attack of any kind.
X		X	5.	If the <i>participant</i> has already received <i>benefits</i> for a <i>terminal illness</i> , under Critical Illness coverage.

A- Death or Dismemberment				
B- Disability				
C- Critical Illness				
A	B	C		
		X	6.	If the condition of the <i>participant</i> results directly or indirectly from the use of any medication, intoxicants, drugs or narcotics, unless they are prescribed or recommended by a <i>physician</i> .
		X	7.	For any <i>cancer</i> or <i>terminal illness</i> that existed before the effective date of coverage, or that was diagnosed prior to or within 90 days of the effective date of coverage.
		X	8.	If the medical symptoms or problems that gave rise to the first diagnosis of <i>cancer</i> or <i>terminal illness</i> appeared prior to or within 90 days of the effective date of coverage.
		X	9.	If the <i>insured</i> dies within 30 days of the first diagnosis of a <i>critical illness</i> .
		X	10.	For health problems not specifically covered by this policy.

BENEFIT LIMITATIONS

- 1) While the *Insurer* is paying *disability benefits*, it cannot accept any other *disability claims* for the same *participant*. This condition applies for as long as the monthly *benefit* related to the first claim is being paid.
- 2) The *critical illness benefit* can only be paid once per participant.
- 3) If the *participant* dies within 365 days of an *accident*, the *Insurer* pays no *loss of use* or *dismemberment benefits*. Only the *benefit* provided in case of accidental death will be payable.

PRE-EXISTING MEDICAL CONDITIONS OR INJURIES

If a claim is related to a medical condition or an injury that existed prior to enrolling in the insurance, the *Insurer* may refuse to pay it.

The following table indicates whether or not you are eligible for a *benefit* when your state of health is related to a pre-existing medical condition or injury. The table applies to the Death or Dismemberment coverage and the Disability coverage.

Did the event (death or disability) occur in the first policy year?			
NO		YES	
<i>Benefit payable</i>	Is the event a result of a medical condition or injury for which the <i>participant</i> was <i>treated</i> in the six months prior to the effective date of the insurance?		
	NO	YES	
<i>Benefit payable</i>	Was the <i>participant treated</i> for this medical condition or injury during a continuous period of six months that ended after the effective date of the insurance?		
		NO	YES
	<i>Benefit payable</i>	<i>No benefit payable</i>	

Regarding *level-payment financing* and *deferred-payment financing*, the 6-month period is calculated as of the date of each financing as opposed to the effective date of the insurance.

If no *benefit* is payable for a death due to a pre-existing medical condition or injury, the *Insurer* will reimburse any premiums paid by the *participant*.

Amount of benefit payable

1) Death or Dismemberment coverage

When a *benefit* is payable and the death is due to a medical condition or injury *treated* during the 6 months preceding death, the

benefit is equal to the lesser of the following amounts:

- a) the *sum insured*; or
- b) the average *balance* of the *credit account* during the following period:
 - the 6-month period immediately prior to the date of the first *treatment*, if the first *treatment* took place LESS than 6 months prior to the date of death;
 - the 6-month period immediately prior to the 6-month period before death, if the first *treatment* took place MORE than 6 months prior to the date of death.

2) Disability coverage

When the *participant* is entitled to *benefits* and his *disability* is due to a medical condition or injury *treated* during the 6 months preceding the onset of *disability*, the *benefit* is equal to the lesser of the following amounts:

- a) the *minimum payment* as indicated on the *credit account* statement preceding the onset of *disability*; or
- b) the *minimum payment* that would be required by the *contract holder* based on the average *balance* of the *credit account* during the following period:
 - the 6-month period immediately prior to the date of the first *treatment*, if the first *treatment* took place LESS than 6 months prior the onset of *disability*;
 - the 6-month period immediately prior to the 6-month period before the onset of *disability*, if the first *treatment* took place MORE than 6 months prior to the onset of *disability*.

c) When does the insurance expire?

The coverage expires on the earliest of the following:

- the *statement date* following the date of the *participant's* 65th birthday;
- the date on which the *participant* is no longer working at least 25 hours per week for the business, for a reason other than *disability*;
- the date on which the *participant* dies;
- the date on which the *participant* is no longer the business owner;
- the date on which the *participant* declares bankruptcy;
- the *statement date* following the date the *participant* notifies the *Insurer* that he wishes to terminate his coverage;
- the date of termination of the Credit Balance Insurance – Business contract, as agreed by the *contract holder* and the *Insurer*;
- the date on which the *contract holder* revokes the rights and privileges it has granted to the *participant*.

■ Cancellation

The *Act Respecting the Distribution of Financial Products and Services* allows the *contract holder* to cancel an insurance contract within ten days of its signature. In the case of Credit Balance Insurance – Business, the *Insurer* grants the *participant* **30 days** to do so, as of the date on which the latter receives the contract. For Quebec residents, this period begins after the *participant* receives the Distribution Guide.

If the *participant* terminates the contract by this deadline, the *Insurer* will refund all premiums paid.

The *participant* can also ask the *Insurer* to cancel the insurance contract any time after this 30-day period. Upon receipt of such a request, the *Insurer* will cancel the insurance and refund the unused portion (in days) of the premium to the *participant*.

To cancel the contract, the *participant* must notify the *Insurer* **in writing**. To that end, the Notice of Cancellation on page 30 of this guide may be used. The *participant* must send his or her request to the *Insurer* by registered mail to the address on page 2 of this guide.

2- CLAIMS

a) Submitting a claim

To submit a claim, the *participant* must contact the *Insurer* in writing or by telephone, and send in the following:

- 1) a copy of his latest *credit account* statement;
and
- 2) the documents proving the event that entitles him to *benefits*.

The *participant* must submit the claim as soon as reasonably possible within 365 days of the date of the event.

The *Insurer* may, where applicable, ask the *participant* for additional information in order to process the claim.

b) Insurer's reply

If the *Insurer* approves the claim, it will pay the *benefit* within **30 days** of receiving the proof required.

If the *Insurer* declines the claim or pays only a portion of the *benefit*, the *participant* will receive a letter explaining the reasons for the *Insurer's* decision. The *Insurer* will send this letter within 30 days of receiving the documents requested to process the claim.

All *benefits* are paid to the *contract holder*, which credits the *participant's credit account*.

Disability claims:

The *participant* is responsible for submitting satisfactory proof of his *disability* to the *Insurer*. Proof may include a medical specialist's opinion or copies of examination results.

The *Insurer* may at any time require the *participant* to:

- 1) provide satisfactory proof of continued *disability*;
- 2) be examined by one or more *physicians* or *health professionals* selected by the *Insurer*.

c) Appeal of Insurer's decision and recourse

If the *Insurer* does not approve the claim, you may submit additional pertinent information and request that your file be reviewed.

This request must be submitted as soon as possible. The law provides for a maximum of 3 years (limitation period) within which to contest the *Insurer's* decision.

If you are a resident of Quebec and want to know more about your rights, you can call the Autorité des marchés financiers at 418-525-0337 or 1-877-525-0337. You can also consult your legal advisor.

3- SIMILAR PRODUCTS

While similar insurance products are available on the market, you have made a wise decision in doing business with the Desjardins Financial Security Life Assurance Company. We are the biggest life and health insurance company in Quebec in terms of market share and number of *insureds*.

4- AUTORITÉ DES MARCHÉS FINANCIERS (QUEBEC RESIDENTS ONLY)

For more information on the *Insurer's* and the distributor's obligations towards you, you can contact the staff at the Autorité des marchés financiers at:

Place de la Cité, Tour Cominar
2640, boul. Laurier, bureau 400, 4e étage
Québec (Québec) G1V 5C1
Telephone: 418-525-0337 or 1-877-525-0337
Fax: 418-525-9512
E-mail: renseignements-consommateur@lautorite.qc.ca
Internet: www.lautorite.qc.ca

5- OTHER INFORMATION

■ Personal information management

Desjardins Financial Security Life Assurance Company (DFS) handles the personal information it has on you in a confidential manner. DFS keeps this information on file so that you may benefit from the Company's various financial services (insurance, annuities, credit, etc.). This information is consulted solely by DFS employees who need to do so in the course of their work.

You have the right to consult your file. You may also have information corrected if you demonstrate that it is inaccurate, incomplete, ambiguous or not useful. To do so, you must send a written request to the following address:

Privacy Officer
Desjardins Financial Security
Life Assurance Company
200, rue des Commandeurs
Lévis (Québec) G6V 6R2

DFS may send information on its promotions or offer new products to those whose names appear on its client list. DFS may also give its client list to another component of the Desjardins Group for the same purposes. If you do not wish to receive these offers, you may have your name removed from the list. To do so, you must send a written request to the Privacy Officer at DFS.

■ Notice of cancellation of an insurance contract

Notice given by a distributor

Section 440 of the *Act respecting the distribution of financial products and services*

The *Act respecting the distribution of financial products and services* gives you important rights.

- The Act allows to cancel an insurance contract you have just signed when signing another contract. **The insurer grants you 30 days to do this with no penalty.** To do so, you must give the insurer notice by registered mail within that delay. You may use the attached model for this purpose.
- Despite the cancellation of the insurance contract, the first contract entered into will remain in force. Caution, it is possible that you may lose advantageous conditions as a result of this insurance contract; contact your distributor or consult your contract.
- After the expiry of the 30-day delay, you may cancel the insurance at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at: 418-525-0337 or 1-877-525-0337.

**NOTICE OF CANCELLATION
OF AN INSURANCE CONTRACT**

To: Desjardins Financial Security
200, rue des Commandeurs
Lévis (Québec) G6V 6R2

Date: _____
(date of sending of notice)

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*,
I hereby cancel Credit Balance Insurance –
Business insurance contract no.:

(credit card number)

Made on: _____
(date of signature of contract)

In: _____
(place of signature of contract)

(name of client)

(signature of client)

This document must be transmitted by registered
or certified mail.

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES

439. A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.

440. A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation of the Authority, stating that the client may rescind the insurance contract within 10 days of signing it.

441. A client may rescind an insurance contract made at the same time as another contract, within 10 days of signing it, by sending notice by registered or certified mail.

Where such an insurance contract is rescinded, the first contract retains all its effects.

442. No contract may contain provisions allowing its amendment in the event of rescission or cancellation by the client of an insurance contract made at the same time.

However, a contract may provide that the rescission or cancellation of the insurance contract will entail, for the remainder of the term, the loss of the favourable conditions extended because more than one contract was made at the same time.

443. A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation of the Authority, stating that the debtor may subscribe for insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract

of credit to the making of an insurance contract with the insurer specified by the distributor.

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.

The rights of the debtor under the contract of credit shall not be forfeited when the debtor rescinds, cancels or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.

■ Your satisfaction is our priority!

As a responsible company that is attentive to the needs of its clients, Desjardins Financial Security wants to provide each and every one of them with products and services that meet their expectations. However, if you are dissatisfied with any of our products or services, please let us know by following the steps below.

1. Contact the person from whom you purchased the product.

Call the person who sold you the insurance. You can find the number by consulting the literature you received when you purchased the product in question. Ask for explanations. In most cases, a simple call is all it takes to get the answers you are looking for.

2. Call our Customer Service Centre.

If you are not fully satisfied with the explanations provided in step 1, contact our Customer Service Centre at 1-866-838-7584. Our staff is very familiar with our products and will certainly be able to help you.

3. Write to our Dispute Resolution Officer.

If you are not satisfied with the explanations you received from our Customer Service Centre, you may file a complaint with Desjardins Financial Security's Dispute Resolution Officer. This person's role is to assess the merits of the company's decisions and the soundness of its practices.

Please write to:

Dispute Resolution Officer

Desjardins Financial Security
200, rue des Commandeurs
Lévis (Québec) G6V 6R2

Or email: disputeofficer@dfs.ca

You can also call the Officer at 1-877-838-8185.

For more information on the procedure to follow in the event of a problem or complaint, please visit our website at www.dfs.ca/complaint, where you can also find complaint forms.

Your satisfaction is our priority!

Helpful hints

- Make sure you have all the documents and information required to provide a detailed explanation of the problem (account statements, names of employees in question, dates, etc.).
- Write down the names of the individuals with whom you have spoken, and the dates of your conversations.
- Include your name, address and telephone number in any correspondence.



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