

CAA LIFETIME PROTECTION PLAN™

DEFINITIONS

Additional Coverage means Life insurance for which You have applied and been approved, after the Effective Date of Coverage of Initial Coverage.

Age means an insured's attained age on the first Premium Due Date, and each subsequent Policy Anniversary date.

Amount of Life Insurance is the amount of life insurance coverage in force, as shown on the Schedule Page of this Policy. Life insurance coverage is available in increments of \$25,000 from \$50,000 up to \$1,000,000.

Death Benefit means the Amount of Life Insurance in force on the date of death, as shown on the Schedule Page, less any Living Benefit paid and any outstanding premium due.

Effective Date of Coverage is the later of the date on which We receive at Our Office:

- a) a written application for insurance; and
- b) the first full premium for the insurance applied for,

if on that date the person to be insured was insurable in accordance with Our underwriting rules. Your Effective Date of Coverage for Initial and Additional Coverage is outlined on the Schedule Page. The Effective Date of Coverage is subject to the Reinstatement provision of this Policy.

Evidence of Insurability is any information that We require to decide if the person to be insured is insurable, and if so, on what terms. Evidence of Insurability means the insurance application and may include, but is not limited to, medical examination(s), Physician's report(s) and blood or fluid tests.

In all cases We have the right to decline an application for insurance if the required Evidence of Insurability is not available or is not provided or if the person to be insured does not satisfy Our underwriting requirements for insurance under this Policy.

Grace Period is the 30-day period following any Premium Due Date except the first, while this Policy is in force.

Immediate Family Member means the insured's Spouse, children, parents and siblings.

Initial Coverage means the Amount of Life Insurance first applied for, and for which you were approved under this Policy.

Insured Person means a person who,

- a) has applied and been approved for the insurance hereunder;
- b) has paid premiums in accordance with the provisions of this Policy;
- c) at the time of application was:
 - i) a CAA Member, or the Spouse of a CAA Member;
 - ii) between ages 18 and 75 years inclusive; and
 - iii) resident in Canada.

Issue Date means the date on which this Policy is mailed to You.

Member means a member in good standing of the Canadian Automobile Association (CAA).

Non-Smoker means an Insured Person who has not used any form of tobacco, including tobacco cessation products, in the twelve (12) consecutive months preceding the date of application for insurance or non-smoker premiums.

Office means Our office at the address shown on page 2. If Our address changes, We will send You written notice by mail or e-mail.

Physician means a legally qualified medical doctor who is duly licensed in the place where he/she practises and who is practising within the scope of his/her licensed authority. For the purposes of this Policy, an insured's Physician must be a person other than the insured, or the insured's Immediate Family Member.

Policy Anniversary means the Policy Anniversary date shown on the Schedule Page.

Premium Due Date means the first day of the month following the Effective Date of Coverage and:

- a) the Policy Anniversary, if premiums are being paid annually; or
- b) the first day of each month, if premiums are being paid monthly.

Spouse means a person who:

- a) is legally married to the Member; or
- b) if not legally married to the Member, resides with the Member in a conjugal relationship, and has so resided for a continuous period of not less than two years.

You, Your and Yourself means the Insured Person.

We, Us and Our means The Manufacturers Life Insurance Company ("Manulife").

BENEFITS

Subject to the provisions of this Policy, We will pay benefits as follows:

DEATH BENEFIT

Payment of Benefit

We will pay a Death Benefit to the Beneficiary upon receipt, at Our Office, of proof, satisfactory to Us, that the death of the Insured Person occurred while this Policy was in force.

Notice and Proof of Claim

We must receive proof of death at Our Office within twelve (12) months after the date of death. Failure to submit proof within twelve (12) months after the date of death shall not invalidate any claim if it can be shown that submission of such proof was not reasonably possible and that proof was submitted as soon as was reasonably possible.

We have the right to investigate the circumstances of the death and to require an autopsy unless prohibited by law.

Before a Death Benefit is paid, We must receive proof, satisfactory to Us:

- a) that death occurred while this Policy was in force;

- b) of Your date of birth; and
- c) of the right of the Beneficiary to receive any proceeds payable.

We may also require submission of this Policy.

LIVING BENEFIT

Application for Living Benefit

Provided that at the time of application for the Living Benefit, the Amount of Life Insurance has been in force for at least two (2) continuous years from the Effective Date, You may apply for the Living Benefit by submitting to Us a written application for the Living Benefit. The application must have the written concurrence of irrevocable Beneficiaries and assignees, if any.

Conditions for Payment of Living Benefit

We will pay the Living Benefit during Your lifetime and subject to the provisions of this Policy upon receipt of proof, satisfactory to Us, that You suffer from a fatal illness with a prognosis of death within twelve (12) months.

Proof Required with Application for Living Benefit

We will require submission of the written medical opinion of a Physician demonstrating, to Our satisfaction, the prognosis of Your death within twelve (12) months. Such medical opinion must be provided at no cost to Us.

Notwithstanding any other provisions in this Policy, the final decision on payment of the Living Benefit is reserved solely by Us.

Maximum Amount of the Living Benefit

The amount of the Living Benefit will be fifty per cent (50%) of the applicable Amount of Life Insurance in force on Your life, up to a maximum of \$100,000.

Payment of Living Benefit

Any Living Benefit payable under this Policy will be paid directly to You.

In the event that the Living Benefit is paid, the Amount of Life Insurance on Your life will be reduced by the amount of the Living Benefit paid.

We will waive the payment of premiums due under this Policy, effective the Premium Due Date on or immediately following the date on which the Living Benefit is paid.

In no event will We pay the Living Benefit more than once.

Limitation on New Applications

While premiums are being waived under the Policy, You will not be eligible to apply for increased or new benefits for coverage under this Policy, or for Non-Smoker rates.

Notice and Proof of Claim

A claim for a payment of the Living Benefit must be made in writing to Our Affinity Markets Office. We must receive the notice of claim within thirty (30) days of the date that a claim arises.

Within ninety (90) days of the date a claim arises under the contract, You must provide Us with reasonable proof of the commencement of the sickness and Your attained Age.

Failure to Give Notice or Proof of Claim

If You fail to provide Us with notice of claim or proof of claim within the time prescribed in the previous Subsection, notice or proof of claim may still be provided if done so as soon as reasonably possible, with an explanation why it was not reasonably possible to make a claim or provide proof within that prescribed time. In all cases, proof of claim must be provided within one (1) year of the date a claim arises under the Policy.

Insurer to Furnish Forms for Proof of Claim

Within fifteen (15) days of receiving a notice of claim, We will send You proof of claim forms. If You do not receive the proof of claim forms within fifteen (15) days, You may submit the proof of claim to Us in a written statement that includes the cause, nature and extent of the sickness that is the basis of this claim.

PREMIUMS

General

Premiums for life insurance in force under this Policy are based on the Amount of Life Insurance that You have in force as well as Your Age, sex, smoking status and the premium frequency You choose.

Premiums are payable in advance on or before the first day of the month following the Effective Date of Coverage and on each Premium Due Date. Premiums may be paid in accordance with the payment method selected in the application for insurance, or by any other method satisfactory to Us.

When Premiums Must Be Paid

In order to keep Your insurance in effect, You need to pay Your premiums on or before Your Premium Due Dates. Your first premium is payable with Your application. Your first premium covers the period from the first day of the month following the Effective Date of Coverage to the next Premium Due Date. If We do not receive Your first premium, or if Your first premium is not honoured when first presented for payment, the contract will not go into effect. Subsequent premiums are due on each Premium Due Date.

Policy Paid Up at Age 100

If this Policy is in force on the date You attain 100 years of Age, then this Policy will become paid-up. Subject to the provisions of this Policy, coverage shall continue in force, with no further premium payments required, as of the first of the month following the date You attain 100 years of Age.

Grace Period

Except for the first premium, a Grace Period of thirty (30) days is allowed for payment in full of any premium due, during which time this Policy will stay in force subject to the Termination provisions of this Policy.

If any premium, or any part thereof, is not paid when due, this Policy, will, without any notice or act on Our part, cease to be in force and will not be in force thereafter unless the Policy is Reinstated in accordance with the Policy's Reinstatement provision.

If a Benefit becomes payable under the Policy, during the Grace Period, any premium due but unpaid will be deducted from the Benefit payable.

If the Insured Person dies during the Grace Period, any premium due but unpaid will be deducted from the Death Benefit.

Method and Frequency of Premium Payments

You can choose to pay premiums:

- a) monthly by pre-authorized withdrawals from Your chequing account;

- b) monthly or annually by charging Your premiums to a credit card that is acceptable to Us;
- c) annually by cheque (made payable to Manulife); or
- d) by any other payment method or frequency that We make available to You under the Policy.

All payments must be in Canadian dollars.

If You wish to change the method or frequency of Your premium payments, please contact Us by telephone, e-mail or regular mail. We will tell You what information or documents You need to send to Us to request this change. If a change in frequency is approved, the premium amount will also change to reflect the new frequency.

TERMINATION

This Policy will terminate on the earliest of the following dates:

- a) the end of the Grace Period, after any premium due or any part thereof has not been paid;
- b) the Premium Due Date coinciding with or immediately following the date We receive written notice from You requesting all or part of Your insurance be cancelled. If only part of the insurance is cancelled, all or part of the Amount of Life Insurance with the most recent Effective Date(s) of Coverage must be cancelled first;
- c) the date on which the Amount of Life Insurance does not meet Our minimum requirements;
- d) Your date of death.

Payment of Premium After Insurance Ceases

Subject to the provisions of the Policy, if a premium is paid after insurance ceases in accordance with the immediately preceding subsections a) through c), We are not liable for the payment of any benefits under the Policy in respect of the insurance which ceased. In that event, We will refund the amount of premium paid after the insurance ceased.

GENERAL PROVISIONS

The Contract

The Contract consists of this Policy, any documents attached to this Policy, the application for insurance, a copy of which is attached, and any amendment(s) agreed to in writing by the Insured Person and Us. We are bound only by the Contract's written terms.

A change in the Contract may be made with the written consent of the Insured Person and Us. Only Our President has the authority to waive or agree to change any of the conditions or provisions of this Policy on Our behalf.

Limitation Period

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 other applicable legislation, or in the *Limitations Act, 2002* in Ontario.

How We Contact You

All notices will be sent to Your address as shown in our files. It is Your responsibility to advise Us of any change in Your address.

How To Contact Us

Please send payments or documents to Our address shown on page two (2) of this policy.

Your Rights As An Owner

Your rights include:

- a) naming the beneficiary or beneficiaries;
- b) varying the frequency of Your premium payments, within our administrative limits; and
- c) cancelling the contract as a whole, or any part thereof.

You must follow the Policy's terms and conditions when You use any of these rights. Your rights may also be limited by any applicable laws.

Non-Waiver

If We waive or fail to insist on performance of any of the provisions of this Policy, that will not be construed as a waiver of any subsequent breach of the same provision. If We consent to or approve any act by an insured, that will not be construed as a consent to or approval of any subsequent similar act by an insured.

Applicable Jurisdiction

The contract shall be subject to the laws of the Canadian province or territory in which You resided at the time of application for this insurance.

Incontestability

In the absence of fraud, We will not contest the validity of any Amount of Life Insurance after it has been in force during an insured's lifetime for two (2) years from the later of the Effective Date of Coverage

In issuing this Policy, We have relied on statements made in connection with the application. These are representations and not warranties. No statement will be used by Us to void insurance or to deny a claim unless the statement is a material misrepresentation and is part of the application.

Special Provisions

If a Special Provision is applied to any insurance on the life of an insured, the Special Provision will be endorsed on Your Policy.

Suicide Exclusion

If You commit suicide, within two (2) years from the Effective Date of Coverage, the amount payable by Us will be limited to the sum of the premiums paid.

In the case of Reinstatement of this Policy, the two (2) year period will run from the date of last Reinstatement.

Reinstatement

This Policy may be Reinstated within two (2) years as of the due date of the first unpaid premium. You may Reinstatement this Policy by providing:

- a) a written application to Us;
- b) Evidence of Insurability satisfactory to Us; and
- c) payment of overdue premiums with interest at a rate determined by Us.

Increases in the Amount of Life Insurance

You may, from time to time, apply for increases in the Amount of Life Insurance, subject to the maximum amount available under the CAA Lifetime Protection Plan, by:

- a) submitting a written application to Us;
- b) providing Evidence of Insurability satisfactory to Us; and
- c) paying the appropriate premium.

The premium rates for Additional Coverage will be based on the rates then in effect.

Age and Sex

The insured's attained Age is determined from the date of birth as provided in Your application for this Policy.

If an insured's Age had been misstated in the application, the Amount of Life Insurance will be adjusted on the basis of the correct Age. If at the insured's correct Age this Policy.

- a) would not have been issued; or
- b) would have terminated at an earlier date,

the only amount payable by Us for the period that coverage would not have been in effect will be the premiums paid for that period.

If an insured's sex had been misstated in the application, the Amount of Life Insurance and/or the premium required will be adjusted on the basis of the correct sex.

Requesting a Change to Non-Smoker Premiums

If You are paying smoker premiums, You can apply to change to Non-Smoker premiums after You have been a Non-Smoker for twelve (12) consecutive months.

If You wish to change to Non-Smoker premiums, please contact Us by telephone, e-mail or mail. We will tell You what information or documents You need to send to Us to request this change.

If We approve the change, Your future premiums will be payable on a Non-Smoker basis. The change will take effect on the Premium Due Date following the date We approve the change to Non-Smoker status.

Misstatement of Non-Smoker Status

A misstatement of Non-Smoker status is considered fraud. We reserve the right to void Your insurance if Non-Smoker status has been misstated.

Currency and Place of Payment

All payments to be made hereunder to or by Us shall be in the lawful currency of Canada. Payments to Us shall be made at Our Office or elsewhere as may be determined by Us. Payments by Us shall be made in the Applicable Jurisdiction or elsewhere if We consent.

Ownership

All benefits, rights and privileges under this Policy belong to the Insured Person while living.

Assignment

You may assign Your life insurance. No assignment of this policy will be binding on Us unless it is in writing and received by Us at Our Office. We will not be responsible for the validity, effect or sufficiency of any assignment.

Any absolute assignment will revoke the interest of a revocable beneficiary. Any collateral assignment will transfer the interest of the beneficiary to the assignee to the extent of the assignee's interest.

Beneficiary

The right of any person to designate persons to whom or for whose benefit insurance money is to be payable is restricted to money payable in event of death.

The beneficiary for any Death Benefit payable for life insurance shall be Your estate, unless You indicate otherwise. You may designate in writing one or more revocable or irrevocable beneficiaries to receive any Death Benefit payable under this Policy.

You may change a revocable beneficiary or beneficiaries at any time before You die as permitted by any laws that apply to Your Policy. A change will automatically revoke any prior appointment. A change of beneficiary appointment may be made by filing a written request in a form acceptable to Us. When it has been recorded by Us, the change will take effect as of the date the form was signed, subject to any payment made or other action taken by Us before it was recorded. An irrevocable beneficiary designation may only be changed if the irrevocable beneficiary consents to such change in writing.

Unless otherwise provided by law or the beneficiary appointment:

- a) if more than one beneficiary is designated, any Death Benefit payable will be paid in equal shares;
- b) if no beneficiary survives an insured, or if none has been designated, any Death Benefit payable will be paid to the insured's estate; and
- c) if a beneficiary dies before an insured, and one (1) or more beneficiaries survive, the share of the deceased beneficiary will pass to the survivor, or in equal shares to the survivors.

Non-Participating

This Policy is not eligible to share in the divisible surplus of the Insurer.

This Policy does not have any cash value and is not eligible for dividends.