

SCOTIA BUSINESS LOAN PROTECTION

Product Summary and Fact Sheet

The purpose of this fact sheet is to inform you of your rights. It does not relieve the insurer or the distributor of their obligations to you.

LET'S TALK INSURANCE!

Name of distributor: _____ The Bank of Nova Scotia (Scotiabank)

Name of insurer: _____ The Canada Life Assurance Company (Canada Life)

Name of insurance product: _____ Scotia Business Loan Protection



IT'S YOUR CHOICE

You are **never required** to purchase insurance:

- that is offered by your distributor;
- from a person who is assigned to you; or
- to obtain a better interest rate or any other benefit.

Even if you are required to be insured, **you do not have** to purchase the insurance that is being offered. **You can choose** your insurance product and your insurer.



HOW TO CHOOSE

To choose the insurance product that's right for you, we recommend that you read the summary that describes the insurance product and that must be provided to you.



DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration. The distributor **must** tell you when the remuneration exceeds 30% of that amount.



RIGHT TO CANCEL

The Act allows you to rescind an insurance contract, **at no cost**, within 10 days after the purchase of your insurance. However, the insurer may grant you a longer period of time. After that time, fees may apply if you cancel the insurance. **Ask** your distributor about the period of time granted to cancel it **at no cost**. If the cost of the insurance is added to the financing amount and you cancel the insurance, your monthly financing payments might not change. Instead, the refund could be used to **shorten the financing period**. **Ask your distributor for details**.

The *Autorité des marchés financiers* can provide you with unbiased, objective information. Visit www.lautorite.qc.ca or call the AMF at 1-877-525-0337.

Welcome!	6
What you need to know about this insurance coverage.....	6
You are eligible for Coverage if.....	6
About your insurance.....	7
When your coverage begins.....	8
When your coverage ends.....	9
How much can you be covered for?.....	10
Life Insurance	11
What's your benefit?.....	11
What are the exclusions and limitations.....	11
Disability Insurance	12
What's your benefit?.....	12
What are the exclusions and limitations?.....	12
Hospitalization Insurance	14
What's your benefit?.....	14
What are the exclusions and limitations?.....	14
Terminal Illness Insurance	16
What's your benefit?.....	16
What are the exclusions and limitations?.....	16
How your premium payments are calculated.....	17
Making and appealing a claim	18
To make a claim.....	18
To appeal a claim decision.....	18
Have a concern or complaint? We want to hear from you.	19
Privacy and Confidentiality – The Canada Life Assurance Company	19
Privacy – Scotiabank	20
Languages	21
Notes	22
NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT	23

Welcome!

Information regarding how Scotiabank and the Insurer protect and manage your personal information is set out below in the paragraphs entitled “Privacy and Confidentiality – The Canada Life Assurance Company” and “Privacy – Scotiabank”, respectively.

What you need to know about this insurance coverage:

Creditor Insurance for Scotiabank Business Loan is optional and offers you coverage on your Scotiabank Business Loan for:

Comprehensive protection, which includes all coverages below

- › Life Insurance
- › Disability Insurance
- › Hospitalization Insurance
- › Terminal Illness Insurance

Or

Basic protection which provides Life Insurance for amounts greater than \$50,000.

The various coverages are all subject to the terms and conditions of the group master policy entered into between Scotiabank, and the insurer, Canada Life. You can request a copy of the master policy by contacting Canada Life.

You are eligible for Coverage if:

1) You are a resident of Canada, between 18 and less than 65 years old and you are related to an eligible business as a:

- › sole owner or partner of an eligible business
- › individual who has guaranteed the repayment of an eligible loan
- › shareholder who owns at least 10% of the voting rights of a corporation that is an eligible business
- › key employee whose contributions are essential to an eligible business entity and without whom the business would have difficulty operating
- › For Comprehensive Protection you must also be:
 - › Currently working at least 20 hours per week
 - › If you are a key employee, you must be currently working 20 hours per week for the business on the application
 - › If you are a seasonal worker, you must be capable of performing your regular duties for at least 20 hours per week
 - › Not be receiving disability benefits from any source

A maximum of **ten people** per loan can be insured on one account. For more information, please refer to the **sample certificate of insurance**.

2) Your business entity is:

- › a resident and operates in Canada
- › has a Scotiabank fixed or variable rate term loan or demand loan, or revolving credit facility (example: line of credit or credit card)
- › a sole proprietorship, partnership, corporation, holding company or other entity operating as a business if it's not a farm, fishery or ranch, it's a business that is, or if it were incorporated, a small business corporation as defined by the Income Tax Act in subsection 248(1).

Note: non-profit organizations and students under the Canada Student Loan program are not eligible.

3) Your loan is:

a commercial loan, small business or farm loan, line of credit, mortgage loan, credit card, personal demand loan for business purposes, or other related business loan credit agreement with Scotiabank and the loan denomination is in Canadian Dollars.

For information on which loans **are not eligible**, please refer to the **sample certificate of insurance**.

About your insurance

Name and address of the insurer:

The Canada Life Assurance Company “Canada Life”
330 University Avenue
Toronto, ON M5G 1R8

Name and address of the distributor:

The Bank of Nova Scotia
100 Yonge St, 8th Floor
Toronto ON M5C 2W1

Scotia Creditor Helpline: 1-855-753-4272

See a sample certificate of insurance on our website:

Canadalife.com
Insurance > Creditor Insurance > Guides and Summaries

Questions?

Call us: 1-800-387-2671

Secure email: creditor_info@canadalife.com

Canada Life's client number listed in the AMF registry: 3001870574

AMF website: lautorite.qc.ca

When your coverage begins:

Insurance coverage starts on the latest of:

- › The date Scotiabank receives your signed and dated application
- › If your application is not approved automatically, the date specified in your letter of approval
- › The date any portion of the insured loan is advanced, or funds are made available

Automatic approval:

- › your insurance coverage will be approved automatically if the coverage is \$50,000 or less or
- › your insurance coverage is greater than \$50,000 but less than \$500,000, and if you answered “No” to all the health questions

Written approval: if your coverage is greater than \$500,000 or if you answered ‘yes’ to any of the health questions in the application, Canada Life will confirm in writing whether your application is approved or declined. For details, please refer to the **sample certificate of insurance**.

**Share the right information**

If your coverage has been in effect for less than two years, any concealment, misrepresentation or false declaration made in your application, medical evidence connected with your application or any claim may *cancel the coverage and a benefit may not be paid*.

**Cancelling your insurance**

If you change your mind about the coverage within **30 days** from the later of: the date your application is approved or the date the funds were advanced to you, you will get a full refund of any premium paid. It's like the coverage never started.

You can cancel your insurance coverage at any time by writing to: Insurance Canada Processing Centre, P.O. Box 1045, Stratford ON, N5A 6W4 or calling 1-855-753-4272

Your request must be signed by all borrowers and guarantors. Your final premium will be adjusted to reflect insurance costs up to and including the date your request is received.

You also have a **120-day** grace period for your premium payments. If the premium has not been paid within that period, your coverage is automatically cancelled.

When your coverage ends:

Your insurance coverage automatically ends on the earliest of the following dates:

- › the date you die
- › the date you turn 70 years old
- › the date Scotiabank receives your request to cancel the insurance
- › the date your premium payments are overdue for 120 consecutive days
- › the date you are no longer eligible for coverage
- › the date the business is no longer eligible for coverage
- › the date the business is declared bankrupt
- › the date the group policy terminates

Note: If you have Comprehensive Protection coverage and an insured amount greater than \$50,000, you will be automatically switched to Basic protection on the earliest of the following dates:

- › the date you turn 65 years old
- › the date you've received 48 months of disability benefits
- › the date a terminal illness claim is approved

Life Insurance

How much can you be covered for?

For Comprehensive Coverage or Basic Coverage: your insurance will cover:

- › your outstanding account balance for all insured fixed or variable rate term loan and/or demand loans at the time of application; and
- › the credit limit of all insured revolving credit facilities (example: line of credit or credit card)

Your total insurance coverage amount will need to be approved by Canada Life and will be up to a maximum of \$2,000,000 for Life insurance per insured person.

If the outstanding account balance of insured fixed and/or variable rate term loan and/or demand loan decreases by more than 10% from the amount used in your application, you can request to reduce the insurance coverage amount.

You are covered if you die before the age of 70 and meet all terms and conditions of the certificate of insurance. For details on terms and conditions, please refer to the section on Life Insurance in the **sample certificate of insurance**.

What's your benefit?

If you die, Canada Life will pay Scotiabank the outstanding account balance of your Scotiabank insured loan on the date of your death, up to the insurance coverage amount, up to a maximum of \$2,000,000.

What are the exclusions and limitations

No benefit will be paid if you die because of:

- › self-inflicted injury, suicide, or attempted suicide during the first two years from the date your insurance coverage started
- › declared or undeclared war, unless you are a member of the Canadian Forces or Reserve
- › nuclear, chemical or biological contamination due to an act of terrorism;
- › direct or indirect participation or attempted participation of a criminal offence
- › use of any drugs, poisonous substances, intoxicants or narcotics, unless taken following your physician's instructions
- › operation of any motorized vehicle or watercraft while you are impaired by drugs or alcohol

In addition, no benefit will be paid if:

- › your application for Comprehensive or Basic protection coverage was automatically approved and you die within the first two years from the date your insurance coverage started and your death is because of or related to a pre-existing condition.

A pre-existing condition means any health condition or the symptoms of a condition, whether diagnosed or not, for which in the 12 months before you applied for insurance, you:

- › Consulted a doctor, or
- › had a medical investigation; or
- › received advice, care, service or treatment from a doctor or health practitioner.

For additional information on pre-existing conditions and complete information, please refer to the **sample certificate of insurance**.

Disability Insurance

You are covered if you have Comprehensive Protection and become disabled before the age of 65 and are unable to work because of your disability and you meet all terms and conditions of the certificate. For details on what a disability is and additional terms and conditions, please refer to the section on Disability Insurance in the **sample certificate of insurance**.

What's your benefit?

Canada Life will pay Scotiabank a monthly benefit equal to:

- › 1% of your Comprehensive coverage amount, up to \$7,500; plus
- › Your monthly premium and all premiums related to insured people in the same business

following the 60-day waiting period, up to a maximum of 24 months per disability, per person. The overall maximum of disability benefit payments is 48 months per lifetime, per person.

60 day working period: if you become disabled, you will have to wait 60 days from your date of disability before benefits are payable. This means you are responsible for any payments due during this 60 day period.

For more information on how your benefit payment is calculated please refer to the **sample certificate of insurance**.

What are the exclusions and limitations?

No disability benefit will be paid if your disability is a result of:

- › normal pregnancy
- › elective cosmetic or experimental surgery or treatment
- › self-inflicted injury, suicide, or attempted suicide during the first two years from the date your insurance coverage started
- › declared or undeclared war unless you are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve
- › nuclear, chemical, or biological contamination due to any act of terrorism
- › use of any drugs, poisonous substances, intoxicants or narcotics, unless taken following your doctor's instructions
- › operation of any motorized vehicle or watercraft while you are impaired by drugs or alcohol
- › your participation or attempted participation in a criminal offence

In addition, no benefit will be paid if:

- › your application for Comprehensive protection coverage was automatically approved and you become disabled within 12 months from the date your coverage started due to or relating to a pre-existing condition.

A pre-existing condition means any health condition or the symptoms of that condition, whether diagnosed or not, for which in the 12 months before you applied for insurance, you:

- › Consulted a doctor; or
- › had a medical investigation; or
- › received advice from or treatment by a doctor or other health practitioner.

Other limitations and exclusions may apply. Refer to the **sample certificate of insurance** for complete information

Hospitalization Insurance

You are covered if you have Comprehensive Protection coverage and become hospitalized for more than 3 consecutive days as a result of an accidental body injury or sickness, are under the age of 65 and you meet all the terms and conditions of the certificate of insurance. For details on terms and conditions, please refer to the section on Critical Illness Insurance in the **sample certificate of insurance**.

What's your benefit?

Canada Life will pay Scotiabank a lump sum payment of 2% of your Comprehensive coverage amount, up to the lesser of \$15,000 or the outstanding account balance on the date of hospitalization.

For more information on how your benefit payment is calculated please refer to the **sample certificate of insurance**.

What are the exclusions and limitations?

No hospitalization will be paid if it is directly or indirectly related with:

- › a terminal illness for which terminal illness benefit was paid under this policy
- › normal pregnancy
- › elective cosmetic surgery or experimental surgery or treatment
- › self-inflicted injury, suicide, or attempted suicide during the first two years from the date your insurance coverage started
- › declared or undeclared war unless you are a member of the Canadian Forces or Reserve
- › nuclear, chemical or biological contamination due to any act of terrorist
- › direct or indirect participation or attempted participation in a criminal offence
- › use of any drugs, poisonous substances, intoxicants or narcotics, unless taken following your doctor's instructions
- › operation of any motorized vehicle or watercraft while you are impaired by drugs or alcohol

Additionally, no hospitalization benefit will be paid if:

- › you or someone in the same business entity have received hospitalization benefits in the 60 days prior to the date of your hospitalization
- › disability benefits with respect to your hospitalization or another insured person related to the same business entity are being paid at the time of hospitalization
- › your application for Comprehensive protection coverage was automatically approved and you are hospitalized within 12 months from the date your coverage started due to or related to a pre-existing condition

A pre-existing condition means any health condition or the symptoms of a condition, whether diagnosed or not, for which in the 12 months before you applied for insurance, you:

- › Consulted a doctor, or
- › had a medical investigation; or
- › received advice, care, service or treatment from a doctor or health practitioner.

Other limitations and exclusions may apply. Refer to the **sample certificate of insurance** for complete information.

Terminal Illness Insurance

You are covered if you have Comprehensive Protection coverage and are diagnosed with a terminal illness before the age of 65 that will likely result in your death within one year of diagnosis and you meet all terms and conditions of the certificate. For details on terms and conditions, please refer to the section on Disability Insurance in the **sample certificate of insurance**.

What's your benefit?

Canada Life will pay Scotiabank the outstanding account balance on the date of diagnosis, up to the coverage amount.

What are the exclusions and limitations?

No terminal illness benefit will be paid if your illness is a direct or indirect result of:

- › self-inflicted injury, suicide, or attempted suicide during the first two years from the date your insurance coverage started
- › declared or undeclared war unless you are on active military duty as a member of the Canadian Forces or Canadian Forces Reserve
- › nuclear, chemical or biological contamination due to any act of terrorism
- › use of any drugs, unless taken following your doctor's instructions
- › operation of any motorized vehicle or watercraft while you are impaired by drugs or alcohol
- › your participation or attempted participation in a criminal offence

In addition, no benefit will be paid if:

- › you die within 30 days after diagnosis
- › if the evaluation of the condition or symptoms of a health condition, or any medical test leading to the diagnosis was initiated before the date you completed your application

Other limitations and exclusions may apply. Refer to the **sample certificate of insurance** for complete information.

How your premium payments are calculated

Comprehensive Protection for amounts less than or equal to \$50,000:

Your monthly premium payment will be \$1.00 for every \$1,000 of the insured amount. The minimum monthly premium is \$10.00 plus applicable taxes.

Your monthly premium will change based on the insured amount.

Comprehensive Protection for amounts greater than \$50,000 but less than or equal to \$750,000:

Your monthly premium payment will be calculated by:

- › Multiplying the insured amount by the premium rate shown in the table below, based on your age at the time of application;
- › Divided by 1,000; plus
- › Any taxes that may apply to your premium

Your monthly premium will change based on the insured amount and your age.

Age Group	18-35	36-40	41-45	46-50	51-55	56-60	61-65
Comprehensive Protection Rate	\$0.50	\$0.59	\$0.79	\$1.02	\$1.25	\$1.59	\$2.16

Comprehensive Protection for amounts greater than \$750,000:

Your monthly premium payment will be calculated by using the following formula: (a) + ((b) x comprehensive coverage amount in excess of \$750,000 ÷ 1,000)) plus applicable taxes.

Age	(a)	(b)
18-35	\$375.00	\$0.20
36-40	\$442.50	\$0.29
41-45	\$592.50	\$0.39
46-50	\$765.00	\$0.52
51-55	\$937.50	\$0.65
56-60	\$1,192.50	\$0.88
61-65	\$1,620.00	\$1.26

Example: if an insured person is 39 years old and their comprehensive coverage amount is \$800,000, the monthly insurance premium will be \$457 (422.50 + (0.29 x (800,000 – 750,000) ÷ 1,000)) plus applicable taxes.

Your monthly premium will change based on the insured amount and your age.

Basic Coverage for amounts greater than \$50,000:

Your monthly premium payment will be calculated by multiplying the insured amount by the premium rate shown in the table below based on your age at the time of application. The result will be divided by 1,000 and that will be your payment. Applicable taxes will be added.

Your monthly premium will change based on the insured amount and your age.

Age Group	18-35	36-40	41-45	46-50	51-55	56-60	61-65	66-69
Basic Protection Rate	\$0.20	\$0.29	\$0.39	\$0.52	\$0.65	\$0.88	\$1.26	\$1.65

Making and appealing a claim:**To make a claim:**

Contact your Scotiabank branch or call the following Scotiabank toll-free number: **1-855-753-4272**.

Procedure and time limits: You must notify and provide Canada Life, with completed claim forms and any supporting documentation as follows:

- › For life claims: no later than 1 year from the date of death.
- › For hospitalization or terminal illness claims: within 90 days from the date of diagnosis
- › For disability: within 150 days from the date of disability

Any written notice must include the Group Policy number. Canada Life will let you know about their decision within 30 days after receiving all the necessary documents to process your claim. If you don't agree with a decision about your claim, you can appeal it at any time in writing and include the reasons for appealing. The costs for any medical evidence needed to support your claim's review will be at your own expense.

To appeal a claim decision:

Write to: The Canada Life Assurance Company
Creditor Insurance, Claims Department
330 University Avenue
Toronto ON, M5G 1R8

Secure Email: creditor_info@canadalife.com

Secure Fax: 416-552-6657

**Have a concern or complaint?
We want to hear from you.****Scotiabank Complaint Procedures**

If you have an inquiry about any aspect of this insurance coverage, please call 1 855 753 4272 between 8:00 a.m. and 8:00 p.m. (ET), Monday to Friday.

If you have a complaint or wish to access Scotiabank's complaint handling process, visit www.scotiabank.com/resolvingyourcomplaint or obtain the "Resolving Your Complaints" brochure from your local Branch.

Canada Life Complaint Procedures

Visit canadalife.com, under Customer satisfaction > Customer complaints

This site will take you through the complaint process and give you the contact information to make a complaint.

**Privacy and Confidentiality –
The Canada Life Assurance Company:**

At Canada Life ("we" or "us" in this section), we're committed to protecting your personal information and respecting your privacy. Your personal information is stored in secure and confidential records. When applicable, this will include information about your spouse, common-law partner, dependents and beneficiaries.

The personal information we collect and maintain is used to administer your products or services, and help us analyze and optimize customer service and business processes.

Personal information may be disclosed to paramedical examiners, medical labs, medical information bureau, technology suppliers, other financial institutions, other insurers, reinsurers, and government departments and agencies, where required for the administration of your products or services. For more information, refer to our Privacy guidelines. Personal information may be collected or communicated outside of Canada or outside your province of residence as part of day-to-day business.

It's important that personal information is accurate and up to date. You can access and correct personal information, subject to certain restrictions. For a copy of our Privacy guidelines or questions about our personal information policies and practices, including the use of service providers and your privacy rights, contact our Privacy Officer at privacy@canadalife.com or visit canadalife.com/privacy.

Privacy – Scotiabank:

The Scotiabank Privacy Agreement forms part of this Product Summary. For a full explanation about how, when and why The Bank of Nova Scotia (“Scotiabank” or “we” or “us”) may collect, use and share your information, as well as your rights relating to that information, please visit www.Scotiabank.com/privacy or any Scotiabank branch for a paper copy.

- › **Information we collect about you:** Information that we hold about you may come from you directly; however, we may also collect information about you from other sources, including information from credit reporting agencies, people appointed to act on your behalf, our social media pages, or other banks or finance-related organizations. We and our insurance providers require personal information to assess insurance risk and to establish and administer insurance coverage, including the assessment of claims.
- › **How we use your information:** We may collect, use and exchange personal information for the following purposes: to set up, manage and offer products or services that meet your needs; to confirm your identity; to determine your eligibility or suitability for our products or services; to understand your needs; to meet our legal and regulatory requirements; to manage and assess our risks; to prevent or detect criminal activity; and to identify and correct any errors. We may also use your information to send you messages to inform you about product or service features or to tell you about products and services (including those of other companies) that may be of interest to you.
- › **With whom we share your information:** We will keep your information confidential, but we may share it with third parties (who also have to keep it secure and confidential) in certain circumstances, including: Our service providers and their agents, fraud prevention agencies, and other banks or finance-related organizations. The Bank of Nova Scotia and the insurer will use and exchange relevant information about you for the purpose of underwriting, administering and adjudicating claims under the Group Policy issued by the insurer. The insurer’s handling of your personal information is detailed in their Privacy Policy, which will be made available to you.
- › **Keeping your information:** We will keep your information for as long as you are our customer. Once our relationship has ended, we will only keep your information for so long as is appropriate for the type of information, and the purpose for which we’re retaining it. The period we keep your information for is generally linked to the amount of time available for you to bring a legal claim. We may keep the information longer than this if there an existing claim or complaint that will require us to keep your information, or for regulatory or technical reasons. If we do keep it for a longer period, we will continue to protect your information.

- › **Your rights and how to refuse or withdraw your consent:** You have certain rights over the personal information we hold about you, including the right to ask for a copy of the information, to correct or rectify personal information that we hold about you, or not to use your information for a particular purpose (i.e., withdraw consent). Note that your ability to exercise these rights will depend on a number of factors, and in some situations, and we may not be able to agree to your request. You can refuse to consent to our collection, use or disclosure of your personal information, or you may withdraw your consent to our further collection, use or disclosure of your personal information at any time by giving us reasonable notice, subject to limited exceptions. To understand how to go about withdrawing your consent, or to find out more about any of the items described in this section, please visit www.Scotiabank.com/privacy or any Scotiabank branch for a copy of our Privacy Agreement.

Languages

Quebec Residents Only / Résidents du Québec seulement: You expressly request the English version of this document and that all related documents, including any notices, be drafted in English only. Vous demandez expressément la version anglaise de ce document et que tous les documents qui s’y rattachent, y compris tous avis, soient rédigés en anglais seulement.

**To simplify your insurance, visit
scotiabank.com**

For questions about Your Scotia
Business Loan Protection, contact us
at Your nearest Scotiabank branch
or call the Insurance Canada Service
Centre at 1-855-753-4272.

**FPO
For FSC mark**