

# Distribution GUIDE



**Desjardins**  
**Insurance**

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**LIFE • HEALTH • RETIREMENT**

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

Desjardins Insurance refers to Desjardins  
Financial Security Life Assurance Company.

## For Quebec residents

### Notice from the Autorité des marchés financiers

**The Autorité des marchés financiers has not expressed an opinion as to the quality of the product offered in this guide. The *Insurer* is solely responsible for any discrepancies between the wording of the guide and the policy.**



**Desjardins**  
**Insurance**

LIFE • HEALTH • RETIREMENT

200, rue des Commandeurs  
Lévis (Québec) G6V 6R2  
1-866-838-7572  
Fax : 418-833-6546  
[desjardins.com](http://desjardins.com)

This guide is intended for information purposes only. It is not your insurance policy. For all the terms and conditions, please refer to the insurance policy. 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 by contacting the *contract holder*.

The following documents are important, as they constitute your insurance contract:

- the policy, including all *riders* and appendices;
- the Insurance Certificate;
- this Distribution Guide.

For **more information** on Credit Balance Insurance – Individuals, please contact us at:

**1-866-838-7572**

To comply with Quebec's *Act respecting the distribution of financial products and services*, the *Insurer* must quote the Act in some areas of this guide. Please note that similar consumer protection regulations exist in the other Canadian provinces, but there is no legal obligation to quote them. In order to simplify the guide, these regulations have not been named.

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## 1- INTRODUCTION

### ■ What is the purpose of the Distribution Guide?

The Distribution Guide provides you with all the basic information you need about Credit Balance Insurance – Individuals.

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

We encourage you to read this guide closely, especially pages 23 through 27, which explain the **exclusions, limitations and reduction in coverage**. For the **claim** procedure, please refer to page 33.

We also urge you to read your Insurance Certificate to make sure all the information is correct.

The terms defined in this guide appear in *italics*. Definitions are given on pages 7 through 14.

The masculine gender is used for the sake of readability.

### ■ Why choose Credit Balance Insurance – Individuals?

- Because it covers your *credit account* payments in case of:
  - 1) death;
  - 2) *loss of use or dismemberment*;
  - 3) *total disability*;
  - 4) *loss of employment*; or
  - 5) first diagnosis of a *critical illness*.
- Because it is tailored to your needs and reasonably priced.
- Because your *spouse* is automatically covered at no extra charge. In the case of *private label cards*, the *joint account holder* is automatically covered free of charge.

## ■ Definitions

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

**Accident:** 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*.

**Accord D financing**<sup>1</sup>: financing method with a separate credit limit that is different from *regular transactions*. *Accord D financing* includes:

- 1) *level payment financing*;
- 2) *deferred payment financing*;
- 3) *cash advances by equal instalments*;
- 4) *RRSP financing*.

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

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

**Cancer:** definite diagnosis of a tumour characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. The diagnosis of *cancer* must be made by a *specialist*.

**Exclusions:** No *benefit* will be payable for the following non-life-threatening cancers:

- 1) **carcinoma “in situ”;**
- 2) **Stage 1A malignant melanoma (melanoma less than or equal to 1.0 mm in thickness, not ulcerated and without Clark level IV or level V invasion);**
- 3) **any non-melanoma skin cancer that has not metastasized;**
- 4) **Stage A (T1a or T1b) prostate cancer**<sup>2</sup>.

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<sup>1</sup> Trademark owned by the Fédération des caisses Desjardins du Québec.

<sup>2</sup> See your *physician* to confirm whether your condition meets the *Insurer’s* definition of *cancer* in this contract.

**Cash advance by equal instalments:** cash advance obtained with a Desjardins *credit card* and accompanied by a credit refundable by monthly equal and consecutive instalments determined when the advance is made. This type of credit is offered in accordance with the conditions provided under the Variable Credit Agreement issued by the Fédération des caisses Desjardins du Québec.

**Continuing medical care:** care the *insured* must receive and that is recognized as effective, appropriate and necessary in the diagnosis or *treatment* of an illness or injury resulting from an *accident*. This care must be reasonable and customary and be administered or prescribed by a *physician*. This care may also be administered by a suitable *health care professional*, if prescribed by a *physician*. In addition, care must not be limited to examinations or tests and must be administered at the frequency required by the *insured's* condition.

**Contract holder:** the Fédération des caisses Desjardins du Québec.

**Credit account:** variable credit granted by the *contract holder* to the *primary credit account holder* and covered by this insurance.

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

- 1) *regular transactions*;
- 2) *Accord D financing*.

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

**Date of the statement of account:** date specified on the statement of account produced for a given period and sent to the *primary credit account holder*.

**Deferred payment financing:** *Accord D financing* for the purchase of goods or services from a merchant:

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

**Health care professional:** any *health care 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:** definite diagnosis of the death of heart muscle due to obstruction of blood flow, that results in rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one of the following:

- 1) *heart attack* symptoms;
- 2) new electrocardiogram (ECG) changes consistent with a *heart attack*;
- 3) development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

The diagnosis of *heart attack* must be made by a *specialist*.

**Exclusions:** No *benefit* will be payable under this condition for:

- 1) **elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty, in the absence of new Q waves;**
- 2) **infarction, which do not meet the *heart attack* definition as described above.**

**Instalment:** equal and consecutive monthly *instalments* that are required to repay *Accord D financing*. The *instalment* is indicated on the statement of account.

**Insured:** the *participant* and his *spouse*, if applicable. However, in the case of *private label cards*, the *insured* refers to the *participant* and the *joint account holder*, if applicable.

**Insurer:** Desjardins Financial Security Life Assurance Company. For the Loss of Employment coverage, the *Insurer* is The Personal Insurance Company in all Canadian provinces except Quebec.

**Joint account holder:** a person who owns a *credit account* jointly with the *primary credit account holder*.

**Leave:**

- 1) paid or unpaid vacation or *leave* without pay granted by the employer at the request of the *insured*;
- 2) sick leave;
- 3) maternity or adoption leave;
- 4) parental leave;
- 5) personal leave (death, wedding, moving, jury duty).

**Level payment financing:** *Accord D financing* for the purchase of goods or services from a merchant:

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

**Loss of employment or job:** involuntary loss of permanent, non-seasonal employment of at least 20 paid hours per week. It must be employment for which federal employment insurance premiums are payable and the *insured* must be entitled to insurance *benefits*. The *insured* must also, on the date he loses his job, have performed this job for the same employer for at least four months. This 4-month period must be immediately prior to the date of *loss of employment*.

**Loss of use or dismemberment:** permanent severance (accidental loss or dismemberment) 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:** minimum monthly payment required by the *contract holder* and specified on the statement of account (excluding any overdue amount).

**Paid work:** work for which the *insured*:

- 1) receives a salary from his employer; or
- 2) is compensated as a self-employed worker for the completion of work or supply of services.

**Participant:** any person:

- 1) who meets the following two eligibility criteria:
  - a) is a *primary credit account holder* with the *contract holder*;
  - b) is between the ages of 18 and 64 inclusive at the time of enrolment;
- 2) who has enrolled in Credit Balance Insurance – Individuals; and
- 3) whose name appears on the Insurance Certificate.

**Physician:** any person, other than the *insured* himself, who is licensed and practising medicine in Canada.

**Primary credit account holder or account holder:** person in whose name the *credit account* is opened. If the *credit account* is in more than one person's name, the *primary credit account holder* will be the person whose name appears first on the statement of account. The *primary credit account holder* cannot be a legal entity such as an association, a corporation, a cooperative, a trust, a company, or a partnership.

**Private label card:** a *credit card* issued and administered by the Fédération des Caisses Desjardins du Québec that carries the name of a retailer and that can be used by the card holder to make purchases from that retailer only.

**Regular transaction:** a cash advance or the purchase of goods or services using a *credit card*. ***Regular transactions do not include purchases, cash advances by equal instalments or RRSP financing subject to Accord D financing.***

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

**RRSP financing:** advance of cash obtained using the Desjardins *credit card*, which may include, at the *cardholder's* request, a deferred capital payment period during which only the credit charges are payable. At the end of the deferred capital payment period, payments of capital and credit charges are refundable by way of equal and consecutive monthly instalments determined at the time the *RRSP financing* is made. If the deferred capital payment period is not requested, the *RRSP financing* is refundable by way of equal and consecutive monthly instalments determined at the time the *RRSP financing* is made, in the same manner as a *cash advance by equal instalments*. This type of credit is offered in accordance with the conditions provided under the Variable Credit Agreement issued by the Fédération des caisses Desjardins du Québec.

**Seasonal employment:** job that, by its nature, is performed only during certain periods of the year and that provides work for less than nine months of the year.

**Specialist:** person, apart from the *insured*, who practises medicine in Canada and who is authorized by the appropriate authorities. The *specialist* practises in the field related to the covered *critical illness* and must not be a family member of the *insured* nor reside with him.

**Spouse:** the *participant's spouse* is the person who:

- 1) is married to or living in a civil union with the *participant*; or
- 2) can prove that:
  - a) he has lived with the *participant* for a continuous period of more than one year; or that
  - b) a child has been born from their union, regardless of how long they have lived together;

and that he and the *participant* have not been separated for more than three months.

The *Insurer* recognizes only one *spouse*. In the event of a dispute, the person who is married to the *participant* is considered to be the *spouse* by the *Insurer*.

**Stroke:** definite diagnosis of an acute cerebrovascular event caused by intracranial thrombosis or haemorrhage, or embolism from an extracranial source, with:

- 1) acute onset of new neurological symptoms; and
- 2) new objective neurological deficits on clinical examination, persisting for more than 30 days following the date of diagnosis.

These new symptoms and deficits must be corroborated by diagnostic imaging testing. The diagnosis of *stroke* must be made by a *specialist*.

**Exclusions:** No *benefit* will be payable under this condition for:

- 1) **transient ischaemic attacks;**
- 2) **intracerebral vascular events due to trauma;**
- 3) **lacunar infarcts which do not meet the definition of *stroke* as described above.**

**Sum insured:** amount of the *benefit* paid if an event covered by the insurance occurs. The *sum insured* is defined in the “What is the sum insured?” section of this guide (pages 16 and 17).

**Terminal illness:** any illness other than a *cancer*, *heart attack*, or *stroke* diagnosed by a *specialist* that will likely result in the *insured’s* death within a year of the diagnosis. The diagnosis of *terminal illness* must be made by a *specialist*.

**Total disability or totally disabled:**

- 1) for *insureds* who have performed at least 80 hours of *paid work* during the 4 weeks immediately preceding the onset of *disability*, *disability* is a state of incapacity that:
  - a) results from an illness or *accident*;
  - b) requires *continuing medical care*; and
  - c) • for the first 24 months of *disability*, totally prevents the *insured* from performing all the usual duties of his main occupation and,
    - for the following months, totally prevents the *insured* from engaging in any *paid work*.

- 2) for all other insureds who have **not** performed at least 80 hours of *paid work* during the 4 weeks immediately preceding the onset of *disability*, *disability* is a state of incapacity that:
  - a) results from an illness or *accident*;
  - b) requires *continuing medical care*; and
  - c) prevents the *insured* from performing any of the normal activities of a person of the same age.

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

**Treatment(s) or treated:**

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

## 2- PRODUCT DESCRIPTION

### a) Product Overview

Credit Balance Insurance – Individuals is group insurance coverage for your *credit card*. It covers *insureds* who, like you, have an account with the *contract holder*.

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

- 1) *regular transactions*;
- 2) *Accord D financing*.

There are two types of *Accord D financing*:

- *Deferred payment financing*  
This type of financing is used to purchase goods or services from a retailer.
- *Level payment financing*  
This type of financing is used:
  - to purchase goods or services from a retailer; or
  - to get *cash advances by equal instalments* or *RRSP financing* at your *caisse*.

## **b) Summary of Conditions and Features**

### **■ Who is eligible?**

You are eligible for Credit Balance Insurance – Individuals if you meet the following two conditions:

- 1) You are a *primary credit account holder* with the *contract holder*.
- 2) You are between the ages of 18 and 64 inclusive at the time of enrolment.

If you enrol in Credit Balance Insurance – Individuals, your *spouse* is automatically covered free of charge, even if your *spouse* is not a *joint account holder*. In the case of *private label cards*, if you enrol in the insurance, your *joint account holder* is the person automatically insured free of charge instead of your *spouse*.

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

### **■ What is the enrolment procedure?**

The *participant* can enrol in Credit Balance Insurance – Individuals at any time by contacting the *Insurer* by phone.

### **■ 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 illness or injury (see page 27 of this guide).

### **■ When does coverage take effect?**

*Insureds* are covered on the date the *participant* enrolls in Credit Balance Insurance – Individuals.

The *participant* will receive an Insurance Certificate from the *Insurer* shortly after enrolling. This certificate confirms that you are covered.

### **■ What coverage is offered?**

Credit Balance Insurance – Individuals consists of four types of coverage, applicable to the different types of credit offered by the *contract holder*.

- 1) **Death or Dismemberment coverage** pays a *benefit* if an *insured*:
  - a) dies from natural causes;
  - b) dies accidentally;
  - c) suffers the *loss of use or dismemberment* of one eye, one hand, or one foot as a result of an *accident*.
- 2) **Disability coverage** pays a *benefit* if an *insured* becomes *totally disabled*, in accordance with the terms of the contract.
- 3) **Loss of Employment coverage** pays a *benefit* if an *insured* loses his job, in accordance with the terms of the contract.
- 4) **Critical Illness coverage** pays a *benefit* when an *insured* is diagnosed with a *critical illness* covered by the contract for the first time.

### ■ What is the sum insured?

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

#### **Death or Dismemberment coverage**

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

- 1) immediately prior to the date of death or the date of the *accident* resulting in the *insured's loss of use or dismemberment*; **or**
- 2) on the *insured's* date of death or the date of the *accident* resulting in the *insured's loss of use or dismemberment*.

If an *accident* subsequently results in the death of the *insured*, 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* of *regular transactions* on the *date of the statement of account* produced:

- 1) immediately prior to the *insured's total disability-onset date*; **or**
- 2) on the *insured's total disability-onset date*.

## **Loss of Employment coverage**

The *sum insured* is equal to the *balance* of *regular transactions* on the *date of the statement of account* produced:

- 1) immediately prior to the *insured's* termination-of-employment date; **or**
- 2) on the *insured's* termination-of-employment date.

## **Critical Illness coverage**

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

- 1) immediately prior to the date on which the *insured* is first diagnosed with a *critical illness*; **or**
- 2) on the date the *insured* is first diagnosed with a *critical illness*.

## **All Types of Coverage**

The *sum insured* also includes the amount of any transactions that do not appear on the statement of account but were performed prior to the *date of the statement of account*. However, the *Insurer* does not take into account *credit card* transactions carried out after the *date of the statement of account*, any overdue amount and applicable interest.

## **■ What is the benefit amount?**

### **Death or Dismemberment coverage**

- Death  
The *benefit* is equal to the *sum insured*, up to the maximum permitted under this coverage.
- Accidental death  
If the *insured's* death occurs directly and solely as a result of an *accident*, the *benefit* is equal to the *sum insured*, up to the maximum permitted under this coverage. Death must also occur within 365 days of the *accident*. For *insureds* under the age of 70, this *benefit* is paid in addition to the *benefit* payable in the event of death.
- Loss of use or dismemberment of one hand, one foot or one eye  
The *benefit* is equal to the *sum insured*, up to the maximum permitted under this coverage.

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

**The Insurer pays the same benefit whether the insured sustains the loss of use or dismemberment of one or more parts of the body in a given event.**

### **Disability coverage**

Subject to the monthly maximum, the amount of the *benefit* is equal to the higher of:

- 1) 10% of the *sum insured*; **and**
- 2) the *minimum payment* indicated on the statement of account.

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

For incomplete months of *total disability*, the *Insurer* pays the portion of the *sum insured* that corresponds to the number of days of *total disability* divided by the number of days in the month.

### **Loss of employment coverage**

Subject to the monthly maximum, the *benefit* amount is equal to the higher of:

- 1) 10% of the *sum insured*; **and**
- 2) the *minimum payment* indicated on the statement of account.

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

For incomplete months of *loss of employment*, the *Insurer* pays the portion of the *sum insured* that corresponds to the number of days of unemployment divided by the number of days in the month.

After a given *benefit* period, the *insured* becomes eligible again for *benefits* provided he meets the definition of *loss of employment*.

### **Critical Illness coverage**

The *benefit* amount is equal to the *sum insured*, up to the maximum permitted under this coverage.

The *benefit* is payable on 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 *specialist*.

## **All coverages**

Only an event that occurs while the insurance is in force can give rise to a *benefit*.

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

### **■ What is the maximum coverage provided?**

The maximum *sum insured* under Credit Balance Insurance – Individuals for all coverages combined is \$25,000 per *participant*.

The maximum monthly *benefit* under Credit Balance Insurance – Individuals for all coverages combined is \$750 per *participant*.

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

Specific conditions apply to *Accord D financing* (refer to this section of the guide on pages 29 to 32).

### **■ When do benefit payments start?**

#### **Death or Dismemberment coverage**

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

#### **Disability coverage**

**For *insureds* who have performed at least 80 hours of *paid work* during the four weeks immediately prior to the onset of *total disability*:**

- The *Insurer* will start paying a *benefit* as of the 31st day of continued *total disability*, if the *insured* is still *totally disabled*. **The benefit will then be retroactive to the first day of total disability. The first benefit payable to the participant in the name of the insured will include the first 30 days of total disability.**

**For insureds who have not performed at least 80 hours of paid work during the four weeks immediately prior to the onset of total disability:**

- The *Insurer* starts paying a *benefit* as of the 91st day of continued *total disability*, if the *insured* is still *totally disabled*. **The benefit will then apply as of the 91st day of total disability.**

### **Successive periods of total disability**

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

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

The waiting period applies only once in this case and the total monthly *benefit* cannot exceed the *sum insured* established for the purpose of the first of these *total disability* periods.

### **Loss of Employment coverage**

The *Insurer* starts paying a *benefit* as of the 31st continued day following the *loss of employment*, if the *insured* is still unemployed. **The benefit will then apply as of the 31st day following the insured's termination-of-employment date.**

### **Successive periods of loss of employment**

The *Insurer* considers two or more periods of *loss of employment* that are separated by a period of less than 30 days during which the *insured* was back at work as a single period of *loss of employment*.

The waiting period applies only once in this case and the total monthly *benefit* cannot exceed the *sum insured* established for the purpose of the first of these *loss of employment* periods.

## **Critical Illness coverage**

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

### ■ **When do benefit payments end?**

With respect to **Disability coverage** and **Loss of Employment coverage**, *benefit* payments end when:

- 1) the *insured* is no longer *totally disabled* or is performing *paid work*;
- 2) the *insured* is receiving training or has returned to school;
- 3) the *sum insured* (excluding accrued interest) has been paid by the *Insurer*;
- 4) the *Accord D financing* or the *regular transactions* are written off by the *contract holder*.

### ■ **How is the cost of insurance calculated?**

The premium is withdrawn from your *credit account* every month. To calculate the amount to be withdrawn, the premium rate is applied to each \$100 of *insured balance*. Where applicable, tax is added to this amount. No premium is charged for your *spouse's* or *joint account holder's* coverage. Specific conditions apply to *Accord D financing* (refer to this section of the guide on pages 29 to 32).

An *insured* who receives a *disability* or *loss of employment benefit* is entitled to a refund of a portion of the monthly premium. The amount of the refund is equal to the premium calculated based on the *sum insured* used to determine the *benefit* payable. Therefore, during a *disability* or *loss of employment benefit* period, the *Insurer* refunds this amount each month.

The premium rate is not guaranteed. In the event of a change in the premium rate, the *Insurer* will notify the *contract holder* in advance.

■ **Who receives the benefit?**

Any *benefit* approved by the *Insurer* is payable to the *participant*.

■ **What happens if the contract holder changes certain conditions?**

Even if the *contract holder* makes changes to variable credit agreements or statements of account 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 – Individuals contract, the *Insurer* must add a *rider* to the contract.

## IMPORTANT

### ■ Exclusions, Limitations and Reduction in Coverage

#### EXCLUSIONS

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

A- Death or Dismemberment					
B- Disability					
C- Loss of Employment					
D- Critical Illness					
A	B	C	D		
X				1.	If the <i>insured</i> commits suicide within the first two years of coverage. If the <i>participant</i> commits suicide, the <i>Insurer</i> terminates the coverage for all <i>insureds</i> and refunds the premiums paid. If the <i>spouse</i> or the <i>joint account holder</i> commits suicide, only the coverage of the <i>spouse</i> or the <i>joint account holder</i> is terminated, and the <i>Insurer</i> does not refund any premiums.
X	X	X	X	2.	If the direct or indirect cause of the <i>insured's</i> condition is an act committed voluntarily or an attempted suicide, whether or not he was aware of his actions.
X	X	X	X	3.	If the direct or indirect cause of the <i>insured's</i> condition is one of the following: <ul style="list-style-type: none"> <li>• a war, whether declared or not;</li> <li>• public confrontation;</li> <li>• riot;</li> <li>• revolt;</li> <li>• insurrection or,</li> <li>• an act of terrorism.</li> </ul> This exclusion applies whether or not the <i>insured</i> participates in these events.

<b>A- Death or Dismemberment</b>					
<b>B- Disability</b>					
<b>C- Loss of Employment</b>					
<b>D- Critical Illness</b>					
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>		
<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>4.</b>	<b>If the direct or indirect cause of the <i>insured's</i> condition is his participation or attempted participation in:</b> <ul style="list-style-type: none"> <li>• a criminal act or,</li> <li>• any attack.</li> </ul>
		<b>X</b>		<b>5.</b>	<b>If the <i>insured</i> loses his <i>seasonal employment</i>, or his casual or temporary employment.</b>
		<b>X</b>		<b>6.</b>	<b>If the <i>insured</i> loses employment that does not require the payment of contributions to the federal government employment insurance plan and does not entitle him to benefits from this employment insurance plan.</b>
		<b>X</b>		<b>7.</b>	<b>If the <i>insured</i> knew about the <i>loss of employment</i> at the time he enrolled in the insurance.</b>
		<b>X</b>		<b>8.</b>	<b>If the <i>loss of employment</i> occurs within 30 days of the effective date of coverage.</b>
		<b>X</b>		<b>9.</b>	<b>If the <i>loss of employment</i> is related to a voluntary resignation.</b>
		<b>X</b>		<b>10.</b>	<b>If the <i>loss of employment</i> is related to a strike, a lock-out, fraud or a criminal offence.</b>
		<b>X</b>		<b>11.</b>	<b>If the <i>loss of employment</i> is related to the end of a fixed-term contract.</b>
		<b>X</b>		<b>12.</b>	<b>For any <i>leave</i> that does not result in the termination of the employee/employer relationship.</b>
		<b>X</b>		<b>13.</b>	<b>For any employment terminated due to retirement.</b>

**A- Death or Dismemberment**

**B- Disability**

**C- Loss of Employment**

**D- Critical Illness**

A	B	C	D		
			X	14.	If the <i>insured's</i> condition 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	15.	For any <i>cancer</i> or <i>terminal illness</i> that existed prior to the effective date of coverage, or that was diagnosed prior to or within 90 days of the effective date of coverage.*
			X	16.	If the medical symptoms or problems that gave rise to the first diagnosis of <i>cancer</i> or a <i>terminal illness</i> appeared prior to or within 90 days of the effective date of coverage.*
			X	17.	If the <i>insured</i> dies within 30 days of the first diagnosis of a <i>critical illness</i> .
			X	18.	For health problems not specifically covered by the Critical Illness coverage.

\* With regard to *Accord D financing*, the time period is calculated based on the earlier of the following dates: the date of each financing and the coverage effective date.

## LIMITATIONS REGARDING BENEFITS

- 1) ***Benefits can never exceed the maximum sum insured stipulated in the “What is the maximum coverage provided?” section of this guide (page 19).***
- 2) ***Monthly benefits payable to a participant can never exceed the maximum monthly benefits stipulated in the “What is the maximum coverage provided?” section of this guide (page 19).***
- 3) ***If the insured dies within 365 days of an accident, the Insurer will not pay loss of use or dismemberment benefits. Only the benefit provided in the event of accidental death is payable.***
- 4) ***If an insured has already received a critical illness benefit for a terminal illness, no benefit is payable under the Death or Dismemberment coverage.***
- 5) ***The total benefits payable to a participant for the duration of the contract can never exceed the maximum sum insured stipulated in the “What is the maximum coverage provided?” section of this guide (page 19).***
- 6) ***While a disability or loss of employment benefit is being paid, the Insurer cannot accept any other disability or loss of employment claims for the same insured. This condition applies to the balance of regular transactions as long as the monthly benefit related to the first claim is being paid. However, for Accord D financing, the Insurer can approve another disability or loss of employment claim for the same insured. This must be Accord D financing for which no benefit is already being paid and which was obtained before the onset date of a new total disability or loss of employment.***
- 7) ***Critical illness benefit can only be paid once per insured.***

## PRE-EXISTING ILLNESS OR INJURY

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

The following table indicates whether or not the *insured* is eligible for a *benefit* when his state of health is related to a pre-existing illness, to symptoms associated with this illness or to a pre-existing injury. The table applies to the Death coverage and the Disability coverage.

Did the death or <i>total disability</i> occur in the first year of coverage?			
NO		YES	
<i>Benefit payable</i>	Was the <i>insured</i> treated for the same illness, for the symptoms associated with this illness or for the injury that caused the death or <i>total disability</i> in the six months prior to the effective date of coverage?		
	NO	YES	
<i>Benefit payable</i>	Was there a period of six consecutive months, which terminated after the insurance comes into effect, during which the <i>insured</i> did not receive any <i>treatment</i> for this illness, for the symptoms associated with this illness or this injury?		
		NO	YES
		No <i>benefit payable</i>	<i>Benefit payable</i>

With regard to *Accord D financing*, the time period is calculated based on the earlier of the following dates: the date of each financing and the coverage effective date.

## ■ Cancellation

The *participant* may cancel his insurance at any time.

If the *participant* terminates his insurance within the first 30 days of enrolling, all premiums paid will be refunded. To cancel his insurance, the *participant* must notify the *Insurer*. There is a “Notice of Cancellation” on page 37 of this guide that can be used for this purpose. The *participant* must mail his request to the *Insurer’s* address indicated on page 2 of this guide.

The *participant* can also ask the *Insurer* to terminate his insurance any time after this 30-day period. His insurance will then end on the *date of the statement of account* produced immediately after his request.

## ■ When does coverage expire?

Coverage expires on the earliest of the following dates:

- the *date of the statement of account* produced immediately after the day the *Insurer* is notified of the *participant’s* intention to terminate his coverage;
- the *date of the statement of account* produced immediately after the day the *contract holder* has been informed of the *participant’s* intention to cancel his *credit card*;
- the date the Credit Balance Insurance – Individuals contract terminates, as agreed between the *contract holder* and the *Insurer*;
- the date the rights and privileges granted to the *participant* are revoked by the *contract holder* in accordance with the Variable Credit Agreement;
- the *participant’s* date of death.

### • **Death or Dismemberment coverage:**

#### **Death by natural causes**

Each *insured’s* coverage terminates on the *date of the statement of account* produced immediately after the *participant’s* 70th birthday.

### **Accidental death, loss of use or dismemberment**

Each *insured's* coverage remains in force as long as the insurance is in effect. However, the insurance of the *spouse* or the *joint account holder* terminates on the date of the statement produced immediately after the *participant's* date of death. Furthermore, the payment of a *loss of use or dismemberment benefit* does not terminate the insurance of the *participant, spouse or joint account holder*.

- **Disability coverage:**  
Each *insured's* Disability coverage terminates on the date of the statement produced immediately after his 65th birthday.
- **Loss of Employment coverage:**  
Each *insured's* Loss of Employment coverage terminates on the date of the statement produced immediately after his 65th birthday.
- **Critical Illness coverage:**  
Each *insured's* Critical Illness coverage terminates on the date of the statement produced immediately after his 65th birthday.

### **c) Specific conditions applicable to Accord D financing**

**Unless identified as replacement conditions, the specific conditions described in this section should be considered as complementary to the conditions described in the other sections of the guide.**

**In addition to regular credit card transactions,** the insurance covers the following types of *Accord D financing* if specified on the *participant's* statement of account:

- 1) *Level payment financing*
- 2) *Deferred payment financing*
- 3) *Cash advances by equal instalments*
- 4) *RRSP financing*

When the *contract holder* offers all types of credit, the *balance* used to determine the *sum insured* corresponds to the total *balance* of the following:

- the *regular transaction balance*; **plus**
- the *Accord D financing balance*.

1) **Conditions specific to level payment financing**

The *Insurer* pays a *benefit* equal to the level payment *balance* if the *insured* dies or is diagnosed with a covered *critical illness* for the first time.

The *Insurer* pays a monthly *benefit* equal to the monthly *instalment* owing on *level payment financings* in case of *disability* or *loss of employment*. The total monthly *benefit* therefore includes this *instalment* plus the *benefit* payable for *regular transactions*.

2) **Conditions specific to deferred payment financing**

The *Insurer* pays a *benefit* equal to the *deferred payment balance* if the *insured* dies during the deferment period.

If a *minimum payment* is required after the onset of *total disability* or the *loss of employment*, it will be covered by the insurance. However, you must have obtained the *deferred payment financing* prior to the onset of *total disability* or the *loss of employment* to be entitled to a *benefit*.

In addition, the *participant* will not be billed for the premium applicable to the *balance* during this time.

3) **Conditions applicable to cash advances by equal instalments and RRSP financing**

The *Insurer* pays a *benefit* equal to the *balance of cash advances by equal instalments* and *RRSP financing* in the event of the *participant's* accidental death up to age 70, *loss of use or dismemberment*, or first diagnosis of a covered *critical illness*.

The *Insurer* pays a monthly *benefit* equal to the monthly *instalment* owing on *cash advances by equal instalments* and *RRSP financing* in case of *loss of employment*. The total monthly *benefit* therefore includes this *instalment* plus the *benefit* payable for *regular transactions*.

The *participant's spouse* is not covered for *cash advances by equal instalments* and *RRSP financing*. Moreover, no premium for the *balance* of these types of *cash advances* is billed to the *participant*.

**Conditions applicable from June 13, 2011, to Accord D financing using a private label card**

- 1) **The conditions below replace those stipulated in the “How is the cost of insurance calculated?” section of this guide.**

The premium is indicated on the *participant's* statement of account and is calculated for every *Accord D financing* based on the balance at the time of enrolment in the insurance. The premium is level, meaning it will remain the same for the duration of the financing. If the *private label card* is already insured at the time of financing, the premium is calculated based on the financing's initial balance.

At the request of the *primary credit account holder*, the premium can be recalculated if a principal payment representing 10% or more of the initial balance of his financing has been made. The premium is recalculated based on the new amount as follows: balance used to calculate the premium LESS the principal payment. The premium is adjusted on the statement of account produced after the request and no retroactive adjustments are applied.

The premium is withdrawn until the balance of the financing is paid in full.

An *insured* who receives a *disability* or *loss of employment benefit* is entitled to a refund of a portion of the monthly premium. The amount of the refund is equal to the premium calculated based on the *sum insured* used to determine the *benefit* payable. Therefore, during a *disability* or *loss of employment benefit* period, the *Insurer* refunds this amount each month.

The premium rate is not guaranteed. In the event of a change in the premium rate, the *Insurer* will notify the *contract holder* in advance.

2) **The conditions below replace those stipulated in the “What is the maximum coverage provided?” section of this guide.**

The maximum *sum insured* for all *Accord D financing* carried out by the *participant* with a *private label card* is \$50,000 for all Credit Balance Insurance – Individuals coverages combined.

The maximum monthly *benefit* for all *Accord D financing* carried out by the *participant* with one or more *private label cards* is \$750 for all Credit Balance Insurance – Individuals coverages combined.

When there is more than one insured *credit account*, the *Insurer* gives priority to the accounts insured first.

An *insured* who receives a *disability* or *loss of employment benefit* is entitled to a refund of a portion of the monthly premium. The amount of the refund is equal to the premium calculated based on the *sum insured* used to determine the *benefit* payable. Therefore, during a *disability* or *loss of employment benefit* period, the *Insurer* refunds this amount each month.

The premium rate is not guaranteed. In the event of a change in the premium rate, the *Insurer* will notify the *contract holder* in advance.

### 3- BENEFIT CLAIMS

#### a) Procedure for the person making the claim

To get the forms you need to make a claim, you can:

- go to **claim.desjardinslifeinsurance.com**,
- call the *Insurer* at **1-877-338-8928** or,
- meet with a Desjardins advisor at your financial institution.

The *Insurer* will send the forms that apply to your situation and that you need to fill out. These forms can include:

- the Claimant's or Insured's Statement,
- the Physician's Statement,
- the Employer's Statement,
- the Authorization to Collect and Communicate Personal Information.

For a death claim, you must also provide a proof of death.

You must provide all documents required by the *Insurer*, as soon as reasonably possible.

In the event of disability, the claim must be made **within one year** of the beginning of *total disability*. After this period, the *Insurer* will only consider the last year preceding the date on which the claim is received. For example, if you submit a claim 18 months after the beginning of *total disability*, the *Insurer* will only pay benefits for the 12 months preceding receipt of the claim.

The *Insurer* reserves the right to request that you be examined by a *physician* of its choosing when you submit a claim.

#### b) Insurer's reply

If the claim is approved by the *Insurer*, a *benefit* will be paid within **30 days** of receiving the required proof.

If the *Insurer* denies the claim or pays only a portion of the *benefit*, the *insured* will receive a letter explaining the reasons for the *Insurer's* decision. The letter will be sent within 30 days of the date of receipt of the documents required to process the claim.

All *benefits* are payable to the participant.

### **Disability claims:**

The *insured* is responsible for submitting satisfactory proof of total *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 *insured* to:

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

### **Loss of employment claims:**

The *insured* is responsible for submitting satisfactory proof of *loss of employment* or unemployed status.

## **c) Appeal of an insurer's decision and recourse**

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

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

To know more about your rights, you can contact the regulatory agency of your province or consult your legal advisor.

## **4- SIMILAR PRODUCTS**

While similar insurance products are available on the market, you have made a wise decision by doing business with 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.

## **5- REGULATORY AGENCIES**

To learn more about the insurance product described in this guide, please call the *Insurer* at the number shown on page 2 of the guide.

For more information about the obligations of the *Insurer* and the distributor, please contact the appropriate provincial regulatory agency responsible for overseeing the application of insurance legislation.

### **a) Autorité des marchés financiers (Quebec residents only)**

Autorité des marchés financiers  
Place de la Cité, Tour Cominar  
2640, boul. Laurier, bureau 400  
Québec (Québec) G1V 5C1  
Phone: 418-525-0337 or 1-877-525-0337  
Fax: 418-525-9512  
Website: [www.lautorite.qc.ca](http://www.lautorite.qc.ca)

### **b) Financial Services Commission of Ontario (Ontario residents only)**

Financial Services Commission of Ontario  
5160 Yonge Street  
P.O. Box 85  
Toronto ON M2N 6L9  
Phone: 416-250-7250 or 1-800-668-0128  
Fax: 416-590-7070  
Email: [contactcentre@fSCO.gov.on.ca](mailto:contactcentre@fSCO.gov.on.ca)  
Website: [www.fSCO.gov.on.ca](http://www.fSCO.gov.on.ca)

## 6- OTHER INFORMATION

### ■ 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 you to rescind or cancel an insurance contract you have just signed when you sign another contract. The *Insurer* gives you 30 days to do so without penalty. To cancel your contract, you must notify the *Insurer* by registered mail within this 30-day period. You may use the attached “Notice of Cancellation of an Insurance Contract” template for this purpose.
- Even though it was cancelled, the first contract remains in force. Note that you may lose the favourable conditions that were extended to you under this insurance contract; contact your distributor or consult your contract.
- After this 30-day period has expired, you may cancel the insurance at any time; however, penalties may apply.

For further information about the Act and your rights, contact your province’s regulatory agency.

*Note: the following notice can be used  
by insureds in all provinces.*

**Notice of cancellation of  
an insurance contract**

As per section 441 of the *Act respecting the  
distribution of financial products and services*,  
I am cancelling my enrolment in the Credit  
Balance Insurance – Individuals contract with  
the following *Insurer*:

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

---

Date  
(date notice sent)

---

*Credit card* number

---

Client name

---

Client signature

---

Date  
(date contract signed)

---

At  
(place contract signed)

This notice must be sent to the *Insurer*.

## **EXCERPT FROM 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 remains 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.

## ■ 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 can benefit from the financial services (insurance, annuities, credit, etc.) it offers. 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 can send promotional information or offer new products to individuals 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 want to receive such offers, you may have your name removed from the list by sending a written request to the Privacy Officer at DFS.

## ■ Dissatisfied? Let us know.

As a responsible company attentive to the needs of its clients, Desjardins Financial Security strives to offer products and services that meet your 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 or establishment from whom you purchased the product.**

The telephone number should be in the documentation you received when you enrolled. Ask for an explanation. In most cases, a simple call is all it takes to get the answers you need.

### 2) **Call our Customer Service Centre.**

If you are not fully satisfied with the explanation you received in step 1, contact our Customer Service Centre at 1-866-838-7584. Our CSC agents know our products well and should be able to help you.

### 3) **Write to our Dispute Resolution Officer.**

If you are not satisfied with the answer you received from our Customer Service Centre, you may file a complaint with Desjardins Financial Security's Dispute Resolution Officer. The role of the Dispute Resolution Officer is to assess the merits of the company's decisions and the soundness of its practices when clients feel they have not received the service they were entitled to.

Please write to:

**Dispute Resolution Officer**  
Desjardins Financial Security  
200, rue des Commandeurs  
Lévis (Québec) G6V 6R2

Or email: [disputeofficer@dfs.ca](mailto:disputeofficer@dfs.ca)

You can also call the Dispute Resolution 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](http://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 you need 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 all correspondence.





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