

# Life and Disability Insurance for MCAP Mortgages

## Product Summary

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### NAME AND CONTACT INFORMATION FOR THE INSURER AND DISTRIBUTOR

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Life and disability insurance is Creditor's Group Insurance underwritten by Sun Life Assurance Company of Canada (Sun Life). The Group Policyholder is MCAP Service Corporation (MCAP). Life and Disability insurance is provided under Group Policy 83041.

Sun Life Assurance Company of Canada  
Creditor Insurance Team  
227 King Street South  
P.O. Box 638, STN Waterloo  
Waterloo ON N2J 4B8

Telephone: 1-877-271-8713  
Fax: 1-866-923-8353  
Email: [credorteam@sunlife.com](mailto:credorteam@sunlife.com)  
Website: [www.sunlife.ca](http://www.sunlife.ca)  
AMF client number: 2000965369

The Distributor of this insurance is MCAP Service Corporation (MCAP).

MCAP Service Corporation  
1555 Peel Street, Suite 850  
Montreal, QC H3A 3L8

Telephone: 1-800-265-2624  
Fax: 1-800-922-0220  
Email: [service@mcap.com](mailto:service@mcap.com)

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### NAME AND TYPE OF THIS INSURANCE PRODUCT

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**INSURANCE PRODUCT NAME:** Life and Disability Insurance for MCAP Mortgages

**INSURANCE PRODUCT TYPE:** The Autorité des marchés financiers classifies this insurance product as Debtor Life, Health and Employment Insurance

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### HOW TO READ THIS PRODUCT SUMMARY

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This product summary is an overview of creditor's group life and disability insurance as it applies to insurance underwritten by Sun Life Assurance Company of Canada for eligible mortgages with MCAP. For full details of coverage provided under this creditor's group insurance product please read the Certificate of Creditor's Group Insurance MCAP Service Corporation Life and Disability Insurance (Certificate) together with the Application for Creditor's Group Insurance Life and Disability Insurance for MCAP Service Corporation or transcript of your telephone call with a MCAP representative if your application for insurance was taken over the telephone and any coverage confirmation letter from MCAP or Sun Life.

To find this product summary and the Certificate online go to [www.sunlife.ca](http://www.sunlife.ca). Type "product summary" into the search field and click on the hyperlink. When you get to the landing page, select MCAP.

Words and terms that appear in **bold italic** throughout this product summary are defined below.

**Accident** means a single, sudden, unexpected violent and external event that causes death.

**Actively at Work** means you are carrying out the regular duties of your occupation for at least **20** hours per week.



**Disability, Disabled** means that you have a medically determinable physical or mental impairment due to injury or disease that prevents you from performing the regular duties of your own occupation in which you participated before becoming **Disabled**, are under the active and continuous care of a licensed physician or health care practitioner approved by Sun Life, and are not engaged in any occupation for wage or profit.

**Eligible** means that you and your mortgage meet all necessary criteria to apply for a given type of insurance available under Group Policy 83041.

**Premium** means the amount you must to pay for insurance coverage for a specific period.

**Premium Rate** means the unit cost of insurance.

**Seasonal Worker** means you are normally actively at work for part of the calendar year and expect to return to the same source of employment when the next working season begins.

**Simplified Medical Underwriting** means providing information on the condition of your health by answering a series of health questions.

**Qualifying Period** means number of consecutive days your **Disability** must continue before benefits become payable. The Qualifying Period is **60** days and starts from the date you first become **Disabled**.

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## HOW DOES THIS INSURANCE HELP PROTECT MY MORTGAGE ?

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Life insurance will reduce or pay off the balance of your mortgage if you die. **Disability** insurance will help cover your regular mortgage payments to MCAP if you become **Disabled**.

**Temporary accidental death protection** provides a death benefit if you die as the result of an **Accident** before mortgage funds are advanced or a decision has been made regarding your application. Sun Life will pay MCAP the life insurance benefit Sun Life would have paid had your application been approved. For complete details please see the “Temporary accidental death protection” section of the Certificate.

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## HOW MUCH INSURANCE IS AVAILABLE FOR MY MORTGAGE?

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The types and amounts of insurance offered through the Distributor for your **Eligible** mortgage are as follows:

Insurance type	Benefit	Maximum benefit
<b>Life</b>	Lump sum payment if you die	up to \$750,000 for all insured mortgages
<b>Disability</b>	Regularly scheduled payments if you continue to be <b>Disabled</b> after the <b>60 day Qualifying Period</b>	monthly benefit of up to \$4,000 per month, per insured for all mortgages combined <ul style="list-style-type: none"><li>per <b>Disability</b> claim, to a maximum payment period of 24 months</li><li>Lifetime maximum payment period of 48 months</li></ul>

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## WHICH MORTGAGES ARE ELIGIBLE?

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Mortgages on residential and recreational properties are **Eligible** for life and **Disability** insurance coverage.

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## AM I ELIGIBLE TO APPLY?

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You are **Eligible** to apply for life insurance, if on the date of application you are a Canadian resident, and:

- a mortgagor, co-mortgagor or have signed as a guarantor for such mortgage;
- at least **18** and not yet **65** years of age; and

You are also **Eligible** to apply for **Disability** life insurance, if on the date of application you are:

- approved for life insurance;

- **Actively at Work** for at least **20** hours per week; or
- if you are a **Seasonal Worker** on your off season and not **Actively at Work**, you are capable of performing the regular duties of your occupation for at least 20 hours per week.

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## HOW DO I APPLY?

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As long as you and your mortgage are **Eligible**, you can apply for this insurance when you apply for your mortgage or any time after. You can apply for this insurance by completing the Application for Creditor's Group Insurance Life and Disability Insurance for MCAP Service Corporation or by contacting the MCAP Service Centre at 1-800-265-2624.

You can choose 50% coverage or 100% coverage. The percentage of coverage you select must be the same for both life insurance and **Disability** insurance. For example, you cannot select 100% **Disability** insurance coverage if you select 50% life insurance coverage.

If you answer **No** to all applicable basic insurability questions and your total amount of insurance under Group Policy 83041 is **no greater than \$300,000**, your application is automatically approved.

If you answer **NO** to all applicable basic insurability questions and your total amount of insurance under Group Policy 84041 is between **\$300,000** and **\$500,000**, you will be required to answer **Simplified Medical Underwriting** health questions in a confidential telephone interview conducted by a licensed MCAP representative.

If you answer **YES** to an applicable basic insurability question, or if your total amount of insurance under Group Policy 83041 is **greater than \$500,000**, your application will be referred to Sun Life for medical underwriting.

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## WHEN DOES MY INSURANCE START?

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Insurance starts on the **latest** of the following dates:

- the date you apply for insurance, if the insurance applied for did not require further review,
- the date the mortgage funds are advanced,
- in the case of an assumed mortgage, the date the mortgage is assumed, or
- the date your application is approved, if **Simplified Medical Underwriting** or medical underwriting by Sun Life was required.

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## WHEN DO I START PAYING PREMIUMS?

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The **first time** you apply for insurance under Group Policy 83041, the date you begin paying **Premiums** for your insurance is deferred. **Premium** payments begin with the first scheduled mortgage payment after **three months** from the date your coverage is approved.

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## HOW MUCH WILL MY INSURANCE COST?

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**Premium Rates** for life and **Disability** insurance are based on:

- your age at date of application
- whether more than one person is approved for insurance coverage

Your **Premium** will not change unless you refinance or replace your mortgage or make a pre-payment large enough to apply for a reduction. Quebec sales tax is added to your **Premium**.

See the "Cost of insurance" section of the Certificate of Insurance for **Premium Rates** and sample calculations.

## WHAT DOES SUN LIFE PAY?

If your claim is approved, Sun Life will pay a benefit to MCAP, on your behalf, up to the **applicable coverage maximum**.

Coverage Type	Benefit under the Plan	Also included
<b>Life</b>	the outstanding mortgage balance on the date of death multiplied by the percentage of coverage indicated on your application	Sun Life will also pay: <ul style="list-style-type: none"> <li>• accrued interest from the date of death to the date of claim payment</li> <li>• any shortfall balance in the property tax account provided property tax is included with the mortgage payment</li> <li>• applicable fees and/or penalties required to discharge your mortgage</li> </ul>
<b>Disability</b>	your mortgage payment as at the date of <b>Disability</b> multiplied by the percentage of coverage indicated on your application	Sun Life will also pay: <ul style="list-style-type: none"> <li>• property tax provided property tax is included with the mortgage payment</li> </ul>

## WHAT IF I HAVE AN INSURANCE CLAIM?

You should always make an insurance claim as soon as possible, using Sun Life's form, which you can obtain by calling the MCAP Service Centre at 1-800-265-2624.

### How long do I have to make a claim?

There is no time limit for making life insurance claims. Under the Quebec Civil Code, claimants have three years to file a legal action.

For the prompt resolution of **Disability** insurance claims, you should submit your claim within **90 days** from the date the **Qualifying Period** ends.

### How long for Sun Life's claim decision and payment?

Sun Life will send you the claim decision in writing within **30 days** of receiving all the information required to make it.

If Sun Life approves a claim, it will pay the benefit to MCAP within **30 days** of receiving all information required upon which to make a decision.

Whenever a claim is not approved, Sun Life's written decision will include the reasons for that decision.

### What if I want to appeal Sun Life's claim decision?

If Sun Life does not approve your claim, you have **90 days** from the date of Sun Life's original claim decision to file an appeal. Your appeal must be in writing and you must include new information that is pertinent to your claim.

You may consult the Autorité des marchés financiers or an independent legal advisor for assistance with your appeal.

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## WHAT EXCLUSIONS AND LIMITATIONS APPLY TO THIS INSURANCE?

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**As long as premiums are paid, Sun Life will only cancel insurance if Sun Life discovers that you made a misrepresentation or false declaration on your application for insurance, medical underwriting interview (if applicable) or in connection with an insurance claim.**

For a full list of exclusions and limitations, please see the “Exclusions and limitations” section of the certificate of insurance. The following are the most common reasons for Sun Life to deny an insurance claim.

### **Life benefit**

- where coverage has been in force for less than **24** months, no benefit will be payable if your death results from suicide, regardless of whether you intended or understood the consequences of your actions,
- your death results from events directly or indirectly relating to, arising from or following your impairment by illegal drugs or while your blood alcohol concentration is over **80** milligrams of alcohol in **100** milliliters of blood (**0.08**).

### **Disability benefit**

- you were not **Eligible** for insurance when you applied
- your **Disability** is the result of intentionally self-inflicted injuries,

### **When will Sun Life limit the benefit?**

**Life benefit** - Sun Life will not pay more than one life insurance claim in respect of any one insured mortgage regardless of the number of persons insured under it.

**Disability benefit** - Sun Life will not pay more than one **Disability** insurance claim in respect of any one insured mortgage regardless of the number of persons insured under it.

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## WHEN DOES INSURANCE END?

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All insurance coverage ends on the **earliest** of the following dates:

- the first premium due date following the date MCAP receives 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 MCAP receives your written request to cancel insurance if your written request is received prior to the date you start making premium payments;
- on the date you reach age **70** (insurance continues on younger insureds, if any);
- the date insurance premiums are **61** days overdue;
- the date the Policy 83041 terminates;
- the date a life insurance claim is paid on the mortgage;
- the date you die;
- the date the mortgage is refinanced or replaced in full; or
- the date any debt no longer exists such as the date title or ownership of the mortgaged property is transferred to a third person, the date the mortgage is paid in full, the date the mortgage is assumed by another mortgagee or assigned to a third party.

**Disability** coverage will also end on the **earliest** of the following dates:

- date the lifetime maximum Disability benefit has been paid.

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## WHAT HAPPENS IF I REFINANCE MY INSURED MORTGAGE?

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If you refinance or replace your insured mortgage but decide not to insure your new MCAP mortgage for the **full** amount, your existing insurance automatically transfers to your new mortgage.

If you decide to insure your new mortgage for the **full** amount, your existing insurance terminates and you must submit a new application for insurance. If your application for insurance on the new mortgage is declined due to health reason, Sun Life may grant insurance in an amount proportionate to the amount you had immediately prior to the refinancing of your mortgage. For complete details on the automatic transfer of insurance and when you need to reapply for insurance, please see the “Refinancing or replacing an insured mortgage” section of the Certificate.

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## WHEN AND HOW CAN I CANCEL INSURANCE?

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This insurance is optional and you can cancel at any time. Although the *Insurance Act* and the *Act respecting the distribution of financial products and services* allow for a **10 day** period to cancel without penalty, Sun Life allows **30 days**.

Cancellations must be made in writing to MCAP. To cancel this insurance:

- Contact the MCAP Service Centre at P.O. Box 351, STN C Kitchener, ON N2G 3Y9
- If cancelling within the first **10 days** of signing the insurance contract you can use the notice of rescission form you were given by the Distributor when you applied for this insurance.

If you cancel your insurance within **30 days** of receiving confirmation that your coverage has been approved, any premiums you paid will be refunded in full and the insurance will have never been in force. After the **30-day** period allowed by Sun Life, there will be no premium refund, except where premiums may have been collected in error.

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## WHO CAN ANSWER MY QUESTIONS ABOUT THIS INSURANCE?

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You may contact MCAP at 1-800-265-2624 or Sun Life Creditor Team at 1-877-271-8713.

For more information about the obligations of insurers and distributors, you can contact the Autorité des marchés financiers as follows:

Autorité des marchés financiers  
Place de la Cité, Tour Cominar  
2640, boul. Laurier, 4 étage  
Québec, QC G1V 5C1

Tel: Quebec: 418-525-0337  
Montreal: 514-395-0337  
Toll Free: 1-877-525-0337  
Web site: [www.lautorite.qc.ca](http://www.lautorite.qc.ca)

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## WHERE CAN I FIND OUT ABOUT SUN LIFE'S COMPLAINTS RESOLUTION PROCESS?

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You can find Sun Life's complaint processing policy and where a complaint may be filed by going to [www.sunlife.ca](http://www.sunlife.ca) and typing “complaint” into the search field.