



BUSINESS OVERHEAD EXPENSE INSURANCE

Effected with certain Lloyd's Underwriters (hereinafter called the "Insurer", "We", "Us", "Our") through Lloyd's Approved Coverholder

HUNTER MCCORQUODALE ("the Coverholder")
1200 - 145 Wellington St. W, Toronto, Ontario M5J 1H8

Business Overhead Expense Insurance - Plan Summary

Maximum Monthly Benefit: Depends on demonstrated need. There is no overall issue or participation limit.

Elimination Periods: 30, 60, 90, 120 or 180 days

Periods of disability due to the same or related causes and separated by 60 days or less can be accumulated to satisfy the elimination period.

Benefit Periods: maximum 24 months

The maximum benefit period is cumulative e.g. if the maximum benefit period is 12 months, the maximum total amount payable under the policy is the 12 times the monthly benefit, for all qualifying periods of disability.

Definition of Total Disability: Inability, due to injury or sickness, to perform the substantial duties of the regular occupation. The claimant must be receiving appropriate physician's care.

Recurrent Total Disability: After the elimination period has been satisfied, if the claimant recovers but suffers a recurrence of disability within six months, due to the same or related causes, benefits will continue without the need to satisfy a new elimination period.

Covered Overhead Expenses: Expenses incurred by the insured person, while disabled, that are usual and customary in the operation of the business and that are necessarily incurred despite the absence of the insured person, in order to maintain the viability of the business or practice until they return to work.

Carry Over Provision: If covered expenses in a month exceed the monthly benefit amount of the policy, the excess can be carried forward and reimbursed in a subsequent month, during the same period of disability.

Extended Monthly Benefit Provision: We will continue to pay benefits after the end of the maximum benefit period of the policy, until the total amount paid equals the monthly benefit amount of the policy multiplied by the number of months in the maximum benefit period.

Policy Terms and Renewability: Policies may be issued for a term of up to three years. Policy provisions and premiums are contractually guaranteed until the end of the policy term. Subsequent renewal is non-contractual, but policies can normally be renewed for a further period(s), subject to underwriting approval. A new application may be required. We reserve the right to request additional underwriting evidence for any renewal.

Premium: For policy terms of one year or more premiums are payable on an annual basis. For policy terms of less than a year the full premium is payable in advance. The minimum premium is \$750. In addition a \$250 policy fee applies in the first year of the term of coverage.

Currency: Contracts may be denominated in either Canadian or United States currency. Benefits and premiums must be in the same currency.

Claim Determination: Verification of qualifying disability is to be made by two physicians, one appointed by the person insured and one by the insurer. Should the two physicians not agree they will name a third physician, whose determination is binding on all parties.

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Exclusions:

- 1) War; military service; riot (can be covered at an additional cost)
- 2) Nuclear, chemical and biological terrorism
- 3) Intentionally self-inflicted injuries; attempted suicide; provoked assault; deliberate exposure to exceptional danger
- 4) Commission or attempted commission of a crime
- 5) Parachuting; hang-gliding; bungee-jumping; rock or ice-climbing; motorized vehicle racing (most hazardous avocations can be covered at an additional cost)
- 6) Flying except as a commercial passenger (other flying risks can be covered at an additional cost)
- 7) Excessive alcohol use; non-prescribed drug use
- 8) Subjective pain (not medically verifiable)
- 9) Normal pregnancy
- 10) Incarceration

IMPORTANT: This is intended as a summary of the important features of the standard policy. Underwriters reserve the right to offer modified coverage based on the specifics of each risk. For example, not all elimination periods and/or benefit periods may be available in a specific situation. Coverage may be issued with additional exclusions or other modifications based on the nature of the risk and information obtained during the course of underwriting, including written answers given as evidence of insurability, and medical and financial information obtained from the applicant or third parties, or other information material to the risk. The actual policy provisions will govern the payment of claims.

Hunter McCorquodale 1200 - 145 Wellington St. W, Toronto, Ontario M5J 1H8
Toll-free at 1-888-995-9199 or in Toronto at (416) 322-7268 Fax (416) 322-6846
Email: info@hunmcc.com Web: www.hunmcc.com