

HomeProtector Insurance

Type of insurance product:
Mortgage Life, Critical Illness
and Disability insurance

**Distribution guide
for the residents of Quebec only**

Important

The documents listed below are important:

- your HomeProtector® Certificate of Insurance;
- the HomeProtector Distribution Guide and any applicable addendum in effect at the time of application for insurance;
- your completed copy of the HomeProtector application for insurance or the Application Confirmation if you applied by electronic means, over the internet, over the telephone or through a direct mail offer;
- any documents you submit via paper or electronic means as evidence of your insurability; **and**
- correspondence indicating the Insurer's approval of your coverage.

Keep all your insurance papers in this pocket of your HomeProtector Distribution Guide. You may need to look at them in the future. Please keep this package in a safe place.

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The terms followed by an asterisk (*) are defined in the "Definitions" section

Name and address of the Insurer

The Canada Life Assurance Company
330 University Avenue
Toronto, Ontario M5G 1R8
Telephone: 1-800-554-5577

Name and address of the distributor

Royal Bank of Canada
1 Place Ville Marie
Montreal, QC H3C 3B5

Responsibility of the Autorité des marchés financiers

The Autorité des marchés financiers does not express an opinion on the quality of the products offered in this guide. The Insurer alone is responsible for any discrepancies between the wording of the guide and the policy.

Introduction

This Distribution Guide describes the features and benefits of HomeProtector® life, critical illness and disability insurance offered with your RBC Royal Bank® mortgage. This Distribution Guide will help you to decide if the protection available suits your specific insurance needs, without the assistance of an insurance representative.

This Distribution Guide includes information on all the insurance policies mentioned in your certificate, including those that you have **not** selected.

For any additional information about HomeProtector life, critical illness and disability insurance, please contact the **Insurance Service Centre** at:

1-800 ROYAL 2-3 (1-800-769-2523)

Fax: 1-800-864-6102

RBC Insurance Services Inc.
Insurance Service Centre
P.O. Box 53, Postal Station A
Mississauga, Ontario
L5A 2Y9

You can also find information online at
www.rbcroyalbank.com

The HomeProtector insurance program is underwritten by

The Canada Life Assurance Company
330 University Avenue
Toronto, Ontario
M5G 1R8

The Canada Life Assurance Company (the Insurer) has issued three group creditor insurance policies, #G60100 for life insurance, #H60200 for critical illness insurance and #H60101 for disability insurance, to Royal Bank of Canada (RBC Royal Bank), including associated companies.

Description of products offered

Nature of coverages

HomeProtector insurance offers life, critical illness and disability insurance, underwritten by The Canada Life Assurance Company. It protects your mortgage at times when making payments could be difficult.

Summary of specific features

Persons eligible for insurance

To be eligible for life, critical illness and disability insurance, you must be an individual borrower*, co-borrower* or guarantor* of an eligible RBC Royal Bank mortgage. A maximum of two people per eligible mortgage can have coverage.

At the date of application, you must be:

- for life and disability insurance, at least 18 and less than 66 years old;
- for critical illness insurance, at least 18 and less than 56 years old; **and**
- a Canadian resident (living in Canada at least **6 months** out of the year).

You cannot be insured for both critical illness and disability insurance at the same time on the same mortgage. You may not have critical illness insurance without also having life insurance.

To apply for **disability insurance**, you must also:

- have HomeProtector life insurance coverage; **and**
- be actively working on the date of application.

Actively working means you are:

- gainfully employed in **full-time** or **self-employment at least 20 hours a week**; or
- on maternity or parental leave but capable of performing the regular duties of your employment or occupation; or
- employed seasonally for at least 20 hours a week during the work season, which has a beginning and end, and you have a proven work history as a seasonal employee, you expect to return to the same occupation the next season and you are currently capable of performing the regular duties of your seasonal employment.

Note: You must have been actively at work at the time of your application in order to qualify for HomeProtector disability insurance unless you apply for coverage under the *HomeProtector insurance Add On/Refinance Program (HARP)* section, see page 8.

You may be required to provide proof satisfactory to the Insurer that you were actively at work when you applied for the coverage if you submit a claim.

Mortgages eligible for insurance

An eligible mortgage is an RBC Royal Bank mortgage that is secured by residential property and is:

- your own home; **or**
- a rental property; **or**
- a seasonal cottage property; **or**
- a residential property that falls under the On-Reserve Housing Program, the First Nation On-Reserve Program or the Chattel Loan Insurance Program (CLIP)

and **is not**:

- more than a multiple six family type dwelling; **or**
- an interest-only payment structure on a fully advanced mortgage; **or**
- a self-directed RRSP mortgage.

Note: The mortgage must be in good standing for it to be an eligible mortgage.

Health questions

For **life coverage**, you must answer **one health question**.

For **disability coverage**, you must answer **three health questions**.

For **critical illness coverage**, you must answer **two health questions**.

If you answer:

- **“no” to all of the applicable health questions**, then your application for coverage is automatically approved, and the Insurer will not require any further health information at that time.

- **“yes” to any of the applicable health questions,** your application is not automatically approved, and you must complete a separate health assessment.

A health assessment allows for a review of your application in detail. A health assessment may include:

- a telephone interview with a representative of the Insurer;
- completing a detailed health questionnaire;
- a paramedical examination* and a blood/urine test, which the Insurer will arrange at its expense.

Note: It's important that you complete the Insurer's requirements in a timely manner. If a health questionnaire is required, it must be completed and returned within 30 days of the Insurer's request; otherwise your application for insurance could be declined.

Important

Should you die, become diagnosed with a covered illness or become disabled within two years from the date coverage begins, the Insurer will validate your answers to the health questions. All health questions must be answered truthfully and completely. Should you fail to disclose information or give incorrect information, your coverage may be void and the Insurer will not pay a benefit at claim time.

If you are an RBC Royal Bank Online Banking client, you will receive automatic updates on the status of your application. You can review these updates, at your convenience, via your RBC Online Banking Message Centre.

HomeProtector insurance Add On/Refinance Program (HARP)

If you add on to or refinance your mortgage, you must reapply for insurance coverage, and premiums will be calculated based on your age

and balance at the time of your new application for insurance. You are considered to have added on to or refinanced your mortgage if the balance of your mortgage increases. If you add on to or refinance your existing HomeProtector insured mortgage, insurance coverage terminates, and you need to reapply for coverage on the new mortgage amount.

However if:

- you increase your existing mortgage balance (i.e. add on/refinance) by \$100,000 or less; **and**
- you reapply for the same type of coverage on your new mortgage, before it is advanced; **and**
- for life and/or disability insurance, you are less than 70 years of age and the total of all your insured RBC Royal Bank mortgages plus any mortgage for which you are applying for HomeProtector insurance is \$750,000 or less; **and**
- for critical illness insurance, you are less than 56 years of age and the total of all your insured RBC Royal Bank mortgages plus any mortgage for which you are applying for HomeProtector critical illness insurance is \$300,000 or less;

then you are **not** required to:

- answer the application health questions; **or**
- be actively at work at the time of the add-on/refinance.

This special consideration is called the HomeProtector insurance Add-On/Refinance Program (HARP). Your answers to the health questions on your previous HomeProtector application, plus any evidence of your insurability submitted with respect to that application, shall be deemed to be information relating to the application submitted under HARP.

As well, to be eligible for HomeProtector insurance under HARP, you must have been eligible for HomeProtector insurance at the time you applied for coverage on your mortgage prior to the add on/refinance, which includes being actively at work for disability insurance.

Confirmation from the Insurer

If your application for insurance qualifies for automatic approval as described in the *Health questions* section (on page 7), your application for insurance will constitute the proof that you are insured.

Written approval is required from the Insurer if you have completed a health assessment as to the acceptance or decline of your application for insurance. The Insurer's response will be sent to you within a **30-day period** after the receipt of all required information. RBC Royal Bank or the Insurer's letter confirming your HomeProtector life, or life and critical illness, or life and disability application approval will constitute the proof that you are insured.

Temporary insurance while your application for insurance is being processed

If RBC Royal Bank has approved your mortgage application but it is necessary for the Insurer to assess your HomeProtector application, HomeProtector insurance provides temporary insurance for you during the assessment period.

In this case, **the following conditions apply:**

- HomeProtector insurance will only pay a life insurance benefit and only if you die as a result of an accidental injury*;
- the benefit is the amount that would have been paid had your HomeProtector application for insurance been accepted;

- no benefit will be paid if your accidental death was the result of you committing or attempting to commit a criminal offence, regardless of whether charges are laid or a conviction obtained;
- no benefit will be paid if your death was caused directly or indirectly by suicide or intentional self-inflicted injury.

Your temporary insurance will end on the earlier of the following dates:

- the **30th day** following the date of your HomeProtector application or Application Confirmation when applying electronically;
- the date that the Insurer reaches a final decision on your HomeProtector application.

Beginning of insurance coverage

Your insurance coverage on your RBC Royal Bank mortgage begins on the **later** of the following dates:

- the date your HomeProtector application is approved;
- the date the funds are advanced or made available for use.

For details concerning coverage for construction mortgages, please refer to the *Life insurance benefit* section on page 12; to determine what your critical illness benefit would be, please refer to the *Critical illness insurance benefit* section on page 22; to determine what your disability benefit would be, please refer to the *Disability insurance benefit* section on page 31.

Life insurance

Life insurance benefit

In the event of death, the Insurer pays RBC Royal Bank the insured mortgage balance(s) owing at your date of death, to a maximum of \$750,000 for all your insured mortgages combined.

The insured mortgage balance(s) includes:

- the unpaid principal balance(s);
- mortgage interest and insurance premiums in arrears from the mortgage payment due date immediately prior to death, to a maximum of five years;
- any prepayment charges;
- any overdrawn balance in your property tax account*; **and**
- any “cash back option” penalty amount owing and included in the existing balance on the payout statement.

If, on the date coverage begins, the total of all mortgages to be insured under HomeProtector insurance exceeds \$750,000, premiums are only calculated on the \$750,000 maximum, and the benefit paid is pro-rated.

EXAMPLE:

The mortgage balance was \$800,000 at the time of the insurance application, and the balance owing at the date of death is \$540,000. The benefit payable is calculated as follows:

$$\frac{\$750,000}{\$800,000} \times \$540,000 = \$506,250$$

If you are jointly insured:

- the Insurer will pay the insured mortgage balance upon the first death, and insurance coverage will remain in effect for the other insured borrower (if a balance is not paid in full); **or**

- if one of you is insured under the Prior Life Insurance Coverage Recognition feature described on page 14, the Insurer will pay the insured mortgage balance upon this person's death, subject to the limits of this feature.

In no case will more than your outstanding insured mortgage balance be paid. A benefit will only be paid when the mortgage is fully advanced.

Any insurance coverage on a surviving insured will stay in place for the remaining outstanding balance, and premiums will be adjusted to reflect the single borrower at the new current age and balance.

In the case where you have applied and been approved for a new mortgage(s), you have obtained HomeProtector insurance on that new mortgage(s) and part or all of the new funds are to be used to pay down part or all of an existing insured mortgage(s), should you die before the new mortgage is advanced and claims have been made for the existing and new mortgages, if the claims are approved, the maximum amount payable (subject to the overall maximum of \$750,000 set out above) is the insured balance of the existing mortgage plus the new added funds.

EXAMPLE:

You have applied for a new mortgage of \$250,000, which is to pay off your existing mortgage and provide \$50,000 in new funds. If you die before the new mortgage is advanced, and your claim is approved, your maximum benefit will be \$250,000.

In the case of a **construction mortgage**, life insurance is available while your home is under construction and begins once you are approved for the coverage. A benefit will only be paid when the mortgage is fully advanced. Please note that no premiums are collected until regular mortgage payments of principal, interest and insurance begin.

Note: All life benefits paid by the Insurer are applied directly to your insured mortgage account(s).

Any overpayment resulting from a determination that benefits already paid were not payable under the terms of this coverage must be repaid by your estate within 30 days.

Prior Life Insurance Coverage Recognition

If you are:

- increasing your existing mortgage balance outside HARP (see *HomeProtector insurance Add-On/Refinance Program*, page 8); **and**
- reapplying for HomeProtector coverage within 30 days of your previous coverage ending; **and**
- your application is declined by the Insurer for health reasons; **or**
- you are over age 65, but less than 70 years of age;

then,

the Insurer will recognize your prior HomeProtector life insurance coverage by granting you life coverage on the proportion of your new mortgage balance that equals the lesser of the closing insured balance of your previously insured mortgage, or the plan maximum.

EXAMPLE:

You refinance your existing HomeProtector insured mortgage and increase your balance from \$280,000 to \$410,000. The closing balance prior to refinancing* was \$280,000. You reapply for coverage within 30 days of your previous coverage ending, and your application is declined for health reasons. On the date you die, your outstanding mortgage balance is \$200,000.

Your life insurance coverage amount will be determined by the following formula:

$$\frac{\text{Outstanding mortgage balance prior to refinancing}^*}{\text{Initial insured mortgage loan amount after refinance}^*} \times \text{Outstanding mortgage balance on the date you die}$$

$$\frac{\$280,000}{\$410,000} \times \$200,000 = \$136,000$$

The Prior Life Insurance Coverage Recognition feature entitles you to HomeProtector life insurance coverage of 68% of your new outstanding mortgage balance (i.e. \$280,000 ÷ \$410,000). In this example, your life coverage will always be 68% of your outstanding mortgage balance. Therefore, if on the date you die, your outstanding mortgage balance has declined to \$200,000, the benefit payable will be 68% of \$200,000, which is \$136,000.

In the case of Prior Life Insurance Recognition, the premiums will be determined by:

- your age at the time of your new application; **and**
- your outstanding mortgage balance prior to reapplying for HomeProtector coverage.

If you have Prior Life Insurance Coverage Recognition and you are increasing the mortgage under HARP (please refer to the section *HomeProtector insurance Add On/Refinance Program (HARP)* on page 8), then you will be entitled to life insurance on the full amount of the mortgage. This will be subject to the pre existing condition limitation (please refer to *Exclusions, restrictions or reductions applicable to HomeProtector life insurance coverage* on page 18).

IMPORTANT

Prior Life Insurance Coverage Recognition does not apply to HomeProtector disability insurance or Total and Permanent Disability Insurance.

Cost of life insurance

Your life insurance premium is based on your age and the amount of your mortgage at the time you apply for insurance, as shown in Table 1.

If the total of all your insured RBC Royal Bank mortgages plus any mortgage for which you are applying for HomeProtector insurance exceeds **\$750,000**, you will only pay a premium on amounts of up to \$750,000.

Your premium rate will not increase due to your age provided your mortgage balance does not increase during the life of your existing mortgage.

If you add on to or refinance your mortgage, you must reapply for insurance coverage, and premiums will be calculated based on your age and balance at the time of your new application for insurance (see *HomeProtector insurance Add-On/Refinance Program*, page 8).

Table 1 – Life insurance premium rates based on age band

Age Band	Monthly premium rate per \$1,000 of initial mortgage balance	
	Single	Joint
18 – 30	\$0.09	\$0.15
31 – 36	\$0.13	\$0.22
37 – 41	\$0.20	\$0.34
42 – 45	\$0.29	\$0.49
46 – 50	\$0.40	\$0.68
51 – 55	\$0.52	\$0.88
56 – 60	\$0.70	\$1.19
61 – 65	\$0.95	\$1.62
66 – 69**	\$1.63	\$2.77

** Applicable only to clients refinancing* or adding on to their existing HomeProtector insured mortgage.

Provincial sales tax will be added to your premium where applicable.

The cost of joint coverage is calculated using the joint rate and the age of the older person.

EXAMPLE:

You and your co-borrower* have a \$200,000 mortgage on your home that you want to insure with HomeProtector life insurance. You are 35 years old and your co-borrower* is 30 years old. The premium rate for the HomeProtector life insurance joint coverage will be based on the age of the oldest person, which is 35 years old. The premium rate will be \$0.22 per \$1,000 of initial insured mortgage balance.

The premium will be calculated as follows:

$$\frac{\$200,000}{\$1,000} \times \$0.22 = \$44 \text{ per month}$$

Plus provincial sales tax where applicable.

Note: All premiums, terms and conditions are subject to change with 60 calendar days written notice.

Grace period

Your insurance coverage will end if all or part of your insurance premium is 90 days overdue.

Exclusions, restrictions or reductions applicable to HomeProtector life insurance coverage

CAUTION

Certain exclusions, restrictions and reductions apply to HomeProtector life insurance coverage:

- a) The maximum insured benefit amount is \$750,000 for all mortgages combined.
- b) The Insurer will not pay a benefit if you take your own life within 2 years of the date your insurance coverage begins.

If you reapply for insurance when adding on to or refinancing* your mortgage, a new suicide exclusion period of 2 years will be applied from the date the new coverage begins.

- c) If you die and you have failed to disclose information, or you give incorrect information relating to the application (or earlier HomeProtector applications if made within 2 years of the date of your death), coverage may be void and the Insurer will not pay a benefit, including Prior Life Coverage Recognition.
- d) If you have HomeProtector life insurance and the insured amount has increased under HARP (see *HomeProtector insurance Add-On/Refinance Program*, page 8), the Insurer will not pay the life benefit on that additional amount if:

1. you die during the first 12 months from the date you reapplied for HomeProtector insurance under HARP; **and**

2. you have:

- received treatment*, **or**

- taken medication, **or**

- consulted a physician or other health-care provider*;

for any health condition or symptoms of a health condition, whether diagnosed or not, in the 12 months before you reapplied for HomeProtector insurance under HARP; **and**

3. your death is a result of, or is related to, any health condition referred to in item 2.

If the life benefit on the additional amount is excluded due to a pre-existing health condition, the payout will be calculated as a percentage of your outstanding balance.

In this case, the payable benefit is calculated using the following formula:

$$\frac{\text{Initial mortgage loan amount}}{\text{Mortgage balance at add-on/refinance}} \times \text{Mortgage balance at death}$$

Example:

At add-on/refinancing* you increase your principal mortgage balance from \$100,000 to \$125,000. Your life benefit will be 80% (\$100,000 ÷ \$125,000) of your outstanding mortgage balance at date of death.

Other benefit limits described in this Distribution Guide also apply.

Critical illness insurance

The following section about critical illness insurance coverage applies to you only if you have applied and been approved for HomeProtector critical illness insurance. Please carefully check your HomeProtector approval letter to see which coverage has been approved.

Definitions

This section contains specialized medical terms; if you have questions, please contact your medical doctor.

Diagnosis means the determination of the nature and circumstances of a medical condition, made in writing by a **medical doctor** who has been trained in and certified by a specialty examining board in Canada in the specific area of medicine relevant to the Covered Illness, and who is not you, your relative, or your business associate.

Cancer (Life-Threatening) means a definite Diagnosis of a tumour, which must be characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue.

Exclusion: Cancer (Life-Threatening) does not include, and no benefit will be payable under this condition for:

- Carcinoma in-situ; malignant melanoma skin cancer that is less than or equal to 1.0mm in thickness, unless it is ulcerated or is accompanied by lymph node or distant metastasis;
- Any non-melanoma skin cancer, without lymph node or distant metastasis;
- Prostate cancer classified as T1a or T1b, without lymph node or distant metastasis; **or**

- Papillary thyroid cancer or follicular thyroid cancer, or both, that is less than or equal to 2.0cm in greatest diameter and classified as T1, without lymph node or distant metastasis.

Heart Attack means a definite Diagnosis of the death of heart muscle due to obstruction of blood flow which results in the rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one of the following:

- Heart attack symptoms;
- New electrocardiogram (ECG) changes consistent with a Heart Attack; **or**
- Development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

Exclusion: Heart Attack does not include, and no benefit will be payable under this condition for:

- ECG changes suggesting a prior myocardial infarction; **or**
- Elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty in the absence of new Q waves.

Stroke means a definite Diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis or haemorrhage, or embolism from an extra-cranial source, with:

- Acute onset of new neurological symptoms, **and**
- New objective neurological deficits on clinical examination, persisting for more than 30 days following the date of Diagnosis. These new symptoms and deficits must be corroborated by diagnostic imaging testing.

Exclusion: Stroke does not include, and no benefit will be payable under this condition for:

- Transient Ischemic Attacks, also referred to as mini strokes;
- Intracerebral vascular events due to trauma; or
- Lacunar infarcts which do not meet the definition of Stroke as described above.

Critical illness insurance benefit

If you are Diagnosed with a Covered Illness (meaning Cancer (Life-Threatening), Heart Attack or Stroke as defined above) while you are insured, the Insurer will pay RBC Royal Bank the insured mortgage balance(s) owing at the date of Diagnosis, to a maximum of \$300,000 for all of your insured mortgages combined.

The insured mortgage balance(s) includes:

- the unpaid principal balance(s);
- mortgage interest and insurance premiums in arrears from the mortgage payment due date immediately prior to the date of Diagnosis, to a maximum of five years;
- any prepayment charges;
- any overdrawn balance in your property tax account*; **and**
- any “cash back option” penalty amount owing and included in the existing balance on the payout statement.

If, on the date coverage begins, the total of all mortgages to be insured under HomeProtector insurance exceeds \$300,000, premiums are only calculated on the \$300,000 maximum, and the benefit paid is pro-rated.

EXAMPLE:

The mortgage balance was \$400,000 at the time of the insurance application, and the balance owing at the date of Diagnosis is \$350,000. The benefit payable is calculated as follows:

$$\frac{\$300,000}{\$400,000} \times \$350,000 = \$262,500$$

If you are jointly insured:

- the Insurer will pay the insured mortgage balance upon the first Diagnosis; critical illness insurance coverage will remain in effect for the other insured borrower (if a balance is not paid in full).

In no case will more than your outstanding insured mortgage balance be paid. A benefit will only be paid when the mortgage is fully advanced.

In the case where you have applied and been approved for a new mortgage(s), you have obtained HomeProtector insurance on that new mortgage(s) and part or all of the new funds are to be used to pay down part or all of an existing insured mortgage(s), should you be Diagnosed before the new mortgage is advanced and a claim is made for the existing and new mortgages, if the claims are approved, the maximum amount payable (subject to the overall maximum of \$300,000 set out above) is the insured balance of the existing mortgage plus the new added funds.

EXAMPLE:

You have applied for a new mortgage of \$250,000, which is to pay off your existing mortgage and provide \$50,000 in new funds. If you are Diagnosed before the new mortgage is advanced and your claim is approved, your maximum benefit will be \$250,000.

In the case of a **construction mortgage**, critical illness insurance is available while your home is under construction and begins once you are approved for the coverage. A benefit will only be paid when the mortgage is fully advanced. Please note that no premiums are collected until regular mortgage payments of principal, interest and insurance begin.

Note: All life benefits paid by the Insurer are applied directly to your insured mortgage account(s).

Any overpayment resulting from a determination that benefits already paid were not payable under the terms of this coverage must be repaid by you and/or your estate within 30 days.

Prior Critical Illness Insurance Coverage Recognition

If you are:

- increasing your existing mortgage balance outside HARP (see *HomeProtector insurance Add-On/Refinance Program*, page 8); **and**
- reapplying for HomeProtector coverage within 30 days of your previous coverage ending; **and**
- your application is declined by the Insurer for health reasons; **or**
- you are over age 55, but less than 70 years of age;

then,

the Insurer will recognize your prior HomeProtector critical illness insurance coverage by granting you critical illness coverage on the proportion of your new mortgage balance that equals the lesser of the closing insured balance of your previously insured mortgage, or the plan maximum.

EXAMPLE:

You refinance your existing HomeProtector insured mortgage and increase your balance from \$280,000 to \$410,000. The closing balance prior to refinancing* was \$280,000. You reapply for coverage within 30 days of your previous coverage ending, and your application is declined for health reasons. The Prior Critical Illness Insurance Coverage Recognition feature entitles you to HomeProtector critical illness insurance coverage of 93% of your new outstanding mortgage balance (i.e. \$280,000 ÷ the plan maximum of \$300,000). In this example, your critical illness coverage will always be 93% of the lesser of your outstanding mortgage balance or the plan maximum. Therefore, if on the date of Diagnosis, your outstanding mortgage balance has decreased to \$200,000, the benefit payable will be 93% of \$200,000, which is \$186,000.

In the case of Prior Critical Illness Insurance Recognition, the premiums will be determined by:

- your age at the time of your new application; **and**
- your outstanding mortgage balance prior to reapplying for HomeProtector coverage.

If you have Prior Critical Illness Insurance Coverage Recognition and you are increasing the mortgage under HARP (please refer to the section *HomeProtector insurance Add On/Refinance Program (HARP)* on page 8), then you will be entitled to critical illness insurance on the full amount of the mortgage. This will be subject to the pre-existing condition limitation (please refer to *Exclusions, restrictions or reductions applicable to HomeProtector critical illness insurance coverage* on page 27).

IMPORTANT

Prior Critical Illness Insurance Coverage Recognition does not apply to HomeProtector disability insurance or Total and Permanent Disability Insurance.

Cost of critical illness insurance

Your insurance premium is based on your age and the amount of your mortgage at the time you apply for insurance, as shown in the table below.

If the total of all your insured RBC Royal Bank mortgages plus any mortgage for which you are applying for HomeProtector insurance exceeds **\$300,000**, you will only pay a premium on amounts up to \$300,000.

Your premium rate will not increase due to your age provided your mortgage balance does not increase during the life of your existing mortgage.

If you add on to or refinance your mortgage, you must reapply for insurance coverage, and premiums will be calculated based on your age and balance at the time of your new application for insurance (see *HomeProtector insurance Add-On/Refinance Program*, page 8).

Age Band	Monthly premium rate per \$1,000 of initial mortgage balance	
	Single	Joint
18 – 30	\$0.10	\$0.17
31 – 36	\$0.16	\$0.27
37 – 41	\$0.24	\$0.41
42 – 45	\$0.44	\$0.75
46 – 50	\$0.66	\$1.12
51 – 55	\$0.99	\$1.68
56 – 60**	\$1.69	\$2.87
61 – 65**	\$2.49	\$4.23
66 – 69**	\$2.79	\$4.74

** Applicable only to clients with Prior Critical Illness Coverage Recognition (see *Prior Critical Illness Insurance Coverage Recognition* on page 24) on their existing HomeProtector insured mortgage.

Provincial sales tax will be added to your premium where applicable.

The cost of joint coverage is calculated using the joint rate and the age of the older person.

EXAMPLE

You and your co-borrower have a \$200,000 mortgage and want to insure it with HomeProtector critical illness insurance. You are 35 years old and your co-borrower is 30 years old. The premium rate for the HomeProtector critical illness insurance joint coverage will be based on the age of the older person. The premium rate will be \$0.27 per \$1,000 of initial insured mortgage balance. The premium will be calculated as follows:

$$\frac{\$200,000}{\$1,000} \times \$0.27 = \$54 \text{ per month}$$

Plus provincial sales tax where applicable.

All premiums, terms and conditions are subject to change with 60 calendar days written notice.

Grace period

Your insurance coverage will end if all or part of your insurance premium is 90 days overdue.

**Exclusions, restrictions or reductions
applicable to HomeProtector critical illness
insurance coverage**

CAUTION

Certain exclusions, restrictions and reductions apply to HomeProtector critical illness insurance coverage:

- a) The maximum insured benefit amount is \$300,000 for all mortgages combined.**
- b) If you have failed to disclose information, or you give incorrect information relating to the application (or earlier HomeProtector applications if made within 90 days of the date of your Diagnosis), coverage may be void and the Insurer will not pay a benefit.**

c) If you have HomeProtector critical illness insurance and the insured amount has increased under HARP (see *HomeProtector insurance Add-On/Refinance Program*, page 8), the Insurer will not pay the critical illness benefit on that additional amount if:

1. you have:

- received treatment*, or
- taken medication,
- consulted a physician or other health care provider;

for any health condition or symptoms of a health condition, whether diagnosed or not, in the 12 months before you reapplied for HomeProtector insurance under HARP; and

2. you are Diagnosed with a Covered Illness during the first 24 months from the date you reapplied for HomeProtector insurance under HARP; and

3. your Covered Illness is a result of, or is related to, any health condition referred to in item 1.

d) In addition, no benefits will be paid if:

- your claim relates to your use of illegal or illicit drugs or substances, or your misuse of medication, whether obtained with or without a prescription; or
- within 90 days of your coverage effective date, a Diagnosis of Cancer occurs or you have signs, symptoms or investigations leading to a Diagnosis of Cancer, regardless of when the Diagnosis is made. Please also see the

***Covered Illnesses* section for additional exclusions;**

- **your claim is directly or indirectly the result of your committing or attempting to commit a criminal offence.**

If the critical illness benefit on the additional amount is excluded due to a pre-existing health condition, the payout will be calculated as a percentage of your outstanding balance.

In this case, the payable benefit is calculated using the following formula:

$$\frac{\text{Initial mortgage loan amount}}{\text{Mortgage balance at add-on/refinance}} \times \text{Mortgage balance at death}$$

Example:

At add-on/refinancing* you increase your principal mortgage balance from \$100,000 to \$125,000. Your critical illness benefit will be 80% ($\$100,000 \div \$125,000$) of your outstanding mortgage balance at the date of Diagnosis.

Other benefit limits described in this Distribution Guide also apply.

Disability insurance

The following section about disability insurance coverage applies to you only if you have applied for and been approved for HomeProtector disability insurance. Please carefully check your HomeProtector approval letter to see which coverage has been approved.

Definitions

A disability is a sickness, injury, mental illness or nervous disorder which completely prevents you from performing the regular duties of:

- the occupation(s) in which you were engaged immediately before the date you became disabled; **or**
- your principal occupation, if you are a seasonal employee and you become disabled between seasons; **or**
- your occupation prior to retirement.

Note: No benefits are payable if you are not actively at work due to a job loss, strike or layoff.

To qualify for disability benefits, and to continue receiving these benefits, you must:

- be under the continuous care of a physician who is licensed to practice medicine in Canada or, in the case of mental illness or nervous disorder, including anxiety, depression and behavioural disorders, under the continuous care of a psychiatrist or psychologist. The physician or psychiatrist or psychologist treating you for your disability must be someone other than you or a family member;

- not be engaged in any activity for wages or expectation of profit;
- provide proof of your disability claim, satisfactory to the Insurer, and continue to provide proof of your disability claim whenever the Insurer may request it, at your expense.

The Insurer may request, at its own expense, a medical examination by a physician appointed by them or an examination at a rehabilitation facility.

Disability insurance benefit

If you become disabled, the Insurer pays RBC Royal Bank your regular insured mortgage payment, for a maximum of **24 months**.

The regular insured mortgage payment only includes:

- principal,
- interest, **and**
- insurance premium.

Your regular insured mortgage payment does not include any property tax instalments*.

The disability benefit payment is subject to the following conditions:

- No benefits will be paid during the waiting period, which is **the first 60 complete and consecutive days** of your disability. During this time, you must be completely unable to perform the duties of your regular job.
- The Insurer will not pay more than **\$3,000 each month** for all your insured mortgages combined, including insurance premiums.
- If you have joint coverage and both of you are disabled, payment of benefits will continue until each of you recovers, to a maximum of 24 months for the person who was disabled last.

However, at no time will the benefit be more than the monthly equivalent of the regular mortgage payment to a maximum of **\$3,000 for all your insured mortgages combined.**

- The amount the Insurer pays for any one mortgage insured under HomeProtector insurance will not exceed the total amount of your regular mortgage payment on the date of disability of:
 - principal;
 - interest; **and**
 - insurance premiums.

Your regular insured mortgage payment does not include any property tax instalments*.

- In all cases, including that of a construction mortgage, no benefit will be paid until regular payments of:
 - principal;
 - interest; **and**
 - insurance premiums
 have started.

Note: You are responsible for any regular payments that are in arrears prior to the disability benefits starting.

Beginning and end of disability benefit payments

Once the Insurer has approved your claim, the Insurer will start paying benefits on the first day your loan payment is due after your waiting period of 60 days.

EXAMPLE:

If you become disabled on July 15, the 60-day waiting period will be completed on September 13. If you make your mortgage payments on the first of every month, the Insurer will start paying benefits on October 1, the date the first mortgage payment is due after the 60-day waiting period.

Payments will continue until the **earliest of the following 5 dates**:

1. the date your disability ends or you return to work;
2. the date you become engaged in any business, occupation or undertaking for wages or expectation of profit;

For either of the dates above, it is your responsibility to inform the Insurer that either situation has occurred. Also, in these cases, as long as the maximum benefit of 24 months of disability payments has not been made, the Insurer will make additional payment(s), depending on your regular payment schedule, as follows:

- 1 additional regular monthly payment, if your regular payment is made monthly;
 - 2 additional regular bi-weekly payments, if your regular payment is made bi-weekly;
 - 2 additional regular semi-monthly payments, if your regular payment is made semi-monthly; **or**
 - 4 additional regular weekly payments, if your regular payment is made weekly.
3. the date that **24 months** of disability payments have been made on your behalf; **or**
 4. the date your HomeProtector life or disability insurance coverage ends (see *End of the insurance coverage* on page 42); **or**
 5. the date you refinance or add on to your mortgage while disabled.

IMPORTANT

Failure to provide initial proof or to provide continuing proof of claim when requested by the Insurer will result in benefits not being paid.

If you have joint coverage and both of you are disabled, payment of benefits will continue until each of you recovers, to a maximum of **24 months** per insured borrower. However, at no time will the benefit be more than the regular mortgage payment, up to a maximum of \$3,000 per month.

In case of individual concurrent or overlapping disabilities

If your initial disability develops into another related condition, so that you are disabled from a new disability that is the direct or indirect result of the initial disability, this will be considered one period of disability and the 24 months maximum benefit period will be calculated from the occurrence of the initial disability. This is known as a concurrent disability.

If you sustain a second or further unrelated disability during the benefit period of your initial disability that continues to be disabling beyond the end of the initial disability, this is known as an overlapping disability and a new claim for benefits can be submitted, subject to the following:

- the medical condition causing the overlapping disability must be unrelated to the initial disability;
- the overlapping disability must have commenced after the initial disability began;
- if the claim for your overlapping disability is approved and you are still disabled by it, after your initial disability has ended or the maximum benefit period has been paid,

benefits for your overlapping disability will only start after benefits on your initial claim have stopped, subject to a new 60-day waiting period starting the date of the last benefit for the first disability, and a new maximum benefit period of 24 months.

EXAMPLE:

You have mortgage payments on the 15th of each month. You initially became disabled on May 1, 2009. You submit a claim and it is approved and therefore benefits commence on July 15, 2009. You sustain an overlapping disability on March 1, 2010. You then submit and are approved for that second claim. As of March 1, 2010 you are still receiving benefits from your initial claim, which then stop after the payment on April 15, 2010 (inclusive of the additional payment(s) as set out above) because you recovered from your initial disability on March 15, 2010. As of March 15, 2010, if you are still disabled from the second disability, you will start to receive benefits on June 15, 2010 (first payment date after the 60-day waiting period) and they will continue until the earliest of the four dates for termination set out above, up to a maximum of 24 months, which will be calculated from June 15, 2010.

If you recover from a disability, but your disability:

- recurs, due to the same cause or causes within 21 consecutive and complete days; **and**
- lasts for at least five (5) consecutive and complete working days and is due to the same cause or causes;

then the Insurer will still consider this to be one continuous period of disability.

In such a case, the Insurer begins paying your disability benefits effective immediately after this temporary period of recovery, without any waiting period.

Note: All disability benefits paid by the Insurer are applied directly to your insured mortgage account(s).

Any overpayment resulting from a determination that benefits already paid were not payable under the terms of this coverage must be repaid by you and/or your estate within 30 days.

Adjustments to your disability benefit

The Insurer will adjust your disability benefit to reflect any change in the interest rate you are charged.

Important

Refinancing* or adding on to your mortgage while disabled will end your current coverage and any benefits that may be payable. It is recommended that you do not add on to or refinance your mortgage while disabled (see *End of the insurance coverage*, page 42).

Cost of disability insurance

Disability insurance premiums are based on your age at the time of your application for disability insurance and the amount of your current mortgage payment of principal, interest and life insurance premium.

The rates are as follows:

Age Band	Premium rates per \$100 of mortgage payment	
	Single	Joint
18 – 30	\$1.41	\$2.68
31 – 36	\$1.79	\$3.40
37 – 41	\$2.24	\$4.26
42 – 45	\$2.84	\$5.40
46 – 50	\$3.47	\$6.59
51 – 55	\$4.34	\$8.25
56 – 60	\$5.48	\$10.41
61 – 65	\$6.38	\$12.12
66 – 69**	\$6.83	\$12.98

** Applicable only to clients refinancing* or adding on to their existing HomeProtector insured mortgage.

Provincial sales tax will be added to your premium where applicable.

The cost of joint coverage is calculated by using the joint rate and the age of the older person.

Since your disability premium is calculated based on your mortgage payment, if you increase your mortgage payment, your disability premium will also increase.

EXAMPLE:

You and your co-borrower* have a mortgage on your home for which you must make a monthly payment of \$1,000 (which includes principal, interest and your life insurance premium), and you want to insure your mortgage with joint HomeProtector disability insurance. You are 35 years old and your co-borrower* is 30 years old. The premium rate for the HomeProtector disability insurance joint coverage will be based on the age of the oldest person. The premium rate will be \$3.40 per \$100 of mortgage payment. The premium will be calculated as follows:

$$\frac{\$1,000}{\$100} \times \$3.40 = \$34 \text{ per month}$$

Plus provincial sales tax where applicable.

Note: All premiums, terms and conditions are subject to change with 60 calendar days written notice.

Grace period

Your insurance coverage will end if all or part of your insurance premium is 90 days overdue.

Exclusions, restrictions or reductions applicable to HomeProtector disability insurance

CAUTION

Certain exclusions, restrictions or reductions apply to HomeProtector disability insurance coverage:

- a) You must have HomeProtector life insurance to apply for HomeProtector disability insurance.
- b) The maximum benefit amount payable by the Insurer is \$3,000 per month for all your insured loans and lines of credit combined, to a maximum period of 24 months.
- c) If you have joint disability coverage, in no case will the Insurer pay more than the monthly equivalent of your regular payment, to a maximum of \$3,000 for all your mortgages combined.
- d) The Insurer will not pay disability benefits if your disability was directly or indirectly the result of any of the following:
 - intentionally self-inflicted injury;
 - your committing or attempting to commit a criminal offence regardless of whether charges are laid or a conviction obtained;
 - your pregnancy, other than physical complications of pregnancy;

- **your alcoholism or drug addiction, unless:**
 - **you maintain satisfactory participation in a rehabilitation program that the Insurer approves of; and**
 - **you begin your participation during the disability waiting period; and**
 - **you continue your participation throughout the period you receive disability benefits.**

e) The Insurer will not pay a benefit if you become disabled and you failed to disclose information or gave incorrect information relating to the application.

f) Pre-existing condition limitations:

If:

1. you become disabled during the first 12 months after the date you applied for HomeProtector insurance or the date you reapplied for HomeProtector insurance, whichever comes last; and

2. you have:

- **received treatment*, or**
- **taken medication, or**
- **consulted a physician or other health care provider***

for any health condition or symptoms of a health condition, whether diagnosed or not, in the 12 months before you applied for HomeProtector insurance or reapplied for HomeProtector insurance; and

3. the disability for which a claim is being submitted is a result of, or is related to, any health condition referred to in #2;

then your claim will be denied. However, should your claim be denied for a pre-existing

condition based on the date that you added on to your existing mortgage under HARP, a benefit will be paid. The benefit will be the lesser of these two amounts:

- **your previous mortgage payment before you refinanced under HARP; or**
- **your current mortgage payment.**

Further, should your current mortgage payment become less than your benefit payment, then your benefit payment will be reduced accordingly.

IMPORTANT

You must have been actively at work at the time of application in order to qualify for HomeProtector disability insurance unless you apply for coverage under HARP. In this case you must have been actively at work at the time of application on your previous mortgage (see *HomeProtector insurance Add On/Refinance Program (HARP)*, page 8).

You may be required to provide proof that you were actively at work when you applied for the coverage (see *Persons eligible for insurance*, page 5).

Cancellation

Your insurance coverage is voluntary. You can rescind your insurance coverage **within 30 days** of the later of the following dates:

- the date your coverage begins (please refer to *Beginning of insurance coverage* on page 11); **or**
- 5 days after the date when we mail your HomeProtector Distribution Guide if you applied for coverage over the internet, telephone, or through a direct mail offer;

and in either of the above cases, a full refund of your premiums will be issued, if any have been collected. To do so, you must write to the Insurance Service Centre at the address on the back of this Distribution Guide. You can also use the Notice of Rescission.

You may cancel your insurance at any time. To cancel the insurance, a written request signed by all borrowers*, co-borrowers* and guarantors* must be sent to the Insurance Service Centre at the address on the back of this Distribution Guide. A separate cancellation request stating the coverage that is to be cancelled is required for each insured borrower. Your final premium will be adjusted to reflect insurance costs up to and including the date it is received by the Insurance Service Centre. No administration fees are applicable when cancelling this insurance.

You must provide:

- the name(s) of the insured(s) for whom the insurance is being cancelled;
- the mortgage number;
- the type of insurance the insured(s) wish(es) to cancel;
- the signatures of all borrowers* on the mortgage (including guarantors*).

End of the insurance coverage

Your insurance coverage will end on the **earliest of the following dates**:

- the date the mortgage is paid in full, discharged (unless exercising your portability option without adding additional funds) or assumed in writing by some other person;
- the date the principal balance of your mortgage increases;
- the date the Insurance Service Centre receives your written request to cancel your life, critical illness and/or disability insurance;
- the date that all or part of your insurance premiums is 90 days overdue;
- the last day of the month in which you turn 70 years of age;
- the date you die;
- the date RBC Royal Bank assigns your mortgage to a third party, at your request;
- the date you are no longer a borrower*, co-borrower* or guarantor* on the mortgage; **or**
- the date the group policy for life, critical illness or disability coverage terminates.

Your HomeProtector disability insurance or critical illness insurance coverage will end on the date your HomeProtector life insurance coverage ends. Your critical illness insurance coverage also ends on the date you are Diagnosed with a Covered Illness for which the Insurer pays a claim.

Your critical illness insurance coverage will end and premiums will be refunded if a Diagnosis of Cancer (Life Threatening), or signs, symptoms or investigations leading to a Diagnosis, occurs within 90 days of the day your coverage begins.

Grace period

Your insurance coverage will end if all or part of your insurance premium is 90 days overdue.

Proof of loss or claim

Submitting a claim

Written proof of claim must be provided to the Insurer. You can obtain a claim form from:

- your RBC Royal Bank branch, or
- the Insurance Service Centre at 1-800-769-2523.

You or your representative must provide the required medical evidence satisfactory to the Insurer to support any life, critical illness or disability claim, at your expense.

- Life claim forms must be received by the Insurer **within one (1) year from the date of death.**
- Critical illness claim forms must be received by the Insurer **within 180 days from the date of Diagnosis.**
- Disability claim forms must be received by the Insurer **within 150 days from the day the disability started.**

The completion of a Job Analysis form by your employer or the completion of an Education, Training and Work Experience form may be required during the course of your claim to assist in assessing whether you meet the definition of disability in your HomeProtector Distribution Guide.

If you are an RBC Royal Bank Online Banking client, you will receive automatic updates on the status of your claim. You can review these updates, at your convenience, via your Online Banking Message Centre.

Important

You must make all your regular mortgage payments until you have been advised by the Insurer that your claim has been approved.

Insurer's reply

The Insurer will notify you or your authorized representative in writing of a decision to approve or deny your claim.

Such notices will be provided within **30 days** after the Insurer receives all information required upon which to make a decision.

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

You must make all your regular mortgage payments until you have been advised by the Insurer that your claim has been approved.

Appeal of the Insurer's decision

If the Insurer declines your claim for benefits and/or pays only a portion of the benefit, you or your representative may appeal the decision. You will receive a letter explaining the reasons for the Insurer's decision. The Insurer will send the letter within 30 days of receiving the documents required to process the claim. The appeal must be in writing and include your reasons for why the Insurer's decision is being appealed and any other new information that had not been previously submitted that supports your appeal. Any new medical documentation for an appeal will be at your own expense and needs to include a detailed medical history from your treating physician(s), outlining all dates of visits, diagnosis, limitations and restrictions and treatment* prescribed (including test results and specialist assessments) throughout the period of time that is under investigation.

Note: Obtaining copies of the above information from other insurance carriers may aid in your appeal.

If the Insurer continues to deny your claim, you or your representative may make a further appeal to Canada Life's Ombudsman in writing to:

Group Insurance Ombudsman

Canada Life
P.O. Box 6000
Winnipeg, MB
R3C 3A5

Or you may contact the Autorité des marchés financiers or consult a legal advisor.

Other information

The conditions governing your insurance are set out in the HomeProtector application and the Certificate of Insurance.

If you need more information, you can contact the **Insurance Service Centre** at:

TELEPHONE

1-800 ROYAL 2-3 (1-800-769-2523)

MAILING ADDRESS

RBC Insurance Services Inc.
Insurance Service Centre
P.O. Box 53, Postal Station A
Mississauga, Ontario L5A 2Y9

Note: All premiums, terms and conditions are subject to change with 60 calendar days written notice.

Similar products

There exists on the market other insurance products that may include coverage similar to those offered in this Distribution Guide.

You may want to verify whether or not you already have insurance which provides similar coverage.

HomeProtector insurance provides life, critical illness and disability coverage for your RBC mortgage and is competitive with plans at other banks and trust companies.

Referral to the Autorité des marchés financiers

If you have any questions or concerns with RBC Royal Bank's or Canada Life's obligations towards you under HomeProtector insurance, you can contact the Autorité des marchés financiers at the following address:

Autorité des marchés financiers

Place de la Cité, Tour Cominar
2640 boul. Laurier, 4th Floor
Quebec, Quebec, Canada G1V 5C1

TELEPHONE

Toll-free: 1-877-525-0337

Quebec City: 418-525-0337

Montreal: 514-395-0337

WEBSITE

www.lautorite.qc.ca

Definitions

Terms marked with an asterisk (“*”) in this Guide are defined below.

Accidental injury

A bodily injury resulting from an accident directly and independently of all other causes. An accident is a sudden, violent and unforeseen external event which does not include medical conditions or treatment* for medical conditions.

Borrower

A person who is indebted to RBC Royal Bank for a mortgage.

Co-borrower

An individual indebted to RBC Royal Bank for a mortgage conjointly with another.

Guarantor

A person who guarantees to repay the RBC Royal Bank mortgage if the person(s) indebted for the RBC Royal Bank mortgage does not make their payments.

Health care provider

Your attending physician/doctor.

Property tax account

An account in which the tax levied by the municipalities and the school boards on the taxable value of the taxpayer’s property is collected.

Property tax instalment

A payment which includes the tax levied by the municipalities and the school boards on the taxable value of the taxpayer’s property that is collected by RBC Royal Bank and submitted on the mortgagee’s/mortgagees’ behalf.

Refinancing

Adding additional funds to your existing RBC Royal Bank mortgage balance.

Paramedical examination

Examination performed by a health auxiliary.

Treatment

Advice, consultation, care and/or service provided by a physician or other health care provider*. This includes, but is not limited to, diagnostic testing, taking pills, injections or other medication for a health condition.

PERSONAL NOTES

Coverage amount:

Life insurance: _____

Critical Illness insurance: _____

Disability insurance: _____

Premium:

Life insurance: _____

Critical Illness insurance: _____

Disability insurance: _____

Other: _____

Royal Bank of Canada/Royal Trust Corporation receives compensation when you purchase this insurance.

® / ™ Trademark(s) of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.

If you need more information about HomeProtector insurance, you can contact the Insurance Service Centre at:

1-800 ROYAL 2-3 (1-800-769-2523)

Fax: 1-800-864-6102

RBC Insurance Services Inc.
Insurance Service Centre
P.O. Box 53, Postal Station A
Mississauga, Ontario
L5A 2Y9

You can also find information online at
www.rbcroyalbank.com

Note: All premiums, terms and conditions are subject to change with 60 calendar days written notice.



Royal Bank



Schedule 1

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

Article 440 of the Act respecting the distribution of financial products and services

THE ACT RESPECTING THE DISTRIBUTION OF FINANCIAL PRODUCTS AND SERVICES GIVES YOU IMPORTANT RIGHTS.

- The Act allows you to rescind an insurance contract you have just signed when signing another contract, without penalty, within 30 days of its signature. To do so, you must give RBC Insurance Services Inc. notice by registered mail within that delay. You must use the attached model for this purpose.
■ Despite the rescission of the insurance contract, the first contract entered into will remain in force. Caution, it is possible that you may lose advantageous conditions as a result of this insurance contract; contact your distributor or consult your contract.
■ After expiry of the 30-day delay, you may rescind the insurance at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers: in Quebec: 418-525-0337; or toll-free: 1-877-525-0337

I hereby cancel insurance contract no. _____

Type of insurance rescinded (check only one):

- Single Disability Insurance Only
Single Life Insurance Only
Single Life and Disability Insurance
Joint Disability Insurance Only
Joint Life Insurance Only
Joint Life and Disability Insurance
Single Critical Illness Insurance Only
Single Life and Critical Illness Insurance
Joint Critical Illness Insurance Only
Joint Life and Critical Illness Insurance
Joint Life and Single Critical Illness Insurance
Joint Life and Single Disability Insurance

Entered into on _____ (Date of Signature of Contract)

at _____ (Place of Signature of Contract)

for _____ (Loan/Royal Credit Line No.)

_____ (RBC Royal Bank Client Card No.)

_____ (Name of Client)

_____ (Signature of Client)

_____ (Name of Client)

_____ (Signature of Client)

Any additional borrowers and guarantors must acknowledge this request to rescind insurance by signing below:

_____ (Name of Co-Borrower/Guarantor)

_____ (Signature of Co-Borrower/Guarantor)

_____ (Name of Co-Borrower/Guarantor)

_____ (Signature of Co-Borrower/Guarantor)

RETURN THIS RESCISSION NOTICE TO:
RBC Insurance Services Inc.
Insurance Service Centre
P.O. Box 53, Postal Station A
Mississauga, Ontario L5A 2Y9
Fax: 1-800-864-6102

Articles 439, 440, 441, 442 and 443 must appear at the back of this notice.

Art.439. A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service.

Art.440. A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation, stating that the client may rescind the insurance contract within 30 days of signing it.

Art.441. A client may rescind an insurance contract made at the same time as another contract, within 30 days of signing it, by sending notice by registered or certified mail.

Where such an insurance contract is rescinded, the first contract retains all its effects.

Art.442. No contract may contain provisions allowing its amendment in the event of rescission or cancellation by the client of an insurance contract made at the same time.

However, a contract may provide that the rescission or cancellation of the insurance contract will entail, for the remainder of the term, the loss of the favourable conditions extended because more than one contract was made at the same time.

Art.443. A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation, stating that the debtor may subscribe for the insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the insurer specified by the distributor.

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or reduction of the debtor's rights.

The rights of the debtor under the contract of credit shall not be forfeited when the debtor rescinds, cancels or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds.