

THE CANADA LIFE ASSURANCE COMPANY CERTIFICATE OF INSURANCE FOR INVOLUNTARY UNEMPLOYMENT

President's Choice Bank

President's Choice Financial® MasterCard® Cardholders:

Group Policy Number: G60500

Version Date: July 1, 2016

Important Notice: This insurance is designed to cover losses arising from sudden and unforeseeable circumstances. Coverage is subject to certain limitations and exclusions as set out in this Certificate of Insurance.

This Certificate of Insurance contains information about Your account balance protection insurance for involuntary job loss. Please read it carefully and keep it in a safe place. President's Choice Bank receives an administration fee from The Canada Life Assurance Company to distribute account balance protection insurance.

Please refer to the definitions section for the meanings of words which begin with a capital letter. This Certificate describes coverage under the non-participating Group Policy Number G60500 (the "Policy") issued to President's Choice Bank (the "Policyholder") by The Canada Life Assurance Company ("CLA"). That Policy provides the insurance described below for President's Choice Financial MasterCard Cardholders, if enrolled, who have selected job loss protection only. The records maintained at the offices of the Policyholder alone shall determine who is a Primary Cardholder, who is enrolled, and for which plan, and the status of the Primary Cardholder's Account. The terms and conditions of the Policy are summarized in this Certificate, which is incorporated into and forms a part of the Policy. In addition, the benefits are subject to all of the terms and conditions of the Policy, which is on file with the Policyholder. No person is eligible for coverage under more than one CLA Certificate of Insurance under the Policy. In the event that any person is recorded by CLA as insured under more than one such Certificate or Policy, such person shall be deemed to be insured only under the Certificate or Policy which affords that person the greatest amount of insurance coverage. In no event will a corporation, partnership or business entity be eligible for the insurance coverage under the Policy or under this Certificate. The Canada Life Assurance Company Creditor Insurance office is located at 330 University Avenue, Toronto, Ontario, M5G 1R8.

Definitions

“Account” means the Primary Cardholder’s President’s Choice Financial MasterCard Account which is in Good Standing with the Policyholder.

“Cardholder Agreement” means the agreement made between a Primary Cardholder and the Policyholder with respect to the President’s Choice Financial MasterCard, as may be amended from time to time.

“Certificate” means this Certificate of Insurance.

“Claimant” means a person who makes a claim under the Policy.

“Date of Occurrence” means the date when the Primary Cardholder’s Involuntary Unemployment commences.

“Dollars” and **“\$”** mean Canadian dollars.

“Effective Date” means the date You are enrolled for coverage by the Policyholder, which is the date set out in the enrolment letter enclosed with this Certificate.

“Gainfully Employed” and **“Gainful Employment”** mean that immediately before the Date of Occurrence: (i) You were working for at least six (6) consecutive months with the same employer on a permanent full-time basis for salary or wages at a minimum of thirty (30) hours per week or on a permanent part-time basis for salary or wages at a minimum of twenty (20) hours per week; or (ii) You were working at Self-Employment, as defined below. Seasonal Employment is not considered “Gainful Employment” or being “Gainfully Employed.”

“Good Standing” means being in full compliance with all of the provisions of the “Cardholder Agreement” in force between the Primary Cardholder and the Policyholder, as amended from time to time.

“Involuntary Unemployment” or **“Involuntarily Unemployed”** means: (i) involuntary termination of the Primary Cardholder’s full-time or part-time permanent employment; or (ii) for a Primary Cardholder who is Self-Employed, a Loss of Self-Employment.

“Loss of Self-Employment” means that a Self-Employed Primary Cardholder suffers an unexpected and involuntary loss of monthly income from his or her Self-Employment equal to or in excess of 85% of the Primary Cardholder’s average monthly income from Self-Employment in the six (6) months immediately preceding the Date of Occurrence. For greater certainty, Loss of Self-Employment does not include termination of a contract by reason of its completion or fulfillment on its expected end date or otherwise in accordance with its terms.

“Monthly Premium Charge” means the monthly amount You must pay for this account balance protection insurance coverage, specified under the “General Provisions” of this Certificate, as it may be amended from time to time.

“Policy” means Group Policy Number G60500 issued by The Canada Life Assurance Company to the Policyholder.

“Policyholder” means President’s Choice Bank.

“President’s Choice Financial MasterCard”

means a President’s Choice Financial MasterCard card issued by the Policyholder.

“Primary Cardholder” means any natural person ordinarily resident in Canada who is issued a primary President’s Choice Financial MasterCard by the Policyholder and whose Account is in Good Standing.

“Seasonal Employment” means a situation in which normal employment or Self-Employment is subject to seasonal conditions, and layoff or work suspension is a regular and anticipated part of the work schedule.

“Self-Employed” or **“Self-Employment”** means in the six (6) month period prior to the Date of Occurrence, the Primary Cardholder does not have any income from employment for which the Primary Cardholder is required to receive a T4 *Statement of Remuneration Paid from Employment* and such Primary Cardholder operates a business or profession as a sole proprietor or partner in a partnership and has worked as such for at least 6 consecutive months at a minimum of 30 hours per week immediately prior to the Date of Occurrence.

“We”, “Our” or **“Insurer”** means The Canada Life Assurance Company.

“You” or **“Your”** means the eligible Primary Cardholder who is insured, i.e., covered under the Policy.

General Provisions

Unless otherwise expressly provided herein or in the Policy, the following general provisions apply to the benefits described in this Certificate of Insurance.

Eligibility to Enrol: The Primary Cardholder is eligible to be enrolled under the Policy if his or her Account is in Good Standing and provided the Primary Cardholder is under age sixty-five (65). There are additional conditions, requirements, exclusions and limitations which apply before benefits are payable. Please consult these in the specific sections set out below.

Monthly Premium Charge: The Monthly Premium Charge for the coverage is \$0.79 per \$100.00 of the Account’s current month-ending balance, including any balance for deferred purchases. For example, if the balance on your monthly statement was \$300, the cost would only be \$2.37 plus tax. Such Monthly Premium Charge is subject to change as provided in the Policy, and the Primary Cardholder will be advised in writing at the most recent address on file with CLA of any change to the Monthly Premium Charge or any change to the benefits provided under the Policy. All premium payments will be automatically charged to the Account. The Policyholder shall furnish the Primary Cardholder with an Account statement each month which will show the amount of premium charged.

Purchases during Claim Period: Coverage shall not extend to any purchases made on the Account after the Primary Cardholder has notice of the onset of his or her Involuntary Unemployment.

Notice of Claim: When a claim arises the Claimant must give written notice of claim to CLA within 30 days after the Date of Occurrence, or as soon as is reasonably possible thereafter. Written notice of claim should be sent to the President's Choice Financial Account Balance Protection Insurance Claims Department, 330 University Avenue, Toronto, Ontario, M5G 1R8, or by calling 1 877 789 4182. If the Policy is terminated and written notice of the claim is not provided within six months after the Date of Occurrence, the claim shall be invalid.

Claim Forms: CLA, upon receipt of a written notice of claim, will furnish to the Claimant the appropriate claim forms. If such forms are not furnished within fifteen (15) days after the giving of such notice, the Claimant may submit proof of claim in the form of a written statement of the cause or nature of the event giving rise to the claim in full detail.

Proof of Claim: The appropriate CLA claim forms or other satisfactory written proof of claim must be provided to CLA at the address set out above within ninety (90) days after the Date of Occurrence. Failure to furnish such proof within the time required shall not invalidate or reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible, but in all events such proof must be given to CLA within one (1) year from the date on which the claim arises.

Notices: Notice of any changes to the terms of this Certificate of Insurance or of any applicable fees or to inform You of the termination of this service will be provided to You in accordance with applicable laws.

Termination of Coverage: All insurance coverage provided for herein shall automatically terminate at 12:01 a.m. on the earliest of the following dates:

- a) the next Account statement date after cancellation is requested by the Primary Cardholder;
- b) the date the Primary Cardholder's Account is more than 90 days delinquent or the Primary Cardholder is more than 90 days late in making any required payments, including the Monthly Premium Charge;
- c) the date the Account is terminated;
- d) the date of termination or cancellation of the Policy, if 30 days' notice is given to the Primary Cardholder by mail at Your last known address on file with CLA;
- e) the date of the Primary Cardholder's death; and
- f) the date of the Primary Cardholder's 65th birthday.

Cancellation of Coverage: This coverage is not mandatory. The Primary Cardholder may cancel coverage under this Certificate at any time by calling 1 866 246 7262. Also, if President's Choice Bank receives a request for cancellation within 30 days of the Effective Date of Your coverage, Your Account will be credited for any premium collected and insurance will be deemed never to have been in force. Otherwise, coverage will be terminated as of the end of the statement period in which cancellation was requested, and one last premium will be charged.

Misrepresentation and Fraud: Any false or incomplete statement by You with respect to this insurance may cause coverage to be void.

Assignment: This Certificate may not be assigned.

Clerical Error: The records maintained by CLA, whether in hard copy or machine-readable form, shall be *prima facie* conclusive of all matters pertaining to this Certificate. However, clerical error on the part of CLA or its administrators in maintaining records in connection with the insurance provided for by this Certificate shall neither invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of such an error, an equitable adjustment shall be made, and if a refund is deemed by CLA to be appropriate in the circumstances, such refund will be paid to the Primary Cardholder on his/her Account.

Legal Action: Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act (for actions or proceedings governed by the laws of Alberta and British Columbia), The Insurance Act (for actions or proceedings governed by the laws of Manitoba), the Limitations Act, 2002 (for actions or proceedings governed by the laws of Ontario), or other applicable legislation. For those actions or proceedings governed by the laws of Quebec, the prescriptive period is set out in the Quebec Civil Code.

Conformity with Statutes: Any part of this Certificate which, on its Effective Date, conflicts with the federal statutes or statutes of the province or territory where it is delivered to You will be changed to conform to the minimum standards of those statutes.

Involuntary Unemployment Benefit For Primary Cardholders:

Benefit for Involuntary Unemployment: In the event that the Primary Cardholder has become Involuntarily Unemployed prior to age 65, CLA will pay to the Policyholder monthly payments corresponding to 5% of the Primary Cardholder's balance, or if such balance is \$10 or less, one payment of the full balance owing on Your Account at the date of Involuntary Unemployment.

Waiting Period: You are only eligible for Involuntary Unemployment benefits if You remain unemployed for thirty-one (31) days (or ninety-one [91] days if you were Self-Employed). Benefits are retroactive to the Date of Occurrence.

For Primary Cardholders who were Employed, monthly benefit payments will continue until the earlier of:

- a) the date of the Account statement following the Primary Cardholder's return to work;
- b) the date the entire outstanding balance as at the date of Involuntary Unemployment for the Account has been paid by CLA;
- c) the date when 20 consecutive monthly payments have been made by CLA; or
- d) the 65th birthday of the Primary Cardholder.

Additional limitations and exclusions are contained in the "Exclusions" section of this Certificate.

For Primary Cardholders who were Self-Employed, monthly benefit payments will continue until the earlier of:

- a) the date of the Account statement following the month in which the Primary Cardholder becomes an employee;
- b) the date of the Account statement following the 1st month in which the Primary Cardholder no longer satisfies the definition of Loss of Self-Employment;
- c) the date the entire outstanding balance as at the date of Involuntary Unemployment for the Account has been paid by CLA;
- d) the date when 20 consecutive monthly payments have been made by CLA; or
- e) the 65th birthday of the Primary Cardholder.

Additional limitations and exclusions are contained in the "Exclusions" section of this Certificate.

Eligibility: To qualify for benefits for Involuntary Unemployment, the Primary Cardholder must:

- a) be 64 years of age or younger and have been Gainfully Employed as of the date of the Involuntary Unemployment;
- b) except where Self-Employed, verify to the satisfaction of CLA that he/she is registered and eligible for Employment Insurance (EI) benefits with Human Resources Development Canada (“H.R.D.C.”) or its successor. Registration must be made within 15 days after the date of the Involuntary Unemployment and must continue so long as the Primary Cardholder remains eligible for EI benefits. Payment of benefits beyond the period of the Primary Cardholder’s eligibility for EI benefits will be subject to provision by the Primary Cardholder, at his/her own expense, of evidence satisfactory to CLA of the Primary Cardholder’s continuing and complete Involuntary Unemployment; and
- c) where Self-Employed, provide proof to Canada Life that the Primary Cardholder has suffered a Loss of Self-Employment from other than an excluded cause, either by providing proof to CLA of the Primary Cardholder’s status as a bankrupt as defined in, and under, the Bankruptcy and Insolvency Act (Canada) or by providing a sworn affidavit, in form satisfactory to CLA, in which the Primary Cardholder attests to, and describes in detail, the Loss of Self-Employment. CLA must also receive satisfactory proof of the Primary Cardholder’s Self-Employment status and income from Self-Employment both in the period prior to the Date of Occurrence and thereafter.

Involuntary Unemployment Benefits:

EXCLUSIONS

No benefits shall be paid for any Involuntary Unemployment of a Primary Cardholder due to:

- a) unemployment or Loss of Self-Employment for any reason beginning within 30 days from the Effective Date of coverage;
- b) unemployment or Loss of Self-Employment known by the Primary Cardholder to be impending at the time of application for the insurance;
- c) normal Seasonal Unemployment;
- d) strikes, lockouts or labour disputes, whether or not the Primary Cardholder participates voluntarily;
- e) accident or illness, mental or physical, of the Primary Cardholder;
- f) discharge for cause by the Primary Cardholder’s employer;
- g) leave of absence, including Maternity or Parental Leave;
- h) voluntary unemployment or voluntary or intentional Loss of Self-Employment;
- i) commission or attempted commission of a criminal offence;
- j) unemployment from employment or Self-Employment which is temporary;
- k) retirement or early retirement, whether voluntary or mandatory;
- l) disability; and
- m) abuse of drugs or alcohol.

Other Information: You have the right to examine and obtain a copy of the Policy and certain other written statements or records You have submitted to Canada Life (if any), subject to certain access limitations.

Privacy and Security: At The Canada Life Assurance Company (Canada Life), We recognize and respect the importance of privacy. When You apply for coverage, We establish a confidential file that contains Your personal information. This file is kept in the offices of Canada Life or the offices of an organization authorized by Canada Life. You may exercise certain rights of access and rectification with respect to the personal information in Your file by sending a request in writing to Canada Life. Canada Life may use service providers located within or outside Canada. We limit access to personal information in Your file to Canada Life staff or persons authorized by Canada Life who require it to perform their duties, to persons to whom You have granted access, and to persons authorized by law. Your personal information may be subject to disclosure to those authorized under applicable law within or outside Canada. We collect, use and disclose the personal information to administer the financial product(s) applied for, including investigating and assessing claims, and creating and maintaining records concerning Our relationship. For a copy of Our Privacy Guidelines, or if you have questions about Our personal information policies and practices (including with respect to service providers), write to Canada Life's Chief Compliance Officer or refer to www.canadalife.com.

With respect to Your President's Choice Financial MasterCard Account, Your personal information is also collected, used and disclosed in accordance with the President's Choice Financial Privacy Policy, which can be obtained at www.pcfincancial.ca or by writing to: Privacy Officer, 25 York Street, P.O. Box 201, 7th floor, Toronto, Ontario, M5J 2V5.



®PC, President's Choice, PC Financial and President's Choice Financial are registered trademarks of Loblaws Inc.

®MasterCard is a trademark of MasterCard International Incorporated.

President's Choice Bank is a licensee of marks.

President's Choice Financial MasterCard is provided by President's Choice Bank.

PCF131431
July 2016