



And Now The Very Best In GROUP CRITICAL ILLNESS INSURANCE »»» A Blue Moose Story!

Intended For:

President CFO HR Mgr

Synopsis

Currently Critical Illness Insurance (C.I.I.) plans are being promoted by Insurance Agents and Brokers, Mutual Fund Representatives, Stock Brokers, Bank and Credit Union employees, most of whom are poorly versed in the important differences in policies, are familiar with only one or two, and unaware of the differences in covered conditions, exclusions and restrictions in the various policies.

Individual C.I.I. plans are becoming prohibitively expensive for many. This is due to various factors that now include personal and family medical history.

Group Critical Illness Insurance (G.C.I.I.) is the vehicle that can provide C.I.I. benefits to the many consumers who would otherwise be unable to afford or qualify for such a plan.

Traditionally G.C.I.I. plans offer poor illness definitions, few options, limited coverages and seldom are convertible or portable. Some plans also have very severe provisions or exclusions. Most plans have to be purchased in conjunction with other benefits.

We've changed all that with a revolutionary new Stand Alone G.C.I.I. plan which, thanks to your always welcomed feedback, covers all essential requirements.

Megacorp is an independent life insurance marketing and consulting company that for almost 3 decades has been at the forefront of product development. We have extensive expertise in the individual C.I.I. marketplace and now have developed a consumer focused G.C.I.I. product with exceptional value.

Without a shadow of doubt if you happened upon a Blue Moose it would grab your attention. Unique, one of a kind, extraordinary. Well, Blue Moose is a term we at Megacorp use to describe a product with qualities and features so unique and superior to its competitors that it instantly stands out from the pack. Thanks to feedback from business executives, professionals, HR managers and numerous other advisors we've created a Blue Moose for the Canadian group critical illness insurance market.

Background

Over the past 28 years we've designed and introduced a number of Blue Moose products for more than a dozen Canadian and international insurance companies. Some of those products that instantly come to mind are the first 10 Year and 20 Year Term Life plans in Canada for Nonsmokers, Term to 100 and limited pay policies, in addition to numerous other innovative life plans.

In 1988 our interest was kindled by insurance company efforts to develop a uniquely Canadian Critical Illness Insurance (C.I.I.) plan. Seven times we watched those efforts fail, and finally began our own research. Armed with consumer feedback from around the world, in 1994 we launched the first successful individual C.I.I. plan in Canada, and then in 2003 the world's first guaranteed Critical Illness & Long Term Care Insurance combination plan.

However, today insurers are rejecting more applications for individual C.I.I. than for any other type of insurance. They are declining, rating, or imposing restrictions and exclusions at an unprecedented rate, while premiums skyrocket. Perfectly healthy individuals are being rated or declined solely due to poor family medical history or foreign travel. These developments drove us to search for an alternative to individual C.I.I., and thus began our Group Critical Illness Insurance project.

Feedback

Luck or accident hasn't helped us repeatedly design successful insurance products and fuel consumer buying trends. Unlike most insurance companies we recognize that the best person to ask what is best for consumers is the end user, so it was feedback from numbers of successful business people and professionals, and a natural aptitude for creating sound products, that enabled us to design a revolutionary new Group Critical Illness Insurance (GCII) plan.

Disclosure

One of the biggest obstacles facing consumers when considering the purchase of any product or service, is lack of transparency and full disclosure. How smart you are doesn't mean a thing if you aren't given all the information necessary to make a sound decision. We firmly believe in the consumer's right to be given all the facts when purchasing an insurance plan, so once again our new Group C.I.I. plan has no fine print. We are pleased to compare it with any other plan currently available and can unequivocally state that our Critical Illness definitions are the best available in any Group C.I.I. plan, a factor that makes our plan superior to any other currently available in Canada.

Please examine it for yourself.



GROUP CRITICAL ILLNESS INSURANCE: RESEARCH FINDINGS

Stand Alone versus Bundled

In a bundled plan the C.I.I. benefit exists in conjunction with other benefits, a factor that obscures the real cost of the C.I.I. With a Stand Alone C.I.I. plan you know exactly what you are paying. Bundled plans are common amongst carriers that lack pricing experience or are saddled with bureaucracy.

In a bundled plan a “claims loss ratio” is usually based on Life, Accidental Death & Dismemberment, Long Term Disability and C.I.I. claims. A C.I.I. claim is paid in a lump sum while LTD provides a monthly benefit and, since Life and A.D.&D. claims are infrequent occurrences, if the benefit isn't properly priced it could have a substantial impact at renewal time, causing a hefty price increase.

A bundled plan would also mean losing the grandfathering of the pre-existing conditions in the Group C.I.I. plan and expose some employees to having claims, that would otherwise be paid, denied after the benefit program was shopped and moved.

A very important advantage to a Stand Alone plan is that it allows an employer to periodically shop the market for better rates on their other benefits. Our new plan is ‘Stand Alone’.

Composite Pricing

Some plans are simply modified individual plans masquerading as a G.C.I.I. plan. A true G.C.I.I. plan should have a composite age blended rate, which is a single premium cost-shared by all employees regardless of their gender, age or smoking status. Composite pricing will ultimately provide huge and significant cost savings for any group. Our plan uses “Composite Pricing”.

Availability

For a variety of reasons many people are working longer and the workforce is aging. Traditionally G.C.I.I. benefits have been available only to employees under age 65. Our plan is available to employees up to age 69 inclusive.

Guaranteed Issue & Pre-Existing Conditions

A true G.C.I.I. plan should not require any medical evidence, tests, family medical history, travel itinerary or other requirements. It should be available on a guaranteed issue basis. A guaranteed issue plan usually includes a pre-existing conditions restriction to avoid anti-selection. If a group is large, the pre-existing conditions restriction should be removed. Our plan has “NO Pre-Existing Conditions” restrictions for groups of 300 or more lives.

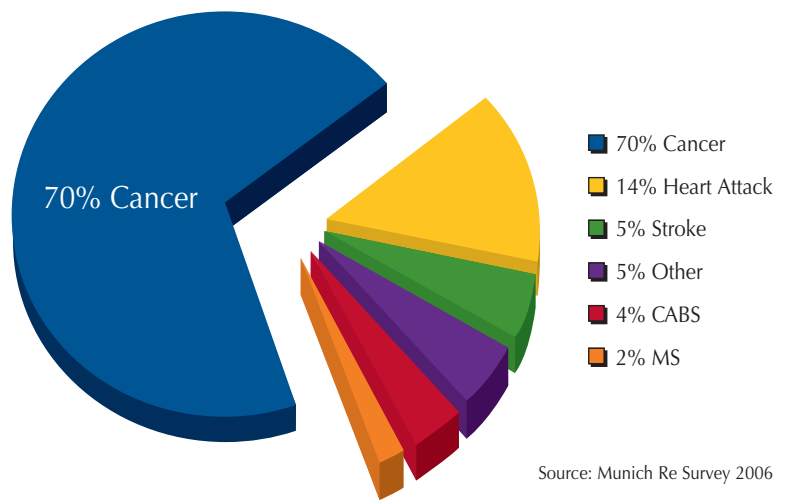
Optional Coverage

A G.C.I.I. plan usually offers additional coverage and often makes coverage available to spouses with limited or full underwriting required. Our plan offers optional and spousal coverage.

Portability/Convertibility

A tremendous feature for a G.C.I.I. plan is for it to have a convertibility or portability provision which permits employees

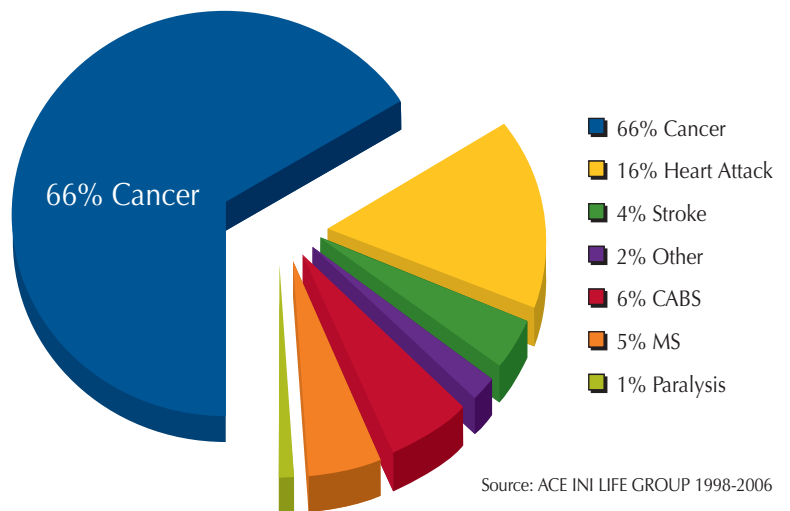
Canadian Critical Illness Insurance Claims Paid Since Inception By Type



Source: Munich Re Survey 2006

Cancer, Heart Attack and Stroke are the most frequently claimed covered conditions, as displayed by both the individual statistics above and the group statistics below.

Canadian Group Critical Illness Insurance Claims Experience



Source: ACE INI LIFE GROUP 1998-2006

The major difference between individual and Group Critical Illness Insurance is the approval and acceptance process.

Portability/Convertibility *(Continued)*

leaving the group to maintain partial or full benefit coverage. Our mandatory plan has guaranteed and conditional convertibility and the optional coverage is fully portable.

Plan Coverage Choice

A G.C.I.I. plan should offer at least a Basic and an Enhanced Option to address various budgets. Regardless of the plan selected it should cover at the very least Cancer, Heart Attack and Stroke. Our plan features both Basic and Enhanced Options.

Experience & Stability

New entrants into the G.C.I.I. market often experience significant price increases upon the first renewal. Consequently a G.C.I.I. plan should be backed by an insurance company with a track record for pricing stability as well as prompt claims payment. Just because an insurance company has experience in pricing individual C.I.I. plans, in which there is extensive underwriting, doesn't mean it has experience in pricing G.C.I.I. plans that are usually based on guaranteed issue.

A good G.C.I.I. plan never permits an Insurer to unilaterally adjust or change after policy issue, the definitions of conditions covered under the plan. That occurrence could result in confusion at claim time and potentially expose an employer to litigation. The carrier underwriting our plan has extensive G.C.I.I. experience and our rates are designed to remain stable and avoid wild fluctuations.

Advisor or Consultant Level of Expertise

C.I.I. is still a relatively new product and many Agents, Brokers and Consultants are not properly trained in analyzing the differences between plans. Individual C.I.I. plans first became successful in Canada in 1994, and today virtually every insurance company offers a plan in one form or another.

An Ipsos-Reid survey conducted in 2005 found that 89% of Canadians have had a relative or friend stricken with a critical illness, yet despite the availability of the product, industry statistics reveal that less than 3% of Canadians have either C.I.I. or LTC (Long Term Care) Insurance.

Group C.I.I. is still quite new to Canada, so be careful not to blindly accept an advisor's or consultant's word that they are offering you the best plan. Definitely don't accept a quote or offer based solely on price. Definitions are the most crucial facet to a G.C.I.I. plan and it is imperative that you examine them carefully. Our brokers can provide you with comparisons of all plans' definitions in an easy to understand format that will help you make an informed decision.

Definitions

The single most important consideration when purchasing C.I.I. is the strength of definitions' wordings. These determine if and when you will be paid. An industry survey of individual policies revealed that 38% of denied claims resulted from an event's failure to satisfy the policy's definition. Whatever you do, don't read a list of covered conditions in promotional material and think that policy will automatically cover you for all of the events listed. There are significant differences in claim payment procedures amongst C.I.I. plans, whether Group or Individual. One example is Parkinson's Disease, a disease that can be definitively diagnosed. The usual symptoms are muscle rigidity, tremors, and bradykinesia (abnormal slowness of movement, sluggishness of physical and mental response). With those symptoms and a definite diagnosis you would expect a C.I.I. policy to pay a claim after the 30 day survival period, but not so in all cases. Some definitions go beyond the normal symptoms and confirmed diagnosis by requiring that you be unable

to perform two or more activities of daily living. Who knows how long you will have to wait from the initial diagnosis before your condition fulfills the policy's conditions and a claim is paid. Good definitions eliminate unwelcome surprises at claim time. Our plan's definitions are the very best available.

Examples of Exclusions & Restrictions to Avoid:

1. Cancer (Life threatening) definition:

"Cancer is defined as a tumour characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. The following cancers are excluded from coverage:

- (a.) Carcinoma in situ
- (b.) Stage 1A malignant melanoma (melanoma less than or equal to 1.0 mm in thickness, not ulcerated and without level IV or V invasion)
- (c.) Any non-melanoma skin cancer that has not become metastatic (spread to distant organs)
- (d.) Stage A (T1a or T1b) prostate cancer
- (e.) Any tumour in the presence of any HIV"

Note:

The wording of this covered condition definition does not provide for protection against Hodgkin's Disease or Leukemia since neither is classified as "a tumour".

2. Heart Attack (Myocardial Infarction) definition:

"Heart Attack means the death of a portion of your heart muscle, as a result of inadequate blood supply to the relevant area. A diagnosis of heart attack must be made by a Physician and must be based on both:

1. New electrocardiographic changes consistent with heart attack;
- and**
2. Elevation of cardiac enzymes."

Note:

Many smaller cities and towns still employ elevated cardiac enzyme tests in detecting heart attacks, whereas in larger cities cardiac biochemical markers, namely troponin, are increasingly popular. Since neither method is in universal use, at claim time this definition can cause concern over which method was employed to determine the occurrence of a heart attack. A definition that refers to only one of these methods, rather than both, can cause a serious problem at claim time.

If indeed an insured person suffered a heart attack a claim should not be denied based on the diagnostic testing methodology used, but apparently they frequently are.

3. Stroke (Cerebrovascular Incident) definition:

"A cerebrovascular incident, excluding any transient ischemic attack (TIA), caused by hemorrhage, or by infarction of the brain tissue due to intracranial thrombosis or embolization from an extra-cranial source. The diagnosis must be supported by medical evidence of measurable, objective neurological deficit that has persisted for at least 30 consecutive days and is considered permanent. Lacunar infarcts that are not compatible with the current cerebrovascular signs and symptoms are not considered satisfactory evidence of stroke.

Note:

This definition is very disturbing because it requires some form of paralysis (ie: measurable objective neurological deficit) or cognitive impairment to be present and persistent for 30 continuous days, something that frequently doesn't happen.



BLUE MOOSE VS OTHER GROUP C.I.I. PLANS

Condition / Plan	Blue Moose	A	B	C	D	E	F	G	H
1) Cancer: Not covered if diagnosed within 90 days of issue, but coverage not terminated	✓(90)	✓(90)	✓(90)	✓(90)	✓(90)	✗(90)	✓(90)	1(90)	✓(90)
1a) Hodgkin's Disease & Leukemia	✓	✓	✓	✗(H/L)	✗(H/L)	✓	✗(H/L)	✗(H/L)	✓
1b) Tumor in presence of HIV	✗(HIV)	✓	✗(HIV)	✗(HIV)	✗(HIV)	✗(HIV)	✗(HIV)	✓	✗(HIV)
2) Heart Attack: Enzymes or Biochemical markers	✓	✗(CE)	✓	✗(CE)	✗(BM)	✗(BM)	✗(BM)	✗(CE)	✓
3) Stroke: No measurable deficit persisting for 30 days or longer	✓	✗(P)	✗(P)	✗(P)	✗(P)	✗(P)	✗(P)	✗(P)	✗(P)
4) CABS: Single vessel no angina	✓	✓	✓	✓	✓	✓	✓	✓	✓
5) Heart Valve Replacement: No repair	✓	N/C	N/C	N/C	✓	N/C	✓	✓	N/C
6) Aorta Surgery: Thoracic & abdominal aorta	✓	N/C	N/C	N/C	✓	N/C	✓	✓	✓
7) Multiple Sclerosis: Single attack	✓	N/C	✗(2)	✗(2)	✗(2)	✓	✓	✓	✗(2)
8) Kidney Failure: End stage, not both	✓	✓	✗(2)	✗(2)	✗(2)	✗(2)	✗(2)	✗(2)	✗(2)
9) Vital Organ Transplant: Heart, Lung, Kidney, Liver, Pancreas & Bone Marrow	✓	N/C	✗(2L/K/Pa)	✗(Pa)	✗(Pa)	✗(2L/K/Pa)	✗(2L/K/Pa)	✗(2L/K/Pa)	✗(Pa)
9a) Official Transplant Program: Enrollment	✓	N/C	✓	✓	✓	✓	✓	✓	✓
10) Paralysis: Qualifying days required	90	N/C	180	365	90	90	90	90	90
11) Blindness: Legally, not totally blind	✓	N/C	✓	✓	✓	✓	✓	✓	✓
12) Deafness: Legally, not totally deaf	✓	N/C	✓	✓	✓	✓	✓	✓	✓
13) Loss of Speech: Qualifying days required	180	N/C	180	30	30	180	180	180	180
14) Coma: Qualifying days required	4	N/C	4	4	4	4	4	4	4
15) Benign Brain Tumor: No 90 days moratorium	✓	N/C	✓	N/C	✓	✓	✗(90)	✓	✓
16) Motor Neuron Disease: Includes ALS	✓	N/C	✓	N/C	✓	ALS Only	✓	✓	N/C
17) Alzheimer's Disease: Limited supervision	✓	N/C	✗(CS)	✗(CS)	✓	✗(CS)	✗(CS)	✗(CS)	✗(CS)
18) Parkinson's Disease: No loss of ADLs	✓	N/C	✓	✓	✗(ADL)	✓	✗(ADL)	✓	✓
19) Severe or Major Burns:	✓	N/C	✓	✓	✓	✓	✓	✓	✓
20) Occupation HIV Infection:	✓	N/C	N/C	✓	✓	N/C	✓	✓	N/C
21) Muscular Dystrophy:	N/C	N/C	N/C	✓	N/C	N/C	N/C	N/C	N/C
22) Dismemberment or Loss of Limbs:	✓	N/C	N/C	N/C	✓	✓	✓	✓	N/C
23) Aplastic Anemia:	✓	N/C	N/C	N/C	✓	N/C	N/C	N/C	N/C
24) Loss of Independence:	✓	N/C	N/C	N/C	✓	N/C	N/C	✓	✓

Legend:

■ or ✓ = Covered
 ■ or ✗ = Excluded
 CABS = Coronary Artery Bypass Surgery
 N/C = Condition NOT Covered
 P = Paralysis
 Pa = Pancreas
 CE = Cardiac Enzymes
 BM = Biochemical Markers
 CI = Cognitive Impairment
 CS = Continuous Supervision

Please check which of the following you would like to receive and simply provide your email address in the box below, then send it to us:

- | | |
|---|---|
| <input type="checkbox"/> 1. A copy of the Group Critical Illness Insurance comparison chart revealing the names of all plans. | <input type="checkbox"/> 4. A copy of "Exclusions & Restrictions To Avoid" when selecting a Group Critical Illness Insurance plan |
| <input type="checkbox"/> 2. A copy of our Blue Moose plan's coverages and definitions. | <input type="checkbox"/> 5. An advisor to contact you. |
| <input type="checkbox"/> 3. An electronic data sheet to request a quotation. | |

Name: _____

Email: _____

Referred by: