



DISABILITY BUY SELL 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

Buy Sell Insurance - Plan Summary

General: Disability benefits are payable on a lump sum basis, based either on a Temporary Total Disability or Permanent Total Disability Definition.

Elimination Periods: minimum 6 months, maximum 60 months

The Elimination Period is satisfied by qualifying Total Disability. 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 Amount: The maximum benefit available on any one life is \$20 million. There is no participation limit (if other coverage is in force we can issue up to an additional \$20 million). The benefit payable will be the lesser of the sum insured and the actual amount payable under the terms of the buy-sell agreement.

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.

Definition of Permanent Total Disability: There is no reasonable expectation of recovery, during the claimant's lifetime, from the effects of a sickness or injury to the extent that they will be able to resume the substantial duties of their regular occupation.

Temporary Total Disability Plan: To qualify for benefits, the insured person must only satisfy the Elimination Period. This is the way that regular market plans are designed.

Permanent Total Disability Plan: To qualify for benefits, the insured must satisfy the Elimination Period, and also at that time must satisfy the definition of Permanent Total Disability. Some businesses prefer this version due to its lower cost.

Buy-Sell Agreement: A buy-sell agreement must be in place at the onset of Total Disability. If disability occurs during the first year of the policy, the agreement may be executed during the elimination 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.

Buy Sell Insurance – Plan Summary

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.

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
- 11) Mental Disorders (can be covered at an additional cost)

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