
HUGO
TERM LIFE INSURANCE

SPECIMEN

Schedule of Benefits

Your contract is composed of this policy, the application, the insurability questionnaire and any policy rider or notice of change annexed to this policy.

Please read your contract carefully, including this policy, the application and insurability questionnaire and validate the answers given therein. If the answers do not reflect your statement or are inaccurate, you must notify the Insurer accordingly within thirty (30) days following the delivery of the policy. Failure to notify the Insurer of any inaccuracy or erroneous statement can render the contract void.

Subject to the provisions and riders of the policy, the Insurer will pay the benefits listed below when a covered event occurs.

Should the Insurer receive a request to cancel the contract or a stop-payment order on any premium due, all obligations of the Insurer under the contract terminate immediately as of the date such is received.

Description of Coverage(s)	Benefit(s)	Modal Premium
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Part A – Definitions

When used in this *Policy*, the terms listed below mean:

Accident (or Accidental): an event that occurs while the *Policy* is in force and whose cause is external, violent, sudden, fortuitous and beyond the *Life Insured's* control. If an *Accident* results in a loss that first appears over ninety (90) days after the *Accident*, that loss is considered to be the result of *Sickness*.

Beneficiary: a natural or legal person designated by the *Policyowner*, in any written notice filed with the *Insurer*, as being entitled to receive benefits under this *Policy*.

Care of a Physician: regular and personal care that is provided by a *Physician* and that, based on current medical standards, is appropriate for the condition underlying the *Life Insured's Disability*.

Disability (or Disabled): the *Life Insured's* state of *Total Disability*, due to a condition resulting from an *Accident* or *Sickness*.

Injury: bodily *Injury* resulting directly or indirectly from an *Accident* sustained by the *Life Insured* and independently of any *Sickness* or other cause, while the *Policy* is in force.

Life Insured: The person designated as such in the application.

Insurer: Humania Assurance Inc., whose head office is located at 1555 Girouard Street West, Saint-Hyacinthe, Quebec, J2S 2Z6.

Non-Smoker: a person who has not used tobacco in any form whatsoever, including nicotine substitutes, nicotine products, marijuana or hashish, in the twelve (12) months before signing the application for insurance or reinstatement.

Physician: any person legally authorized to practice medicine in Canada within the scope of his or her medical degree (M.D.), and who does not have a family or business relationship with the *Life Insured* or the *Policyowner*.

Policy: the present contract, the application for this *Policy*, any application for reinstatement and any written request for change to the contract.

Policyowner: the person who owns this *Policy*.

Risk Class: the characteristics of the *Life Insured* that determine the premium rate for a coverage. Risk Classes are based on the *Life Insured's* gender, age, tobacco use and health.

Sickness: a deterioration of health or a disorder of the body confirmed by a *Physician*, that is not caused by an *Injury* and whose first symptoms appear while this *Policy* is in force.

Total Disability (or Totally Disabled): For a *Life Insured* who holds remunerative *Work* at the start of the *Disability*, it is the state of a *Life Insured* who, as a result of an *Accident* or a *Sickness*, is unable, during the *Waiting Period* and for a period of up to twenty-four (24) months immediately following the *Waiting Period*, to perform the main duties of his or her *Work* when the *Disability* begins and who, during that period, does not hold other employment, and is under the continuous and appropriate treatment and *Care of a Physician*.

Thereafter, it is the state of a *Life Insured* who, as a result of an *Accident* or a *Sickness*, is unable to perform any remunerative *Work* that he or she is reasonably qualified to perform based on his or her education, training or experience and who remains under the continuous and appropriate treatment and *Care of a Physician*.

For a *Life Insured* who is without *Work* at the start of the *Disability*, it is the state of a *Life Insured* who, as a result of an *Accident* or a *Sickness*, is unable to perform any remunerative *Work* that he or she is reasonably qualified to perform based on his or her education, training or experience and who remains under the continuous and appropriate treatment and *Care of a Physician*.

Waiting Period: a period, expressed in number of days, during which no benefit is payable. The *Waiting Period* begins on the date of the first medical consultation related to the *Disability* after the onset of that *Disability*

Work: means the gainful or remunerative occupation(s), employment or *Work* performed by the *Life Insured* when the *Disability* begins.

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Part B – Term Life Insurance Coverage Payable to age 100

Benefits

In the event of the *Life Insured's* death, the *Insurer* will pay to the *Beneficiary*, while this *Policy* is in force, the lump sum death benefit indicated in the Schedule of Benefits, subject to the limitations and exclusions of the *Policy*.

Premium

The premium for this coverage is indicated in the Schedule of Benefits and is payable up to the date of the *Policy* anniversary nearest to the *Life Insured's* one hundred (100) birthday. Afterward, the Life Insurance coverage remains in effect without premium required to be paid.

Termination of coverage

In addition to the terms of this *Policy's* General Provisions, this Life Insurance coverage terminates at the earliest of the following dates:

- the date a written request from the *Policyowner* is received by the *Insurer*, stating that he wishes to terminate this Life Insurance coverage or the date stipulated in that request, if such date is later than the date of receipt by the *Insurer*,
- the date on which the *Life Insured* dies.

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Part B – Life Insurance Coverage Renewable to age 80 Convertible to age 65

Benefits

In the event of the *Life Insured's* death, the *Insurer* will pay to the *Beneficiary*, while this *Policy* is in force, the lump sum death benefit indicated in the Schedule of Benefits, subject to the limitations and exclusions of the *Policy*.

Premium

The Renewal Premium Schedule included in the *Policy* determines the premium payable at renewal periods.

The renewal premiums indicated in the Renewal Premium Schedule are guaranteed provided the premium is paid within the required period.

Coverage Exchange Right

Between the first (1st) and fifth (5th) anniversary of this Life Insurance coverage's effective date, the *Policyowner* can exchange this coverage, on the same *Life Insured*, in whole or in part, for a new temporary life coverage with a longer premium level term than initially chosen. The exchange is done without underwriting requirement on other coverage offered by the *Insurer*. This exchange right can be exercised only once during the five (5) years, provided that the coverage is in force at the time of the exchange and subject to terms described in the following "Conditions related to the Exchange Right and Conversion Privilege".

Conversion Privilege

While this life insurance coverage under this *Policy* is in force the *Policyowner* may request that such coverage be converted without evidence of the *Life Insured's* insurability, to a non-participating whole life insurance policy with level premiums as designated by the *Insurer*.

Conditions related to the Exchange Right and Conversion Privilege

The converted benefit cannot exceed the death benefit indicated in the Schedule of Benefits

The Exchange Right or Conversion Privilege must be exercised prior to the policy anniversary nearest to the sixty-fifth (65th) birthday of the *Life Insured*.

The premium for the new *Policy* shall be based on:

- the *Life Insured's* attained age at his or her nearest birthday;
- the rates in use at the date of the Exchange Right or conversion; and
- the *Risk Class* of this coverage.

If this coverage is issued with an extra premium or with limitations or exclusions, the converted coverage will also be issued subject to same conditions.

All additional coverages or benefits will be subject to satisfactory evidence of insurability.

Any application to exercise the Exchange Right or Conversion Privilege must be accompanied by the first premium payment.

If, at the time the Exchange Right or Conversion Privilege, this coverage includes the Waiver of Premium coverage, the new *Policy* will also include Waiver of Premium coverage, provided the *Life Insured's* premiums are not waived at the time of conversion or exchange.

Limitations

If the Exchange Right or Conversion Privilege occurs while the premiums are waived, the new *Policy* will not include that Waiver of Premium benefit and the *Policyowner* will have to pay the premiums.

Termination of coverage

In addition to the terms of this Policy's General Provisions, this Life Insurance coverage terminates at the earliest of the following dates:

- the date a written request from the *Policyowner* is received by the *Insurer*, stating that he wishes to terminate this Life Insurance coverage or the date stipulated in that request, if such date is later than the date of receipt by the *Insurer*;
- the date at which the Exchange Right is completely exercised;
- the date at which the entire coverage is converted;
- the date of termination of this coverage, as indicated in the Schedule of Benefits;
- the date on which the *Life Insured* dies.

Part B – Life Insurance Coverage

Coverage to age 80

Convertible to age 65

Benefits

In the event of the *Life Insured's* death, the *Insurer* will pay to the *Beneficiary*, while this *Policy* is in force, the lump sum death benefit indicated in the Schedule of Benefits, subject to the limitations and exclusions of the *Policy*.

Premium

The premium for this coverage is indicated in the Schedule of Benefits. The premium is fixed and payable until the date of termination of the *Policy*.

Coverage Exchange Right

Within the first five (5) years of this Life Insurance coverage's effective date, the *Policyowner* can exchange this coverage, on the same *Life Insured*, for a new temporary life coverage with a longer premium level term then initially chosen. The exchange is done without underwriting requirement on other coverage offered by the *Insurer*. This exchange right can be exercised only once during the five (5) years, provided that the coverage is in force at the time of the exchange and subject to terms described in the following "**Conditions related to the Exchange Right and Conversion Privilege**".

Conversion Privilege

While this life insurance coverage under this *Policy* is in force the *Policyowner* may request that such coverage be converted without evidence of the *Life Insured's* insurability, to a non-participating whole life insurance policy with level premiums as designated by the *Insurer*.

Conditions related to the Exchange Right and Conversion Privilege

The converted benefit cannot exceed the death benefit indicated in the Schedule of Benefits

The Exchange Right or Conversion Privilege must be exercised prior to the policy anniversary following the sixty-fifth (65th) birthday of the *Life Insured*.

The premium for the new *Policy* shall be based on:

- the *Life Insured's* attained age;
- the rates in use at the date of the Exchange Right or conversion; and
- the *Risk Class* of this coverage.

If this coverage is issued with an extra premium or with limitations or exclusions, the converted coverage will also be issued subject to same conditions.

All additional coverages or benefits will be subject to satisfactory evidence of insurability.

Any application to exercise the Exchange Right or Conversion Privilege must be accompanied by the first premium payment.

If, at the time the Exchange Right or Conversion Privilege, this coverage includes the Waiver of Premium coverage, the new *Policy* will also include Waiver of Premium coverage, provided the *Life Insured's* premiums are not waived at the time of conversion or exchange.

Limitations

If the Exchange Right or Conversion Privilege occurs while the premiums are waived, the new *Policy* will not include that Waiver of Premium benefit and the *Policyowner* will have to pay the premiums.

Termination of coverage

In addition to the terms of this Policy's General Provisions, this Life Insurance coverage terminates at the earliest of the following dates:

- the date a written request from the *Policyowner* is received by the *Insurer*, stating that he wishes to terminate this Life Insurance coverage or the date stipulated in that request, if such date is later than the date of receipt by the *Insurer*;
- the date at which the Exchange Right is exercised;
- the date at which the entire coverage is converted;
- the date of termination of this coverage, as indicated in the Schedule of Benefits;
- the date on which the *Life Insured* dies.

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Part B – Accidental Death and Dismemberment Coverage

Benefits

Accidental Death Benefit

If the *Life Insured* dies as a result of an *Accidental Injury*, the *Insurer* will pay the benefit indicated in the Schedule of Benefits, provided this Accidental Death and Dismemberment coverage is in force at the time the *Life Insured* suffers such *Accidental Injury* and the death of the *Life Insured* occurs on the date or within the three hundred and sixty-five (365) day period immediately following the date on which the *Life Insured's Accidental Injury* occurs.

Dismemberment Benefit

If, as a result of an *Accidental Injury* that occurs while this Accidental Death and Dismemberment coverage is in force, the *Life Insured* loses a limb, sight, hearing or speech, the *Insurer* will pay the percentage indicated below of the Dismemberment Benefit indicated in the Schedule of Benefits related to the loss:

100%	for both (2) feet or both (2) hands;
100%	for one (1) hand and one (1) foot;
100%	for one (1) hand and sight in one (1) eye;
100%	for one (1) foot and sight in one (1) eye;
100%	for hearing in both (2) ears and speech;
100%	for sight in both (2) eyes;
50%	for one (1) foot or one (1) hand;
50%	for hearing in both (2) ears or speech;
12.5%	for sight in one (1) eye;
12.5%	for hearing in one (1) ear;
2.5%	for two (2) or more phalanges of the same finger or the same toe.

Definitions

Dismemberment or Total Loss of Use:

- **of a hand or a foot:** the complete severance at or above the wrist or ankle joint; where there is no severance, total and permanent loss of use of the hand or foot;

- **of an eye:** the total and irrecoverable loss of sight in one (1) eye (visual acuity of twenty over two hundred (20/200) or less, or a field of vision of less than twenty (20) degrees);
- **of hearing:** the total and irrecoverable loss of hearing in both (2) ears, with a hearing threshold of ninety (90) decibels or over within a speech threshold of five hundred (500) to three thousand (3,000) cycles per second, confirmed by an otolaryngologist registered and licensed to practice in Canada;
- **of a finger or toe:** the complete severance of at least two (2) phalanges of the same finger or the same toe.
- **of speech:** definite diagnosis of the total and irreversible loss of the ability to speak. The diagnosis of loss of speech must be made by a specialist.

Limitations

If the *Life Insured* dies as a result of an *Accidental Injury* for which an Accidental Death benefit is payable under this *Policy*, no benefits shall be payable for any Accidental Dismemberment or Loss of Use suffered by the *Life Insured* as a result of the same *Accident*.

If a single *Accident* results in:

- more than one (1) Dismemberment;
- more than one (1) Total Loss of Use; or
- any combination of a Dismemberment or Dismemberments and Total Loss of Use or Total Losses of Use;

the *Insurer* is only responsible to pay for the Dismemberment or Total Loss of Use that gives rise to the benefit amount with the single greatest dollar value.

The *Insurer* will pay a benefit for a Total Loss of Use only if the Total Loss of Use remains a Total Loss of Use for a period of more than three hundred and sixty-five (365) consecutive days immediately following the date on which the *Accident* that caused the Total Loss of Use occurred.

The total of any benefits for Accidental Dismemberment or Total Loss of Use that become payable under this *Policy* cannot exceed one hundred percent (100%) of the benefit for Accidental Dismemberment or Total Loss of Use indicated in the Schedule of Benefits.

Any Dismemberment or Total Loss of Use of the *Life Insured* that exists as of the date on which this *Policy* is issued is not a loss covered under this *Policy* and the *Insurer* is not responsible to pay any benefits under this *Policy* in relation to such Dismemberment or Total Loss of Use.

The total amount of all benefits payable by the *Insurer* in respect of any one *Life Insured* for Accidental Dismemberment or Total Loss of Use cannot exceed five hundred thousand dollars (\$500,000). If the amount of insurance coverage for Accidental Death and Dismemberment with respect to the *Life Insured* is greater than five hundred thousand dollars (\$500,000) with the *Insurer*, regardless of the number of coverages in force with the *Insurer*, the *Insurer* will pay a single benefit equal to the coverage entitling the *Policyowner* to the highest amount and the *Insurer* will refund, to the *Policyowner*, all premiums paid for the Accidental Death and Dismemberment coverage for which no benefit is paid.

Termination of coverage

In addition to the terms of this *Policy's* General Provisions, this Accidental Death and Dismemberment coverage terminates at the earliest of the following dates:

- the date a written request from the *Policyowner* is received by the *Insurer* stating that he wishes to terminate this Accidental Death and Dismemberment coverage or the date stipulated in that request if such date is later than the date of receipt by the *Insurer*;
- the *Policy* anniversary nearest to the *Life Insured's* seventy-first (71st) birthday; or
- the date on which the *Life Insured* dies.

General provisions

The definitions, limitations and exclusions of this Accidental Death and Dismemberment coverage apply in addition to those indicated in this *Policy's* General Provisions.

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Part B – Waiver of Premium Coverage in case of Total Disability of the Insured

Benefit

While this Waiver of Premium coverage is in force, the *Insurer* will waive the premiums under this *Policy* until the *Policy* anniversary nearest to the *Life Insured's* sixty-fifth (65th) birthday, as long as the following requirements are satisfied:

- the *Life Insured* has been *Totally Disabled* for a period of six (6) consecutive months;
- the *Life Insured's Total Disability* is caused by a *Sickness* or an *Accident* that occurred while this Waiver of Premium coverage was in force; and
- the *Life Insured* remains *Totally Disabled*.

After the *Insurer* is satisfied that the *Life Insured's* is entitled to have premiums waived under this *Policy* pursuant to this Waiver of Premium coverage, any premiums due under this *Policy* during the six (6) months *Waiting Period* will be waived retroactively.

Termination of coverage

In addition to the terms of this *Policy's* General Provisions, this Waiver of Premium coverage terminates at the earliest of the following dates:

- the date a written request from the *Policyowner* is received by the *Insurer* stating that he wishes to terminate this Waiver of Premium coverage or the date stipulated in that request if such date is later than the date of receipt by the *Insurer*;
- the *Policy* anniversary nearest to the *Life Insured's* sixty-fifth (65th) birthday; or
- the date on which the *Life Insured* dies.

General provisions

The definitions, limitations and exclusions of this Waiver of Premium coverage apply in addition to those indicated in this *Policy's* General Provisions.

Part C – General Provisions

Contract

This *Policy* is issued by the *Insurer* based on the application for insurance, a copy of which is attached, as well as on any document subsequently submitted to reinstate or change the *Policy*. No representative is authorized to change this *Policy* or to render null any of its provisions.

Any change to the *Policy* or its riders must be signed by an officer of the *Insurer*.

Effective date

This *Policy* takes effect on the date the *Insurer* approves the application, provided the application is approved without change, the first premium has been paid, and no change has occurred in the *Life Insured's* insurability since the application for insurance or reinstatement was signed.

Premiums

The premium of each coverage is indicated in the Schedule of Benefits.

Method of payment

Premium is payable monthly by automatic pre-authorized withdrawals or yearly, at the choice of the *Policyowner*. A premium paid by cheque or pre-authorized withdrawal is only considered paid if the payment is honoured.

A grace period of thirty (30) days is granted for payment of each premium except the first. If the premium remains unpaid after the grace period, this *Policy* lapses and all insurance coverage terminates.

The *Insurer* will deduct outstanding premiums from any amount payable.

Exclusions

No death benefit is payable if the *Life Insured* commits suicide within two (2) years of the effective date of coverage or reinstatement of this *Policy*, whether he or she is sane or insane.

The following exclusions apply to the Waiver of Premium and the Accidental Death & Dismemberment benefits if those coverages are part of this *Policy*.

No Waiver of Premium or Accidental Death & Dismemberment benefits will be payable that result from:

- attempted suicide or intentionally self-inflicted *Injury* or dismemberment, whether the *Life Insured* is sane or insane;
- the *Life Insured's* participation in the commission or attempted commission of an unlawful act or crime, driving a motor vehicle or piloting a boat while under the influence of narcotics or while his or her blood alcohol concentration exceeded the legal limit;
- drug addiction, alcohol abuse or the use of hallucinogens, drugs or narcotics;

- service, whether or not as a combatant, with armed forces engaged in surveillance, training, peacekeeping, insurrection, war (whether or not declared) or any related act, or the *Life Insured's* participation in a popular uprising;
- *Injury* sustained during a flight, except if the *Life Insured* is a passenger on an aircraft operated by a common carrier;
- cosmetic surgery or elective surgery, and any resulting complication;
- experimental treatments and treatments involving the application of new procedures or new treatments that are not yet standard practice.

No Waiver of Premium benefit will be payable for:

- any period during which the *Life Insured* is entitled to paid leave under an agreement between the *Life Insured* and his or her employer;
- pregnancy, childbirth, miscarriage or any resulting condition, except in the case of a pathologic complication;
- any period during which the *Life Insured* is incarcerated in a penitentiary or a government detention facility.

Age

For the purposes of this *Policy*, the *Life Insured's* age is the age attained at his or her nearest birthday when a coverage is issued. If, mistakenly or otherwise, the age used to calculate the premium is incorrect, any amount payable by the *Insurer* will be adjusted to reflect the correct age.

Policy and Coverage termination

Unless stipulated otherwise in a given coverage, this *Policy* and its coverages terminate at the earliest of the following dates:

- the date a written request from the *Policyowner* is received by the *Insurer* stating that he wishes to terminate this *policy* or the date stipulated in that request, if such date is later than the date of receipt by the *Insurer*;
- the date the grace period for premium payment expires;
- the date of the *Policy* anniversary nearest to the *Life Insured's* eightieth (80th) birthday;
- the date the *Life Insured* dies.

Incontestability

In the absence of fraud, the *Insurer* cannot cancel or reduce a coverage that has been in force for two (2) years or that was reinstated over two (2) years previous because of misrepresentation or concealment with respect to risk.

Misrepresentation concerning smoking habits

If the premium for this *Policy* is based on statements in the application for insurance or reinstatement to the effect that the *Life Insured* is a *Non-Smoker* and those statements are in fact false, those statements will be considered fraudulent

and this *Policy* will be void from the effective date or reinstatement date. Accordingly, any claim paid by the *Insurer* must be reimbursed.

Reinstatement

If this *Policy* terminates because the premium was not paid, it may be reinstated within two (2) years of the date of termination provided the *Policyowner* requests that it be reinstated, establishes the *Life Insured's* insurability to the *Insurer's* satisfaction and pays any outstanding premiums. The periods related to incontestability and suicide apply again as of the date of the last reinstatement.

When the *Policy* is reinstated within ninety (90) days of the date of cancellation, no proof of insurability is required.

Change of beneficiary

Subject to applicable law, the *Policyowner* may at any time designate or change a *Beneficiary* or revoke a *Beneficiary* designation that is not an irrevocable *Beneficiary* designation. For a change of *Beneficiary* to be recognized, the *Insurer* must receive written notice of that change. The *Insurer* bears no responsibility with respect to the validity of a *Beneficiary* designation or any change of *Beneficiary*.

Participation in the distribution of profits

This *Policy* is a non-participating *Policy*, it does not grant any rights to a share of the *Insurer's* profits.

Notice and proof of claim

All claims must be made in writing and submitted to the *Insurer* within thirty (30) days of the date of the *Accident*, *Sickness* or *Disability* giving rise to a claim under this *Policy*.

In the event of the *Life Insured's* death, the *Insurer* may, if permitted under applicable law, require an autopsy and any failure to satisfy that request will give the *Insurer* grounds to refuse payment of the benefit.

The *Life Insured*, the *Policyowner* and the *Beneficiary* are required to cooperate fully with the *Insurer* by providing all the information it may require and by signing any form or other document allowing the *Insurer* to obtain any information it deems relevant.

The *Policyowner* or any person entitled to submit a claim must provide the *Insurer* with all the documents it may require within ninety (90) days of the date of the *Accident*, *Sickness* or *Disability* giving rise to a claim.

In the event of a failure to give notice or provide proof within the stipulated periods, the *Life Insured*, the *Policyowner* or the *Beneficiary*, as applicable, shall not be entitled to receive benefits, with respect to the claim in question, for the period prior to the date on which the *Insurer* actually receives that proof.

The *Insurer* reserves the right to require that the *Life Insured* undergo any examination(s) it consider necessary by a *Physician* of its choice. Refusal to undergo the examination(s) will deprive the person of the right to receive benefits.

The *Policyowner* must notify the *Insurer* of any change of address for the purpose of facilitating correspondence and the transmission of any document.

Payment under the policy

Death benefits will be paid to the *Beneficiary* designated in the application or in any other document subsequently submitted to the *Insurer* by the *Policyowner*.

If the *Policyowner* has not designated a *Beneficiary*, the death benefit will be payable to the *Policyowner* or the *Policyowner's* estate.

Reimbursement

No cheque in reimbursement of premiums will be issued for amounts of less than twenty dollars (\$20).

Legal currency

Any payment under the provisions of this *Policy* will be made in the legal currency of Canada.

Right to cancel

The *Policyowner* may cancel this *Policy* within ten (10) days of the date it was received by the *Policyowner* or within sixty (60) days after the date the *Policy* is issued to the *Policyowner*, whichever is earlier, provided he or she notifies the *Insurer* in writing of such cancellation and returns the *Policy* to the *Insurer* in which case any premium paid for the *Policy* will be refunded.

Cash value

This *Policy* does not have any cash-value.

Compliance with law

Any provision of the *Policy* that, at the effective date, does not comply with legislation of the province or territory in which the *Policy* was issued is amended so as to meet the minimum requirements of such legislation.

General provisions

The exclusions, limitations and General Provisions apply to the *Policy* as well as to all coverages when they are relevant.

Some coverages contain exclusions and limitations specific to those coverages. These exclusions and limitations apply in addition to the exclusions and limitations of the General Provisions.