

# Insurance for CIBC Personal Lines of Credit

Know your family is covered should the unexpected happen.

Your CIBC Personal Line of Credit (PLC) or CIBC Education Line of Credit (ELC) offers you convenient and easy access to cash to help you achieve your goals. But should something unexpected happen you may want to help ensure your family is protected. PLC/ELC Insurance, underwritten by The Canada Life Assurance Company (Canada Life), can help pay off or reduce your balance in the event of your death, or cover your payments in the event of a disability.

## Did you know?

74% of surveyed Canadians said they'd have difficulty with expenses if a primary earner were to pass away<sup>1</sup>

1 in 3 working Canadians will experience a period of disability lasting longer than 90 days during their working lives<sup>2</sup>



To learn more:  
Talk to a CIBC advisor today  
1 800 465-CIBC (2422)  
Visit a CIBC Banking Centre  
Visit [cibc.com/creditor](http://cibc.com/creditor)

## Why choose Insurance for your CIBC Personal Line of Credit?

<b>Protection</b>	Financial protection for your CIBC PLC or ELC if you are unable to work due to a disability or in the event of your death
<b>Instant coverage</b>	On-the-spot approval for a CIBC PLC/ELC up to \$150,000* with coverage beginning immediately and your CIBC PLC/ELC is approved
<b>Convenience</b>	Don't worry about making separate payments for your insurance premiums – they are automatically charged to your CIBC PLC/ELC account, and are detailed on your monthly statement
<b>30-day review period</b>	If you change your mind, you may cancel within the first 30 days of receiving the Certificate of Insurance and any premiums collected will be refunded

\*PLCs that exceed this amount require you to answer the application health questions.

## Help ensure your CIBC PLC/ELC payments are covered so your family doesn't have to.

If you are unable to work due to a disability, **Disability Insurance** can help.

### Coverage

The monthly Disability benefit is 3% of the least of the following (if applicable):

- End of day balance of the CIBC PLC/ELC on the date you first become disabled
- The credit limit of the CIBC PLC/ELC on the date you first become disabled
- The Canada Life approved maximum insurance coverage on the date you first become disabled
- The Capped Disability Benefit Amount<sup>o</sup>
- \$200,000

### Maximum benefit

Maximum \$6,000 per month would be applied toward your PLC/ELC payments for up to 24 months (after a 60-day waiting period)

### Savings

Premium discount of 10% on your Disability Insurance when at least one applicant is approved for both Life and Disability Insurance

### How is your premium calculated for Disability Insurance?

Your Disability Insurance premium is calculated and accumulated daily. If you have a balance on any day, there will be a premium payable for that day. Your premium is calculated by multiplying your CIBC PLC/ELC insured outstanding balance by the premium rate applicable to you in the table below. Your age on the first day of the month in which the premium is calculated is used to determine your premium rate.

The premium rate is multiplied by your CIBC PLC/ELC insured outstanding balance, which is the lowest of (if applicable):

- End-of-day balance of the CIBC PLC/ELC
- The credit limit
- The Disability Insurance coverage limit Canada Life communicated to you
- \$200,000

The accumulated daily insurance premiums, plus any applicable taxes, are charged to the CIBC PLC/ELC on the billing date.

#### Approximate monthly premium rate per \$1,000 of the end-of-day insured outstanding balance of the CIBC PLC/ELC owed<sup>\*</sup>:

Age group	18-40	41-55	56-69
One person	\$0.87	\$1.19	\$2.50
Two people	\$1.52	\$2.08	\$4.38

#### An example of single coverage calculation:

You are age 42. Your CIBC PLC/ELC balance is \$50,000. Your Disability Insurance premium for one day is calculated as follows:  $(\$1.19 \text{ (rate based on age 42)} \times 12 \text{ months}/365 \text{ days}) \times (\$50,000 \text{ insured balance}/\$1,000) = \$1.956$ . If your balance remained at \$50,000 for the entire 30-day billing period the monthly premium would be the \$1.956 daily rate added for the 30 days or \$58.68.

If you have Life Insurance and Disability Insurance coverage, the Disability Insurance premiums are discounted by 10%, reducing to  $\$58.68 \times (1-10/100) = \$52.81$ .

<sup>\*</sup> Note: The monthly premium will vary depending on the number of days in the month. The rate table is based on a year with 365 days spread over 12 equal months.

In the event of your death, **Life Insurance** can help ensure your family does not have to worry about making the payments on your CIBC PLC/ELC.

The Life Insurance benefit is the least of the following (if applicable):

#### Coverage

- End-of-day balance of the CIBC PLC/ELC on the date of death
- The credit limit of the CIBC PLC/ELC on the date of death
- The Canada Life approved maximum insurance coverage on the date of death
- The Capped Life Benefit Amount<sup>†</sup>
- \$300,000

#### Maximum benefit

CIBC PLC balance is reduced or paid off up to \$ 300,000\* in the event of death.

*\*Up to \$750,000 for a total of three (3) CIBC Life Insured PLCs*

## How is your premium calculated for Life Insurance?

Your Life Insurance premium is calculated and accumulated daily. If you have a balance on any day, there will be a premium payable for that day. Your premium is calculated by multiplying your CIBC PLC/ELC insured outstanding balance by the premium rate applicable to you in the table below. Your age on the first day of the month in which the premium is calculated is used to determine your premium rate.

The premium rate is multiplied by your CIBC PLC/ELC insured outstanding balance, which is the lowest of (if applicable):

- The end-of-day balance of the CIBC PLC/ELC
- The credit limit
- The Life Insurance coverage limit Canada Life communicated to you
- \$300,000

The accumulated daily insurance premiums, plus any applicable taxes, are charged to the CIBC PLC/ELC on the billing date.

#### Approximate monthly premium rate per \$1,000 of the end-of-day insured outstanding balance of the CIBC PLC/ELC owed<sup>\*</sup>:

Age group	18-30	31-35	36-40	41-45	46-50	51-55	56-60	61-64	65-69
One person	\$0.25	\$0.25	\$0.28	\$0.40	\$0.53	\$0.69	\$0.95	\$1.45	\$2.25
Two people	\$0.41	\$0.41	\$0.46	\$0.66	\$0.87	\$1.14	\$1.57	\$2.39	\$3.71

#### An example of single coverage calculation:

You are age 42. Your CIBC PLC/ELC balance is \$50,000. Your Life Insurance premium for one day is calculated as follows: (\$0.40 (rate based on age 42) x 12 months/365 days) x (\$50,000 insured balance/\$1,000) = \$0.658. If your balance remained at \$50,000 for the entire 30-day billing period the monthly premium would be the \$0.658 daily rate added for the 30 days or \$19.74.

*\* Note: The monthly premium will vary depending on the number of days in the month. The above rate table is based on a year with 365 days spread over 12 equal months.*

## Do you qualify for Insurance for your CIBC Personal Line of Credit or CIBC Education Line of Credit?

In order to qualify for insurance you must be:

- A Canadian resident
- Age 18 to 64
- And a borrower, co-borrower or guarantor on a CIBC PLC/ELC

*Eligibility for specific benefits is subject to additional terms and conditions.*

## When would coverage begin?

If your credit limit is \$150,000 or less, coverage begins on the later of the day your CIBC PLC/ELC is approved or when CIBC receives billing your signed and completed application. Coverage for amounts in excess of \$150,000 will require you to answer health questions and if approved, will begin on the day that the insurer (Canada Life) notifies you in writing of such approval.



Life Insurance for CIBC PLCs or ELCs and Disability Insurance for CIBC PLCs or ELCs are optional creditor's group insurance underwritten by The Canada Life Assurance Company and administered by Canada Life and CIBC. These insurance products are subject to eligibility conditions, limitations and exclusions (which are circumstances when benefits are limited or not paid), which may be viewed at [cibc.com](http://cibc.com) and are described in the Certificate of Insurance you receive upon enrolment. This is a general description only. Products and their features may change at any time.

<sup>1</sup> Source: LIMRA 2013 Canadian Ownership Study

<sup>2</sup> Source: Benefits Canada, Workers Underestimate Likelihood of Disability, September 24, 2014

◊ The Capped Disability Benefit Amount only applies if you become disabled from a condition or health problem and you received medical treatment for the condition or health problem after you first applied for Disability Insurance coverage on the CIBC PLC or ELC and in the 12 months before your disability occurred. The Capped Disability Benefit Amount is the highest end of day balance of the CIBC PLC or ELC owing to CIBC in the 12 months preceding the date on which you first received medical treatment.

† The Capped Life Benefit Amount only applies if your death is caused or contributed by a condition or health problem and you received medical treatment for the condition or health problem after you first applied for Life Insurance coverage on the CIBC PLC or ELC and in the 12 months before your death. The Capped Life Benefit Amount is the highest end of day balance of the CIBC PLC or ELC owing to CIBC in the 12 months preceding the date on which you first received medical treatment.

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