



A bank is in the business of lending money... Insurance is our business!

With AIG's **Living Benefit 100**, you have the ability to pay off your mortgage if you become critically ill, plus the option of getting your money back if you don't.

When you are insured under AIG's **Living Benefit 100** Plan, you will receive a lump sum benefit from \$25,000 to \$2,000,000, based on the benefit purchased, when you survive 30 days from diagnosis of a critical illness, including cancer, heart attack and stroke. Like many people, your mortgage is probably your largest financial obligation. This critical illness insurance plan gives you the financial resources to pay off your mortgage should you become critically ill.

And with AIG, your plan also includes a Return of Premium on Surrender Benefit Rider, which gives you the option to surrender coverage anytime after the 10th year and receive back a portion of your premiums. After the 15th year, you can receive 100% of your annual premiums ...anytime!

For example

You've just been approved for a \$175,000 mortgage. The prime rate is 6% and you've selected an amortization period of 25 years. You also want the financial security of knowing that your mortgage will be paid off if you become critically ill.

You make the right choice and buy a **Living Benefit 100** Plan providing a benefit of \$175,000. If you suffer a critical illness, the Benefit can be used to pay off your mortgage.

Monthly Mortgage Payment	\$1,120
Monthly Critical Illness Premium	\$ 221
<i>*Based on a male, age 35 and non-smoker rate</i>	
Total Monthly Payment	\$1,341

On the 15th Policy Anniversary:

Mortgage Principal is just over	\$100,000
Critical Illness Benefit is	\$175,000

Now that your mortgage has reduced, you may want to surrender \$75,000 of Coverage.

If you reduce your Critical Illness Benefit to \$100,000, you receive a premium refund of \$16,560.

(Use this amount as a payment on your mortgage and you can pay off your mortgage 2 years earlier)

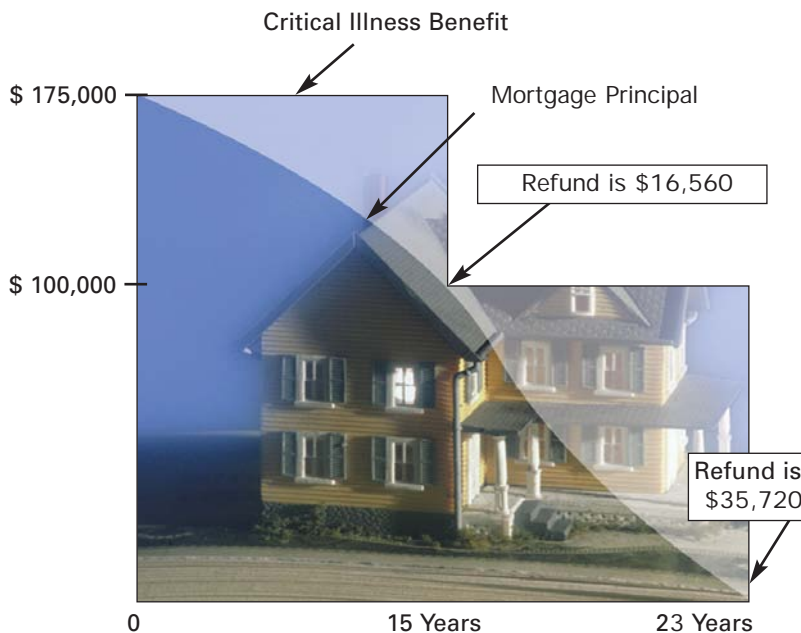
Monthly Mortgage Payment	\$1,120
Monthly Critical Illness Premium*	\$ 129
<i>*premium for \$100,000 of coverage</i>	
Total Monthly Payment	\$1,249

On the 23th Policy Anniversary:

Mortgage is Nil

Now that your mortgage is paid off, you may want to surrender your Critical Illness Policy and receive a premium refund of \$35,720!

You can use this to top up an RRSP, make a home improvement, fund your children's education, take a trip...



And most importantly... throughout the term of your mortgage, if you become critically ill, your Critical Illness Benefit will pay off your Mortgage!



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Questions you should ask before obtaining mortgage insurance...	AIG's Mortgage Solution	Your Mortgage Lender
<p>Can I choose my own beneficiary for the insurance proceeds?</p> <p><i>Because the mortgage lender is the policy owner, they automatically become the beneficiary of all proceeds.</i></p>	YES	NO
<p>Can I apply for more coverage for other needs?</p> <p><i>You can apply only for an amount equal to the initial mortgage through a mortgage lender.</i></p>	YES	NO
<p>Will my coverage remain level throughout the mortgage period?</p> <p><i>The amount of coverage available through a mortgage lender is limited to the outstanding mortgage balance. This coverage amount decreases with each mortgage payment made, but your cost will remain the same.</i></p>	YES	NO
<p>Are my premiums fully guaranteed in the contract?</p> <p><i>Premiums paid through a mortgage lender are on a group basis and therefore can be increased on a group basis if the experience of that group becomes unfavorable.</i></p>	YES	NO
<p>Could I pay less if I am in good health and don't smoke?</p> <p><i>Most mortgage insurance available through banks consider only the age of the borrower to determine your cost of insurance. There is no preferred pricing for better health risks.</i></p>	YES	NO
<p>Does my coverage stay in force if I move or change mortgage lenders?</p> <p><i>Mortgage insurance at most banks is not portable. If you move or change mortgage lenders, you must re-apply and qualify for new coverage with the cost based on your new age.</i></p>	YES	NO
<p>Can my coverage extend past my mortgage period?</p> <p><i>Since mortgage lenders only offer coverage to protect the outstanding mortgage balance, once your mortgage is paid off, regardless of time, your insurance coverage will cease.</i></p>	YES	NO
<p>Can I convert my coverage to a permanent plan, even if my health has changed?</p> <p><i>There are no conversion privileges with your bank's mortgage insurance.</i></p>	YES	NO
<p>Am I guaranteed to receive advice from a licensed insurance advisor?</p> <p><i>Service representatives with mortgage lenders are not licensed insurance advisors, and therefore cannot offer expert advice regarding your insurance needs.</i></p>	YES	NO

In addition to the above-mentioned benefits of an individual insurance contract, AIG Life of Canada's Mortgage Solutions is very cost competitive against mortgage lenders.