Assumption Life

FlexTerm

PRODUCT GUIDE

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SALES SUPPORT

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This document is a summary of the various features of Assumption Life's products. It is neither a contract nor an insurance offer and does not confer any rights. In the event of conflict or ambiguity, the contract will prevail.

For more information regarding the product and its limitations and exclusions, please consult the contract by going to www.assumption.ca/advisor-corner and hovering over the "Individual Insurance" tab. In the drop-down menu, you will find the sample contracts in the "Documents and forms" section.

Introduction

FlexTerm is a term life insurance product designed for people who are looking for an easy-to-understand product at an affordable price. It is also well suited for people looking to save by combining term life insurance with disability income, critical illness insurance or any other additional benefit riders.

FlexTerm life insurance is an ideal product to cover temporary needs such as the reimbursement of personal or commercial loans, income replacement, children's education, to create an emergency fund or more.

FlexTerm

Product Details	
Product Highlights	• Level and decreasing term life insurance. - The decrease is based on a mortgage loan with an interest rate of 8%. • Accelerated underwriting is available for face amounts up to $2,000,000 for insureds aged 45 or under. Restrictions apply. • Life insurance premiums remain the same for the duration of the term selected. • YRT renewable up to age 90 and convertible up to age 75. • Value added benefits (at no extra cost): Term Exchange Option, Insurability Benefit, Extreme Disability Benefit and Transportation Benefit. • Available with smoker and non-smoker rates.
Issue Ages	18 to 75 years of age *age maximum is 85 minus term duration selected*
Terms	• 10 years (ages 18 to 75) • 15 years (ages 18 to 70) • 20 years (ages 18 to 65) • 25 years (ages 18 to 60) • 30 years (ages 18 to 55) • 35 years (ages 18 to 50)
Minimum Coverage	$100,000
Maximum Coverage	$10,000,000
Accelerated Underwriting	Accelerated underwriting is available for certain face amounts and ages, some restrictions apply. • Ages 18 to 45, applying for coverage up to $2 million. • Ages 46 to 50, applying for coverage up to $999,999. • Ages 51 to 55, applying for coverage up to $499,999. • Ages 56 to 60, applying for coverage up to $300,000. *All answers to medical and lifestyle questions must be in the negative. In the case of a positive answer or an MIB, LLC. report, some underwriting requirements may be required upon the underwriter's request after submission. Medical exams are required based on face amount and ages that fall outside the above-mentioned ranges.*

FlexTerm (Continued)

Policy Type Joint premium uses the following calculation: (Coverage Amount X (JR1 + JR2) / 1,000) + Annual Fee. *JR1 (joint rate insured 1) and JR2 (joint rate insured 2) represent 92% of each individual rate per thousand rounded to the nearest cent (¢).*	• Individual • Joint First-to-Die
Rate Bands	• $100,000 to $249,999 • $250,000 to $499,999 • $500,000 to $999,999 • $1,000,000 to $10,000,000
Annual Fees	Policy $60 Rider $30
Renewal	• Renewal is automatic; no medical exam required. • Renewal premium rates are guaranteed. • The insurance coverage will renew annually until the policy or rider anniversary nearest the insured's 90th birthday.

FlexTerm (Continued)

Value Added Benefits

These benefits are automatically included with the insurance policy at no additional cost.

Extreme Disability Benefit (Included)

If the insured is diagnosed with an extreme disability and remains in that state for a continuous period of 6 months, they will become eligible to receive up to 50% of the sum insured amount in advance.

This benefit is payable once per coverage. The maximum benefit paid per insured for all contracts in force is limited to:

- $250,000 for insureds aged between 18 and 59 (age nearest at time of claim), or
- $125,000 for insureds aged between 60 and 70 (age nearest at time of claim)

Definition of Extreme Disability:
Extreme disability refers to a medical condition that renders the insured individual in a state of total and irrecoverable disability.

This disability prevents the insured from performing at least 4 out of the following 6 activities of daily living without any reasonable expectation of recovery, as determined by a physician:

- Bathing
- Dressing
- Toileting
- Continence
- Transferring
- Feeding

See the contract for more details.

Insurability Benefit (Included)

The benefit allows the insured to increase the insurance amount, without new evidence of insurability, under the following circumstances:

- Obtaining a new loan, such as a mortgage loan;
- Increasing an existing loan;
- Experiencing any of the following life events: marriage, divorce, adoption, childbirth, obtaining a bachelor's degree, a master's degree, or a doctorate.

May be increased before age 60 up to 25% of the insurance amount up to $125,000 if the insured is not disabled.

The Guaranteed Insurability must be exercised within 60 days following the circumstances mentioned above. The premium for the new policy or rider is based on the sex and age of the insureds on the date of issue of the new policy or rider, in accordance with the premium rate in force at this date.

Term Exchange Option (Included)

The initial term may be extended to a longer term, for a sum insured equal to or less than the sum insured under this FlexTerm policy or rider after the 1st month, but before the 7th coverage anniversary, without proof of insurability.

During the term exchange, the insured will also have the flexibility to switch your coverage type from level to decreasing, or from decreasing to level.

The premium for the new term is based on the sex and age of the insured as of the date of issue of the new policy or rider, in accordance with the premium rate in force at this date. Similarly, premium calculations for any existing additional benefits riders will also be based on the sex and age of the insured as of the date of issue of the new policy or rider, except for the disability income rider, where the age at the date of issue of this policy will be maintained.

The right to exchange the term of the coverage may only be exercised once.

Transportation Benefit (Included)

If the death occurs at a location over 200 km from the insured's primary residence, then a benefit of up to $2,000 in Canadian currency will be payable to cover the expense of transporting the remains to the primary residence (payable only after the 2nd anniversary of the policy or rider, as applicable).

FlexTerm (Continued)

Conversion

The term life insurance policy or rider may be converted to an equivalent whole life insurance policy offered by Assumption Life without proof of insurability, up to the maximum sum insured available based on the insured age, until the policy or rider anniversary nearest the insured's 75th birthday.

The conversion privilege is available only if the conversion is requested after the 1st policy or rider anniversary of the term life insurance.

If only part of the sum insured is converted, the policyholder may keep the term life insurance coverage in force only if the remaining sum insured is equal or greater than the sum insured minimum.

Additional Coverages

On the same insured person	On a person other than the insured
• FlexTerm • Critical Illness Insurance	• FlexTerm • Critical Illness Insurance • Platinum Protection Term • Golden Protection Term • Youth Plus

Additional Benefit Riders

The following benefit riders may be added as riders to a FlexTerm policy or rider and must be issued at the same time as these.

- Accidental Death (AD)
- Accidental Fracture Plus (FRAC)
- Child Insurance Benefit (CIB)
- Disability income (DI Empl.)
- Disability income (DI Loan)
- Waiver of premium upon death (WPD)
- Waiver of premium upon disability (WP)

Joint Policy

- Joint premium uses the following calculation:
  - (Coverage Amount X (JR1 + JR2) / 1,000) + Annual Fee
- JR1 (joint rate insured 1) and JR2 (joint rate insured 2) represent 92% of each individual rate per thousand rounded to the nearest cent (¢).
- Upon 1st death, the surviving insured, whose attained age is less than 70 years of age, shall be covered by a temporary life insurance for an amount equal to the sum insured for a maximum period of 90 days from the date of the 1st death.
- Following the 1st death, the surviving insured may convert the temporary life insurance to a permanent insurance policy within the 90-day limit. Conversion conditions apply.

Application

Electronic application only.

Schedule of Decreasing Sum Insured

FlexTerm Decreasing

Per $1,000 of Sum Insured						
Year	Term					
	10 years	15 years	20 years	25 years	30 years	35 years
1	1,000	1,000	1,000	1,000	1,000	1,000
2	932	964	979	987	992	995
3	858	925	956	973	983	989
4	778	882	931	957	973	982
5	691	836	904	940	962	975
6	597	786	874	922	950	968
7	500	733	842	902	937	959
8	500	674	808	881	924	950
9	500	611	771	858	909	941
10	500	543	731	833	893	930
11	500	500	687	805	875	919
12	500	500	640	776	857	906
13	500	500	589	745	836	893
14	500	500	534	710	814	879
15	500	500	500	673	791	863
16	500	500	500	633	765	847
17	500	500	500	590	737	828
18	500	500	500	543	707	809
19	500	500	500	500	674	787
20	500	500	500	500	639	765
21	500	500	500	500	601	740
22	500	500	500	500	560	713
23	500	500	500	500	516	684
24	500	500	500	500	500	652
25	500	500	500	500	500	618
26	500	500	500	500	500	581
27	500	500	500	500	500	542
28	500	500	500	500	500	500
29	500	500	500	500	500	500
30	500	500	500	500	500	500
31	500	500	500	500	500	500
32	500	500	500	500	500	500
33	500	500	500	500	500	500
34	500	500	500	500	500	500
35	500	500	500	500	500	500
36	500	500	500	500	500	500
37	500	500	500	500	500	500
38	500	500	500	500	500	500
39	500	500	500	500	500	500
40	500	500	500	500	500	500
41	500	500	500	500	500	500
42	500	500	500	500	500	500
43	500	500	500	500	500	500
44	500	500	500	500	500	500
45	500	500	500	500	500	500
46	500	500	500	500	500	500
47	500	500	500	500	500	500
48	500	500	500	500	500	500

Per $1,000 of Sum Insured						
Year	Term					
	10 years	15 years	20 years	25 years	30 years	35 years
49	500	500	500	500	500	500
50	500	500	500	500	500	500
51	500	500	500	500	500	500
52	500	500	500	500	500	500
53	500	500	500	500	500	500
54	500	500	500	500	500	500
55	500	500	500	500	500	500
56	500	500	500	500	500	500
57	500	500	500	500	500	500
58	500	500	500	500	500	500
59	500	500	500	500	500	500
60	500	500	500	500	500	500
61	500	500	500	500	500	500
62	500	500	500	500	500	500
63	500	500	500	500	500	500
64	500	500	500	500	500	500
65	500	500	500	500	500	500
66	500	500	500	500	500	500
67	500	500	500	500	500	500
68	500	500	500	500	500	500
69	500	500	500	500	500	500
70	500	500	500	500	500	500
71	500	500	500	500	500	500
72	500	500	500	500	500	500

The insurance coverage decrease is based on a mortgage loan with a 8% interest rate.

Additional Benefit Riders

For additional information, please refer to the “Complete Rider Guide” by going to www.assumption.ca and clicking on the “Advisor Corner” link.

Accidental Death (AD)

Description	This benefit rider provides for the payment of an additional amount (determine when the benefit rider was issued) if death results from accidental causes and occurs within 90 days following the date of the accident.
Issue Ages	18 to 55 years of age.
Minimum Sum Insured	$1,000

Accidental Fracture Plus (FRAC)

Description	This benefit rider provides the payment of a benefit, as specified in the contract, in case of an accidental fracture or accidental death and dismemberment. The benefit rider also provides for a benefit for insured children under the rider for costs of rehabilitation and remedial courses.
Issue Ages	18 to 69 years of age (at the insured’s nearest birthday)
Number of Units	The maximum number of units under all the Accidental Fracture Plus riders issued by Assumption Life must not exceed two (2) units per person insured. The insurance amounts per unit are listed below.
Eligible Individuals	• The insured (insured individual under the Accidental Fracture Plus rider) • The insured and spouse • The insured and children • The insured, spouse and children

Accidental Fracture Plus (Continued)

Insurance Coverage: Accidental Fracture

The insurance amounts listed are **for one (1)** unit of protection.

Types of accidental fracture: skull (excluding facial bones), spine, pelvic girdle (including hip), sacrum (excluding the coccyx) and femur:

- Insurance amount per unit for the insured and spouse: $5,000
- Insurance amount per unit for the children: $2,500

Types of accidental fracture: sternum, manubrium, larynx, trachea, scapula, humerus, patella, tibia and fibula:

- Insurance amount per unit for the insured and spouse: $1,500
- Insurance amount per unit for the children: $750

Types of accidental fracture: facial bones (excluding the nose), radius and ulna:

- Insurance amount per unit for the insured and spouse: $1,000
- Insurance amount per unit for the children: $500

Types of accidental fracture: rib, clavicle, nose, tarsus, carpus or any other bone that is not listed above:

- Insurance amount per unit for the insured and spouse: $500
- Insurance amount per unit for the children: $250

For the insured and his spouse, when the actual age of the person insured is 70 or more but less than 80 at the date of the accident, the amount payable per unit is reduced by half of the amount indicated above.

For an amount to be payable for an accidental fracture, the fracture must have been diagnosed within 30 days of the accident.

Insurance Coverage: Accidental Death and Dismemberment

The insurance amounts listed are **for one (1)** unit of protection.

Accidental death:

- Insurance amount per unit for the insured and spouse: $5,000
- Insurance amount per unit for the children: $2,500

Loss of both hands, both feet or both eyes:

- Insurance amount per unit for the insured and spouse: $5,000
- Insurance amount per unit for the children: $2,500

Loss of one hand and one foot:

- Insurance amount per unit for the insured and spouse: $5,000
- Insurance amount per unit for the children: $2,500

Loss of one hand or foot, and loss of one eye:

- Insurance amount per unit for the insured and spouse: $5,000
- Insurance amount per unit for the children: $2,500

Loss of one hand, one foot or one eye:

- Insurance amount per unit for the insured and spouse: $2,500
- Insurance amount per unit for the children: $1,250

Double indemnity – Accidental death in a common carrier

Assumption Life will pay double the amount indicated in the above table, for an accidental death occurring in a common carrier involved in an accident.

The loss of a hand means complete and permanent severance at or above the wrist; the loss of a foot means complete and permanent severance at or above the ankle; the loss of an eye means the total and irreversible loss of sight in that eye.

Accidental Fracture Plus (Continued)

Insurance Coverage: Accidental Total Disability for Insured Children The insurance amounts listed are **for one (1)** unit of protection.	Reimbursement of re-education expenses: Maximum of $3,000 Reimbursement of remedial courses: $20 per hour, maximum of $500 The remedial course expenses remain fixed at $20 per hour even though two units are payable. However, in this case, the maximum amount is $1,000.

Child's Insurance Benefit (CIB)

Description	For each existing and future child, this benefit provides for a set amount of term life insurance for the child to whom the benefit rider is attached.
Issue Ages	• Insured (parent): 18 to 60 years of age • Child: 0 (15 days) to 18 years of age
Sum Insured Available	$10,000 or $20,000 (per child). The $20,000 maximum includes all other CIB riders in force with Assumption Life.
Expiry Date	Coverage on each child terminates upon the 1st of the following: • On the child's 21st birthday or, if he or she is registered as a full-time student in a recognized learning institution, on his or her 25th birthday. • On the rider anniversary nearest the insured's (parent) 65th birthday.
Convertible	On the expiry date of the term life insurance on each child provided in this rider, the term life insurance on each child can be converted, without proof of insurability, to a permanent life insurance policy. • Up to 5 times the initial amount or maximum of $100,000.

Disability Income Based on Employment Income (DI Empl.)

Description	This disability income benefit, payable to the insured, is designed to partially replace employment income for an insured who becomes totally disabled before the attained age of 65. However, this benefit will be integrated with other disability income that the insured may receive.
Issue Ages	18 to 60 years of age
Minimum Sum Insured	$300 per month
Maximum Sum Insured	1.5% of the sum insured under the policy or rider to which the disability income rider is attached, without exceeding $3,500 per month. *The maximum monthly sum insured for disability income from all sources, excluding credit insurance disability income, may nevertheless not exceed 75% of the insured's average monthly employment income during the 12 months immediately preceding the date the disability income rider application was signed.* If the client is on parental leave, the maximum sum insured is 1.5% of the sum insured under the policy or rider to which the disability income riders are attached, without exceeding $1,500 per month. If the client combines the disability income based on loans and employment income, the combined maximum is 1.5% of the sum insured under the policy or rider to which the disability income riders are attached, without exceeding $5,000 per month, while respecting the individual maximum of each disability insurance.

Disability Income Based on Loans (DI Loan)

Description	This disability benefit, payable to the insured, is designed to help an insured who becomes totally disabled before the attained age of 65 with payments of one or more loans. This benefit is not integrated with any other disability income that the insured may receive.
Issue Ages	18 to 60 years of age
Minimum Sum Insured	$300 per month
Maximum Sum Insured	1.5% of the sum insured under the policy or rider to which the disability income rider is attached, without exceeding $3,500 per month. If the client is on parental leave, the maximum sum insured is 1.5% of the sum insured under the policy or rider to which the disability income riders are attached, without exceeding $1,500 per month. If the client combines the disability income based on loans and employment income, the combined maximum is 1.5% of the sum insured under the policy or rider to which the disability income riders are attached, without exceeding $5,000 per month, while respecting the individual maximum of each disability insurance.

Disability Income Based on Loans (DI Loan) (Continued)

Eligible Loans for Disability Income Benefit

Eligible loans are loans in effect at least 90 days before the disability start date, such as:

- Real estate mortgage loans
- Personal loans (includes automobiles, boats, recreational vehicles, renovations, and student loans)
- Personal and residential lines of credit
- Personal credit cards
- Rent
- Condominium fees
- Commercial loans
- Registered retirement savings plan (RRSP) withdrawals

Additional conditions:

- In the case of a Real Estate Mortgage Loan or a Home Equity Line of Credit for which this disability income benefit was purchased, or a Replacement Loan, these specific loans must be in effect before the start date of Total Disability to be considered eligible loans.
- Replacement Loan means either (a) a Real Estate Mortgage Loan, Personal Loan, Commercial Loan, Home Equity Line of Credit, or Personal Line of Credit that, no later than 6 months after payment in full of such Loan, replaces a Loan that has been in effect for at least 90 days before the start date of Total Disability, or (b) a loan that has been in effect for at least 90 days before the start date of Total Disability and which has been renewed or transferred to another Financial Institution.
- Any loan must have been purchased or obtained in a Canadian province by the insured person himself, jointly or by the insured's fully or partially owned business from a creditor (financial institution, landlord or condominium corporation) duly constituted under provincial or federal law carrying out operations in the province of residence of the insured.
- The creditor's document must indicate the name of the borrowers, the current date (no more than one year before the claim for disability income), the amount of the payment, the balance of the eligible loan.
- Only borrowers named on the document are eligible for the disability income.
- Proof of the loan must be available at all times. For lines of credit or credit cards, the monthly statement for the last 6 months preceding the date of disability is acceptable.
- Any loan obtained after the disability start date is not eligible.

For more details on the Disability Income, please refer to the Complete Rider Guide located in the Document Center at ***assumption.ca/advisorcorner***.

Waiver of Premium Upon Death (WPD)

Description	In the event of death of the insured under this rider, the premiums for the other lives insured will be waived. The annual premium for this benefit is guaranteed as long as there is no change in the annual premium of any insurance benefit that is part of the contract.
Issue Ages	18 to 55 years of age

Waiver of Premium Upon Disability (WP)

Description	If the insured becomes totally disabled before the attained age or 60 for a period of 4 months (waiting period), the company will reimburse premiums paid during the 4-month period and waive future premiums.
Issue Ages	18 to 55 years of age
Benefit Payment	The company will reimburse premiums paid during the 4-month period and waive future premiums for the duration of disability (even after the attained age of 60).

Notes and Instructions

Unless specified otherwise herein:

- Age means an insured's age on his or her birthday nearest the date of issue of the policy or rider with regard to the insured, as applicable.
- Attained age means the sum of (i) the age at the date of issue of the policy or rider, as applicable, and (ii) the number of complete years of insurance from the date of issue of the policy or rider, as applicable.

Premiums other than annual are calculated as a percentage of the annual premium:

(i) Semi-annually .53 (ii) Quarterly .27 (iii) Monthly - Preauthorized debits .09

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Assumption Mutual Life Insurance Company,
doing business under the name Assumption Life