



Sample Policy

This sample policy is provided for your information only. It is not a valid contract or an offer of insurance.

SISIP FINANCIAL TERM 100 LIFE INSURANCE

To make this policy easier to read, we left out many of the usual cross-references and conditional statements. Therefore, this policy should be read as a whole, from beginning to end.

1. Words and phrases used in this policy

age means the age attained by the applicant on or immediately before the policy effective date.

amount of insurance means the amount of coverage shown on page 1 of this policy. The amount of insurance under this policy is a minimum of \$25,000 to a maximum of \$100,000, in increments of \$25,000.

applicant means the person who applied for this policy. The applicant is the owner unless and until ownership is transferred to another person or an organization.

contract means this policy document and other related documents as referenced in Section 5.

coverage means the insurance provided under this policy.

death benefit means the total amount paid out under this policy after an insured person's death.

effective date means the date coverage begins.

evidence of insurability means any information that we require to decide if the person whose life is to be insured is insurable, and if so, on what terms. Evidence of insurability may include, but is not limited to, your insurance application, medical examination(s), physician's report(s) and blood and/or fluid tests. We can also request financial information.

grace period means the 30-day period following any premium due date except the first, while this policy is in force.

in force To find out if this policy is in force refer to Section 2 *When this policy is in force*.

insured person means a person who:

1. was resident in Canada; and
2. is at least 18 but not yet 71 years of age on the policy effective date; and
3. has applied, and is approved by us, for this insurance.

The person who meets the above qualifications is the person whose life we have agreed to insure until this policy terminates. Refer to Section 2 *When insurance ends*.

issue date means the date on which this policy is mailed to you.

non-smoker premiums and **smoker premiums** mean the premiums for which you qualify based on our underwriting rules.

office means our office at the address shown on page 2 of this policy. If our address changes, we will send you written notice by mail or e-mail.

owner means the person(s) able to exercise and assign the rights under this policy while this policy is in force. The owner must ensure that premiums are paid when due.

physician means a legally qualified medical doctor, who is licensed in the place where he or she practises and who is practising within the scope of his or her licensed authority. An insured person's physician must be someone other than: himself or herself; or a member of his or her immediate family.

policy anniversary means any anniversary of the first premium due date. For example, if the first premium due date is September 1, 2008, then the policy anniversaries would be September 1, 2009, September 1, 2010, etc.

premium means the monthly or annual amount that we charge for coverage. The premium and how often it is payable are shown on page 1 of this policy.

premium due date means:

1. the first day of the month following the effective date of this policy and the same date each subsequent month, if your premiums are paid monthly; or
2. the first day of the month following the effective date of this policy and each subsequent 12 month period, if your premiums are paid annually.

reinstate means to restore full rights under a contract which terminated solely because of a failure to pay a premium, in full, before the end of the grace period. A contract that has terminated can only be reinstated with our approval. To find out the conditions under which we will approve a reinstatement request and how to request for reinstatement of this policy refer to Section 4 *Reinstating your contract*.

we, us and our mean The Manufacturers Life Insurance Company (Manulife).

you and your mean the owner. The applicant is the policy owner unless and until ownership is transferred to another person or organization.

2. When this policy is in force

When insurance begins (the effective date)

Coverage under this policy begins on the date we receive the application for insurance, provided that:

1. the applicant satisfies our underwriting rules and issue requirements;
2. the applicant is resident in Canada;
3. the cheque or credit card charge for the first premium is honoured when first presented for payment to the financial institution; and
4. premiums continue to be paid.

When insurance ends

Insurance under this policy ends on the earliest of the following dates:

1. the first premium due date on which we have your written request to cancel this policy;
2. the date the insured person dies;
3. on any premium due date after the first, if the premium due on that date is not paid in full by the end of the grace period; or
4. the date on which the amount of insurance (or coverage amount) does not meet our minimum requirements for this policy.

We may also declare the contract invalid under the conditions described in the Section 5 *Contesting the contract (contestability)*.

3. Benefits

Death Benefit

The amount of the death benefit

We calculate the death benefit as of the day the insured person dies. The amount of the death benefit is:

1. the amount of insurance as shown on page 1 of this policy;
2. minus any living benefit paid to the insured person.

When we pay the death benefit

Subject to any special conditions, we will pay the death benefit to the beneficiary when we receive, at our office:

1. proof, satisfactory to us, that the insured person's death occurred while this policy was in force;
2. proof, satisfactory to us, of the insured person's birth date;
3. proof, satisfactory to us, of the claimant's right to be paid the benefit;
4. proof, satisfactory to us, of the cause of death of the insured person; and
5. proof, satisfactory to us, of the insured person's smoking status.

Who receives the death benefit

The death benefit is usually payable to the beneficiary. However, if you use this policy as security for a loan, the lender's rights may take precedence over the rights of any other person claiming the death benefit, including the beneficiary. See Section *Using the contract as security for a loan*.

Your beneficiaries

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.

You may name one or more beneficiaries to receive any death benefit payable when the insured person dies. You may change the beneficiary or beneficiaries at any time before the insured person dies, as permitted by any laws that apply to your policy.

You can request a change of beneficiary form by telephone, e-mail or regular mail. If there is no surviving beneficiary or if no beneficiary has been named, any death benefit that becomes payable will be paid to the owner, if living, otherwise to the owner's estate.

How to claim a death benefit

Beneficiaries wanting to claim a death benefit should contact us at the phone number or e-mail

address shown on page 2 of this policy within 12 months after the date of death. We will advise that person what documents we require to determine the benefit payable and to ensure that any payment is made to the appropriate person.

Failure to give notice or proof of claim

Failure to submit proof of death within 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 request an autopsy except where it is prohibited by law.

Limitations and exclusions

In some circumstances, a reduced death benefit or no death benefit is payable. These are described in:

1. *When this policy is in force;*
2. *The effect of paying the living benefit;*
3. *Grace period;*
4. *Using the contract as security for a loan;*
5. *Contesting the contract (contestability);*
6. *If the insured person's age or sex has been stated incorrectly;*
7. *Suicide exclusions; and*
8. *Special conditions.*

Living benefit

The amount of the living benefit

The amount of the living benefit is 50% of the amount of insurance in force under this policy, to a maximum of \$50,000. The living benefit will not be paid more than once.

When we pay the living benefit

Subject to any special conditions, we will pay the living benefit to the insured person provided that at the time of application for the living benefit we receive the following at our office:

1. the insured person's written request for the living benefit. This request must include the express written consent to the payment of any living benefit from the insured person, any assignees and any irrevocable beneficiaries; and
2. the written medical opinion of a physician, establishing to our satisfaction that the insured person has a terminal illness with a prognosis of his or her death within 12 months; and
3. proof, satisfactory to us, that the terminal illness first manifested itself more than two years after: the effective date of this policy; any change to this policy; and any reinstatement of this policy; and
4. proof, satisfactory to us, of the birth date of the insured person.

We may require additional medical information, which must be provided at no cost to us. We reserve the right to make the final decision on whether the above conditions have been met.

Who receives the living benefit

The living benefit will be paid only to the insured person and only during his or her lifetime.

The effect of paying the living benefit

If we pay the living benefit, the death benefit will be reduced by the amount of any living benefit previously paid. You will not be required to pay any premiums due, under this policy, on and after the date we pay the living benefit to the insured person.

How to claim a living benefit

A claim for payment of the living benefit must be made in writing to our office. We must receive the notice of claim within 30 days of the date that a claim arises. Within 90 days of the date a claim arises under this policy, you must provide us with reasonable proof of the commencement of the illness.

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 above, notice or proof of claim may still be provided if done as soon as reasonably possible, with an explanation why it was not reasonably possible to make a claim or provide proof within the prescribed time. In all cases, proof of claim, must be provided within 1 year of the date a claim arises under the policy.

4. Paying your premiums

The amount of your premiums

Premiums for this policy are based on the amount of insurance selected as well as the age, sex and smoking status of the insured person and the premium payment frequency chosen by you.

Policy paid up

If this policy is in force on the premium paid-up date as indicated on the Insurance Schedule page, 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.

When premiums must be paid

In order to keep the insurance in effect, you need to pay your premiums when they are due. Your first payment is payable with your application. The first premium covers the period from the first day of the month following the effective date shown on page 1 of this policy 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.

Grace period

If on any premium due date after the first, we do not receive enough money to cover your entire premium, you will have 30 days to pay the entire premium. If you do not pay the entire premium within that time, this contract and the coverage it provides will end. This 30-day period is called the grace period. If the insured person dies during the grace period of an unpaid premium, we will deduct the overdue premium from any death benefit payable.

How premiums can be paid

You can choose to pay premiums in one of four ways:

1. monthly by pre-authorized withdrawals from your chequing account;
2. monthly or annually by charging your premiums to a credit card that is acceptable to us;

3. annually by delivering or mailing your payments to us (cheques should be made payable to Manulife); or
 4. by any other payment method or frequency that we make available to you under this policy.
- If you wish to change the method 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.

Requesting a change to non-smoker premiums

If you are paying smoker premiums, you can apply to change to non-smoker premiums after the insured person has not used any form of tobacco or tobacco cessation products in the past 12 months. Evidence of insurability to support this request must be sent to us. An application for change to non-smoker premium rates is available online. You can also request this form by telephone, e-mail or regular mail.

If the insured person meets our health standards and we approve the change, 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.

Missing a payment

At the end of the grace period, the contract is automatically cancelled if you have not paid the full premium owing. We will refund to you any partial payments received, in respect of your policy, between the start of the grace period and the day we cancel your policy.

Reinstating your contract

If your contract is terminated for non-payment of premiums, you may ask us to reinstate your contract by sending the following to our office within two years after the end of the grace period:

1. your written application for reinstatement;
2. evidence of insurability, satisfactory to us; and
3. payment from you for:
 - i. any amounts that were due on or before the date your contract was cancelled due to non-payment of premium; and
 - ii. the total of all payments due from the date your contract was cancelled due to non-payment of premium to the date of reinstatement, plus interest on these amounts. We will determine the interest rate, unless a different interest rate is required by the laws of the legal jurisdiction.

Provided you qualify, based on our underwriting rules, we will reinstate your contract on the day these requirements are met. If this contract is reinstated, the contestability period and the suicide exclusion begin anew.

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 street or e-mail address.

How to contact us

Please send payments or documents to our address shown on Page 2 of this policy.

5. More information about this policy

Your contract

This life insurance policy is part of the legal contract between you and us. The contract commits us to provide life insurance and any other benefit(s) described in this policy. The entire contract consists of:

1. this policy;
2. the insurance application;
3. evidence of insurability;
4. all subsequent applications to change the insurance and any amendments to or new versions of the policy that result;
5. any other amendments agreed upon in writing after this policy is issued;
6. any other documents recording changes to this policy; and
7. any application to reinstate the contract.

We are bound only by the contract's written terms. Only our president or one of our vice-presidents can agree to any change you request in the contract, and their agreement must be in writing.

Your rights as an owner

Your rights include:

1. naming the beneficiary or beneficiaries;
2. transferring ownership of the contract;
3. using this policy as security for a loan;
4. applying for increases in coverage or optional coverages;
5. varying the frequency of your premium payments, within our administrative limits; and
6. cancelling the contract as a whole.

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.

Transferring ownership

You can transfer ownership of your contract to another person. This is called an absolute assignment. The effective date of an absolute assignment is the day we receive written notice of it at our office.

Using the contract as security for a loan

You can use the contract as security for a loan by assigning it to the lender. This is called a collateral assignment. We are only bound by the assignment when we receive written notice of it at our office. After you have collaterally assigned the contract, you may need the lender's written consent to apply for the living benefit, reduce your coverage or cancel the contract. The lender's rights may take precedence over the rights of any other person claiming a death benefit(s), including the beneficiary.

We are not responsible for the validity or effect of any assignment.

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.

Contesting the contract (contestability)

You and the insured person under the contract have an obligation to disclose every fact that is material to:

1. our decision to issue the coverage for which you have applied; and

2. our decision as to the conditions under which we will issue the coverage, if we decide to issue it.

We have the right to contest the validity of the contract and deny any claim, if you either misrepresent or fail to disclose a material fact.

In issuing this policy, we have relied on the information provided in connection with the application. We may contest the contract if, in any application, or on any medical examination, or in any written or electronic statements or answers provided as evidence of insurability, you or the insured person under the contract have:

1. not disclosed a material fact;
2. incorrectly stated a material fact;
3. misrepresented the insured person's age or smoking status; or
4. fraudulently misrepresented a material fact.

A material fact is a fact that, if disclosed, would either influence our decision to issue this policy or affect the conditions under which we would be willing to provide the coverage. The conditions could include limiting the amount of coverage or charging higher premiums.

When we can contest

When there is an indication of fraud, we can, at any time, declare the contract or any insurance coverage invalid. Fraud includes, but is not limited to, a material misrepresentation of smoking status. If the contract is voided for fraud, we will not refund premiums paid under that contract. Except in the case of fraud, we cannot contest the validity of the coverage after it has been in force for two years from the latest of the following dates:

1. the effective date;
2. the approval date;
3. the date of the last reinstatement, if any; or
4. the date of the last change, if any, where evidence of insurability of the insured person, satisfactory to us, was provided.

If the insured person under the contract dies during this two-year period, we can contest at any time.

If the insured person's age or sex has been stated incorrectly

If the insured person's age or sex has been stated incorrectly, we will adjust the death benefit(s) payable using the correct age or sex. However, if we would not have issued the coverage because the correct age does not meet our minimum and maximum age rules, we can declare the coverage invalid, within the period permitted by law.

Suicide exclusions

If the insured person commits suicide within two years of the effective date or the last policy reinstatement date or the date of the last change where evidence of insurability was provided, we will not pay the death benefit as described in Section 3 *The amount of the death benefit*. Instead, we will pay the reduced death benefit to the beneficiary. The reduced benefit will be equal to the total premiums paid for the coverage since the effective date or the last reinstatement date. We will then cancel the coverage as of the day the insured person died.

Special conditions

If at the time of application for:

1. this policy;
2. any change to this policy; or
3. any reinstatement of this policy,

the person to be insured does not qualify for standard premiums, we may, at our sole discretion, either decline the application or make an alternate offer. If the offer is accepted, this policy will be issued with a special condition.

The special condition may include, but is not limited to:

1. payment of an extra premium;
2. reduction in the amount of insurance; or
3. denial of benefits if death results from certain specified risks.

If a special condition applies to this policy, the special condition will be described in a document attached to the policy when it is: issued; changed; and/or reinstated.

Currency

All payments by us or to us under this policy must be in Canadian dollars.

Non-participating policy

This policy is non-participating; it is not eligible to share in our divisible surplus. It has no cash value and receives no dividends.

Sample

TOTAL DISABILITY WAIVER OF PREMIUM RIDER

You may apply for the Waiver of Premium Rider if you are under age 60. Our issuance of this optional benefit to you is subject to evidence of insurability satisfactory to us. Except as outlined in the following provisions, this optional rider will be subject to all the definitions, provisions and conditions of the base plan.

Definitions used in this rider

base plan means the SISIP Financial Term 100 Life Insurance policy to which this rider is attached.

injury means accidental bodily injury sustained while you are insured hereunder.

sickness means illness or disease, and such sickness is sustained while you are insured hereunder.

total disability and **totally disabled** for the Waiver of Premium Rider means, if due to injury or sickness, you are under the regular care of a Physician, and:

- a) you are unable to work at any occupation for wage or profit for which you are qualified by reason of education, training or experience, or
- b) you are unable to perform the regular substantial activities you were engaged in prior to the onset of injury or sickness if you are not engaged in a gainful occupation when your disability begins.

Premiums

Premiums for this rider are based on the amount of insurance you have in force. Premiums are guaranteed during the period outlined in the base plan.

Premiums will be waived for this rider while premiums are being waived under the base plan.

When are premiums waived?

If you have purchased the Waiver of Premium Rider, the following provisions apply to your coverage under this policy.

If you become totally disabled, insurance which is in effect may be continued under the base plan and premiums waived if:

- a) on the date you become totally disabled you are under the age of 60 years;
- b) we receive proof, satisfactory to us, that you have been totally disabled for 6 consecutive months; and
- c) you continue to be totally disabled.

Premiums payable for the base plan and rider will be waived from the first premium due date which falls after you qualify as totally disabled for 6 consecutive months. You must resume paying premiums when due, from the date your total disability ends.

When premiums will not be waived

No premium will be waived if your total disability results from one or more of the following:

- a) attempted suicide or self-inflicted injuries, unless medical evidence establishes that the injuries are related to a mental health illness;
- b) operation, or care or control of a motor vehicle, vessel, aircraft or railway equipment, whether or not in motion, while concentration of alcohol in your blood exceeds 80 milligrams of alcohol in 100 milliliters of blood or while you are intoxicated due to the voluntary ingestion of drugs; or
- c) an accident that occurs while committing or trying to commit a criminal offence, or committing or provoking an assault or while in prison.

How to claim a waiver of premium benefit

To claim a waiver of premium benefit, you should contact us at the telephone number, address or e-mail as shown on the base plan. We will advise you what documents we require to determine the eligibility for the benefit.

Notice and proof of claim

Written notice and sufficient proof of claim must be received by us;

- a) while you are totally disabled; and
- b) within 6 months after the date you become totally disabled.

You must provide us with reasonable proof of the commencement of the total disability and your age. We may also ask you to furnish information, satisfactory to us, as to the cause or nature and duration of total disability for which you are claiming a benefit under this rider.

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, you may still make a claim or provide proof if you do so as soon as reasonably possible and if you can provide reasons why it was not reasonably possible to make a claim or provide proof within that prescribed time. In all cases, you must provide proof of claim within 1 year of the date a claim arises under this rider.

Insurer to furnish forms for proof of claim

Within 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 15 days, you may submit the proof of claim to us in a written statement that includes the cause, nature and extent of the total disability that is the basis of this claim.

Rights of examination

We may require that you be examined by a licensed Physician or other person determined by us, when and so often as we reasonably require while you are totally disabled and receiving waiver of premium benefits under this rider.

Limitations on new applications

While premiums are being waived under the base plan, you shall not be eligible to apply for increased or new benefits for coverage under the base plan, including any available riders, or for non-smoker rates.

When premiums are waived

When you apply for this benefit you must continue to pay premiums until we approve your claim. This benefit is not retroactive. You must resume paying the premium when due, from the date the benefit ends.

Termination of waiver of premium benefit

The Waiver of Premium benefit will terminate on the earliest of the following dates:

- a) the premium due date immediately following the date you cease to be totally disabled;
- b) the date we ask for proof that you are still totally disabled and proof is not given within 31 days unless it is shown that proof cannot reasonably be given within this period of time; or
- c) the date we ask you to be examined by a Physician named by us and an examination is not made within 31 days, or within such longer period stated by us.

Termination of rider

This rider will terminate on the earliest of the following:

- a) the policy anniversary date on which you attain age 60;
- b) the first premium due date on which we have your written request to cancel this rider;
- c) on any premium due date, if the premium due on that date is not paid in full by the end of the grace period; or
- d) your date of death.