

BMO Protection Plan **Mortgage** & **Line of Credit**

Certificate of insurance

Effective April 1, 2023



BMO PROTECTION PLAN MORTGAGE AND LINE OF CREDIT CERTIFICATE OF INSURANCE

The BMO Protection Plan Mortgage and Line of Credit (Plan) can help cover your Mortgage or Line of Credit balance or payments if you become disabled, lose your job, suffer from a covered critical illness condition or die. This Certificate of Insurance (Certificate) explains the insurance provided to you if you apply and are insured under the Plan including what is covered, when the coverage is limited and what is not covered. You may not have purchased all of the coverage offered under this Plan. We will send you a Coverage Summary with specific details of your coverage, including the mortgage or line of credit that is covered, the type of coverage, and the percent or maximum amount of coverage you have. A Coverage Summary will be issued to you when the mortgage or the line of credit is funded and when there is a change to your or your co-borrower's coverage.

In this Certificate, "you" or "your" means you have applied and are approved for coverage under this Plan and you have a BMO Mortgage or a BMO Line of Credit.

The Plan is issued and underwritten by Canadian Premier Life Insurance Company (Canadian Premier)* and made available to you through BMO Bank of Montreal (BMO). For more information, contact:

Canadian Premier Life Insurance Company
25 Sheppard Ave West, Suite 1400, Toronto, ON M2N 6S6
Toll free: 1-877-271-8713 Fax: 1-866-923-8353
Email: credorteam@canadianpremier.ca

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

www.canadianpremier.ca

* Canadian Premier's group policies with BMO for its Mortgage and Line of Credit holders are:

Group Policy no. 51007-G Part B for Life Insurance
Group Policy no. 51007-G Part C for Disability and Job Loss Insurance
Group Policy no. 21559 for Life, Disability and Job Loss Insurance
Group Policy no. 57904 for Critical Illness Insurance

Canadian Premier and BMO can together agree to change the details of coverage that are explained in this Certificate including the premium rates and can terminate the policy with 30 days written notice to you.

HOW DO I READ MY CERTIFICATE?

To make this Certificate easy to read and understand, it has been divided into sections. Each section may be further divided by Loan and Revolving LOC where it applies. For the purposes of this Certificate:

- **Loan or Loan Payment** refers to either one BMO Mortgage or one BMO Instalment Line of Credit. The reason these are grouped together is that the insurance details are the same except in a couple of instances. When the details are different they are referred to as a Mortgage or an Instalment Line of Credit.
- **Revolving LOC** is a BMO Revolving Line of Credit.

Please look at the Certificate for the sections that apply to you.

DO I HAVE TO GET THIS INSURANCE?

No, this insurance is optional.

CAN I CANCEL MY INSURANCE IF I DECIDE IT IS NOT RIGHT FOR ME?

You can cancel your insurance at any time. If you cancel within 30 days of the Coverage Start Date shown on your Coverage Summary, you will get a full refund of any premium you have paid and the coverage will never have been in effect. After the 30-day review period, there will be no premium refund, except where premiums may have been collected in error.

If you wish to cancel your insurance coverage contact 1-877-CALL BMO or talk to your branch representative.

CAN I ASSIGN OR TRANSFER MY COVERAGE?

No, you cannot assign or transfer your rights under this Certificate to another person or institution.

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WHAT TYPES OF COVERAGE ARE AVAILABLE UNDER THIS PLAN?

The Plan includes the following types of insurance that you can apply and be insured for to cover your Loan or Revolving LOC:

Balance Protection - life and critical illness insurance reduces or pays off your Loan or Revolving LOC balance if you die or have a covered critical illness as a result of cancer, or a heart attack, or coronary artery bypass surgery, or a stroke. You can get life insurance by itself or you can get life insurance combined with critical illness insurance. You cannot get critical illness insurance by itself.

Payment Protection - disability and job loss insurance fully or partially covers your Loan or Revolving LOC payments if you become disabled or lose your job. You can get disability insurance by itself or disability insurance combined with job loss insurance. You cannot get job loss insurance by itself.

WHO IS ELIGIBLE TO APPLY FOR INSURANCE?

Up to 8 borrowers can apply for coverage on a Loan or Revolving LOC.

On the date you apply for insurance (your Insurance Application Date) you must be:

For all types of coverage,

- 18 years or older,
- the borrower or co-borrower, and
- a Canadian resident.

For life insurance, you must also be under 65.

For critical illness insurance (combined with life), you must also be under 55, and:

- applying for or already insured for life insurance under this Plan.

For disability insurance you must also be under 65, and either:

- actively at work (employed or self-employed), or
- not actively at work because:
 - you are on maternity or parental leave, or
 - you are a seasonal worker applying during your off-season,
 - and in either case you are able to perform the regular duties of your job for at least 30 hours per week.

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

“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.

For job loss insurance (combined with disability), you must also be under 55, and:

- continuously employed for 6 months with the same employer and
- eligible to receive Government of Canada Employment Insurance benefits, and
- applying for or already insured for disability insurance under this Plan. (If applying for job loss insurance at a later date, you must still meet the eligibility criteria for disability insurance.)

In the event of a job loss claim, Canadian Premier may request proof that you were eligible for disability insurance coverage when you applied for job loss insurance coverage.

You cannot apply for job loss insurance if you are:

- in receipt of a notice of termination,
- self-employed, or
- an independent contractor.

Please see the definition of job loss in the Job Loss insurance subsection of **WHAT ARE THE IMPORTANT DETAILS OF THE COVERAGE?**

WHAT IS THE MAXIMUM AMOUNT OF COVERAGE YOU CAN GET?

The most insurance coverage you can apply and be insured for is called the Maximum Insurable Limit.

The Maximum Insurable Limits are different for a Loan and a Revolving LOC.

Loan:

The Maximum Insurable Limit on each Loan is up to:

- \$750,000 if you die
- \$450,000 for a covered critical illness
- \$3,000 a month for disability
- \$3,000 a month for job loss.

Revolving LOC:

The Maximum Insurable Limit on each Revolving LOC is up to:

- \$300,000 if you die
- \$300,000 for a covered critical illness
- \$1,500 a month for disability
- \$1,500 a month for job loss.

WHAT PERCENT OF COVERAGE CAN I CHOOSE?

Loan:

When you apply, you can choose to insure all (100%) or half (50%) of your Loan Amount and all (100%) or half (50%) of your Loan Payment, up to the Maximum Insurable Limit. You cannot have more critical illness coverage than life coverage. You cannot have more job loss coverage than disability coverage.

Your Loan Amount is the amount you owe on the **latest** of:

- the date your Loan is fully funded (fully advanced) by BMO,
- your Insurance Application Date for each coverage, or
- the date that Canadian Premier pays a Balance Protection benefit under your insured Loan that does not end your coverage (see “What happens if my life or critical illness claim is paid?”).

Your Loan Payment is either your regular Mortgage Payment or your Fixed Contractual Payment on an Instalment Line of Credit, that you have agreed to pay BMO and as shown on your Coverage Summary.

Your Percent of Balance/Payment Covered

Your Coverage Summary shows the actual percentage of your Loan Amount and Loan Payment that your insurance covers. This is called the Percent of Balance Covered under Balance Protection and Percent of Payment Covered under Payment Protection. It takes into account whether at time of enrolment you have chosen 100% or 50% coverage and is applied to your Loan Amount and/or Loan Payment, up to the Maximum Insurable Limit. If your Loan Amount or Loan Payment is above the Maximum Insurable Limit, the Percent of Balance/Payment Covered is automatically adjusted so that you never have more coverage than the Maximum Insurable Limit. The maximum amount/ payment covered is the **lesser** of your credit limit and the maximum insurable limit based on the percentage of coverage chosen.

Example 1: Francine and Marc

- Francine and Marc's Loan Amount is \$750,000.
- Francine chose 100% coverage for both life and critical illness coverage.
- Since the Maximum Insurable Limit for life coverage is \$750,000, Francine's Percent of Balance Covered remains at 100%.
- Since the Maximum Insurable Limit for critical illness is \$450,000, her Percent of Balance Covered for critical illness was automatically adjusted to 60% (the Maximum Insurable Limit of \$450,000 divided by the Loan Amount of \$750,000).
- If Francine were to die and her balance owing was \$500,000 at the time, the amount covered by insurance would be \$500,000 ($\$500,000 \times 100\%$).
- If Francine were diagnosed with a critical illness and her balance owing was \$500,000 at the time, the amount covered by insurance would be \$300,000 ($\$500,000 \times 60\%$).
- Francine and Marc's Loan Payment is \$3,150 per month.
- Marc chose 100% disability coverage.
- Since the Maximum Insurable Limit for disability is \$3,000, Marc's Percent of Payment Covered is automatically adjusted to 95% (the Maximum Insurable Limit of \$3,000 divided by the Loan Payment of \$3,150).
- If Marc were to become disabled, the amount covered by insurance would be \$3,000 per month (Loan Payment of $\$3,150 \times 95\%$).

Example 2: Julie and David

- Julie and David's Loan Amount is \$1,700,000.
- Julie chose 50% for both life and critical illness coverage. The 50% coverage is based on the Loan Amount at enrolment, therefore \$850,000 (The total Loan Amount of $\$1,700,000 \times 50\%$).
- Since the Maximum Insurable Limit for life coverage is \$750,000, Julie's Percent of Balance was automatically adjusted to 44% (the Maximum Insurable Limit of \$750,000 divided by the Loan Amount of \$1,700,000).
- Since the Maximum Insurable Limit for critical illness is \$450,000, her Percent of Balance Covered was automatically adjusted to 26% (the Maximum Insurable Limit of \$450,000 divided by the Loan Amount of \$1,700,000).
- If Julie were to die and her balance owing was \$1,000,000, the amount covered by insurance would be \$440,000 ($1,000,000 \times 44\%$).
- If Julie were diagnosed with a critical illness and her balance owing was \$1,000,000, the amount covered by insurance would be \$260,000 ($\$1,000,000 \times 26\%$).
- Julie and David's Loan Payment is \$6,500 per month.

- David chose 50% disability coverage. The 50% coverage is based on the payment amount at time of enrolment, therefore \$3,250 ($\$6,500 \times 50\%$).
- Since the Maximum Insurable Limit for disability is \$3,000, David's Percent of Payment Covered is automatically adjusted to 46% (the Maximum Insurable Limit of \$3,000 divided by the Loan Payment of \$6,500).
- If David were to become disabled, the amount covered by insurance would be \$3,000 per month (Loan Payment of $\$6,500 \times 46\%$).

Revolving LOC

You can only get 100% coverage on your Revolving LOC up to the Maximum Amount/ Payment Covered.

Your Maximum Amount/Payment Covered

Your Application and Coverage Summary show the Maximum Amount Covered under Balance Protection and Maximum Payment Covered under Payment Protection.

Example: Farah and Zak

- Farah's credit limit on her Revolving LOC is \$500,000.
- She selects life and critical illness coverage.
- The Maximum Insurable Limit for life and for critical illness coverage is \$300,000.
- Her Maximum Amount Covered is \$300,000, which is the lesser of her credit limit and the Maximum Insurable Limit.
- Zak's credit limit on his Revolving LOC is \$200,000.
- He selects disability coverage.
- His Maximum Payment Covered is \$1,500 per month which is the Maximum Insurable Limit.

WHEN DOES COVERAGE START?

The Coverage Start Date is shown on your Coverage Summary. Your Coverage Start Date is the **latest** of:

- your Insurance Application Date, if the coverage applied for does not require medical underwriting by Canadian Premier,
- the date Canadian Premier approves your Application, if you require medical underwriting,
- the date your Mortgage is set-up by BMO and a Commitment to Lend and Disclosure Statement is issued, or
- the date your Line of Credit is set-up by BMO and a Line of Credit Agreement is issued.

No benefit will be payable until BMO has advanced all the funds on your Loan.

WHEN DOES COVERAGE END?

Your insurance coverage on a Loan or Revolving LOC will end, without written notice to you, on the **earliest** of the following:

- the date your Loan is paid in full or discharged or your Revolving LOC is written-off or cancelled by BMO (in some cases, if a balance is still owing, your insurance remains in effect),

- the date your Loan is refinanced, re-advanced, ported or replaced or your Revolving LOC is increased or consolidated. This does not apply to any accepted BMO pre-approved credit limit increase up to a maximum of \$100,000 (refer to “What happens if my Revolving LOC is increased” section for more details).
- the date you are no longer a borrower,
- the date your insurance premium is more than 90 days in arrears,
- the date BMO receives a request from you to cancel all of your coverages,
- the date you die,
- the date your life or critical illness claim is paid by Canadian Premier on your Revolving LOC,
- for life coverage:
 - the date your 100% life claim is paid by Canadian Premier on your Loan, or
 - the date your critical illness claim is paid by Canadian Premier if you have the same Percent of Balance Covered for critical illness and life insurance, or
 - the date you turn 70 years old.
- for critical illness coverage:
 - the date your critical illness claim is paid by Canadian Premier on your Loan, or
 - the date you no longer have life coverage, or
 - the date you turn 70 years old,
- for disability insurance:
 - the date you no longer have a Fixed Contractual Payment on your Instalment Line of Credit, or
 - the date you turn 70 years old, or
- for job loss coverage:
 - the date you no longer have a Fixed Contractual Payment on your Instalment Line of Credit, or
 - the date you no longer have disability coverage, or
 - the date you turn 60 years old.

HOW MUCH WILL MY INSURANCE COVERAGE COST?

The money you pay for your insurance is called a premium. Premium rates and the method for calculating premium are different for a Loan and a Revolving LOC.

Loan premium calculation

There are separate premium rate tables for Balance Protection and Payment Protection. Your monthly premium rate is based on your age on the Insurance Application Date and will not change as you age.

Each rate table provides single and multi-rates per coverage type.

Your premium, plus provincial sales tax, if it applies, is charged in arrears and added to your Loan Payment on the payment due date.

Loan premium calculation for balance protection coverage

The Rate Table shows the rate for every \$1,000 of coverage

Loan Premium Rate Table – Balance Protection (monthly cost for every \$1,000 of coverage)				
	Life Insurance		Critical Illness Insurance	
Age	Single	Multi	Single	Multi
18-29	0.10	0.08	0.10	0.09
30-35	0.14	0.12	0.17	0.14
36-40	0.21	0.18	0.25	0.21
41-45	0.30	0.25	0.44	0.38
46-50	0.43	0.36	0.67	0.56
51-55	0.60	0.49	1.02	0.87
56-60	0.77	0.63		
61-64	1.08	0.89		

Follow these 6 steps to figure out your premium for each type of coverage:

1. Multiply your Loan Amount by the Percent of Balance Covered for a type of coverage.
2. Find your age at the time you applied for insurance in the left-hand column of the table.
3. Look for the specific type of coverage you are selecting. Find your premium rate. If you are the only borrower who is insured, use the single rate. If more than one borrower has the same coverage type, use the multi-rate.
4. Multiply your premium rate by the number you got in Step 1 and then divide by 1,000.
5. If your payment frequency is not monthly, multiply the amount you got in Step 4 by the frequency factor in the conversion chart below.

Conversion Rate Chart for Balance Protection Coverage

Use this chart to convert a monthly premium to your payment schedule.

Payment Frequency	Frequency Factor
Weekly	0.2308
Every two weeks (bi-weekly)	0.4615
Twice a month (semi-monthly)	0.5

6. Add provincial sales tax (if it applies).

Example: Wei and Lee

- Wei and Lee have both purchased life insurance coverage for their Loan.
- Wei is 33 and Lee is 29 when they apply for their insurance.
- Their Loan Amount is \$200,000 and they make weekly Loan Payments.
- Wei has 100% and Lee has 50% Percent of Balance Covered.
- For Wei to figure out the amount of life premium he will have to pay, he takes \$200,000, which is 100% of his Loan Amount and multiplies it by his multi-rate of \$0.12 and then divides by 1,000 to get \$24.00.
- He then multiplies \$24.00 by the weekly frequency factor of 0.2308 to get a weekly premium of \$5.54.
- There is no applicable sales tax in their province.
- Lee multiplies \$200,000 by 50% to get \$100,000 of coverage.
- She then multiplies \$100,000 by her multi-rate of \$0.08 and divides by 1,000 to get \$8.00.
- She then multiplies \$8.00 by the weekly frequency factor of 0.2308 to get a weekly premium of \$1.85.
- There is no applicable sales tax in their province.
- Together, Wei and Lee’s premium for life insurance is \$7.39 (\$5.54 + \$1.85)

Loan premium calculation for payment protection coverage

The Rate Table below shows the rate by coverage type for every \$100 of coverage.

Loan Premium Rate Table -- Payment Protection (for every \$100 of coverage)				
	Disability Insurance		Job Loss Insurance	
Age	Single	Multi	Single	Multi
18-29	1.48	1.42	1.50	1.43
30-35	1.89	1.80	1.50	1.43
36-40	2.47	2.35	1.50	1.43
41-45	3.18	3.02	1.50	1.43
46-50	3.84	3.65	1.50	1.43
51-55	4.73	4.50	1.50	1.43
56-60	5.84	5.55		
61-64	7.24	6.88		

Follow these 6 steps to figure out your premium:

1. Multiply your Loan Payment by the Percent of Payment Covered for a type of coverage.
2. If applicable, add **all** Balance Protection premiums (see premium calculation for Loan Balance Protection) that you and any other borrower have on this Loan to Step 1.
3. Find your age at the time you applied for insurance in the left-hand column of the table.
4. Look for the specific type of coverage you are selecting. Find your premium rate. If you are the only borrower who is insured, use the single rate. If more than one borrower has the same coverage type, use the multi-rate.

5. Multiply your premium rate by the number you got in Step 2 and then divide by 100.
6. Add provincial sales tax (if it applies).

Example: Wei and Lee (continued)

- In addition to life insurance for himself and Lee, Wei also has a Percent of Payment Covered of 100% for disability coverage.
- Their weekly Loan Payment is \$241.64 plus his and Lee’s total weekly Balance Protection premium of \$7.39 equals \$249.03.
- He multiplies this amount by his single rate for disability of \$1.89 and then divides by 100 to get \$4.71.
- His weekly disability premium is \$4.71.
- There is no sales tax in their province.

Revolving LOC premium calculation

The premium rate table and method for calculating premium is the same for Balance Protection and Payment Protection coverage. Your monthly premium rate is based on your age each statement date and will change as you age. The table shows different rates for single and multi-rate coverage.

Your premium, plus provincial sales tax, if it applies, is charged in arrears and added to your Revolving LOC balance each statement date.

Revolving LOC premium calculation for balance and payment protection coverage

The Rate Table below shows your monthly premium rate for every \$1,000 of coverage.

Revolving LOC Premium Rate Table (for every \$1,000 of coverage)								
Balance and Payment Protection								
	Life Insurance		Critical Illness Insurance		Disability Insurance		Job Loss Insurance	
Attained Age	Single	Multi-rate	Single	Multi-rate	Single	Multi-rate	Single	Multi-rate
18 - 29	\$0.13	\$0.11	\$0.13	\$0.11	\$0.44	\$0.42	\$0.30	\$0.28
30 - 35	\$0.19	\$0.16	\$0.19	\$0.16	\$0.56	\$0.53	\$0.30	\$0.28
36 - 40	\$0.27	\$0.22	\$0.27	\$0.22	\$0.72	\$0.68	\$0.30	\$0.28
41 - 45	\$0.40	\$0.33	\$0.50	\$0.41	\$0.90	\$0.86	\$0.30	\$0.28
46 - 50	\$0.48	\$0.40	\$0.71	\$0.59	\$1.09	\$1.03	\$0.30	\$0.28
51 - 55	\$0.65	\$0.54	\$1.04	\$0.86	\$1.34	\$1.27	\$0.30	\$0.28
56 - 60	\$0.95	\$0.78	\$1.62	\$1.34	\$1.70	\$1.62	\$0.30	\$0.28
61 - 65	\$1.35	\$1.11	\$2.25	\$1.86	\$2.15	\$2.04		
66 - 69	\$2.35	\$1.94	\$2.71	\$2.24	\$2.63	\$2.49		

Follow these 7 steps to calculate your premium for each type of coverage:

1. Take the **lesser** of:
 - a. your Average Daily Balance*, or
 - b. the Maximum Amount/Payment Covered, (which is the **lesser** of your credit limit and the Maximum Insurable Limit, for the specific type of coverage).

2. Find your age as of your statement date, in the left-hand column of the table. The attained age used to calculate your premium is your age as of the statement date.
3. Look for the specific type of coverage you are selecting. Find your premium rate. If you are the only borrower who is insured, use the single rate. If more than one borrower has the same coverage type, use the multi-rate.
4. Multiply the premium rate by the number you got in Step 1 and divide by 1,000.
5. Multiply the number you got in Step 4 by 12 and then divide by 365 to get the daily premium.
6. Multiply the daily premium by the number of days that you were insured during the statement period. The number of days in the statement period is the number of days from one statement date to the next statement date.
7. Add provincial sales tax (if it applies).

*Your Average Daily Balance is the total of the end-of-day balances in the statement period, plus interest and fees, divided by the number of the days in the statement period. If there is no Average Daily Balance no premium will be charged for the statement period.

Example: Marcel and Lenora

- Marcel and Lenora have a teenage daughter who will be starting university next month.
- They were approved for a \$100,000 Revolving LOC.
- Marcel chose disability coverage.
- On the December statement date on their Revolving LOC, Marcel was 43 years old and their Average Daily Balance was \$20,470.
- To calculate his disability premium Marcel takes \$20,470 and multiplies it by his single rate for disability of \$0.90 and then divides by 1,000 to get \$18.42.
- He multiplies this amount by 12 and then divides by 365 to get \$0.60, which is his daily premium.
- He then multiplies by 31 (the number of days he was insured during the statement period) for a premium amount of \$18.77 (plus sales tax, if it applies).

WHAT WILL CANADIAN PREMIER PAY IF MY CLAIM IS APPROVED, FOR EACH TYPE OF COVERAGE?

This section describes what Canadian Premier will pay to BMO for a loss occurring while your insurance coverage is in effect and your claim is approved. The payment may not cover the entire balance that you owe or are required to pay to BMO under your Loan or Revolving LOC.

The amount Canadian Premier pays will never exceed the lesser of:

- the Maximum Insurable Limit under your Loan or Revolving LOC, or
- the amount owed to BMO at date of death regardless of the number of insured borrowers or the percentage of coverage chosen.

Please read “What are the important details of the coverage (including limitations and exclusions)” and your Coverage Summary to confirm what coverage types apply to you. No benefit will be paid until BMO has advanced the funds on your Loan or Revolving LOC.

Loan:

If you chose:	For covered losses occurring while your insurance coverage is in effect and your claim is approved, Canadian Premier will pay to BMO on your behalf:
Balance Protection life insurance	<ul style="list-style-type: none"> • The amount owing on your Loan on the date of your death multiplied by your Percent of Balance Covered, and • All unpaid interest that has accrued to the date of benefit payment, and • Any BMO fees, unpaid interest, or penalties required to discharge your Loan, and • For a Mortgage, property tax owing, to the date of your benefit payment (if your property taxes were part of your Mortgage Payment).
Balance Protection critical illness insurance	<ul style="list-style-type: none"> • The amount owing on your Loan on the date of your coronary artery bypass surgery or Diagnosis of cancer, heart attack or stroke, multiplied by your Percent of Balance Covered, and • All unpaid interest that has accrued to the date of benefit payment, and • Any BMO fees, unpaid interest, or penalties required to discharge your Loan, and • For a Mortgage, property tax owing, to the date of your benefit payment (if your property taxes were part of your Mortgage Payment).
Payment Protection disability insurance	<ul style="list-style-type: none"> • Your Loan Payment on the date of your Disability multiplied by your Percent of Payment Covered, and • All insurance premiums owing on your Loan. <p>Benefits start after a qualifying period of 30 consecutive days, and the benefit maximum is 24 months for each Disability.</p>
Payment Protection job loss insurance	<ul style="list-style-type: none"> • Your Loan Payment on the date of your Job Loss multiplied by your Percent of Payment Covered, and • All insurance premiums owing on your Loan. <p>Benefits start after a qualifying period of 60 consecutive days, and the benefit maximum is 6 months for each Job Loss.</p>

Revolving LOC:

If you chose:	For covered losses occurring while your insurance coverage is in effect and your claim is approved, Canadian Premier will pay to BMO on your behalf:
Balance Protection life insurance	<p>The amount owing on your Revolving LOC on the date of your death:</p> <ul style="list-style-type: none"> • When death occurs as a result of an accident*, the Revolving LOC account balance, up to the Maximum Amount Covered, or • When death occurs for any other cause, the lesser of: <ul style="list-style-type: none"> - the Revolving LOC account balance up to the Maximum Amount Covered and - 110% of the average of the 12 insured statement** balances immediately preceding the date of death, up to the Maximum Amount Covered.
Balance Protection critical illness insurance	<p>The amount owing on your Revolving LOC on the date of your coronary artery bypass surgery or Diagnosis of cancer, heart attack, or stroke that is:</p> <ul style="list-style-type: none"> • The lesser of: <ul style="list-style-type: none"> - the Revolving LOC account balance up to the Maximum Amount Covered, and - 110% of the average of the 12 insured statement** balances immediately preceding the date of your Surgery or Diagnosis for a covered critical illness, up to the Maximum Amount Covered.
Payment Protection disability insurance	<p>The amount owing on your Revolving LOC on the date of Disability:</p> <ul style="list-style-type: none"> • When your Disability is a result of an accident*, 3% of the Revolving LOC account balance, up to the Maximum Payment Covered, or • When your Disability results from any other cause, 3% of the lesser of: <ul style="list-style-type: none"> - the Revolving LOC account balance up to the Maximum Payment Covered, and - 110% of the average of the 12 insured statement** balances immediately preceding the date of the Disability up to the Maximum Payment Covered. <p>Benefits start after a qualifying period of 30 consecutive days and the benefit maximum is 24 months for each Disability.</p>

Payment Protection job loss insurance	<p>The amount owing on your Revolving LOC on the date of Job Loss, that is:</p> <ul style="list-style-type: none"> • 3% of the lesser of: <ul style="list-style-type: none"> - the Revolving LOC account balance, up to the Maximum Payment Covered, and - 110% of the average of the 12 insured statement** balances immediately preceding the date of Job Loss up to the Maximum Payment Covered. <p>Benefits start after a qualifying period of 60 consecutive days and the benefit maximum is 6 months for each Job Loss.</p>
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* An accident is a bodily injury that occurs solely as a direct result of a violent, sudden and unexpected action from an outside source.

** An insured statement is a Revolving LOC account statement where you were insured for coverage for any part of that statement period.

If you are insured for more than 12 months, add the account balance on the 12 insured Revolving LOC account statements issued immediately prior to the date of loss, divide the total by 12, then multiply this number by 110%.

If you are insured for less than 12 months, add the account balance of all insured Revolving LOC account statements issued immediately prior to the date of loss, divide the total by the number of statements, then multiply this number by 110%.

WHAT ARE THE IMPORTANT DETAILS OF THE COVERAGE (INCLUDING LIMITATIONS AND EXCLUSIONS)?

This section explains each type of coverage in more detail, including when Canadian Premier will limit or not pay an insurance benefit for each type of coverage.

Physician means a legally and professionally qualified medical practitioner practising in Canada or the United States of America. The Physician must not be you, a relative of yours, or a person who normally resides in the same household as you.

Life insurance

What is not covered

No benefit will be payable for a Loan or Revolving LOC if:

- your death results directly or indirectly:
 - from your participation or attempted participation in a criminal offence,
 - 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),
 - from civil disorder or war, whether or not war was declared, unless you are on active military duty as a member of the Canadian Armed forces or Canadian Forces Reserve,
- your death occurs while you are under the influence of or impaired by any drug or substance, unless taken as prescribed by a Physician, or
- the cause of your death was alcohol intoxication.

Where coverage has been in force for less than 24 months, no benefit will be payable for a Loan or Revolving LOC 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.

Critical illness insurance

Critical illness terms and what they mean

Diagnosis and Diagnose mean a written diagnosis by a Physician or Specialist (see definition below) of the covered condition. Any Diagnosis must be made while coverage is in force and will be effective as of the date it is established by the Physician or Specialist, as supported by your medical records. Any diagnosis of a covered condition that was made prior to your Insurance Application Date will not be covered.

Please see the definition of a Physician under section WHAT ARE THE IMPORTANT DETAILS OF THE COVERAGE?

Specialist means a legally and professionally qualified medical practitioner who has been trained in the specific area of medicine relevant to the covered critical illness condition for which a critical illness benefit is being claimed, and who has been certified by a specialty examining board. In the absence or unavailability of a specialist, and as approved by Canadian Premier, a condition may be diagnosed by a legally and professionally qualified medical practitioner practising in Canada or the United States of America. The specialist must not be you, a relative of yours, or a person who normally resides in the same household as you.

Surgery means a medical operation performed on you and recommended by a Physician or Specialist, licensed and practicing in Canada or the United States of America.

What is a covered critical illness?

Cancer

Cancer means a definite Diagnosis of a tumour characterized by the uncontrolled growth and spread of malignant cells and the invasion of tissue. The Diagnosis of cancer must be made by a Specialist.

Moratorium period

No benefit will be payable for cancer if, **within 90 days of your Coverage Start Date**, you have any of the following:

- signs, symptoms or investigations, that lead to Diagnosis of cancer (covered or excluded under this coverage), regardless of when the Diagnosis is made; **or**
- a Diagnosis of cancer (covered **or** excluded under this coverage).

In this case, your critical illness coverage for cancer ends and coverage continues on the remaining covered critical illnesses.

Medical information about a Diagnosis and any signs, symptoms or investigations leading to a Diagnosis must be reported to Canadian Premier within 6 months of the date of Diagnosis. If this information is not provided Canadian Premier has the right to deny any claim for cancer or, any critical illness caused by any cancer or its treatment.

Additional limits on coverage

No benefit will be payable for a recurrence or metastasis of an original cancer, which was Diagnosed prior to the Insurance Application Date.

No benefit will be payable for the following non-life-threatening cancers:

- carcinoma in situ; **or**
- Stage 1A malignant melanoma (melanoma less than or equal to 1.0 mm in thickness, not ulcerated and without Clark level IV or level V invasion); **or**
- any non-melanoma skin cancer that has not become metastasized; **or**
- Stage A (T1a or T1b) prostate cancer.

No benefit will be paid if your Diagnosis resulted directly or indirectly from the intentional taking of drugs, except where prescribed by a Physician or Specialist.

Heart attack

Heart attack (myocardial infarction) means a definite Diagnosis of the death of heart muscle due to obstruction of blood flow that results in a rise and fall of biochemical cardiac markers to levels considered diagnostic of myocardial infarction, with at least one of the following:

- heart attack symptoms; **or**
- new electrocardiogram (ECG) changes consistent with a heart attack; **or**
- development of new Q waves during or immediately following an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty.

The diagnosis of heart attack must be made by a Specialist.

Heart attack does not include:

- elevated biochemical cardiac markers as a result of an intra-arterial cardiac procedure including, but not limited to, coronary angiography and coronary angioplasty, in the absence of new Q waves; **or**
- ECG changes suggesting a prior myocardial infarction, which do not meet the heart attack definition above.

No benefit will be payable if your Diagnosis or Surgery resulted directly or indirectly from the intentional taking of drugs, except where prescribed by a Physician or Specialist.

Coronary artery bypass surgery

Coronary artery bypass surgery means the undergoing of heart surgery to correct narrowing or blockage of one or more coronary arteries with bypass graft(s). The Surgery must be determined to be medically necessary by a Specialist.

Coronary artery bypass surgery does not include:

- any non-surgical or trans-catheter techniques, such as balloon angioplasty or laser relief of an obstruction.

No benefit will be payable if your Surgery resulted directly or indirectly from the intentional taking of drugs, except where prescribed by a Physician or Specialist.

Stroke

Stroke (cerebrovascular accident) means a definite Diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis or haemorrhage, or embolism from an extra-cranial source, with:

- acute onset of new neurological symptoms; and
- new objective neurological deficits on clinical examination persisting for more than 30 days following the date of Diagnosis.

Stroke does not include:

- transient ischaemic attacks; **or**
- intracerebral vascular events due to trauma; **or**
- lacunar infarcts that do not meet the definition of stroke above.

No benefit will be payable if your Diagnosis or Surgery resulted directly or indirectly from the intentional taking of drugs, except where prescribed by a Physician or Specialist.

Disability insurance

What is a disability?

Disability or Disabled means:

- any medical condition that prevents you from performing substantially all of the essential duties of your job, or
- you are unable to perform the regular duties of your full-time occupation you had prior to retirement, going on parental leave, or becoming unemployed.

What is the disability benefit?

If you become Disabled, there is a qualifying period of 30 consecutive days. No benefit is payable for the qualifying period. While your claim is being reviewed by Canadian Premier, you have to keep making your Loan or Revolving LOC payments until a decision is made on your claim. If your claim is approved, your account will be credited with any eligible payments you made after the qualifying period. For a Loan, the claim payment will begin on the first scheduled Loan Payment due date after your qualifying period and will be paid on your Loan Payment frequency. For a Revolving LOC the claim payment will begin on the first scheduled Revolving LOC payment due date after your qualifying period and will be paid on a monthly basis.

You can collect disability benefits for up to 24 months, for each Disability.

Following your qualifying period, if you are Disabled for a period that is less than a full month, Canadian Premier will pay a benefit equal to 1/30th of the payment amount for each day that you are Disabled.

What if a disability recurs?

If you had a Disability for which we paid Disability benefits and the same Disability occurs again within 6 months of your recovery or your return to work:

- we will consider it a continuation of your previous disability,
- benefits will be based on the same benefit amount as paid on the original date of Disability,
- no benefits will be payable for the period you worked or for your recovery period, and

- your benefit payments will begin again after you have provided satisfactory proof to Canadian Premier of the recurrence of your Disability.

The months both before and after the recurrence of the Disability in which payments are made will count towards the maximum payment period of 24 months.

What if there are Concurrent Disabilities?

You may only make one Disability Insurance claim at a time, and no additional Disability Insurance benefits will be paid for any additional Disability that arises during the Disability Insurance claim period. All sicknesses or injuries that result in your Disability as of the date you first become Disabled, or during the Disability Insurance claim period, are considered to result in only one Disability Insurance claim under this Certificate. This means that while you are Disabled, and during the Disability Insurance claim period, no further claims will be accepted for Disability arising from related or unrelated causes.

When do disability benefits end?

Benefits will end on the **earliest** of the date:

- you are not under the active and continuous care of a Physician or other health care practitioner approved by Canadian Premier,
- you refuse to undergo a medical examination by a Physician or other health care practitioner selected by Canadian Premier,
- you do not provide satisfactory proof of your continuing Disability to Canadian Premier,
- the Loan's last scheduled payment is due,
- the date 24 months of Disability Insurance benefit payments have been paid,
- you return to work in a business, occupation or undertaking for wages or expectation of profit,
- your Loan is paid out,
- in the event of your death,
- the date your Disability ends or you are able to return to work, and
- you work in a business, occupation or undertaking for wages or expectation of profit.

What is not covered?

No benefit will be payable if:

- you are receiving job loss benefits at the time of your Disability,
- you don't meet the definition of Disability, or
- you are not under the active and continuous care of a licensed Physician.

No disability benefit will be payable if

- your Disability results directly or indirectly:
 - from your participation or attempted participation in a criminal offence,
 - 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),
 - from intentional self-inflicted injuries unless you have a mental illness,
 - from civil disorder or war, whether or not war was declared, unless you are on active military duty as a member of the Canadian Armed Forces or Canadian Forces Reserve,
 - from elective cosmetic or experimental surgery or treatment,
 - from normal pregnancy,

- your Disability occurs while you are under the influence of or impaired by any drug or substance, unless taken as prescribed by a Physician, or
- the cause of your Disability was alcohol intoxication.

What if more than one borrower has a Payment Protection claim at the same time?

If you and a co-borrower have a Disability at the same time, the benefit will be based on the Percentage of Payment Covered and will not exceed the amount owed to BMO. If the Percentage of Payment Covered is 100%, only one claim will be processed. If you still have a Disability when your co-borrower's claim has ended, your claim will be processed.

WHAT IS A PRE-EXISTING CONDITION?

A pre-existing condition is 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.

WHAT HAPPENS IF I HAVE A PRE-EXISTING CONDITION?

If you were not required to answer any health questions, no benefits will be paid if your claim is due to a pre-existing condition and the claim occurs in the 12 months after the date you signed the insurance application for coverage.

Job loss insurance

What is a job loss?

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

For seasonal workers, unemployment during the normal off-season is **not** considered involuntary loss of employment.

What is the job loss benefit?

If you experience Job Loss, there is a qualifying period of 60 consecutive days. No benefit is payable for the qualifying period. While your claim is being reviewed by Canadian Premier, you have to keep making your Loan or Revolving LOC payments until a decision is made on your claim. If your claim is approved, your account will be credited with any eligible payments you made after the qualifying period. For a Loan, the claim payment will begin on the first scheduled Loan Payment due date after your qualifying period, subject to approval of your Government of Canada Employment Insurance benefits, and will be paid on your Loan Payment frequency. For a Revolving LOC the claim payment will begin on the first scheduled Revolving LOC payment due date after your qualifying period, subject to the approval of your Government of Canada Employment Insurance benefits, and will be paid on a monthly basis.

You can collect job loss benefits for up to 6 months for each Job Loss.

Following your qualifying period, if you have a Job Loss for a period that is less than a full month, Canadian Premier will pay a benefit equal to 1/30th of the payment amount for each day that you have a Job Loss.

When do Job Loss benefits end?

Benefits will end on the **earliest** of the date:

- your Government of Canada Employment Insurance benefit claim is not paid for any reason,
- 6 months of Job Loss benefit payments have been paid,
- you return to work, or engage in any business or occupation for wages or profit,
- your Loan is paid out,
- in the event of your death, or
- you do not provide satisfactory proof of your continuing receipt of Government of Canada Employment Insurance benefit to Canadian Premier.

What is not covered?

No job loss benefit will be payable if:

- you are not eligible to receive Government of Canada Employment Insurance benefits,
- you were ineligible for Disability coverage at the time you applied for Job Loss coverage,
- you are receiving Disability benefits at the time of your Job Loss,
- you are receiving Government of Canada Employment Insurance benefits because you are:
 - on maternity or parental leave allowed by law or agreed to with your employer,
 - on a leave of absence,
 - laid-off from seasonal work during your normal period of seasonal layoff,
 - a contract worker and you have reached the end of your contract term,
- your loss of employment does not otherwise meet the definition of Job Loss,
- during your application for Job loss insurance, you were aware of your pending unemployment
- you are receiving wages for any employment,
- you return to work for wages or profit during the Qualifying Period,
- you do not provide satisfactory proof of your continuing receipt of Government of Canada Employment Insurance benefit to Canadian Premier,
- you are terminated by your employer for cause,
- you quit, resign or voluntarily terminate your employment,
- you retire, whether mandatorily or voluntarily,
- your job loss occurred within 90 days after your Coverage Start Date,
- you or another Insured Person begin receiving Disability Insurance benefits under the loan.

What if more than one borrower has a Payment Protection claim at the same time?

If you and a co-borrower have a Job Loss at the same time, the benefit will be based on the Percentage of Payment Covered and will not exceed the amount owed to BMO. If the Percentage of Payment Covered is 100%, only one claim will be processed. If you still have a job loss when your co-borrower's claim has ended, your claim will be processed.

CAN CANADIAN PREMIER VOID MY COVERAGE?

Canadian Premier may void your insurance coverage in the following situations:

- you were not eligible for coverage under this Certificate on your Insurance Application Date. Any premium paid will be refunded.

- you gave false information or did not provide complete details to requests for information Canadian Premier required to assess and approve your insurance application. This applies to any responses in your Application and to any other information Canadian Premier received from you, whether in writing, electronically, or by telephone.
- If Canadian Premier voids your coverage, and your coverage was in place for less than 2 years from the date the application was signed, your premiums for that coverage will be refunded. If Canadian Premier voids your coverage for fraudulent misrepresentation, and your coverage was in place for 2 years or more from the date the application was signed, your premiums will not be refunded.

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

Loan

What happens if a life claim is paid?

If you had 100% life coverage and a life benefit is paid, all coverage for you and your co-borrowers will end.

If you had less than 100% life insurance protection and you die, all of your coverage ends. If your life claim is paid, the amount owing on the Loan will be reduced by the benefit payment to get a new Loan Amount. Your co-borrowers keep all of their Balance and Payment Protection coverage that they had. Their Percent of Balance Covered may be adjusted to maintain the same amount of coverage that they had prior to the date of death. They will receive an updated Coverage Summary.

Example: Francine and John

- Francine and John's Loan Amount is \$500,000 and they both selected 50% life coverage.
- On the date of Francine's death the amount owing on the Loan is \$300,000.
- After the life claim of \$150,000 is paid ($\$300,000 \times 50\%$), the new Loan Amount is \$150,000 ($\$300,000$ minus $\$150,000$).
- John's life coverage remains in effect.
- To find his new Percent of Balance Covered, he divides \$150,000 (the amount of coverage he had prior to Francine's life claim [$\$300,000 \times 50\%$]) by the new Loan Amount after the life claim payment [$\$150,000$].
- His new Percent of Balance Covered is 100%.

What happens if a critical illness claim is paid?

If you have more life coverage than critical illness coverage and a critical illness benefit is paid, your critical illness insurance ends. Your life coverage remains in effect. The amount owing on the Loan will be reduced by the critical illness claim payment to get a new Loan Amount. Your Percent of Balance Covered may be adjusted to maintain the same amount of coverage you had before the critical illness benefit payment. Any Payment Protection coverage that you had remains in effect.

Example: Jose

- Jose has a Loan Amount for \$1,000,000.
- Since this amount is more than the Maximum Insurable Limit, the Percent of Balance Covered is automatically adjusted to 75% life and 45% critical illness.
- At the date of Diagnosis of a covered critical illness the amount owing on his

Loan is \$500,000.

- After the critical illness claim payment of \$225,000 ($\$500,000 \times 45\%$), his new Loan Amount is \$275,000 ($\$500,000$ minus $\$225,000$).
- To get his Percent of Balance Covered for life coverage Jose takes \$375,000 which is the amount of life coverage he would have had at the date of the critical illness Diagnosis ($\$500,000 \times 75\%$) and subtracts the amount of the critical illness claim payment ($\$225,000$) to get \$150,000.
- He then divides \$150,000 by the new Loan Amount ($\$275,000$) to get his new Percent of Balance Covered for life coverage of 54%.

If you have the **same** Percent of Balance Covered for critical illness **and** life insurance (for example 50% critical illness and 50% life coverage), your critical illness coverage **and** life coverage ends after a critical illness benefit is paid. Any Payment Protection coverage that you had remains in effect.

Your co-borrowers keep all of their same Balance and Payment Protection coverage. Their amount owing on the Loan is reduced by the critical illness claim payment to get a new Loan Amount. Their Percent of Balance Covered may be adjusted to maintain the same amount of coverage they had prior to the critical illness benefit payment. They will receive an updated Coverage Summary.

Example: Dave and Jackie

- Dave and Jackie's Loan Amount is \$500,000 and they both selected 50% life coverage and 50% critical illness coverage.
- On the date of Dave's Diagnosis of cancer, the amount owing on their Loan is \$300,000.
- A critical illness benefit of \$150,000 is paid ($\$300,000 \times 50\%$).
- The new Loan Amount is now \$150,000 ($\$300,000$ minus $\$150,000$).
- Dave's critical illness and life coverage ends. Jackie's coverage continues.
- Jackie divides \$150,000 (her coverage amount before the critical illness claim ($\$300,000 \times 50\%$)) by the new Loan Amount ($\$150,000$) to get a new Percent of Balance Covered of 100% for both her life and critical illness coverage.

Revolving LOC

If Canadian Premier pays a life or critical illness benefit, all of your Balance and Payment Protection coverage ends. Your co-borrowers keep their Balance and Payment Protection coverage as long as the Revolving LOC with BMO continues in effect.

WHAT HAPPENS IF MY LOAN IS REFINANCED, RE-ADVANCED, PORTED OR REPLACED?

If you:

- refinance, port or replace your existing BMO Mortgage; or
 - re-advance, port or replace your Instalment Line of Credit
- your insurance will end under the existing Loan on the date your existing Loan is refinanced/re-advanced, ported or replaced.

To be covered under the BMO Protection Plan you must complete a new insurance application.

If your new application is:

- approved, your new premium rate will be determined by your age on the date of the new application; or
- declined by Canadian Premier because of a health condition or you are above the eligibility age to apply for coverage and under the termination age for the selected coverage type, you may be eligible for recognition of prior coverage (ROPC).

ROPC provides you with the same amount of coverage you had for balance protection and/or payment protection on the date immediately before the date your Loan was refinanced/re-advanced, ported or replaced. This amount of coverage will never exceed the amount of Balance and/or Payment coverage that was in place on your previous Loan Amount or what is owed to BMO on your new Loan. ROPC is only recognized along products of the same credit-type (Mortgage to Mortgage/Instalment, Instalment to Mortgage/Instalment, Revolving to Revolving). Terms and conditions of the new Certificate of Insurance apply.

If you qualify for ROPC:

- your premium rate will be based on your age on your most recent approved Insurance Application Date
- once your new Loan is set up, you will be notified in writing that your insurance is in effect and you will receive an updated Coverage Summary.

If ROPC applies, follow these steps to figure out how much you are covered for.

Balance protection coverage

1. Multiply the amount owing on your Loan on the date that you apply for a refinance or re-advance by the Percent of Balance Covered.
2. Divide this amount by the new Loan Amount (after the refinance or re-advance) to get your new Percent of Balance Covered.
3. The premiums you pay will be calculated on the new Loan Amount multiplied by the new Percent of Balance Covered.

Payment protection coverage

1. Multiply your Loan Payment on the date that you applied for a refinance or re-advance by your Percent of Payment Covered.
2. Divide this amount by your new Loan Payment (after the refinance or re-advance) to get your new Percent of Payment Covered.
3. The premiums you pay for insurance will be based on the new Loan Payment multiplied by the new Percent of Payment Covered.

Example: Carrie

- When Carrie was 30, she got a Mortgage on her condo for \$350,000.
- She selected 100% life coverage and 50% disability coverage.
- She is now 38 and her balance is \$150,000
- She decides to refinance her Mortgage for \$250,000.
- She has to reapply for insurance and is declined due to a health condition.
- Since she had insurance coverage on her Mortgage immediately before her readvance, she is eligible for ROPC.
- Her life coverage prior to the refinance was \$150,000 (\$150,000 balance x 100% coverage).
- She divides \$150,000 by \$250,000 to get a new Percent of Balance Covered of 60%.

Her premium rate will be based on her age on the Insurance Application Date before she reapplied, which was 30 years old.

- Carrie also had 50% coverage for Disability prior to the refinance of her Mortgage.
- She multiplies her Loan Payment and Percent of Payment Covered prior to the refinance (\$1,659 by 50%) to get \$829.50. She divides \$829.50 by her new Loan Payment of \$1,185 to get 70%.
- This is her new Percent of Payment Covered.
- Her premium rate will be based on her age on the Insurance Application Date before she reapplied, which was 30 years old.

WHAT HAPPENS IF MY REVOLVING LOC IS INCREASED OR CONSOLIDATED?

If you or a co-borrower request to increase the limit on your Revolving LOC or use your Revolving LOC to consolidate an existing insured BMO Revolving LOC, your insurance coverage will end on your insured Revolving LOC on the date your credit limit is increased or consolidated into your new Revolving LOC.

If you accepted a BMO pre-approved credit limit increase on your Revolving LOC that is up to a maximum of \$100,000, you do not need to complete a new insurance application. Your existing coverage will automatically increase up to the BMO pre-approved credit limit amount up to a maximum of \$100,000.

If you accepted a BMO pre-approved credit limit increase which increased your credit limit to an amount over \$100,000, you will need to reapply for insurance coverage.

Subject to the Maximum Insurable Limit, your coverage will never exceed your Revolving LOC limit.

To be covered under the BMO Protection Plan You must complete a new insurance application.

If your application is declined by Canadian Premier because of a health condition or you are above the eligibility age to apply for coverage and under the termination age for your selected coverage type, you may be eligible for recognition of prior coverage (ROPC).

ROPC provides you with the same amount of coverage you had before the date your credit limit was increased or consolidated into a new Revolving LOC.

If you qualify for ROPC, your ROPC new coverage amount will be the **lesser** of:

- your credit limit before you reapplied for insurance, and
- the Maximum Insurable Limit for each specific coverage type.

Once your new Revolving LOC is set up, you will be notified in writing that insurance is in effect and you will also receive an updated Coverage Summary.

There is no change to how your premium is calculated.

WHAT HAPPENS IF I WANT TO INCREASE MY INSURANCE COVERAGE ON MY LOAN?

If you want to increase your insurance coverage on a Loan, you must complete a new insurance application.

If Canadian Premier declines your application to increase coverage because of a health condition there will be no change to your Percent of Balance/Payment Covered or your Loan Amount or Loan Payment. Your premium rate remains the same as you had before reapplying. You will receive confirmation in writing and an updated Coverage Summary.

Example: Habib

- Habib was 40 when he got an Instalment Line of Credit for \$150,000, with 50% life coverage.
- At the age of 43, he applied for 100% life coverage.
- Due to a health condition, he is declined for coverage.
- He will get 50% life coverage which is the same Percent of Balance Covered that he had prior to reapplying.
- His premium rate will be based on his age on the Insurance Application Date before he reapplied, which was 40 years old.

WHAT HAPPENS IF I WANT TO DECREASE MY INSURANCE COVERAGE ON MY LOAN?

You can request in writing to decrease your Loan coverage from 100% to 50%. Your premiums will be calculated on 50% of your Loan Amount prior to your applying for the decrease and your premium rate will be based on your age on your Insurance Application Date when you first applied for this coverage.

WHEN AND HOW DO I MAKE A CLAIM?

You can get a claim package and instructions on making a claim at any BMO branch or you can download the forms from BMO.com/protectionplans. Make sure to obtain the forms that are specific to your type of claim. Your claim package may include the following forms:

- BMO's statement
- your statement
- an attending physician's statement
- a copy of your insurance Application
- employer's statement.

Make your claim as soon as possible. You must keep making your Loan or Revolving LOC payments, including your insurance premiums until your claim is approved.

If your claim is approved, any eligible payments you have made will be re-imbursed.

Follow the instructions on the claim forms to complete them. After they have been completed, send them directly to Canadian Premier for their review. Canadian Premier's address and contact information is on each claim form.

If you have to get written proof, such as a physician's report, to back up your claim, you will have to pay for it.

For a covered critical illness, you will need to provide written proof from a Physician or Specialist of the Diagnosis. Canadian Premier may require that a Physician or health care practitioner, approved by Canadian Premier, examine you to validate a covered critical illness.

Canadian Premier will contact you about their claim decision.

If you have any questions on how to complete the claim package or the claim decision, you can contact Canadian Premier directly toll free at: **1-877-271-8713**.

Deadlines for making a claim

You should submit your claim before these deadlines.

Insurance type	Deadline
Life insurance	<u>For all provinces and territories outside of Quebec</u> , as soon as possible, but within one year of the date of death. <u>For Quebec residents</u> , as soon as possible but within three years of the date of death.
Critical illness	Within 180 days of written Diagnosis
Disability	Within 120 days of the date of Disability
Job loss	Within 120 days of the date of Job Loss

If you want to take legal action about your claim

Limitation Period for Ontario:

Every action or proceeding against an insurer for the recovery of insurance money payable under the policy is absolutely barred unless commenced within the time set out in the *Limitations Act, 2002*.

Limitation Period for All Other Provinces and Territories:

Every action or proceeding against an insurer for the recovery of insurance money payable under the policy is absolutely barred unless commenced within the time set out in the *Insurance Act* or other applicable legislation in your province or territory of residence.

HOW TO MAKE A COMPLAINT

For complaints regarding underwriting decisions or insurance claims under your insured loan please call the Canadian Premier Creditor Team at 1-877-271-8713. Please reference the BMO Protection Plan for Mortgages and Lines of Credit.

WHAT ARE MY INSURANCE DOCUMENTS?

You will receive the following documents if you're covered under the Plan. Make sure to keep them in a safe place:

- your Application for insurance,
- the Certificate,
- your letter of approval if medical underwriting is required, and
- your Coverage Summary.

Residents of Quebec will also be provided with a product summary, the insurance fact sheet and notice of rescission as required under the *Regulation respecting alternative distribution methods*.

You have the right to ask for a copy of the group policy between Canadian Premier and BMO that applies to you. The first copy of the group policy and any other written statements or records you submitted to Canadian Premier will be provided at no cost to you but a fee will be charged for subsequent copies.



The BMO Protection Plan for mortgages and lines of credit is insured and underwritten by Canadian Premier Life Insurance Company, which operates under the brand name Securian Canada.

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