

# Application for Creditor Life Insurance

## Nova Scotia Farm Loan Board

## Nova Scotia Fisheries and Aquaculture Loan Board



Terms not defined in this Application shall have the meaning set out in the Certificate of Life Insurance ("Certificate").

Group policy number <b>575</b>
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### 1 Applicant and loan information – to be completed by lender

Applicant's last name	First name	Customer number	Date of birth (dd-mm-yyyy)	Age
Telephone number (business)	Telephone number (residence)	Current address (street number and name)		Apartment or suite
City		Province	Postal code	
Program <input type="checkbox"/> Farm <input type="checkbox"/> Fisheries & Aquaculture	Amount of insurance requested \$	Insured loan amount \$	Amount of insurance on previous loans \$	

If the applicant does not wish to apply or is ineligible for insurance, please proceed directly to section 4.

### 2 Health question – to be completed by applicant

If you are applying for life insurance, you must answer the health question in this section. If you are unsure as to how to answer the health question, answer "YES" and complete the Creditor Group Insurance Statement of Health Form ("Statement of Health").

Provided you are eligible for this insurance, if you answer "NO" to the health question and the amount of insurance you are applying for is \$250,000 or less, this Application will be approved automatically by Sun Life Assurance Company of Canada (the "Insurer") and your insurance will become effective on the later of the date you signed this Application or the date loan funds are advanced. "Loan" means the loan granted to you by Nova Scotia Farm Loan Board or Nova Scotia Fisheries and Aquaculture Loan Board.

If you answer "YES" to the health question, or the requested amount of insurance exceeds \$250,000, the Insurer requires you to complete and submit the Creditor Group Insurance Statement of Health Form ("Statement of Health") along with this Application. If your Application is approved, your insurance will begin on the later of the date the Insurer advises you in writing that your Application has been approved or the date the Loan funds are advanced. If your Application is not approved, you will be advised in writing by the Insurer.

<p>Within the past 36 months, have you received any treatment for (including taking pills, injections or other medications), consulted a physician or health practitioner for, or been diagnosed as having: circulatory illness or heart disorder (including irregular heart beat and coronary artery disease), high blood pressure, stroke, cancer, disorder of the brain or nervous system (including paralysis), digestive or intestinal disorder, diabetes, liver or kidney trouble, arthritis, AIDS (Acquired Immunodeficiency Syndrome), ARC (AIDS Related Complex), HIV (Human Immunodeficiency Virus), lupus, bleeding or blood disorder, lung or respiratory disorder, mental or psychiatric condition (including depression and anxiety), alcohol, drug or substance abuse or have you been admitted as a patient in a hospital or clinic (except for pregnancy or birth) for longer than 5 consecutive days?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
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### 3 Authorizations

Please read pages 1 and 2 of this Application before signing.

You have read and understand that insurance coverage on loans is underwritten by the Insurer under Group Policy 575 (the "Policy"), issued to Nova Scotia Farm Loan Board (the "Policyholder"). You are eligible under the Policy if you are a borrower of Nova Scotia Farm Loan Board or Nova Scotia Fisheries and Aquaculture Loan Board (collectively referred to as the "Board"). You further understand and agree that:

- This insurance is optional.
- You meet the eligibility requirements for life insurance as described in the "Eligibility" section of the Certificate.
- You have received and been given the opportunity to read a copy of this Application and the Certificate. You understand that there are terms and conditions that may exclude or limit coverage. These terms and conditions include benefit maximums described in the "Maximum benefit" section of the Certificate, as well as other exclusions and limitations described in the "Exclusions and limitations" section of the Certificate. You agree to be bound by these terms.
- Answers given by you on this Application are true and complete. Any concealment, misrepresentation or false declaration concerning this Application along with any statements furnished as evidence of insurability where required may result in your insurance being void.
- You are responsible for the payment of all premiums and applicable taxes arising from this insurance. Premium rates and the method of calculating premiums are shown in the "Calculation and collection of premiums" section of the Certificate.
- You have authorized the Insurer to collect premiums by executing the Personal Pre-Authorized Debit Agreement provided with this Application.

Sun Life Assurance Company of Canada is the insurer, and is a member of the Sun Life Financial group of companies

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### 3 Authorizations (continued)

- You may cancel this insurance at any time. If insurance is cancelled within 20 days of receiving the Certificate, you will receive a full refund of premiums and insurance will never have been in force. If cancellation is requested at a later date, there will be no refund except where premiums may have been collected in error.
- An insurance premium debited to your account in error does not make insurance effective if you are otherwise ineligible or uninsurable under the Policy.
- This Application, the Certificate along with any statements given by you as evidence of insurability and any letter of approval from the Insurer forms all terms and conditions of coverage under the Policy.
- You consent to the Board, the Policyholder and the Insurer collecting, using and disclosing to each other relevant information about any Loan that you or your company has with the Board, this Application and any approved coverage under the Policy for the purposes of plan administration, underwriting and claims adjudication. This information includes, but may not be limited to, the following personal and/or confidential information: Loan balance; interest rate; arrears; charges; penalties; name; age; gender; address; and whether or not you or the company you are signing on behalf of is in default of any term or condition of the Loan. You further consent to the periodic disclosure of this information from time to time as may be determined at the sole discretion of the Board for the length of time your insurance coverage under the Policy remains in force. You acknowledge that this direction, consent and authorization to disclose information is intended to satisfy the consent to disclosure provisions of the *Nova Scotia Freedom of Information and Protection of Privacy Act*.
- The Insurer is authorized to collect, use and disclose personal information needed for underwriting, administration and adjudicating claims under the Policy with any person or organization who has relevant information about you in connection with this Application including health professionals, institutions, investigative agencies, insurers and reinsurers. The Insurer's privacy statement appears on this Application.
- The Insurer or the Board may disclose the status of your insurance coverage to your co-borrower(s).
- The Policyholder has no authority to amend or waive any conditions of this Application, the Certificate or the Policy, or to act on behalf of the Insurer in settling claims.
- All amounts to be paid by the Insurer will be paid to the Board to be applied to the outstanding balance of the Loan.
- Any reference to the Policyholder and Insurer include their agents and service providers.
- A copy of this Application is as valid as the original.

Signature of applicant X	Date (dd-mm-yyyy) — —
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### 4 Waiver of insurance

By signing in this section, you certify and acknowledge that you have been given the opportunity to apply for Creditor Life Insurance on this Loan as identified in section 1 and you do not wish to apply or you are not eligible for the insurance.

Signature of applicant X	Date (dd-mm-yyyy) — —
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### 5 Additional information

For more information about this insurance, contact the Sun Life Creditor Team by writing to them at 227 King Street South, PO Box 638, STN Waterloo, Waterloo, ON N2J 4B8 or [credorteam@sunlife.com](mailto:credorteam@sunlife.com), sending a fax to 1-866-923-8353 or by calling 1-877-271-8713. Please refer to Group Policy 575.

#### Respecting your privacy – a message from Sun Life

Respecting your privacy is a priority for the Sun Life Financial group of companies. We keep in confidence personal information about you and the products and services you have with us to provide you with investment, retirement and insurance products and services to help you meet your lifetime financial objectives. To meet these objectives, we collect, use and disclose your personal information for purposes that include: underwriting; administration; claims adjudication; protecting against fraud, errors or misrepresentations; meeting legal, regulatory or contractual requirements; and we may tell you about other related products and services that we believe meet your changing needs. The only people who have access to your personal information are our employees, distribution partners such as advisors, and third-party service providers, along with our reinsurers. We will also provide access to anyone else you authorize. Sometimes, unless we are otherwise prohibited, these people may be in countries outside Canada, so your personal information may be subject to the laws of those countries. You can ask for the information in our files about you and, if necessary, ask us in writing to correct it. To find out more about our privacy practices, visit [www.sunlife.ca/privacy](http://www.sunlife.ca/privacy).

# Personal Pre-Authorized Debit Agreement

## Loan life insurance



### 1 Loan details

Group policy number <b>575</b>	Customer number	Date (dd-mm-yyyy) — —
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### 2 Bank account details

Transit number	Institution number	Account number
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### 3 Accountholder details

Please print clearly.

Accountholder first name	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.	Last name
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### 4 Conditions and authorization

To avoid processing delays, complete this form in full, sign, date and attach your void cheque.

You authorize Sun Life Assurance Company of Canada (Sun Life) to collect the monthly insurance premium (including applicable provincial tax) for this insurance through a Personal Pre-Authorized Debit (PAD) from the account indicated above. You acknowledge that the amount of the monthly premium (including applicable provincial tax) collected through this agreement may vary. **This authorization includes the first and any future monthly premium payments, including any subsequent change required to the monthly premium due to a change in your outstanding Loan balance, for which you waive any pre-notification requirement.** You understand that the monthly premium is due the first of the month and will be collected on or around the first of each month. If a monthly premium cannot be collected for any reason the sum of premiums due will be collected in the next month.

This authority is to remain in effect until Sun Life has received written notification from you of its change or termination. This notification must be received at least ten (10) business days before the next debit is scheduled at the address provided below. You may obtain a sample PAD cancellation form or more information on your right to cancel a PAD Agreement at your financial institution or by visiting [www.payments.ca](http://www.payments.ca).

Sun Life may not assign this authorization to another company or person to permit them to debit your account for these payments (for example where there has been a change in control of the company) without providing at least 10 days prior written notice to you.

You have certain recourse rights if any debit does not comply with this PAD Agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on your recourse rights, contact your financial institution or visit [www.payments.ca](http://www.payments.ca).

Sun Life Assurance Company of Canada  
227 King St. S., PO Box 638, STN Waterloo, Waterloo ON N2J 4B8  
Tel.: 1-877-271-8713 or e-mail [creditorteam@sunlife.com](mailto:creditorteam@sunlife.com)

You confirm that the person whose signature is required to authorize bank withdrawals has signed below.

Accountholder signature <b>X</b>	Date (dd-mm-yyyy) — —
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Sun Life Assurance Company of Canada is the insurer, and is a member of the Sun Life Financial group of companies

# Certificate of Life Insurance



Group Policy 575 (the "Policy") is underwritten by Sun Life Assurance Company of Canada (the "Insurer") and issued to Nova Scotia Farm Loan Board (the "Policyholder"). On approval of your Application for Creditor Life Insurance ("Application"), each eligible person ("you", "your") is insured under the Policy for life insurance, subject to the terms and conditions of the Application, this Certificate of Life Insurance ("Certificate") and, where required, your Creditor Group Insurance Statement of Health Form ("Statement of Health").

Your Application and the Certificate, along with any statements furnished by you as evidence of insurability and any letter of approval from the Insurer form all terms and conditions of coverage under the Policy.

The Policyholder and the Insurer together reserve the right to change the terms of the Policy at any time with 30 days advance notice to you. In the event of a conflict between this Certificate and the Policy, the terms and conditions of the Policy will govern.

This insurance is optional. If you have any questions about this insurance, contact the Sun Life Creditor Team by writing to them at 227 King Street South, PO Box 638 STN Waterloo, Waterloo ON N2J 4B8 or [credorteam@sunlife.com](mailto:credorteam@sunlife.com), by sending a fax to 1-866-923-8353 or by calling 1-877-271-8713. Please refer to Group Policy 575.

## Eligibility

You are eligible to apply for life insurance if you are indebted to Nova Scotia Farm Loan Board or Nova Scotia Fisheries and Aquaculture Loan Board (collectively referred to as the "Board") for a loan.

On the date you sign the Application, you must be:

- a borrower or co-borrower of the Loan\*;
- under 65 years of age on the date of application; and
- a resident of Canada.

\*"Loan" means the loan granted to you by the Board, identified in your Application for Creditor Life Insurance.

## Enrollment

Provided you are eligible, you can apply for this insurance at the time you are first approved for your Loan or any time thereafter.

You may apply for one of two maximum insurance amounts:

- a basic benefit of \$250,000; or
- an extended benefit of \$500,000.

A Statement of Health must be completed and submitted along with your Application if:

- you answered "Yes" to the health question; or
- the requested amount of insurance exceeds \$250,000.

## Effective date of insurance

Provided you are eligible, your insurance becomes effective on the latest of:

- the date the Loan funds are advanced;
- the date you apply for insurance; or
- the date of the Insurer's written approval.

## What is the benefit amount

The benefit amount is the lesser of:

- the outstanding insured Loan(s) balance on the date of your death; or
- your approved insurance coverage of \$250,000 or \$500,000; plus,
  - accrued interest, at the Loan rate, from your date of death to the date of settlement of your claim,
  - all normal closing costs including debit balances in the property tax account, if taxes were part of the Loan payment, and
  - discharge costs and interest penalties.

Sun Life Assurance Company of Canada is the insurer, and is a member of the Sun Life Financial group of companies

**Example #1**

Outstanding insured loan(s) balance on the date of death	\$100,000
Approved insurance coverage	\$250,000
Benefit amount payable	\$100,000

**Example #2**

Outstanding insured loan(s) balance on the date of death	\$300,000
Approved insurance coverage	\$250,000
Benefit amount payable	\$250,000

**When the benefit is payable**

Upon approval of your claim, subject to Policy maximums, the Insurer will pay the benefit amount to the Board to reduce or discharge your insured Loan.

If more than one borrower is insured on the same Loan, in the event of a death, provided the Benefit Amount paid by the Insurer to the Board does not discharge the insured Loan, the surviving insured's coverage will stay in place for the remaining outstanding balance (subject to the \$500,000 maximum). Premiums remain unchanged.

If the decision is made to increase the existing insurance amount, the terms and conditions as set out in the "Changing your insurance amount" section of this Certificate apply.

**Maximum benefit**

Life insurance coverage under the Policy is limited to a maximum benefit of \$500,000 for all insured Loans.

**Changing your insurance amount**

You can increase your insurance amount from the basic benefit maximum of \$250,000 to the extended benefit maximum of \$500,000 if your combined Loan amounts exceed \$250,000. You must complete a Statement of Health. The Insurer will review the information and advise whether additional coverage up to the extended benefit maximum of \$500,000 is approved or declined. Your premium will be calculated by adding your existing insurance premium to the premium that is calculated for the additional insurance you have requested. The premium for the additional insurance will be calculated as set out under the "Calculation and collection of premiums" section of this Certificate.

If the Insurer declines your application for additional coverage, the amount of insurance will be the basic benefit maximum of \$250,000.

**Calculation and collection of premiums**

Premiums are payable monthly, in advance. Your monthly premium is determined by:

- your age on the date the premium is due to be collected;
- premium rate as shown in the rate table included in this section; and
- outstanding insured balance on your Loan on the date the premium is due to be collected.

Premiums are due on the first of each month and collected on or around the first of each month by the Insurer while coverage remains in force, in accordance with your Personal Pre-Authorized Debit Agreement.

Provincial sales taxes on insurance premiums will be added, where applicable.

Where two or more borrowers are insured on the same Loan, the premium is calculated by applying the premium rate to the outstanding balance on the Loan for each person insured.

**Example:**

If a single borrower, age 35 applies, the applicable monthly premium rate is \$0.15. The monthly insurance premium payable on the loan payment date on an outstanding loan balance of \$11,750 is:

$$(\$11,750/\$1,000) \times \$0.15 = \$1.76$$

If two borrowers, ages 25 and 37 apply, the applicable monthly premium rate for the borrower age 25 is \$0.10; \$0.15 for the borrower age 37. The monthly insurance premium payable on the loan payment date on an outstanding loan balance of \$25,000 is:

$$\text{Borrower 1, age 25} = (\$25,000/\$1,000) \times \$0.10 = \$2.50$$

$$\text{Borrower 2, age 37} = (\$25,000/\$1,000) \times \$0.15 = \$3.75$$

Age	Monthly premium rate per \$1,000
18-29	0.10
30-34	0.12
35-39	0.15
40-44	0.21
45-49	0.37
50-54	0.55
55-59	0.92
60-64	1.39

## **Exclusions and limitations**

Any concealment, misrepresentation or false declaration concerning your Application or signed statements given as evidence of insurability may result in your insurance becoming void.

If you have misstated your age on your Application and your true age would have rendered you ineligible for insurance, the Insurer's liability will be limited to a refund of premiums paid and your insurance will be voided.

## **Termination of insurance**

Insurance terminates on the earliest of the following dates:

- the first premium due date following the date the Insurer received your written request to cancel the insurance, or the first premium due date following the date specified in the written instructions if later than the date of receipt;
- the date the total amount of indebtedness is discharged by payment in full;
- the date the Loan is ceded or transferred to another creditor;
- the date the premium payments are more than 120 days in arrears;
- the date your Loan payments are more than 12 months in arrears;
- the date the Policy between the Policyholder and the Insurer terminates;
- the date you reach age 65; or
- the date of your death.

## **Claims**

Claims should be made as soon as possible on the form approved by the Insurer. Claim forms are available from the Board. The claim package provides instructions on completing and submitting the forms.

A claim must be submitted within one year of the date of death. Proof of claim is at the claimant's expense.

While your claim is being processed your estate continues to be responsible for repayment of the Loan and insurance premiums as they come due.

## **Limitations of actions**

### **If the Insured Person resides in Ontario**

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 *Limitations Act, 2002*.

### **If the Insured Person resides outside of Ontario**

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* or such other applicable legislation of the Insured Person's province or territory of residence.

## **Cancellations and refunds**

You may cancel this insurance at any time. Cancellations must be made in writing to the Insurer. If you cancel your insurance within 20 days of the date you received your Certificate, you will receive a full refund of premiums and the insurance will have never been in force. Cancellations made after that date will become effective on the premium due date following the date your written request is received by the Insurer. There will be no refund of premium except where premiums may have been debited in error.

## **Rights to copies of documents**

For insured benefits, you or a claimant may obtain copies of the following documents:

- your enrolment form or application for insurance;
- any written statement or other record, not otherwise part of the application, that you provided to the Insurer as evidence of insurability.

For insured benefits, on reasonable notice, you may also request a copy of the group policy. The first copy will be provided at no cost to you but a fee may be charged for subsequent copies.

## **How to Make a Complaint**

For complaints regarding underwriting decisions or insurance claims under your insured Loan, please call the Sun Life Creditor Team at 1-877-271-8713. Please refer to Group Policy 575.

For complaints regarding the administration of this insurance, please call the Policyholder at (902) 893-6116.

**This Certificate contains important information about your insurance.**

**Please keep it in a safe place.**