

The purpose of this fact sheet is to inform you of your rights.  
It does not relieve the insurer or the distributor of their obligations to you.

## LET'S TALK INSURANCE!

Name of distributor: Royal Bank of Canada

Name of insurer: RBC Life Insurance Company

Name of insurance product: Business Loan Insurance Plan – Life and Disability Insurance (with Accidental Dismemberment) - Simplified Application



### IT'S YOUR CHOICE

**You are never required to** purchase insurance:

- that is offered by your distributor;
- from a person who is assigned to you; or
- to obtain a better interest rate or any other benefit.

Even if you are required to be insured, **you do not have to** purchase the insurance that is being offered. **You can choose** your insurance product and your insurer



### HOW TO CHOOSE

To choose the insurance product that's right for you, we recommend that you read the summary that describes the insurance product and that must be provided to you.



### DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration.

The distributor **must** tell you when the remuneration exceeds 30% of that amount.



### RIGHT TO CANCEL

The Act allows you to rescind an insurance contract, **at no cost** within 10 days after the purchase of your insurance. However, the insurer may grant you a longer period of time. After that time, fees may apply if you cancel the insurance. **Ask** your distributor about the period of time granted to cancel it **at no cost**

If the cost of the insurance is added to the financing amount and you cancel the insurance, your monthly financing payments might not change. Instead, the refund could be used **to shorten the financing period. Ask your distributor for details.**

**The Autorité des marchés financiers can provide you with unbiased, objective information.**

Visit [www.lautorite.qc.ca](http://www.lautorite.qc.ca) or call the AMF at 1-877-525-0337.

Reserved for use by the insurer:

This fact sheet cannot be modified



**Please note:**

Subsequent correspondence or other RBC Royal Bank® documents may refer to this Product Summary as the Distribution Guide.

## Business Loan Insurance Plan – Product Summary

### Life and Disability Insurance (with Accidental Dismemberment) – Simplified Application

#### Name and contact information for the Insurer and Distributor

The Business Loan Insurance Plan is creditor’s group insurance underwritten by RBC Life Insurance Company (the “Insurer”). The Group Policyholder is Royal Bank of Canada (“RBC Royal Bank”). Life and Disability Insurance (with Accidental Dismemberment) is provided under Group Policy 52000.

RBC Life Insurance Company is the Insurer of this product.

**RBC Life Insurance Company**  
PO Box 1840, Mississauga, ON L4Y 4H0  
Telephone: 1-855-264-2173  
Website: [rbcinsurance.com](http://rbcinsurance.com)  
AMF client number: 2000479974

The Distributor of this insurance is Royal Bank of Canada (“RBC Royal Bank”).

**Insurance Service Centre**  
PO Box 53, Station A, Mississauga, ON L5A 2Y9  
Telephone: 1-800-769-2523  
Fax: 1-800-864-6102  
Email: [isc@rbc.com](mailto:isc@rbc.com)

#### Name and type of this insurance product

<b>Insurance product name</b>	Business Loan Insurance Plan – Life and Disability Insurance (with Accidental Dismemberment) – Simplified Application
<b>Insurance product type</b>	The Autorité des marchés financiers classifies this insurance product as Debtor Life, Health and Employment Insurance.



## How to read this product summary

This product summary is an overview of the Business Loan Insurance Plan (“Plan”) as it applies to insurance underwritten by RBC Life Insurance Company for eligible business loans with RBC Royal Bank. For full details on Life and Disability Insurance (with Accidental Dismemberment) provided without answering any health questions, please read the Business Loan Insurance Plan Certificate for Life, Disability and Accidental Dismemberment Insurance (“Certificate”) together with the Business Loan Insurance Plan Simplified Application (“Simplified Application”).

To find this product summary and the Terms and Conditions online, go to [rbcinsurance.com/business-insurance/distributor/blip-policies-and-quebec-documents.html](https://rbcinsurance.com/business-insurance/distributor/blip-policies-and-quebec-documents.html).

Words and terms that appear in **bold, italic** font throughout this product summary are defined below:

**Accident** means bodily injury that occurs solely as a direct result of a violent, sudden and unexpected action from an outside force.

**Accidental Dismemberment** means the loss by **Accident** of an arm, leg, hand or foot by severance through or above the joint, or the loss of all sight in one or both eyes.

**Actively Working or Actively at Work** means gainfully employed and carrying out the regular duties of the **Proposed Insured’s** occupation for the **Business**, for wages or expectation of profit, at least twenty (20) hours per week based on the twenty-eight (28) days immediately prior to the application date.

**Authorized Signor(s)** means a representative or representatives designated by the **Business** whose signature(s) represents authority to deal on the **Business’s** behalf.

**Business** means any legal entity that provides a product or service to general consumers for the expectation of profit while operating in Canada.

**Business Loan** means a business term loan, revolving loan or RoyFarm® Mortgage with RBC Royal Bank that is identified by an 8-digit loan number and may also include 3-digit loan segments opened under the 8-digit loan number.

**Disability, Disabled** mean bodily injury, disease, sickness, complications due to pregnancy or any related medical conditions that require the active and continuous care of a physician and prevent the **Insured Person** from performing the substantial duties of their own occupation that they held before becoming **Disabled**, or engaging in any occupation or gainful employment.

**Eligible** means that you, the **Business** and the **Business Loan** meet all necessary criteria to apply for life insurance with **Accidental Dismemberment** insurance under your **Business Loan** without answering any health questions.

**Evidence of Insurability** means health information the Insurer might require if the amount of your **Insured Loan** increases beyond \$150,000 and you wish to increase your amount of insurance.

**Insured Loan** means a **Business Loan** that meets the eligibility criteria and has been approved for this insurance.

**Insured Person** means an individual who is **Eligible** for, has applied for and has been approved for Business Loan Insurance Plan insurance coverage.

**Pre-existing Condition** means a condition or health problem for which, in the **12 months** before the effective date of insurance, the **Insured Person** received **Treatment**. (**Treatment** means advice, consultation, care, surgery, diagnosis and/or service provided by a physician or other health-care provider. This includes, but is not limited to, diagnostic measures, taking pills, injections or other forms of medication prescribed for a health condition.)

**Premium** means the amount you must pay for insurance for a specific period (plus any applicable taxes).

**Premium Rate** means the unit cost of insurance.



**Proposed Insured** means an individual who is **Eligible** for and has submitted an Application for Business Loan Insurance Plan insurance coverage.

**Seasonally Employed** means the **Proposed Insured** works during the same part of the year and his or her documented employment history sets the expectation that he or she will return to the same work every following season.

**Single Dismemberment** means the irrecoverable loss due to an **Accident** of a leg, arm, hand, foot or entire sight in one eye. (If you lose your hand or foot along with the arm or leg it was attached to, such combined loss is still considered a **Single Dismemberment**.)

**Multiple Dismemberment** means the irrecoverable loss due to an **Accident** of both legs, arms, hands, feet or entire sight of both eyes, or a combination of any two or more (e.g. one arm and one leg).

Depending on the context in which these terms appear, “you” and “your” mean the sole owner or joint owner of the **Business**.

### How does this insurance help protect my Business Loan?

Life insurance and **Accidental Dismemberment** insurance will reduce or pay off the balance of an **Insured Loan** should the **Insured Person** die or have a permanent loss due to an **Accident**.

**Disability** insurance will help cover payments owed under a **Business Loan** should the **Insured Person** become **Disabled**.

### How much insurance is available for my Business Loan?

Under the Business Loan Insurance Plan, if you, your **Business** and your **Business Loan** are **Eligible**, you can apply for the following amounts of optional creditor’s group insurance without providing **Evidence of Insurability**.

Insurance type	Benefit	Maximum insurance benefit
<b>Life</b>	Lump sum payment if you die	<b>\$150,000</b> under your Certificate
<b>Accidental Dismemberment</b>	Lump sum payment if you have an <b>Accidental Dismemberment</b>	Per <b>Accident</b> benefit under the Plan: <ul style="list-style-type: none"> <li>• <b>\$25,000</b> per <b>Single Dismemberment</b></li> <li>• <b>\$50,000</b> per <b>Multiple Dismemberment</b></li> </ul>
<b>Disability</b>	Regularly scheduled payments if you continue to be <b>Disabled</b> for longer than 60 consecutive days	<b>\$7,000</b> per month: <ul style="list-style-type: none"> <li>• Per <b>Disability</b> claim, to a maximum payment period of <b>24 months</b></li> <li>• Lifetime maximum payment period of <b>48 months</b></li> </ul>

You cannot obtain more than a total of \$150,000 of life insurance with **Accidental Dismemberment** or \$7,000 per month of **Disability** insurance coverage under the Plan without **Evidence of Insurability**. If you require additional coverage under the Plan, you must complete a new application for this or any other loans with RBC Royal Bank. The coverage that you have on the Simplified Application, as applicable, will apply to the overall Plan maximum of \$1,000,000.



### Which businesses and loans are *Eligible*?

To be *Eligible*, the **Business** must be domiciled and operating in Canada. The **Business Loan** must be:

1. In Canadian dollars, and
2. Any of the following types:
  - RBC Royal Bank fixed and/or variable rate term loan or demand loan
  - RoyFarm® Mortgage
  - Revolving credit facility by way of an RBC Royal Bank prime-based loan

### Am I *Eligible* to apply?

You are *Eligible* to apply if **on the date of application** you are:

- A Canadian resident
- A sole or joint owner of the **Business**, and
- At least **18** years old and less than **65** years old

### How do I apply?

You can apply for insurance through the Simplified Application at the same time you:

- Apply for your **Business Loan**, or
- Apply to increase the authorized credit limit of your uninsured loan

### When does my insurance start?

Provided you, your **Business** and your **Business Loan** are *Eligible*, insurance applied for through the simplified process starts on the date of your Simplified Application.

### How much will my insurance cost?

**Premium Rates** for life insurance are based on your:

- Gender
- Answer to the smoking status question at the time of application, and
- Age at the date the **Premium** is payable

**Premium Rates** for **Disability** insurance are based on your age at the time the **Premium** is payable.

In addition to the **Premium Rate** increasing as the **Insured Person** ages, **Premiums** payable for this insurance may go up or down from month to month, depending on the average daily outstanding balance for the period covered by your loan account statement.

Quebec sales tax is added to your **Premium**.

See the “Insurance Premium Information” section of the Certificate for **Premium Rates** and sample calculations.

### What does the Insurer pay?

If the **Insured Person’s** claim is approved, the Insurer will pay a benefit to RBC Royal Bank on behalf of the **Business**, up to the applicable maximum.



Insurance type	Benefit under your Certificate
<b>Life</b>	<p><b>For all loan types EXCEPT revolving credit facilities:</b></p> <ul style="list-style-type: none"> <li>• The outstanding insured balance as of the date of death</li> </ul> <p><b>For revolving credit facilities, the lesser of:</b></p> <ul style="list-style-type: none"> <li>• The outstanding insured balance as of the date of death, or</li> <li>• The average monthly insured balance for the 12-month period immediately prior to the month of death</li> </ul>
<b>Accidental Dismemberment</b>	<p>For a <b>Single Dismemberment</b>, the lesser of:</p> <ul style="list-style-type: none"> <li>• 50% of the outstanding insured balance as of the date of the irrecoverable loss, or</li> <li>• \$25,000</li> </ul>
<b>Accidental Dismemberment</b>	<p>For a <b>Multiple Dismemberment</b>, the lesser of:</p> <ul style="list-style-type: none"> <li>• The outstanding insured balance as of the date of the irrecoverable loss, or</li> <li>• \$50,000</li> </ul>
<b>Disability</b>	<p><b>For all loans other than revolving credit facilities that have a blended payment of principal and interest:</b></p> <ul style="list-style-type: none"> <li>• The regular loan payment amount</li> </ul> <p><b>For all loans other than credit facilities that have a fixed principal payment plus interest:</b></p> <ul style="list-style-type: none"> <li>• The regular principal loan payment plus 1% of the average insured balance for the 12-month period prior to the month in which you became <b>Disabled</b></li> </ul> <p><b>For revolving credit facilities:</b></p> <ul style="list-style-type: none"> <li>• 1% of the average insured balance, based on the outstanding balance for the 12-month period prior to the month in which you became <b>Disabled</b></li> </ul>

The Insurer will also pay interest, calculated at the loan interest rate(s), to a maximum of one year from the date of death or **Accidental Dismemberment** to the date of payment by the Insurer.

For **Disability** insurance claims, the Insurer will also pay any insurance premiums plus applicable taxes owed under your **Insured Loan**.

Your insurance benefit may not cover the entire amount owing on all of your insured **Business Loans**.



### What if I have an insurance claim?

You should always make an insurance claim as soon as possible using the claim form, which can be obtained at the claimant's request from any RBC Royal Bank branch or by calling the RBC Insurance Service Centre at 1-800 ROYAL 2-3 or 1-800-769-2523.

### How long do I have to make a claim?

There is no time limit for making life insurance claims.

Under the Quebec Civil Code, claimants have **three years** to file a legal action.

For the prompt resolution of the following types of insurance claims, you should submit your claim within the following timelines:

- **Accidental Dismemberment** claims – within **90** days of the date of loss
- **Disability** claims – within **150** days from the date of **Disability**

### How long for the Insurer's claim decision and payment?

The Insurer will send you the claim decision in writing within **30** days of receiving all the information required to make it.

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

Whenever a claim is not approved, the Insurer's written decision will include the reasons for that decision.

### What if I want to appeal the Insurer's claim decision?

If the Insurer does not approve your claim, you have **90** days from the date of the Insurer's original claim decision to file an appeal. Your appeal must be in writing and you must include new information that is pertinent to your claim.

You may consult the Autorité des marchés financiers or an independent legal advisor for assistance with your appeal.

### What exclusions and limitations apply to this insurance?

**The Insurer will cancel insurance upon discovering that you made a misrepresentation or false declaration, including smoking status, on your application for insurance, or in connection with an insurance claim.**

For a full list of exclusions and limitations, please see the "Limitations" and "Exclusions" subsections for each insured benefit in the Certificate. **The following are the most common reasons for the Insurer to deny an insurance claim:**

#### Life benefit

- Death is a result of suicide within **two** years from the effective date of insurance.
- Death is directly or indirectly caused or contributed to by the **Insured Person's** operation of a motorized vehicle or vessel while impaired by drugs or substances, or the **Insured Person's** blood alcohol concentration exceeds **80** milligrams of alcohol in **100** millilitres of blood (**0.08**).

#### Accidental Dismemberment benefit

- Dismemberment is due to intentional self-inflicted injuries.
- Dismemberment is directly or indirectly caused or contributed to by the **Insured Person's** operation of a motorized vehicle or vessel while impaired by drugs or substances, or the **Insured Person's** blood alcohol concentration exceeds **80** milligrams of alcohol in **100** millilitres of blood (**0.08**).

#### Disability benefit

- The **Insured Person's Disability** is the result of intentional self-inflicted injuries.
- The **Insured Person** is not under the active and continuous care of a physician.
- The **Insured Person's** operation of a motorized vehicle or vessel while impaired by drugs or substances, or the **Insured Person's** blood alcohol concentration exceeds **80** milligrams of alcohol in **100** millilitres of blood (**0.08**).



### Is there a *Pre-existing Condition* limitation and when does it apply?

The limitation for *Pre-existing Conditions* under your Certificate will only apply to claims when:

- The *Insured Person's* claim occurs within 12 months of the effective date of coverage as described in the "When does my insurance start?" section of this product summary, and
- The *Insured Person's* claim is due to a *Pre-existing Condition*

### When will the Insurer limit the benefit?

If an *Insured Person* dies as a result of an *Accident*, only the life insurance benefit will be payable.

If two or more *Insured Persons* die as a result of the same *Accident*, the maximum life insurance benefit the Insurer will pay under your *Business Loan* is the amount of insurance in force for each *Insured Person*, up to a combined maximum of \$1,000,000.

When more than one *Insured Person* is *Disabled* at the same time, the Insurer will pay one *Disability* claim at a time.

### When does the insurance end?

Your insurance ends on the **earliest** of the following dates:

- The date the *Business* is no longer domiciled or ceases to operate in Canada
- The date you are no longer a Canadian resident
- The date the *Insured Loan* is closed
- The date the Insurance Service Centre receives a request from an authorized representative of the *Business* to cancel this insurance
- The date the *Insured Loan* is assumed in writing by another person or business
- The date all or part of the insurance premium is more than 90 days overdue
- The date the Policy is terminated
- The last day of the month you turn age 70\*, even if the amortization period of the debt extends beyond your 70th birthday, or
- The day you die

\* For revolving credit facilities, if the last day of the month falls on a Friday, Saturday, Sunday or statutory holiday and a financial transaction on the account occurs between the last day of the month and the next business day, your coverage on the revolving credit facilities only will end on the next business day.

### When and how can I cancel my insurance?

This insurance is optional and the *Business* can cancel at any time. Although the *Insurers Act* and the *Act Respecting the Distribution of Financial Products and Services* allow for a 10-day period to cancel without penalty, the Insurer allows 30 days.

To cancel this insurance:

- Contact the Insurance Service Centre at 1-800 ROYAL 2-3 (1-800-769-2523)
- If cancelling within the first 10 days of signing the insurance contract, you can use the Notice of Rescission form the Distributor gave your *Business* when you applied for this insurance

After the 30-day period allowed by the Insurer, there will be no premium refund on cancellation, except where *Premiums* may have been collected in error.





### Who can answer my questions about this insurance?

For questions regarding the general administration of this insurance, you may contact the Insurance Service Centre at 1-800 ROYAL 2-3 (1-800-769-2523). For questions about underwriting or claims, you may contact the Insurer at 1-855-264-2173.

For more information about the obligations of insurers and distributors, you can contact the Autorité des marchés financiers as follows:

#### **Autorité des marchés financiers**

Place de la Cité, Tour Cominar  
2640, boul. Laurier, 4<sup>e</sup> étage (Québec) QC G1V 5C1

Tel:

Quebec: 418-525-0337

Montreal: 514-395-0337

Toll-Free: 1-877-525-0337

Website: [lautorite.qc.ca](http://lautorite.qc.ca)

### Where can I find the Insurer's complaint resolution process?

You can find a summary of the Insurer's complaint processing policy and where a complaint may be filed by going to [rbc.com/customercare](http://rbc.com/customercare) and scrolling down to RBC Insurance.



NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

Section 440 of the Act respecting the distribution of financial products and services (chapter D-9.2)

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

The Act allows you to rescind an insurance contract, without penalty, within 10 days of the date on which it is signed. However, the insurer may grant you a longer period.

To rescind the contract, you must give the insurer notice, within that time, by registered mail or any other means that allows you to obtain an acknowledgement of receipt.

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 the expiry of the applicable time, you may rescind the insurance contract at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at 1-877-525-0337 or visit [lautorite.qc.ca](http://lautorite.qc.ca).

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To:

RBC Life Insurance Company

(Name of insurer)

Group Billing Support, PO Box 1840, Mississauga ON L4Y 4H0

(Address of insurer)

Date: \_\_\_\_\_ (Date of sending of notice)

Pursuant to section 441 of the Act respecting the distribution of financial products and services, I hereby rescind insurance contract no. 52000.

(Number of contract, if indicated)

Entered into on: \_\_\_\_\_ (Date of signature of contract)

Entered into on: \_\_\_\_\_ (Date of signature of contract)

In: \_\_\_\_\_ (Place of signature of contract)

In: \_\_\_\_\_ (Place of signature of contract)

\_\_\_\_\_  
Name of client

\_\_\_\_\_  
Name of client

**X**  
\_\_\_\_\_  
Signature of client (Authorized signor 1)

**X**  
\_\_\_\_\_  
Signature of client (Authorized signor 2)