

BMO Protection Plan Product Summary

Life, Critical Illness, Disability and Job Loss Coverage for Mortgages and Instalment Lines of Credit

NAME AND CONTACT INFORMATION FOR THE INSURER AND DISTRIBUTOR

The BMO Protection Plan (Plan) is Creditor's Group Insurance underwritten by Canadian Premier Life Insurance Company (Canadian Premier). The Group Policyholder is the Bank of Montreal (BMO).

- Life insurance on mortgages is provided under Group Policy 51007-B;
- Disability and Job Loss coverage on mortgages is provided under Group Policy 51007-C,
- Life, Disability and Job Loss coverage on instalment lines of credit is provided under Group Policy 21559
- Critical Illness coverage on both mortgages and instalment lines of credit is provided under Group Policy 57904.

Canadian Premier Life Insurance Company Creditor
Insurance Team
25 Sheppard Ave West, Suite 1400,
Toronto, ON M2N 6S6

Telephone: 1-877-271-8713
Fax: 1-866-923-8353
Email: credorteam@canadianpremier.ca
Website: www.canadianpremier.ca
AMF client number: 2000829775

The Distributor of this insurance is BMO Bank of Montreal

BMO Bank of Montreal
129 Saint-Jacques Street West, 2nd floor
Montreal, QC H2Y 1L6

Telephone: 1-877-CALL BMO (1-877-225-5266)
website: www.BMO.com

BMO Bank of Montreal branch contact information

NAME AND TYPE OF THIS INSURANCE PRODUCT

INSURANCE PRODUCT NAME: Life, Critical Illness, Disability and Job Loss Coverage for Mortgages and Instalment Lines of Credit

INSURANCE PRODUCT TYPE: The Autorité des marchés financiers classifies this insurance product as Debtor Life, Health and Employment Insurance



Canadian Premier Life Insurance Company, operating under the brand name Securian Canada, is the insurer of this product

HOW TO READ THIS PRODUCT SUMMARY

This product summary is an overview of the Plan as it applies to coverage underwritten by Canadian Premier Life Insurance Company (Canadian Premier) for mortgages and instalment lines of credit with BMO. For full details of coverage provided under the Plan please read the BMO Protection Plan Mortgage & Line of Credit Certificate of Insurance (Certificate) together with the application for insurance on mortgages or lines of credit as applicable.

You can find copies of this product summary and the Certificate of Insurance online at www.canadianpremier.ca. Type “product summary” into the search field and click on the hyperlink that appears in the results. You will be taken to the landing page for Creditor Insurance product summaries and certificates of insurance, where you can access the most recent versions of BMO’s documents.

Words and terms that appear in bold italic throughout this product summary are defined below:

Actively working means you are carrying out the regular duties of your job for at least **30** hours per week.

Critical Illness means you have been diagnosed with or have had surgery for cancer (life-threatening), coronary bypass surgery, heart attack or stroke.

Disability, Disabled means any medical condition that prevents you from performing substantially all of the essential duties of your job.

Eligible means that you and your mortgage or instalment line of credit meet all necessary criteria to apply for a given type of insurance available under the Plan.

Job Loss means you are collecting Government of Canada Employment Insurance benefits as a result of **involuntary** loss of employment. For example, lay-off, or dismissal without cause.

Life Insurance is coverage that pays a benefit when the insured person dies.

Percent of Balance Covered means the actual percentage of ***Life Insurance*** or ***Critical Illness Insurance*** on your mortgage or instalment line of credit. It takes into account whether you have chosen 100% or 50% coverage, and the coverage maximum under the Plan.

Percent of Payment Covered means the actual percentage of ***Disability Insurance*** or ***Job Loss Insurance*** on your mortgage or instalment line of credit. It takes into account whether you have chosen 100% or 50% coverage, and the coverage maximum under the Plan.

Pre-existing Condition means any health condition for which you consulted with or received medical advice or treatment from a licensed physician or health care practitioner in the 12 months before the date you signed the insurance application for this coverage.

Premium means the amount you must pay for insurance coverage for a specific period. ***Premium Rate***

means the unit cost of insurance.

Seasonal worker means you are normally actively at work for part of the calendar year and expect to return to the same source of employment when the next working season begins.

HOW DOES THIS INSURANCE HELP PROTECT MY MORTGAGE OR INSTALMENT LINE OF CREDIT?

The Plan provides creditor's group insurance protection for residential mortgages and instalment lines of credit.

Life Insurance and **Critical Illness Insurance (Balance Protection)** will reduce or pay off the balance of your mortgage or instalment line of credit if you die or have a **Critical Illness**. **Disability Insurance** and **Job Loss Insurance (Payment Protection)** will help cover payments owed to BMO if you become **Disabled** or have a **Job Loss**.

HOW MUCH COVERAGE IS AVAILABLE UNDER THE PLAN?

The Plan offers the following types of optional creditor's group insurance coverage for **Eligible** mortgages and instalment lines of credit with BMO.

Insurance type	Benefit	Maximum payable to BMO under your mortgage or instalment line of credit
Life	Lump sum payment if you die	\$750,000
Critical Illness	Lump sum payment if you have a Critical Illness	one-time benefit if, after the effective date of insurance, you receive a diagnosis or have surgery for one of the following covered Critical Illnesses : cancer (life threatening), coronary bypass surgery, heart attack or stroke, \$450,000
Disability	Regularly scheduled payments if you continue to be Disabled for longer than 30 consecutive days	per Disability claim, to a maximum payment period of 24 months, \$3,000 per month
Job Loss	Regularly scheduled payments if you are unemployed due to Job Loss for longer than 60 consecutive days	per Job Loss claim, to a maximum payment period of 6 months, \$3,000 per month

WHICH BMO LENDING PRODUCTS ARE ELIGIBLE?

Residential mortgages and Homeowner Readiline instalment lines of credit with BMO are **Eligible** for coverage under the Plan.

AM I ELIGIBLE TO APPLY?

You are **Eligible** to apply if **on the date of application** you are a borrower or co-borrower on an **Eligible** mortgage or instalment line of credit with BMO, a Canadian resident and, for the applicable insurance coverage, meet all the required criteria indicated in the chart below:

Criteria by Insurance Type	Life	Critical Illness	Disability	Job Loss
Age Eligibility criteria At least 18 years old and under the age indicated under each insurance type	65	55	65	55
Primary Eligibility criteria	N/A	available to borrowers applying for, or already insured under the Plan for Life Insurance	N/A	available to borrowers who must be either: <ul style="list-style-type: none"> • applying for Disability Insurance, or • already insured under the Plan for Disability Insurance and still eligible for Disability Insurance on the date of application
Additional Eligibility criteria	N/A	N/A	<ul style="list-style-type: none"> • Actively at work, or • if on maternity or parental leave or a Seasonal worker during the off-season and not Actively at work, capable of performing the regular duties of your occupation for at least 30 hours per week. 	<p>must also be:</p> <ul style="list-style-type: none"> • continuously employed for 6 months with the same employer, • eligible to receive Government of Canada Employment Insurance benefits <p>must NOT be</p> <ul style="list-style-type: none"> • in receipt of notice of termination • self-employed • an independent contractor

HOW DO I APPLY?

If you and your loan with BMO are **Eligible**, you can apply for this insurance when you apply for your mortgage or instalment line of credit or any time after. You apply for this insurance by completing the Application for the BMO Protection Plan for mortgages or lines of credit as applicable.

You can choose 50% coverage or 100% coverage, but you cannot choose 100% **Critical Illness** coverage if you choose 50% **Life Insurance** coverage and you cannot choose 100% **Job Loss** coverage if you choose 50% **Disability** coverage. (These percentages will be adjusted if the amount of your mortgage or instalment line of credit or the regular payment to BMO is greater than the coverage maximums described in the "HOW MUCH COVERAGE IS AVAILABLE UNDER THE PLAN?" section of this product summary.)

Mortgages

If your mortgage amount multiplied by the **Percent of Balance Covered** you have selected for **Life Insurance Critical Illness Insurance** or **Disability Insurance** coverage is **no greater than \$50,000**, you do not need to answer the related health status question(s). If your mortgage amount multiplied by the **Percent of Balance Covered** is **more than \$50,000**, you must answer the related health status question(s) for **Life Insurance, Critical Illness Insurance** or **Disability Insurance**.

Instalment lines of credit

If your instalment amount multiplied by the **Percent of Balance** covered is **no greater than \$100,000**, you do not need to answer the related health status question(s) for **Life Insurance, Critical Illness Insurance** or **Disability Insurance**. If your instalment amount multiplied by the **Percent of Balance Covered** is **more than \$100,000**, you must answer the related health status question(s) for **Life Insurance, Critical Illness Insurance** or **Disability Insurance**.

Mortgages and Instalment lines of credit

If you answer YES to an applicable health status question, Canadian Premier will contact you for medical underwriting.

WHEN DOES MY INSURANCE START?

Coverage starts on the **latest** of the following dates:

- the date BMO either:
 - sets up your mortgage and issues the Commitment to Lend and Disclosure Statement; or
 - sets up your Line of Credit and issues the Line of Credit Agreement,
- the date Canadian Premier approves your application in writing, if medical underwriting is required, or
- the date you apply for insurance, if the coverage applied for does not require medical underwriting by Canadian Premier (provided that your mortgage or line of credit is already funded on that date).

HOW MUCH WILL MY INSURANCE COST?

Premium Rates for mortgages and instalment lines of credit are based on:

- your age on the date you apply for the insurance; and
- whether more than one borrower is insured for the same coverage on the date your mortgage payment or instalment line of credit payment is due.

Your **Premium** will not change from month to month unless you refinance your mortgage or instalment line of credit.

Provincial sales tax is added to your **Premium**, if applicable.

See the "HOW MUCH WILL MY INSURANCE COVERAGE COST?" section of the Certificate for **Premium Rates** and sample **Premium** calculations.

WHAT DOES CANADIAN PREMIER PAY?

If your claim is approved, Canadian Premier will pay a benefit to BMO, on your behalf, **up to the applicable coverage maximum**.

Insurance Type	Benefit under the Plan	Also included
<p>Life</p> <p>Critical Illness</p>	<p>the amount owing on the date of death or the date of your diagnosis or surgery for a Critical Illness multiplied by your Percent of Balance Covered.</p>	<p>Canadian Premier will also pay:</p> <ul style="list-style-type: none"> • unpaid interest under your mortgage or instalment line of credit, from date of covered loss until date of benefit payment. • penalties charged for the early discharge of your mortgage or instalment line of credit. • For mortgages, unpaid property taxes from date of covered loss to date of benefit payment, IF property taxes were part of your mortgage payment.
<p>Disability</p> <p>Job Loss</p>	<p>your regular payment on date of Disability or Job Loss multiplied by your Percent of Payment Covered.</p> <p>Disability benefits start after a qualifying period of 30 consecutive days and will be paid for up to 24 months for each Disability.</p> <p>Job Loss benefits start after a qualifying period of 60 consecutive days and will be paid for up to 6 months for each Job Loss.</p>	<p>Canadian Premier will also pay any insurance premiums plus applicable taxes owed under your mortgage or instalment line of credit.</p>

WHAT IF I HAVE AN INSURANCE CLAIM?

You should always make an insurance claim as soon as possible, using Canadian Premier's form, which you can obtain from your BMO branch or by visiting BMO.com/protectionplans.

How long do I have to make a claim?

For all provinces and territories outside of Quebec, as soon as possible, but within one year of the date of death.

For Quebec residents, as soon as possible but within three years of the date of death.

For the prompt resolution of the following types of claims, you should submit the claim within the following timelines:

- **Critical Illness** claims – within **180** days of the date of diagnosis
- **Disability** claims – within **120** days from the date of **Disability**
- **Job Loss** claims – within **120** days from the date of **Job Loss**

How long for Canadian Premier's claim decision and payment?

Canadian Premier will send you the claim decision in writing within **30** days of receiving all the information required to make their decision.

If Canadian Premier approves a claim it will pay the benefit to BMO within **30** days of receiving all information required upon which to make a decision.

Whenever a claim is not approved, Canadian Premier's written decision will include the reasons for that decision.

What if I want to appeal Canadian Premier's claim decision?

If Canadian Premier does not approve your claim, you have **90** days from the date of Canadian Premier's original claim decision to file an appeal. Your appeal must be in writing and you must include new information that is pertinent to your claim.

Quebec residents may consult the Autorité des marchés financiers or an independent legal advisor for assistance with their appeal.

WHAT EXCLUSIONS AND LIMITATIONS APPLY TO THIS INSURANCE?

As long as premiums are paid, Canadian Premier will only void coverage if Canadian Premier discovers that you made a misrepresentation or false declaration on your application for insurance, medical underwriting interview (if applicable), or in connection with an insurance claim.

For a full list of exclusions and limitations, please see the "WHAT ARE THE IMPORTANT DETAILS OF THE COVERAGE (INCLUDING LIMITATIONS AND EXCLUSIONS)?" and "WHAT WILL CANADIAN PREMIER PAY IF MY CLAIM IS APPROVED, FOR EACH TYPE OF COVERAGE?" sections of the Certificate. **The following are the most common reasons why Canadian Premier will not pay an insurance claim:**

Life benefit exclusions

- Where coverage has been in force for less than **24** months, no benefit will be payable if your death results directly or indirectly from suicide, whether you are aware or not aware of the results of your action, regardless of your state of mind.
- Your death results directly or indirectly from your operation of a motorized vehicle or vessel while you are under the influence of, or impaired by drugs or substances, or while your blood alcohol concentration is at least **80** milligrams of alcohol in **100** millilitres of blood (**0.08**).

Critical Illness benefit exclusions

- Within the first **90** days of your coverage start date, you had signs, symptoms or investigations that led to the diagnosis of cancer.
- The cancer you were diagnosed with is not considered life-threatening.
- The changes shown in your electrocardiogram (ECG) suggest a prior myocardial infarction, and are not consistent with a recent heart attack.
- Your heart specialist used balloon angioplasty to remove the obstruction in your artery and not coronary artery bypass surgery.
- Your diagnosis was for transient ischaemic attack (TIA), not stroke.

Disability benefit exclusions

- Your **Disability** results directly or indirectly from your operation of a motorized vehicle or vessel while you are under the influence of, or impaired by drugs or substances, or while your blood alcohol concentration is at least **80** milligrams of alcohol in **100** millilitres of blood (**0.08**).
- You are not under the active and continuous care of a licensed physician.

Job Loss benefit exclusions

- Your job loss occurred within 90 days after your coverage start date.
- You are a **Seasonal worker** who is receiving Government of Canada Employment Insurance benefits because you were laid-off from seasonal work during your normal period of seasonal layoff.
- You left your job by choice.

Is there a pre-existing condition and when does it apply?

The limitation for **Pre-existing conditions** under the Plan will only be applied by Canadian Premier when:

- you are approved for **Life, Critical Illness or Disability Insurance** without answering the related health status question(s), and
- your claim occurs in the **12** months after the date you signed the insurance application for coverage ,and
- your claim is due to a **Pre-existing condition**.

WHEN DOES INSURANCE END?

All of your insurance coverage will end on the **earliest** of the following dates:

- the date your mortgage or instalment line of credit is paid in full or discharged,
- the date your mortgage or instalment line of credit is refinanced/re-advanced, ported or replaced,
- your **Premiums** have not been paid for more than **90** days,
- the date BMO receives your request to cancel all your coverage,
- the date of your death.

Life Insurance coverage will also end on the **earliest** of the following dates:

- the date you turn **70** years old,
- the date Canadian Premier pays your 100% **Life insurance** benefit,
- the date Canadian Premier pays your 50% **Critical Illness Insurance** benefit when your **Life Insurance** coverage is also 50%.

Critical Illness Insurance coverage will also end on the **earliest** of the following dates:

- the date Canadian Premier pays your **Critical Illness Insurance** benefit,
- the date you no longer have **Life Insurance** coverage,
- the date you turn **70** years old.

Disability Insurance coverage will also end on the **earliest** of the following dates:

- the date you no longer have a fixed contractual payment under your instalment line of credit,
- the date you turn **70** years old.

Job Loss Insurance coverage will also end on the **earliest** of the following dates:

- the date you no longer have a fixed contractual payment under your instalment line of credit,
- the date you no longer have **Disability Insurance** coverage,
- the date you turn **60** years old.

WHAT HAPPENS IF A LIFE OR CRITICAL ILLNESS CLAIM IS PAID?

For Life Insurance claims, if there is 100% **Life Insurance** coverage on your mortgage amount or instalment line of credit amount and Canadian Premier approves the claim, the outstanding balance will be paid in full and all insurance under your mortgage or instalment line of credit will end.

If the **Life Insurance** benefit is less than 100%, the deceased borrower's insurance ends. If there are other insured borrowers, their existing insurance coverage will be adjusted in proportion to the reduction in the amount owed to BMO after the claim is paid. They will receive an updated coverage summary from BMO that documents the changes in coverage on the remaining debt.

For Critical Illness Insurance claims, if an insured person has more **Life Insurance** coverage than **Critical Illness Insurance** coverage when Canadian Premier pays that person's **Critical Illness** claim, **Life Insurance** continues but it will be adjusted in proportion to the reduction in the amount owed to BMO. Coverage on any other insured borrower will also be adjusted. An updated coverage summary that documents the changes in coverage on the remaining debt will be issued.

For sample calculations of what happens when the **Life Insurance** benefit or **Critical Illness Insurance** benefit is less than the amount owed to BMO, see the "WHAT HAPPENS IF A LIFE OR CRITICAL ILLNESS CLAIM IS PAID?" section of the Certificate.

If the insured person has the same **Percent of Balanced Covered** for both **Life Insurance** and **Critical Illness Insurance**, and the amount Canadian Premier pays is less than the amount owed to BMO, both **Life Insurance** and **Critical Illness Insurance** coverage will end, but **Disability Insurance** and **Job Loss Insurance** coverage will continue. The insured person and any other insured borrower will receive an updated coverage summary that documents the changes in coverage on the remaining debt will be issued.

WHAT HAPPENS TO MY INSURANCE IF I SELL MY HOME?

If you sell your home in order to buy another home, insurance will end on the date your mortgage is refinanced or when an instalment line of credit secured against the home you are selling is paid out. If you want your new mortgage or instalment line of credit to be insured under the Plan, you must complete a new insurance application.

If your new application is declined because of a health condition or you are over the eligible age to apply (but under the termination age), you may be eligible for recognition of prior coverage, which provides you with the same amount of coverage you had under the old mortgage or instalment line of credit.

For more details about the impact on insurance if you sell your home, see the "WHAT HAPPENS IF MY LOAN IS REFINANCED OR RE-ADVANCED, PORTED OR REPLACED?" section of the Certificate.

WHEN AND HOW CAN I CANCEL INSURANCE?

Coverage is optional and you can cancel at any time. To cancel this insurance:

- contact BMO at 1-877-CALL BMO (1-877-225-5266) or talk to your branch representative, or
- Quebec residents can use the notice of rescission, which you were given by the Distributor when you applied for this insurance.

Although the *Insurers Act* and the *Act respecting the distribution of financial products and services* allow for a 10- day period from the date you sign the application to cancel insurance without penalty, Canadian Premier allows you 30 days from the effective date of insurance to cancel without penalty.

After the 30-day period allowed by Canadian Premier, there will be no refund of **Premiums**, except where **Premiums** may have been collected in error.

WHO CAN ANSWER MY QUESTIONS ABOUT THIS INSURANCE?

For questions on existing coverage and premiums, you may contact BMO at 1-877-CALL BMO (1-877-225-5266). For questions on claims and underwriting, call Canadian Premier Creditor Team at 1-877-271-8713.

For more information about the obligations of insurers and distributors, Quebec residents can contact the Autorité des marchés financiers as follows:

Autorité des marchés financiers Place
de la Cité
2640, boul Laurier, 4 étage
Québec QC G1V 5C1

Tel: Québec 418-525-0337
Montreal: 514-395-0337 Toll
Free: 1-877-525-0337
Website: www.lautorite.qc.ca

WHERE CAN I FIND OUT ABOUT CANADIAN PREMIER'S COMPLAINTS RESOLUTION PROCESS?

You can find Canadian Premier's complaints resolution process, a summary of Canadian Premier's complaints resolution processing policy and where complaints may be filed by going to www.canadianpremier.ca and typing "complaints" into the search field.

The purpose of this fact sheet is to inform you of your rights.
It does not relieve the insurer or the distributor of their obligations to you.

LET'S TALK INSURANCE!

Name of distributor: BMO Bank of Montreal

Name of insurer: Canadian Premier Life Insurance Company

Name of insurance product: Life, Critical Illness, Disability and Job Loss Coverage for Mortgages and Instalment Lines of Credit



IT'S YOUR CHOICE

You are **never required** to purchase insurance:

- that is offered by your distributor;
- from a person who is assigned to you; or
- to obtain a better interest rate or any other benefit.

Even if you are required to be insured, **you do not have to** purchase the insurance that is being offered. **You can choose** your insurance product and your insurer.



HOW TO CHOOSE

To choose the insurance product that's right for you, we recommend that you read the summary that describes the insurance product and that must be provided to you.



DISTRIBUTOR REMUNERATION

A portion of the amount you pay for the insurance will be paid to the distributor as remuneration.

The distributor **must** tell you when the remuneration exceeds 30% of that amount.



RIGHT TO CANCEL

The Act allows you to rescind an insurance contract, **at no cost**, within 10 days after the purchase of your insurance. However, the insurer may grant you a longer period of time. After that time, fees may apply if you cancel the insurance. **Ask** your distributor about the period of time granted to cancel it **at no cost**.

If the cost of the insurance is added to the financing amount and you cancel the insurance, your monthly financing payments might not change. Instead, the refund could be used **to shorten the financing period**. **Ask your distributor for details**.

The *Autorité des marchés financiers* can provide you with unbiased, objective information.

Visit www.lautorite.qc.ca or call the AMF at 1-877-525-0337.

Reserved for use by the insurer:

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

NOTICE GIVEN BY A DISTRIBUTOR

Section 440 of the *Act respecting the distribution of financial products and services* (chapter D-9.2)

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

The *Act* allows you to rescind an insurance contract, **without penalty**, within 10 days of the date on which it is signed. However, the insurer may grant you a longer period.

To rescind the contract, you must give the insurer notice, within that time, by registered mail or any other means that allows you to obtain an acknowledgement of receipt.

Despite the rescission of the insurance contract, the first contract entered into will remain in force. Caution, it is possible that you may lose advantageous conditions as a result of this insurance contract; contact your distributor or consult your contract.

After the expiry of the applicable time, you may rescind the insurance contract at any time; however, penalties may apply.

For further information, contact the Autorité des marchés financiers at 1-877-525-0337 or visit www.lautorite.qc.ca.

NOTICE OF RESCISSION OF AN INSURANCE CONTRACT

To: Canadian Premier Life Insurance Company
Creditor Team, 25 Sheppard Ave West, Suite 1400, Toronto, ON M2N 6S6

Date: _____
(date of sending of notice)

Pursuant to section 441 of the *Act respecting the distribution of financial products and services*, I hereby rescind insurance contract(s) no.: 51007-B (mortgage life), 51007-C (mortgage disability and job loss), 21559 (life, disability and job loss on instalment lines of credit) and 57904 (critical illness for both loan types)

- Life insurance
- Disability insurance
- Critical Illness insurance
- Job Loss insurance

Note: Critical Illness insurance cancels automatically if Life insurance is cancelled. Job Loss insurance cancels automatically if Disability insurance is cancelled.

Entered into on: _____
(date of signature of contract)

In: _____
(place of signature of contract)

(name of client)

(signature of client)