

DISTRIBUTION GUIDE

Name of the Insurance Product: The Brick Payment Protection Plan

Type of Insurance Product: Group credit insurance providing coverage for life (from age 65, accidental death), Dismemberment, disability, critical illness and involuntary unemployment.

Insurer's Contact Information:

Compagnie d'Assurance-Vie Trans Globale

16930 114 Avenue, Suite 275
Edmonton, Alberta T5M 3S2

 Toll Free 1.844.930.6022
 Fax 1.844.930.6021
 Email info@transglobalinsurance.ca

Distributor's Contact Information:

The Brick Warehouse LP
10001 Metropolitain Est,
Point-aux-Trembles, QC H1B 5Y3
brickcard@thebrick.com

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*Responsibility of l'Autorité des marchés financiers
l'Autorité des marchés financiers does not express an opinion on the quality of the product offered in this guide. The insurer is alone responsible for any discrepancies between the wording of the guide and of the policy.*

Introduction

This Distribution Guide describes the optional balance payment insurance offered on The Brick Visa Desjardins Card. It provides you with comprehensive information to allow you to determine whether the insurance product offered meets your needs, without having a personal insurance advisor or an agent present.

This guide is provided for informational purposes only. Benefits will be paid in accordance with the terms of the Certificate of Insurance.

Definitions

In this Distribution Guide, the words *in italics* are defined as follows:

ACCIDENTAL DEATH: Death through accidental means sustained directly and independently of all other causes. The death must occur within 100 days from date of the accident.

ACCOUNT: Your Brick Credit Card account.

CANCER: Any malignant tumour characterized by the uncontrolled growth and spread of malignant cells and invasion of tissue. Cancer includes leukemia and Hodgkin's disease but does not include:

- Tumours which are pre-malignant, non-invasive or cancer in situ;
- Stage A prostate cancer, Duke's Stage A colon cancer, or any pre-malignant lesions, benign tumours or polyps;
- Kaposi's sarcoma; and
- Any skin cancer that is not malignant invasive melanoma and that has not exceeded .75 millimeters in depth.

CORONARY ARTERY BY-PASS GRAFT: means the undergoing of heart Surgery to correct the narrowing or blockage of one or more coronary arteries using venous or arterial grafts. Coronary artery bypass graft does not include:

- Angioplasty (percutaneous transluminal coronary angioplasty);
- Laser relief of an obstruction; stent insertion; coronary angiography; or
- Any other intra-catheter technique.

The Surgery must be deemed medically necessary by a physician who is board certified cardiologist.

CRITICAL ILLNESS: one of the following illnesses or conditions - *cancer, heart attack, stroke, coronary artery by-pass grafts, kidney failure and major organ transplant.*

DATE OF LOSS: The date when:

- your *involuntary unemployment* or *total disability* starts; or
- your *critical illness* is diagnosed; or
- your *dismemberment* or death occurs.

DISMEMBERMENT: The Total or irrecoverable loss sustained directly and independently of all other causes of:

- sight in both eyes;
- a hand by complete severance through or above the wrist; or
- a foot by complete severance through or above the ankle joint.

EFFECTIVE DATE: Insurance coverage begins on the date that the Lender or the Insurer receives your signed application for insurance.

EMPLOYER: The person or entity by which you are employed. It cannot be you or any person or entity controlled by or affiliated with you.

GAINFULLY EMPLOYED: You are employed on a full-time basis for salary or wages for a minimum of 25 hours per week.

HEART ATTACK: Is the death of a portion of the heart muscle as a result of inadequate blood supply that has resulted in the medical diagnosis of acute myocardial infarction.

INSURER: Compagnie d'Assurance-Vie Trans Globale

INVOLUNTARY UNEMPLOYMENT: While this insurance is in effect, your employment stops or is suspended as a result of:

- Layoff being a temporary or permanent suspension of your employment by an action of your *employer*; or
- Employment termination being a complete end of your employment by action of your *employer*.

KIDNEY FAILURE: means end stage, irreversible failure of both kidneys to function, provided that a physician who is board certified has determined that such failure requires either:

- Immediate and regular kidney dialysis (no less often than weekly) that is expected by such physician to continue for at least six months; or
- A kidney transplant

LENDER: Desjardins Financial Group to whom the debt is owed.

MAJOR ORGAN TRANSPLANT: means the actual undergoing as a recipient of a transplant of a heart, lung, pancreas, kidney or liver.

MONTHLY PAYMENT: Is based on the various purchase plan amounts that make up Your Brick Visa Desjardins Card Outstanding Balance on Your Date of Loss and will be calculated to include:

- a) Regular Purchases the purchase plan's Minimum Payment amounts
- b) Deferred Payment Financing 5% of its purchase plan amounts
- c) Equal Instalments Financing the purchase plan's Minimum Payment amounts
- d) Other than account types (a), (b) and (c) 5% of its purchase plan amounts

OUTSTANDING BALANCE: The amount that appears on your account statement plus any unpaid purchases or charges made prior to the date of occurrence.

PRE-EXISTING CONDITION: A sickness or injury for which You received medical advice, consultation, diagnosis, investigation, or for which treatment was required or recommended by a doctor during the 6 months prior to the effective date;

PRIMARY CARDHOLDER: The person whose name appears first on the Brick credit card statement.

STROKE: Any cerebrovascular incident producing death of a portion of the brain as a result of thrombosis, intracranial or subarachnoid hemorrhage or embolization from an extracranial source.

TOTAL DISABILITY OR TOTALLY DISABLED: Refers to a disability which is caused by an accidental injury or sickness, and which continues uninterrupted for 30 consecutive days. The disability must prevent you from performing for compensation any work for which you are reasonably fit by education, training or experience.

Benefits / Coverages

a) Nature of the coverage

This insurance product protects the balance of your Brick Credit Card. In the event of *involuntary unemployment or total disability*, the *insurer* will pay for up to 12 months the *monthly payment* due on your credit card at the *date of occurrence*. In the event of death, dismemberment or the diagnosis of a *critical illness*, the *insurer* will pay the *outstanding balance* of your credit card to a maximum of \$25,000.

b) Summary of the specific features

i) Conditions of eligibility

To be eligible for the coverage offered by this insurance you must meet the following conditions, as of the *effective* date:

- be a Brick cardholder;
- request the insurance;
- agree to pay the *monthly premium*; and
- be at least 18 years of age.

The insurance covers you as *primary cardholder*, in the event of *involuntary unemployment, death, dismemberment, critical illness or total disability*. Life coverage converts to *accidental death* coverage at the age of 65.

Over the life of this insurance plan only one critical illness benefit will be paid for you.

To be eligible for ***critical illness*** benefits, you must:

- be insured under this plan at the time of loss;
- be diagnosed for the first time in one's life with one of the following illnesses or conditions: *cancer, heart attack, stroke, coronary artery by-pass grafts, kidney failure and major organ transplant*;
- survive more than 30 days after the initial diagnosis; and
- be less than 65 years of age at the *date of loss*;

To be eligible for the **death** benefit, you must:

- be insured under this plan at the time of loss; and
- be less than 65 years of age at the *date of loss*.

To be eligible for ***dismemberment*** benefit, you must:

- be insured under this plan at the time of loss;
- lose a hand at or above the wrist; or
- lose a foot at or above the ankle; or
- loss sight in both eyes; and
- be less than 65 years of age at the *date of loss*.

To be eligible for ***involuntary unemployment*** benefits you must:

- be the *primary cardholder*;
- be insured under this plan at the time of loss;
- be gainfully employed on a permanent basis, working full-time at the date of loss, which means working at least 25 hours each week; and
- be registered and eligible for Employment Insurance benefits with Human Resources Development Canada.

To be eligible for ongoing ***involuntary unemployment*** benefits you will be asked to provide proof of your continued unemployment and that you are actively seeking full-time employment. Normally, each month you will be asked to provide Employment Insurance benefit payment advices.

To be eligible for ***disability*** benefits you must:

- become *totally disabled* as a result of an accidental bodily injury or a sickness;
- be the *primary cardholder*;
- be insured under this plan at the time of loss;

- be gainfully employed on a permanent basis, working full-time at the Date of Loss, which means working at least 25 hours each week; and
- be regularly attended to by a licensed physician or surgeon.

To be eligible for ongoing *disability* benefits you may be asked from time-to-time to provide proof of your ongoing *total disability*. Normally, proof will consist of a statement from your attending physician or surgeon.

Re-eligibility

After the completion of payments of benefits under a *total disability* claim, you will be re-eligible for the benefits, if you have returned to work:

- for a period of at least 60 consecutive days; and
- resume permanent full-time employment 25 or more hours per week.

After the completion of payments under an *involuntary unemployment* claim, you will be re-eligible for Involuntary Unemployment benefits if you have returned to work:

- for a period of at least 6 months; and
- Are employed on a Full time permanent basis, which means working at least 25 hours per week.

For more specific information on this distribution guide or your Certificate of Insurance you can contact the distributor. The contact information for the distributor is on the first page of this guide.

Or you may contact the *insurer*:

- ☎ Toll Free 1.844.930.6022
- ✉ Email info@transglobalinsurance.ca

ii) Beneficiary of the insurance

The *insurer* pays the insurance benefits to you.

iii) Waiting period

Benefits will be paid only if the *involuntary unemployment or total disability* lasts more than 30 consecutive days. After this waiting period the benefits for *involuntary unemployment or total disability* will be paid retroactively from the *date of loss*.

Critical illness benefits will be paid only if you survive 30 days from the date of diagnosis of the illness or condition. If you should die during the 30 day waiting period it will be treated as a death claim.

There is no waiting period for the payment of benefits in the event of death or *dismemberment*.

iv) Confirmation of Coverage

Within 30 days of enrollment you will be mailed a Certificate of Insurance. That Certificate will confirm that you are insured, subject to the terms of the group policy between the *insurer* and your *lender*, while you pay the required premiums.

v) Benefits

If you are eligible concurrently for a benefit payable for more than one insured event covered by this certificate, the benefit paid will be limited to the most generous one. You will therefore be entitled to only one benefit at a time. The maximum aggregate liability under all coverage types for any one loss giving rise to a claim is \$25,000.

For the ***involuntary unemployment*** coverage, if you become involuntarily unemployed and remain unemployed for more than 30 consecutive days, we will pay an initial benefit equal to the *minimum payment* that falls due after your *date of loss*.

For each additional 30 consecutive days that you continue to be unemployed and insured we will pay you a monthly benefit.

We will make no more than 12 monthly payments for any one period of unemployment.

The total of all involuntary unemployment benefits for one period of involuntary unemployment will not exceed the balance owing on the *date of loss*.

For the **disability** coverage, if you become *totally disabled* and remain *totally disabled* for more than 30 consecutive days, we will pay an initial benefit equal to the *minimum payment* that falls due after your *date of loss*.

For each additional 30 consecutive days that you continue to be totally disabled and insured we will pay you a Monthly Benefit.

We will make no more than 12 monthly payments for any one period of disability.

The total of all disability benefits for one period of disability will not exceed the balance owing on the *date of loss*.

In addition to the other benefits, we have also extended The Brick's price guarantee to 180 days.

vi) Premium

The monthly premium rate charged to the cardholder for this coverage is \$1.39 per \$100 of the average daily balance along with applicable taxes. This amount will be charged on each statement issued whenever your accounts average daily balance is greater than zero.

Any amount that you owe on a “No Finance Cost and No Monthly Payment” purchase plan will not be included in the calculation of the monthly premium. However, amounts owing on these purchase plans will be included in the calculation of benefits payable under this insurance only as such time amounts owing become a revolving account type.

You pay this monthly premium when your account’s outstanding balance is greater than zero.

It is charged automatically to your Brick Credit Card along with applicable taxes.

Exclusions, restrictions or reductions in coverage

CAUTION

A) Benefits are **not paid** if the *death, dismemberment, critical illness, total disability or involuntary unemployment* results directly or indirectly from:

- intentionally self-inflicted injury;
- attempted suicide within two (2) years of the effective date;
- drug, alcohol or solvent abuse;
- the commission, or attempted commission, of an illegal act; or
- any nuclear, chemical or biological contamination resulting from an act of terrorism.

The insurance does not cover purchases debited to your account after the *date of occurrence* or while you are receiving a benefit.

B) Death benefits are **not paid** if the death results directly or indirectly from:

- a suicide within 2 years after the *effective date*;
- a *pre-existing condition* in the first 6 months after the *effective date*; or
- a critical illness for which a benefit has been paid under this insurance.

C) *Disability* benefits are **not paid** if the *total disability* results directly or indirectly from:

- a *pre-existing condition* in the first 12 months after the *effective date*;
- normal pregnancy;
- critical illness for which a benefit has been paid under this insurance;
- nervous, mental, psychological, emotional or behavioral disorders, unless you are under the full time care of a licensed psychiatrist;
- foreign travel or residence.

D) *Involuntary unemployment* benefits are **not paid** for:

- Unemployment, for any reason beginning within 30 days from the *effective date*;
- Strikes or lockouts;
- Retirement, whether voluntary or mandatory;
- Voluntary unemployment;

- Pregnancy or childbirth;
- Maternity leave or parental leave;
- Loss of seasonal employment;
- Dismissal for cause;
- Disability for which benefits are paid;
- Unemployment known by you to be impending at the time of application for insurance.

E) *Critical illness* benefits are **not paid** if:

- The critical illness was first diagnosed prior to the *effective date*;
- The critical illness is first diagnosed within 90 days from the *effective date*;
- the disease or condition diagnosed is not listed among the covered *critical illnesses* identified in this distribution guide.

Cancellation

a) Cancellation in the first 60 days

You have the right to cancel the insurance within the 60 days following the *effective date*. To do so, you must send a notice of cancellation to the *insurer* by mail to the address below. You may use the form attached hereto in Schedule 1 for this purpose.

This cancellation takes effect as soon as the *insurer* receives your notice of cancellation.

The *insurer* will refund any premium that has been charged to your *account*.

b) Cancellation after the first 60 days

You can also cancel the insurance at any time, even after the initial 60 day period following the *effective date* has elapsed, by sending the *insurer* a notice to this effect to the address below.

This cancellation does not prevent *losses*, which took place prior to that date from being covered.

If a premium was paid in excess, the insurer will refund it to your Brick Card.

Mail or Fax your cancellation notice to the address below:

Trans Global Insurance Company
Suite 275, 16930 114 Avenue
Edmonton, AB T5M 3S2
Fax: 1-844-930-6021

c) Cancellation by the *insurer*

The *insurer* can cancel this insurance if the group master policy between the *insurer* and your *lender* is cancelled. To do so, the *insurer* must send you a notice to this effect at least 30 days in advance.

This cancellation does not prevent losses, which took place prior to that date from being covered.

If a premium was paid in excess, the insurer will refund it to your Brick Card.

d) End of the insurance coverage

The insurance terminates on:

- The date the cancellation takes effect, as described in section “Cancellation” above;
- The date credit privileges are revoked on your *account*;
- The date of the statement following your 65th birthday for life and *critical illness* coverages. After you reach the age of 65, your insurance is reduced to cover only *accidental death*; or
- The date your *account* is terminated.

If, at any time, your account with the lender is more than 120 days past due, no premiums will be charged for coverage hereunder until such time as your account with the lender is brought to current. No benefits will be payable under this insurance for losses occurring during the period in which premiums were so suspended.

Proof of loss or claim

a) Submission of a claim

To make a claim, contact the *insurer* to obtain the necessary form. To do so, contact the *insurer* at:

☎ Toll Free 1.877.305.4265

That request should be made in the 90 days following the *date of loss*.

In the event of a *total disability or involuntary unemployment* benefits claim, in addition to having the *employer's* statement completed by your employer, please include a copy of your Record of Employment with your claim form as proof of your employment and of the occurrence. If you are unable to obtain your employer's cooperation with the completion of the statement please include a note explaining your circumstances.

b) Insurer's Reply

Allow the *insurer* 15 business days to process your claim once it has been completed in full.

c) Appeal of an *Insurer's* Decision and Recourses

You can contest the reply of the *insurer* at:

Compagnie d'Assurance-Vie Trans Globale
c/o Assurant Services Canada Inc.
5000 Yonge Street, Suite 2000
Toronto, Ontario M2N 7C9

☎ Telephone **1.905.305.4261**

☎ Toll Free **1.877.305.4265**

☎ Fax **1.866.414.0021**

Legal proceedings can only be instituted against the *insurer* in the 36 months following the *insurer's* reply.

You can also contact the *Bureau des services financiers* or your own legal adviser.

Referral to the *Bureau des services financiers*

To learn more about the insurer's and the distributor's obligations towards you, please contact l'Autorité des marchés financiers at the following address:

L'Autorité des marchés financiers
Place de la Cité, Tour Cominar
2640, boul. Laurier, 4e étage
Sainte-Foy (Québec) Canada G1V 5C1

Metro Quebec: 1.418.525.0337
Elsewhere in Quebec: 1.877.525.0337
renseignements-consommateur@lautorite.qc.ca
www.lautorite.qc.ca

Similar products

Other insurance products have similar insurance coverage as described in this Distribution Guide, however, only this product is available on The Brick Visa Desjardins Card.

Schedule 1

NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

Section 440 of the Act respecting the distribution of financial products and services

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

- You have entered into an insurance contract for credit related (lender's group life (from 65, *accidental death*), *dismemberment*, *critical illness*, *total disability* and *involuntary unemployment*) insurance relating to your Brick Credit Card.
- The Act allows you to cancel the insurance **without penalty, within 10 days of signing for it**. The insurer gives you **60 days after the effective date** to cancel this insurance product.
- To do so, you must give the *distributor* or *insurer* notice by mail within that delay. You may use the attached form for this purpose.
- Despite the cancellation of the insurance, the first contract (the credit card agreement) entered into will remain in force. Caution, it is possible that you may lose advantageous conditions as a result of the cancellation of this insurance; contact your distributor, the *insurer* or consult your contract.
- After the expiry of the 60 day delay, you may cancel the insurance at any time; however, penalties may apply.

If you require any assistance in cancelling your insurance, please contact us and we will be glad to assist you:

-  Toll Free 1.844.930.6022
-  Fax 1.844.930.6021
-  Email info@transglobalinsurance.ca

NOTICE OF CANCELLATION OF AN INSURANCE CONTRACT

To: Trans Global Insurance Company
Suite 275, 16930-114 Avenue
Edmonton, AB
T5M 3S2

Date: _____
(date of sending of notice)

Brick Card Account Number: _____

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*, I hereby cancel the insurance certificate issued under Group Master Policy no. BDQC1604L (Desjardins Financial Group.)

(name of client)

(signature of client)

(postal code)

This document must be sent by registered mail.

The following are important provisions of the *Act respecting the distribution of financial products and services*:

439. A distributor may not subordinate the making of a contract to the making of an insurance contract with the insurer specified by the distributor.

The distributor may not exercise undue pressure on the client or use fraudulent tactics to induce the client to purchase a financial product or service. 1998, c. 37, s. 439.

440. A distributor that, at the time a contract is made, causes the client to make an insurance contract must give the client a notice, drafted in the manner prescribed by regulation of the Bureau, stating that the client may cancel the insurance contract within 10 days of signing it. 1998, c. 37, s. 440.

441. A client may cancel an insurance contract made at the same time as another

contract, within 10 days of signing it, by sending notice by registered or certified mail.

Where such an insurance contract is cancelled, the first contract retains all its effects. 1998, c. 37, s. 441.

442. No contract may contain provisions allowing its amendment in the event of cancellation or termination by the client of an insurance contract made at the same time.

However, a contract may provide that the cancellation or termination of the insurance contract will entail, for the remainder of the term, the loss of the favourable conditions extended because more than one contract was made at the same time. 1998, c. 37, s. 442.

443. A distributor that offers financing for the purchase of goods or services and that requires the debtor to subscribe for insurance to guarantee the reimbursement of the loan must give the debtor a notice, drawn up in the manner prescribed by regulation of the Bureau, stating that the debtor may subscribe for insurance with the insurer and representative of the debtor's choice provided that the insurance is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. The distributor may not subordinate the making of the contract of credit to the making of an insurance contract with the insurer specified by the distributor.

No contract of credit may stipulate that it is made subject to the condition that the insurance contract subscribed with such an insurer remain in force until the expiry of the term, or subject to the condition that the expiry of such an insurance contract will entail forfeiture of term or the reduction of the debtor's rights.

The rights of the debtor under the contract of credit shall not be forfeited when the debtor cancels, terminates or withdraws from the insurance contract, provided that the debtor has subscribed for insurance with another insurer that is considered satisfactory by the creditor, who may not refuse it without reasonable grounds. 1998, c. 37, s. 443.

