



# CIBC Mortgage Life Insurance

*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**

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") 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**

Your application will be automatically approved and your insurance begins immediately 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 immediate approval, it must be sent to Canada Life for approval and 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.

### **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 this case, the insurance payment shown on the application may be reduced at the time of processing.

Monthly life insurance 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

\*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, you will need to reapply for insurance by completing a new application. 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 paid will be limited to this percentage, and applied to the outstanding mortgage balance.

If you qualify for Prior Coverage Recognition, your insurance payment will be the same as it was prior to refinancing or transferring 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 18 and 64) and your new insurance application must be submitted within 120 days of paying out your previous mortgage.

Prior coverage recognition does not apply to the 2 year limitation period for taking your own life. This limitation starts over when the insurance on the new mortgage begins. Your insurance begins as of the date your previous mortgage is discharged.

*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.*

### **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 **or**
- \$750,000 for all insured mortgages with the CIBC group of companies **or**
- the maximum approved insurance amount under "Prior Coverage Recognition"

### **When Canada Life will not pay any benefit**

- you take your own life, whether you are sane or insane, if you have had this insurance for less than 2 years
- your death results from committing or attempting to commit a criminal offence, such as illegally using alcohol or drugs

### **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
- 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 70<sup>th</sup> birthday **or**
- we receive a signed letter from you cancelling it **or**
- your mortgage is discharged, refinanced or transferred to another property **or**
- your mortgage is assigned to another creditor **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 offers 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 one year 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.

**QUESTIONS? Call the Creditor Insurance HelpLine at 1-800-465-6020**  
*or visit our website at [www.cibc.com](http://www.cibc.com)*