



CIBC Mortgage Life Insurance

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Life insurance that pays or reduces the outstanding balance of your CIBC Mortgage in the event of death.

AFFORDABLE, CONVENIENT PROTECTION THAT PROVIDES PEACE OF MIND FOR YOU AND YOUR FAMILY.

Did you know CIBC also offers insurance coverage for your CIBC Personal Loan, CIBC Business and Farm Loan and CIBC Personal and Business Lines of Credit? Thinking about travelling? Ask your Branch about CIBC Travel Medical Insurance.

YOUR CERTIFICATE OF INSURANCE

This is an important document. Please keep it in a safe place.

Each applicant ("you") is insured under Group Policy G.60129 ("Policy"), subject to the terms and conditions in your Application and this Certificate. The Policy is issued by The Canada Life Assurance Company ("Canada Life"), 330 University Avenue, Toronto ON M5G 1R8 1 800 387-4495, to Canadian Imperial Bank of Commerce. ("CIBC").

Who can apply

You may apply for Life insurance if:

- you own or have entered into an agreement to purchase or you guarantee the repayment of the mortgage on one of the following dwellings, which is for your personal use, either as your own residence or for your rental income, and is the security for the mortgage:
 - single family dwelling **or**
 - duplex **or**
 - triplex **or**
 - quadruplex **or**
 - condominium unit **and**
- you are between the ages of 18 and 64 at the time your signed and completed application is received by CIBC, **and**
- you are a resident of Canada

A maximum of two people may be insured on the same mortgage.

When your insurance begins

Canada Life automatically approves your application and your insurance begins on the date of application if:

- you have answered "no" to the Health Question on the application **and**
- the mortgage amount, plus the outstanding balances of any other insured mortgages with the CIBC group of companies is \$500,000 or less **and**
- your mortgage has been approved by CIBC

If your application does not qualify for automatic approval, your insurance will begin when Canada Life advises you in writing that your application has been approved.

If you are refinancing or transferring your mortgage to another property, insurance on the new mortgage will begin on the date your previous mortgage is discharged, unless you are no longer eligible or if you are declined for coverage.

What you pay for your life insurance

The monthly payment for each insured mortgage is calculated using the rate table below, your age when you apply for insurance on the mortgage and

- if the mortgage has already been advanced on the date you apply for insurance, the lesser of: i) the outstanding mortgage balance on the date you apply for insurance, and ii) \$750,000 or
- if the mortgage has not been advanced on the date you apply for insurance, the lesser of: i) the mortgage amount advanced, and ii) \$750,000.

Once calculated, your payment remains constant throughout the life of your mortgage unless you refinance or transfer your mortgage. If you refinance your mortgage and your application for insurance is accepted, your life insurance payments will be based on the new amount borrowed, and your age when you were originally approved for insurance. In cases where the new mortgage is a refinance or if the mortgage amount shown on the insurance application changes, the insurance payment shown may be reduced at the time of processing. During processing, your original age will be used instead of your current age and your insurance premium will be adjusted accordingly.

Monthly rates* per \$1,000 of the insured amount

Age Group	Under 30	30 - 35	36 - 40	41 - 45	46 - 50	51 - 55	56 - 60	61 - 64
Single Coverage	\$0.08	\$0.13	\$0.20	\$0.29	\$0.43	\$0.64	\$0.82	\$0.97
Joint Coverage**	\$0.11	\$0.18	\$0.28	\$0.41	\$0.60	\$0.90	\$1.15	\$1.36

These rates are subject to change

*If the Payment Frequency is other than monthly, the monthly premium will be apportioned equally to each mortgage payment.

**For joint coverage, the payment is based on the age of the older Applicant (or Guarantor if applicable).

For example, you are age 36 and your wife is age 32 and you both applied for a mortgage of \$150,000. Your mortgage insurance payment would be based on age 36 and would be calculated as follows: "\$150,000/1000 x \$0.28 = \$42.00"

When you refinance or transfer your mortgage

When you refinance or transfer your mortgage to another property, your CIBC mortgage insurance ends. You will need to reapply for insurance by completing a new application. If approved, your new coverage is subject to all the terms and conditions of the policy as of the date of your new application for insurance.

If due to a health condition, you are not approved for life insurance to cover the amount of the new mortgage, Prior Coverage Recognition may apply. It allows you to keep the amount of life insurance you had on your previous mortgage at the time you refinanced, up to the percentage it represents of the new mortgage amount. At the time of your death, the benefit will be limited to this percentage, and applied to the outstanding mortgage balance.

For example, you have an insured CIBC Mortgage with an outstanding balance of \$50,000 when you decide to refinance. You apply for an increase to \$100,000 and are declined insurance for the additional \$50,000. But with Prior Coverage Recognition, you are still insured for the prior insured mortgage's original outstanding balance of \$50,000. As \$50,000 represents 50% of your new mortgage amount, the death benefit will be 50% of your new balance on the newly financed mortgage up to a maximum of \$50,000. When you die, the outstanding mortgage balance is \$60,000; therefore, the benefit paid will be 50% of that amount - \$30,000, subject to the limitations and exclusions below.

If you qualify for Prior Coverage Recognition, your new coverage will become effective on the date of your new application for insurance and your insurance payment will be the same as it was prior to refinancing your mortgage to another property. In order to take advantage of this feature, all other "Who can apply" requirements must be met (for example, being between the ages of 19 and 64) and your new insurance application must be submitted within 120 days of paying out your previous mortgage.

What Canada Life pays

Upon receiving proof of your death, Canada Life will pay to CIBC the lesser of:

- the outstanding balance of your mortgage on the date of your death **and**
- \$750,000 for all insured mortgages with the CIBC group of companies **and**
- the maximum approved insurance amount under "Prior Coverage Recognition"

When Canada Life will not pay any benefit

- you take your own life, if you have had this insurance for less than 2 years
- your death is directly or indirectly due to or was in any manner or degree associated with or occasioned by your commission or attempted commission of a criminal offence, including but not limited to operating a motor vehicle while impaired

When Canada Life limits the life benefit paid

Benefits will be approved, but the amount paid will be limited if:

- mortgage payments are due on the date of your death, the benefit paid will exclude those payments and any interest on those payments
- the amount of all your insured mortgages with the CIBC group of companies is over \$750,000 at the time of your death, the maximum benefit paid will be \$750,000
- you have taken advantage of the "Prior Coverage Recognition" feature

For example: You have one insured CIBC Mortgage with a current balance of \$700,000. You take another CIBC Mortgage of \$400,000, which you also wish to insure. The insurance amount available to you is \$50,000, which is the maximum benefit of \$750,000 minus your insured mortgage of \$700,000. Therefore, 12.5% of your second CIBC Mortgage will be insured ($\$50,000/\$400,000 = 12.5\%$).

If the outstanding balance of your additional CIBC Mortgage is \$350,000 at the time of your death, the benefit paid will be \$43,750 (12.5% of the mortgage's outstanding balance) subject to the limitations and exclusions above. In addition, the full outstanding balance on your first CIBC Mortgage will be paid.

When your insurance ends

Your life insurance ends on the date:

- you reach your 70th birthday **or**
- we receive a signed letter from you cancelling it **or**
- your mortgage is discharged, refinanced or transferred to another property **or**
- you switch your mortgage to another lender **or**
- the property being used as security for the mortgage is foreclosed or disposed of **or**
- when you have not made mortgage payments, including your insurance payments, for 90 days **or**
- CIBC and Canada Life no longer offer the insurance

You should know...

- An insurance claim form is available from any CIBC branch. We recommend that a claim be made as soon as possible, so that your family does not have to worry about the mortgage. A claim must be made within three years of the date of death.
- You can save as much as 60% for life insurance when two people are approved on the same CIBC Mortgage.
- If your insurance is cancelled because you have not paid the mortgage payments, you must reapply for coverage by completing a new application.
- You have 30 days from the effective date of your application to cancel your insurance at no cost to you.
- Mortgages or properties registered in a company name are not eligible for insurance.

For CLAIMS and any other QUESTIONS... Call the Creditor Insurance Helpline at 1 800 465-6020

CIBC is not an agent of Canada Life. No employee of CIBC has the authority to amend or waive any conditions of the application for insurance or any conditions of the Certificate or Policy.

The CIBC Mortgage Life Insurance Plan is underwritten by Canada Life. CIBC will receive an administration fee from Canada Life in respect of the Plan and persons promoting the insurance on behalf of CIBC may receive compensation for such promotion.

This certificate represents the general terms and conditions of the Master Policy. CIBC and Canada Life reserve the right to change the terms of the Policy. You will be given advance notice of any changes.