Income Protection

Simplified Accident Insurance

Pillar Series

La Capitale
Financial Security

Pillar Series

Simplified Accident Insurance

What would you do if your income stopped today?

When you are disabled because of an accident or an injury, your income stops but your bills do not.

Your income is your most precious asset. What would happen if an accident suddenly prevented you from working? How would you replace this money?

Your earning potential to age 70

based on your current annual income
(not including future increases to your income)

Chart 1: Annual income and age

	Annual Income		
Age	**$25,000**	**$45,000**	**$65,000**
35	$875,000	$1,575,000	$2,275,000
40	$750,000	$1,350,000	$1,950,000
45	$625,000	$1,125,000	$1,625,000
50	$500,000	$900,000	$1,300,000
55	$375,000	$675,000	$975,000
60	$250,000	$450,000	$650,000
65	$125,000	$225,000	$325,000

Statistics

27.3 There is **an "official" occupational injury** in Canada **every 27.3 seconds** of every working day.[1]

50% of accidents cause **musculoskeletal disorders.**[2]

10% of accidents result in **fractures.**[3]

Source:
1. 1985 Commissioner's Individual Disability Table A and CIA 86-92 Aggregate Mortality Table 2010 Association of Workers' Compensation Boards of Canada (AWCBC) Bankruptcy Canada, Canada's largest bankruptcy information website
2. Workplace Safety & Insurance Board
3. Workplace Safety and Insurance Board – http://wsibstatistics.ca/WSIB-StatisticalReport_S1_fr.pdf

Simplified Accident Insurance

Disability insurance protection that covers your income in case of accidents or injuries

NO MEDICAL EXAMINATION

- **Issue age:** 18 to 69
- **Benefit period:** 2 years, 5 years or to age 70
- **Benefits payable as of the 1st day**
  (elimination periods of 14, 30 or 120 days also available)
- **Guaranteed renewable** to age 70 with an extension option to age 75
- **Monthly benefits** from $500 to $3,000
- **24/7** or non-occupational coverage
- **Total loss of autonomy benefits** (100% of total disability benefits for life)
- **No integration or coordination** for the first 6 months of disability and a guaranteed minimum of $1,200 up to the 36th month of benefits

Optional Coverage

- Extension of the regular occupation definition to 5 years
- Partial disability for 6 months
- Accidental death or dismemberment
  Increments of $50,000 up to a maximum of $300,000
- Fracture rider, individual coverage or individual with coverage for children, 1 or 2 units available

How long would you need income replacement?

2 years
5 years
to age 70

How long will your savings suffice?

0 days
14 days
30 days
120 days

Protect your most important asset: your income!

GENERAL EXCEPTIONS AND LIMITATIONS

The following exceptions and limitations apply to your policy.

This policy does not cover any loss which:

1. Results from any illness, disease, disorder or infection regardless of the cause;
2. Occurs while you are travelling or residing more than sixty (60) days in a country with "Country Travel Advice and Advisories" other than "Exercise normal security precautions" as issued by the Government of Canada;
3. Continues after you have ceased to reside permanently within Canada unless:
   a. You continue to receive regular and personal care from a physician in Canada or in the United States of America; and
   b. At least thirty (30) days prior to the date that you cease to reside permanently within Canada, and as often as we deem necessary, you are available at our request to be medically examined by a physician in Canada or the United States;
4. Results from suicide, attempted suicide or any other intentionally self-inflicted injury (sane or insane);
5. Occurs during air travel, except as a fare-paying passenger on any commercial aircraft;
6. Results from pregnancy, childbirth or miscarriage;
7. Occurs while engaged in military or naval service, or as a result of any act of war or participation in any insurrection or riot;
8. Results from any treatment or care received on an elective basis for esthetic or other non-medical reasons, whether or not performed by a physician;
9. Occurs while you are under the influence of alcohol, any controlled drug or substance, or any medication not taken in compliance with a physician's prescription or the manufacturer's recommended usage; or which occurs while operating a motor vehicle or any motorized vehicle (including, but not limited to, automobiles, motorcycles, all-terrain vehicles, campers, watercraft and any type of submersible vehicle and snowmobiles) with a blood alcohol level in excess of the prescribed legal limit;
10. Results from committing, or attempting to commit, a criminal act or engaging in an illegal occupation or occurs during any period in which you are incarcerated;
11. Results from being engaged in, practising or training for any organized speed contest or any motor vehicle competition;
12. Occurs during a period in which you are either on a leave of absence from your employment, or otherwise temporarily cease your employment with your employer's consent, and are compensated by your employer for your leave of absence or temporary cessation of work;
13. Is caused by mental, nervous, emotional or psychological disorders or any disorder related to the abuse of a medication or an addiction, regardless of the cause thereof;
14. Is caused by chronic fatigue, chronic pain, fibromyalgia, myalgia, encephalomyelitis, neuromyasthenia, Epstein-Barr or similar conditions by other names;
15. Results from being engaged in, practising or training for any dangerous sports (including but not limited to, combat sport, acrobatic sport, scuba diving, hang gliding, parachuting, freefalling, mountaineering and mountain climbing);
16. Results from being engaged in, practising or training for any remunerated sports activities;
17. Is caused by degenerative disc disease.

BENEFIT PERIOD LIMITATIONS

following soft tissue injuries and back or neck injuries

1. Benefit period limitations following soft tissue injuries

If a disability resulting from a soft tissue injury commences and continues until the expiration of the elimination period, the benefit period indicated in the policy schedule is limited according to the occupational class of your last occupation or your last profession performed prior to the date on which the disability is deemed to begin, as indicated in the following table:

Occupational Class	Maximum Benefit Period for Any One Accident
4A	36 months
3A	36 months
2A	36 months
A	60 days
B	30 days

The total of all the benefit periods following soft tissue injuries is limited to a maximum lifetime benefit period. The maximum lifetime benefit period is determined according to the occupational class of your last occupation or your last profession performed prior to the date on which the disability is deemed to begin, as indicated in the following table:

Occupational Class	Maximum Lifetime Benefit Period
4A	36 months
3A	36 months
2A	36 months
A	180 days
B	180 days

If you receive disability benefits and your occupational class subsequently changes, the period during which you received disability benefits before the change of your occupational class will be deducted from the new benefit periods limited or determined according to your new occupational class as indicated in the tables above.

2. Benefit period limitations following back or neck injuries

The benefit period limitations described in Subsection 1. *Benefit Period Limitations Following Soft Tissue Injuries* also apply to disabilities resulting from back or neck injuries except if the back or neck injuries are diagnosed by a specialized physician and confirmed by pertinent diagnostic tests.

Please refer to the contract for details about the exceptions and limitations.

Definitions

ACCIDENT, means a sudden, specific, identifiable event that occurs unexpectedly and unintentionally while the policy is in force and which, within the following ninety (90) days, results in demonstrable injury to the insured due exclusively to external causes, independently of illness or disease.

ANNUAL INCOME, means the highest of the following:

1. The amount of your employment income and the net business profit attributable to you if you are a business owner or self-employed; or
2. Fifty percent (50%) of the gross business income attributable to you if you are a business owner or self-employed.

Gross business income cannot be considered in calculating annual income when the net business profit has been negative for two (2) or more consecutive financial years immediately prior to disability.

Any loss incurred by the business will be deducted from your annual income.

Annual income does not include income that is not earned directly from your occupation or profession such as pension income, interest and other investment income, rental income, capital gains, royalties, fees and support payments received and any other income that is not directly received for services provided.

EMPLOYMENT INCOME, means the total income that you earn from your occupation or profession, including salary, fees, bonuses, wages or commissions, as declared on your government income tax filings, before deduction of income tax.

GROSS BUSINESS INCOME, means the business income before taxes, less the cost of any goods sold, multiplied by your percentage of shares, less the salary and payroll tax, excluding your own.

INJURY, means bodily injury caused by an accident while this policy is in force. However, a soft tissue injury is deemed to be an injury.

NET BUSINESS PROFIT, means the business income before taxes, less any business expenses that are deductible for income tax purposes, multiplied by your percentage of shares.

SOFT TISSUE INJURY, means that a muscle, ligament or tendon has been strained or sprained or has sustained a contusion, as well as the following medical conditions:

- Bursitis
- Capulitis
- Carpal tunnel syndrome
- Chondromalacia
- Costochondritis
- Epicondylitis (medial and lateral)
- Ligamentitis
- Palmar fasciitis
- Patellofemoral syndrome
- Plantar fasciitis
- Rotator cuff injury
- Tarsal tunnel syndrome
- Tendinitis
- Tenosynovitis

TOTAL DISABILITY, means that, as a result of an injury:

- You are under the regular and personal care of a physician; and
- You are unable to perform the important daily duties pertaining to your occupation or profession; and
- You are not gainfully employed in any other occupation or profession.

Once disability benefits have been paid to you for twenty-four (24) months, the definition changes and total disability means that, as a result of the injury:

- You are under the regular and personal care of a physician; and
- You are unable to engage in any occupation for which you are reasonably qualified by your education, training or experience; and
- You are not gainfully employed in any other occupation or profession.

For the purposes of this definition, you are gainfully employed in an occupation or profession if you perform any of the duties associated with an occupation, profession or trade in return for money or other compensation. Total disability is deemed to begin with the first medical treatment by a physician following the injury.

RIDERS

REGULAR OCCUPATION EXTENSION: This rider extends to 5 years the period of time that the definition of total disability recognizes your inability to perform your regular occupation.

PARTIAL DISABILITY: When the insured has been totally disabled for 30 consecutive days or the length of the elimination period, whichever is longer, and then becomes partially disabled, we will pay 50% of the benefit for total disability, subject to a maximum benefit period of 6 months.

ACCIDENTAL DEATH OR DISMEMBERMENT: This rider provides benefits in the event of accidental death and dismemberment. The benefits are available in increments of $50,000 up to a maximum of $300,000.

ACCIDENTAL FRACTURE: This rider provides benefits for fractures due to an accident. Choice of 1 or 2 units. If one parent is insured, 50% of the benefit is payable for any child that sustains a fracture.

Accidental Fracture	1 unit	2 units
Skull with permanent neurological deficit	$12,500	$25,000
Skull without permanent neurological deficit	$5,000	$10,000
Vertebral column	$5,000	$10,000
Pelvis	$5,000	$10,000
Femur	$5,000	$10,000
Hip	$5,000	$10,000
Sternum	$1,500	$3,000
Scapula	$1,500	$3,000
Larynx	$1,500	$3,000
Trachea	$1,500	$3,000
Humerus	$1,500	$3,000
Tibia	$1,500	$3,000
Fibula	$1,500	$3,000
Patella	$1,000	$2,000
Ulna	$1,000	$2,000
Radius	$1,000	$2,000
Any other bone not indicated above	$500	$1,000

La Capitale
Financial Security

lacapitale.com

La Capitale Financial Security Insurance Company is a member company of La Capitale Financial Group, a steadfast financial institution that remains true to its mutualist origins and stands by its clients by providing access to personalized products and services to help build and protect what they value as essential to their financial security.

La Capitale Financial Security Insurance Company is a member of Assuris.

Assuris is the not for profit organization that protects Canadian policyholders in the event their life insurance company fails.

Details about Assuris' protection are available at www.assuris.ca or by calling the Assuris Information Centre at 1 866 878-1225.

Assuris
Protecting your life insurance
Protection de votre assurance vie

FD43 (07-2018)

100%

Pillar Series

Contract No. Leave this blank

Simplified Accident Insurance Application Form

La Capitale

In this application form, "the Insurer" means La Capitale Financial Security Insurance Company.

Indicate if this is: ◯ a new application form OR ◯ an additional coverage to existing contract No.: _____

1 POLICYHOLDER/INSURED'S INFORMATION

Language of correspondence	Sex	Last name	First name
◯ English ◯ French	◯ Male ◯ Female		

Last name at birth (if different)	Date of birth[1] Year / Month / Day

Address (No., street)	Apt.

City	Province	Postal code	Home tel.

☐ Cell tel. ☐ Work tel. (extension)	Occupation[2]	Occupational class[2]
		◯ 4A ◯ 3A ◯ 2A ◯ A ◯ B

Email	Duties

2 VERIFICATION OF POLICYHOLDER/INSURED'S IDENTITY

ID (Original documents only)

◯ Passport ◯ Driver's licence ◯ Health Insurance card (except Ont., Man., P.E.I.) ◯ Other photo ID issued by a federal or provincial government: _____

Document No.	Province or country of issue	Expiry date (if available) Year / Month	Jurisdiction of issue

3 ELIGIBILITY

To be eligible for Simplified Accident Insurance, the policyholder/insured needs to be able to answer *YES* to questions 1 and 2 and *NO* to question 3.

1. Do you currently work a minimum of 21 hours per week, 35 weeks per year?	◯ Yes ◯ No
2. Are you a Canadian citizen or has the Canadian government granted you permanent resident (landed immigrant) status?	◯ Yes ◯ No
3. Have you ever sustained an injury or have a current health problem that restricts your physical movements or prevents you from carrying out your daily duties?	◯ Yes ◯ No

4 ANNUAL INCOME[2]

4.1 SALARIED EMPLOYEE

Gross annual employment income $ _____

4.2 SELF-EMPLOYED AND BUSINESS OWNER

Net business profit based on the policyholder/insured's shares percentage[3] $ _____

\+

In the case of a corporation, the salary paid to the policyholder/insured by the company, if applicable $ _____

=

Net income **A** $ 0.00

Gross annual business income earned based on the policyholder/insured's shares percentage $ _____

−

Cost of goods sold based on the policyholder/insured's shares percentage $ _____

−

Salaries and payroll tax (excluding those of the policyholder/insured) $ _____

=

Gross business income **B** $ 0.00

Annual Income (the higher of **A** or **50% of B**) $ 0.00

Note 1: The policyholder/insured must be age 18 to 69 inclusive.
Note 2: Consult the pertinent section in the Advisor's Guide for more details.
Note 3: Net business profit based on the policyholder/insured's shares = shares percentage × (business income before taxes − business expenses that are deductible for income tax purposes)

Please initial any changes made.

Continued on the next page >>

5 CHOICE OF COVERAGE

Are you covered by workers compensation (e.g. WSIB for Ontario residents)? ◯ Yes ◯ No **If not**, only 24-hour coverage can be selected.

Do you pay Employment Insurance premiums? ◯ Yes ◯ No **If not**, only elimination periods of 0, 14 and 30 days can be selected.

COVERAGE		BENEFIT PERIOD			ELIMINATION PERIOD				MONTHLY BENEFIT[4]	MONTHLY PREMIUM[5]	
24-hour	Non-occupational	2 years	5 years	Up to age 70	0 days	14 days	30 days	120 days			
◯	◯	◯	◯	◯	◯	◯	◯	◯	$	$	A
☐ Additional coverage		☐	☐	☐	☐	☐	☐	☐	$	$	B

Simplified Accident Insurance monthly premium A + B $ 0.00

RIDERS

☐ Partial Disability					$	C
☐ Regular Occupation (5 years)					$	D
	COVERAGE		UNITS			
	Individual	Individual with children	1	2		
☐ Accidental Fracture[6]	☐	☐	☐	☐	$	E
	PRINCIPAL SUM					
	$50,000	$100,000	$150,000	$200,000	$250,000	$300,000		
☐ Accidental Death or Dismemberment[7]	☐	☐	☐	☐	☐	☐	$	F

Total monthly premium A + B + C + D + E + F $ 0.00 G

Total annual premium G × 12 $ 0.00

The premium may be subject to a provincial sales tax, if applicable.

6 BENEFICIARY INFORMATION (for the Accidental Death Rider)

A beneficiary is not designated: If a beneficiary is not designated, any benefits will be paid to the policyholder/insured's estate.

Revocable and irrevocable beneficiaries: A beneficiary designation is revocable unless otherwise indicated. However, in Quebec if the named beneficiary is the person to whom the policyholder/insured is married or civilly united, this designation is considered irrevocable unless the policyholder/insured indicates that he or she wishes for the designation to be REVOCABLE.

Designating an irrevocable beneficiary can have significant consequences. To replace a beneficiary designated as irrevocable, or carry out certain changes or transactions, the beneficiary's consent must be obtained. A minor irrevocable beneficiary cannot consent to a change or transaction, and the minor irrevocable beneficiary's parents and legal guardian are also unable to sign a document in that regard on his or her behalf.

Minor beneficiary: Outside Quebec, if a minor is the designated beneficiary, it is recommended that a trustee also be named. By naming a trustee, the benefit is payable to the trustee who will hold it in trust for the minor beneficiary until he or she is of legal age (not applicable in Quebec). In Quebec, the minor beneficiary's legal guardian will receive the payable benefit unless an official trustee has been named.

Estate, successors and legal heirs: The terms "estate", "successors" or "legal heirs" refer to the policyholder/insured's estate, successors or legal heirs.

Last name	First name	Date of birth Year Month Day	Relationship to the policyholder/insured	Check one Revocable	Check one Irrevocable	Share % Total: 100%
				☐	☐	
				☐	☐	

7 OTHER INSURANCE IN FORCE OR PENDING

Do you currently hold accident or sickness disability insurance (including group or union insurance) or have a pending application for any of these types of insurance?

◯ Yes ◯ No **If so**, provide the details of these contracts or applications.

Company name	Year and month issued (check if pending) Year	Month	Pending	Accidental Death Insured amount	DISABILITY Monthly benefit	Elimination period Accident	Elimination period Sickness	Benefit period Accident	Benefit period Sickness	Will the insurance applied for replace the existing insurance contract? Complete the prior notice of replacement, if required.
			☐	$	$					☐ Yes ☐ No
			☐	$	$					☐ Yes ☐ No

Note 4: For the maximum monthly benefit, consult the pertinent section in the Advisor's Guide.
Note 5: For premium rates, refer to the illustration software or consult the pertinent section in the Advisor's Guide.
Note 6: The policyholder/insured must be age 18 to 59 inclusive.
Note 7: The policyholder/insured must be age 18 to 64 inclusive.

Continued on the next page >>

8 PAYMENT

8.1 SELECT PAYMENT METHOD: ◯ Annual ◯ Preauthorized debit (PAD) Complete Section 9.

8.2 SELECT PAYMENT METHOD FOR THE INITIAL PAYMENT

◯ Payable by PAD Available only if the selected method of payment is PAD.
◯ Cheque attached to this application form $ ____________ Cheque must be made out to La Capitale Financial Security Insurance Company.
◯ Credit card Complete Section 10.

9 PREAUTHORIZED DEBIT (PAD) AGREEMENT

PREMIUM PAYOR'S INFORMATION

◯ Policyholder/insured ◯ Other: ◯ Mr. ◯ Ms.

First name ____________ Last name ____________

Address (No., street, apt., city, province) ____________ Postal code ____________

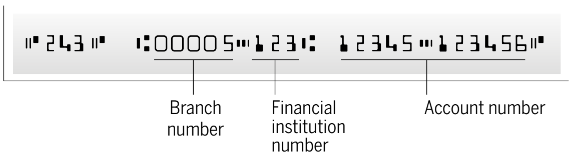
Tel. ____________ Date of birth: Year Month Day

◯ Business:

Company name ____________ Tel. ____________

Address (No., street, city, province) ____________ Postal code ____________

BANK ACCOUNT INFORMATION: ◯ Cheque specimen attached to the application ◯ Bank account information provided below:



Branch number ____________ Financial institution number ____________ Account number ____________

PAD TYPE: ◯ Personal ◯ Business

WITHDRAWAL DATE: The ______ of each month (between the 1st and 30th days of the month). If a date is not indicated, it will be selected by the Insurer.

I waive my right to receive advance notice of the amount and the date of the PAD and of any change to the amount and the date. This agreement may be cancelled upon receipt by the Insurer of 10 days' written notice prior to the scheduled date of the next PAD. To obtain a PAD cancellation form, or for more information about your right to cancel this agreement, contact your financial institution or visit www.cdnpay.ca. You have certain recourse rights if any debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information about your recourse rights, contact your financial institution or visit www.cdnpay.ca. I authorize the Insurer or its agent to debit the fixed monthly amounts required for payments due to the Insurer from the account indicated on the enclosed cheque specimen or from the account identified above.

✗ ____________ Signature of premium payor

____________ Date

La Capitale Insurance and Financial Services
625 Jacques-Parizeau St, Quebec QC G1R 2G5
Tel.: 418 528-2211 or 1 800 463-4433 | Email: fim@lacapitale.com

10 PAYMENT OF THE INITIAL PAYMENT BY CREDIT CARD

10.1 NOTICE

Section 10.2 below, which only contains information regarding the credit card used as the payment method for the initial payment, will be voluntarily deleted from this document prior to being filed in the Insurer's records. This is done for purposes of confidentiality and compliance with applicable laws and rules. The deletion of Section 10.2 does not constitute an alteration of this document of any kind whatsoever. The parties therefore agree that despite the deletion of Section 10.2, this document represents the entire and complete agreement between the parties with respect to its subject matter.

10.2 AUTHORIZATION FOR THE PAYMENT OF THE INITIAL PAYMENT BY CREDIT CARD

☐ Visa
☐ MasterCard
☐ American Express

Credit card number: ____________ Expiry date: Month Year

Authorization No. Reserved for the Administration

I authorize the Insurer to charge the initial payment of $____________ to the above-mentioned credit card. Upon receipt of this authorization, the Insurer will request the necessary authorization from the credit card issuer. If such authorization is obtained from the credit card issuer, the credit card will be charged.

✗ ____________ Credit cardholder's signature

____________ Credit cardholder's name

____________ Date

Please initial any changes made.

Continued on the next page >>

11 DECLARATIONS AND AUTHORIZATIONS

I hereby confirm that the information provided in this application form is true and complete, in the knowledge that the Insurer shall base its decision to approve or decline my application form on this information and I further understand that any incomplete, inaccurate, false or deceitful declarations may cause my insurance contract to be cancelled.

I understand that if I am eligible, the insurance shall become effective on the date on which the Insurer approves this application form, provided that the initial premium has been paid and there have been no changes in the nature of the insurable risk of the policyholder/insured since the date on which the application form was signed. I further agree that the applicable premiums shall be those that are in effect on the date on which the application form is received by the Insurer.

I agree that the suicide of the policyholder/insured during the first two years following the effective date of any life insurance benefit issued for the policyholder/insured shall cause the contract to be null and void with regard to that person and that the Insurer's only obligation shall be limited to the reimbursement of the premiums paid for this benefit.

I hereby authorize any person, organization or public or parapublic institution holding personal information about me, including healthcare professionals, medical establishments, the MIB, Inc., financial institutions, insurance and reinsurance companies, personal information agents, investigation or consumer reporting agencies, my employer or my previous employers to disclose this information to the Insurer or to its reinsurers for the purposes of managing my file and considering my claims. I further authorize the Insurer and its reinsurers to disclose the personal information they hold to such individuals or organizations, including the MIB, Inc., for such purposes.

A photocopy of this authorization shall be considered as valid as the original.

I acknowledge having read the brochure containing information about Simplified Accident Insurance, including guaranteed and non-guaranteed elements and any applicable exceptions and limitations. I acknowledge that my advisor has provided satisfactory explanations.

Signed at _____ on this _____ day of _____ 20 _____.

✗ _____

Policyholder/insured's signature

12 ADVISOR'S REPORT

12.1 ADVISOR'S INFORMATION

Advisor's name	Advisor's code	General agent	General agent's code

Email address to be used by the Insurer to obtain any additional information

12.2 COMMISSION STRUCTURE: ☐ Level ☐ High-low

Does not apply if the general agent has chosen a specific commission structure.

12.3 COMMISSION SPLIT

Advisor's name	Advisor's code	Split	General agent	General agent's code
		_____ %		
		_____ %		

12.4 ADVISOR'S DECLARATION

I hereby confirm that I have disclosed in writing the names of the companies that I represent, the fact that I am compensated by commission on the sale of insurance products and that I may receive additional compensation in the form of bonuses, convention participation or other incentives, as well as any potential conflicts of interest with regard to this sale.

I declare that I have provided all information about Simplified Accident Insurance, including guaranteed and non-guaranteed elements and any applicable exceptions and limitations.

I declare that I hold all necessary licences and certificates for selling the insurance being applied for in the province or territory where it is being purchased.

In signing, I confirm that to the best of my knowledge all the information provided in this insurance application form is complete, accurate, and up-to-date.

Signed at _____ on this _____ day of _____ 20 _____.

✗ _____

Advisor's signature

☐ Check here if you would like the insurance policy to be mailed directly to the policyholder.